

DANIEL F. GAINES, ESQ. SBN 251488
daniel@gaineslawfirm.com
ALEX P. KATOFISKY, ESQ. SBN 202754
alex@gaineslawfirm.com
GAINES & GAINES, APLC
4550 East Thousand Oaks Boulevard, Suite 100
Westlake Village, CA 91362
Telephone: (818) 703-8985
Facsimile: (818) 703-8984

Attorneys for Plaintiff Troy Cruse, on behalf of himself and all “aggrieved employees” pursuant to Labor Code § 2698 *et seq.*

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF BUTTE

TROY CRUSE, on behalf of himself and all
“aggrieved employees” pursuant to Labor
Code § 2698 *et seq.*,

Plaintiff,

v.

DUBUG NO. 7, INC., a California
corporation, and DOES 1 through 10,
inclusive,

Defendants.

Case No. 23CV00216

*Assigned to the Hon. Tamara L. Mosbarger,
Department 1*

**DECLARATION OF DANIEL F. GAINES
IN SUPPORT OF STIPULATION AND
[PROPOSED] ORDER APPROVING
SETTLEMENT OF PRIVATE
ATTORNEYS GENERAL ACT CLAIMS,
AND DISMISSING ACTION WITH
PREJUDICE**

Complaint Filed: January 23, 2023

1 I, DANIEL F. GAINES, hereby declare and state as follows:

2 1. I am an attorney duly admitted to the practice of law in the State of California. I am
3 the managing shareholder of Gaines & Gaines, APLC, counsel for Plaintiff Troy Cruse ("Plaintiff")
4 in this Action. I have personal knowledge of the facts set forth herein and if called as a witness to
5 testify to them, I could and would do so competently.

6 2. I obtained my BS degree from the University California at Berkeley in 2003. I majored
7 in Business Administration at the Haas School of Business.

8 3. Thereafter, I attended the University of Virginia School of Law. At Virginia, I was a
9 member of the editorial board of the Virginia Tax Review. I was also the recipient of the Lacy Armour
10 Scholarship, awarded to recognize academic excellence. At Virginia, I focused my studies on tax and
11 real estate. I earned my JD and became a member of the California Bar in 2007.

12 4. Until his retirement, I practiced law with my partner/father, Kenneth, at Gaines &
13 Gaines, APLC. Our practice specializes in litigation, with an emphasis in employment disputes like
14 this one. Over 95% of my practice is devoted to complex employment litigation similar to the instant
15 Action.

16 5. My firm has represented employees in employment matters such as this one, with an
17 emphasis in wage and hour issues. I have participated in and have been certified as Court-approved
18 class counsel in dozens of class and representative action matters since my admission to the Bar. A
19 true and correct list of some of the cases in which I have been appointed as class counsel is attached
20 hereto as Exhibit "A".

21 6. On November 15, 2022, my office, on behalf of Plaintiff, transmitted a letter to the
22 California Labor & Workforce Development Agency ("LWDA") Defendant Dubug No. 7, Inc.
23 ("Defendant") (hereinafter Plaintiff and Defendant are collectively referred to as the "Parties"),
24 setting forth the facts and theories of the violations alleged against Defendant. A true and correct copy
25 of the November 15, 2022 letter to the LWDA is attached hereto as Exhibit "B."

26 7. On January 23, 2023, Plaintiff filed his Representative Action Complaint seeking
27 penalties pursuant to Labor Code § 2699(f) for violations of Labor Code §§ 201, 202, 226(a), 226.7,
28

1 510, 512, and 1194 and pursuant to labor code § 2699(a) for violations of Labor Code §§ 226.3 and
2 558 (“the Action”).

3 8. During the course of the litigation, my office and Defendant’s Counsel engaged in
4 informal discovery and fully shared the information necessary for all sides to conduct a legitimate
5 investigation into the allegations of the action and potential defenses thereto. The Parties have reached
6 this settlement only after discovery and investigation was performed.

7 9. My office obtained and reviewed multiple documents, including (i) Plaintiff’s
8 employee file and time records, (ii) policy documents relating to the employment of Plaintiff and
9 Aggrieved Employees, and (iii) data relating to the number of alleged violations and the value of the
10 recoverable penalties, including time and payroll data.

11 10. Based on the information received, as well as through discussions with Defendant’s
12 Counsel, my office was able to (i) determine the total number of distinct individuals falling within
13 the definition of “Aggrieved Employees” for the relevant statutory period, and (ii) construct a damage
14 model that calculated the maximum realistic amount of PAGA penalties that could be levied against
15 Defendant within the PAGA Period. Defendant, however, disputed Plaintiff’s claims and disputed
16 both the existence of and extent of liability as alleged by Plaintiff. Based on the information received,
17 as well as through discussions with Defendant’s Counsel, my office was able to ascertain (i) the
18 number of Aggrieved Employees, (ii) the number of affected pay periods at issue among them, and
19 (iii) the strength of Plaintiff’s claims.

20 11. On February 27, 2024, after discovery and investigation, and being fully apprised of
21 the value and strength of Plaintiff’s claims, the Parties successfully negotiated a settlement of
22 Plaintiff’s claims asserted in the Action through arm’s-length negotiations assisted by respected
23 mediator, Mariam Zadeh, Esq. The terms and conditions of the settlement are set forth in the Private
24 Attorneys General Act (Labor Code § 2698 *et seq.*) Settlement Agreement (“Settlement” or
25 “Settlement Agreement”). The Settlement Agreement resolves all claims asserted in the Action and
26 contemplates that the Action will be dismissed with prejudice in exchange for the consideration set
27 out in the Settlement Agreement. Attached hereto as Exhibit “C” is a true and correct copy of the
28 Parties’ Settlement Agreement.

1 12. Defendant denies and continue to deny any liability to Plaintiff or any other allegedly
2 aggrieved employee for any violations alleged in the Action. Defendant contends it acted within the
3 requirements of California law at all times as to all Aggrieved Employees. It further contends that
4 not every pay period, and indeed no pay period, at issue involved an alleged Labor Code violation
5 subject to civil penalties. Moreover, it maintains that even if the Court did award penalties, the Court
6 could and would substantially reduce the penalties awarded based on the discretionary factors
7 contained in Labor Code § 2699(e)(2).

8 13. My office and Defendant's Counsel considered the fact that the existence of numerous
9 disputes of fact in this case make the outcome uncertain. In the estimation of my office and
10 Defendant's Counsel, the delay, inconvenience, distraction, and uncertainty imposed by the litigation
11 demands would far outweigh the potential benefits of additional litigation.

12 14. Based on the information and documents obtained through informal discovery, these
13 disputes, which had the potential to completely eliminate Plaintiff's recovery, and the range of
14 realistic "litigation outcomes" on Plaintiff's PAGA claim, my office assessed the maximum value of
15 the PAGA claims (without stacking) to be approximately \$292,600 (at the rate of a \$100 penalty for
16 approximately 2,926 total pay periods at issue for approximately 92 aggrieved employees during the
17 applicable time frame).

18 15. As set forth in the Settlement Agreement, the amount of the Settlement is \$87,500
19 which represents 30% of the maximum recoverable discretionary penalties and includes an
20 apportionment of attorneys' fees and costs and an enhancement and general release payment to
21 Plaintiff. As such, this factor weighs very heavily in favor of resolution by way of the compromise
22 set forth in the Settlement.

23 16. The Parties respectfully request that the Court enter the accompanying Order,
24 approving the Settlement, as permitted by Labor Code § 2699(l), and dismissing this Action with
25 prejudice.

26 17. The Parties further agree that, after entry of this Order and pursuant to California Code
27 of Civil Procedure § 664.6, the Court shall retain exclusive and continuing jurisdiction of this Action
28 to enforce the Settlement. *See* Exhibit "C" at § 7.14.

18. On June 21, 2024, my office uploaded the proposed Settlement Agreement and these accompanying approval documents to the LWDA through the State of California, Department of Industrial Relations Website at <https://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html>. A true and correct copy of the submission confirmation email is attached hereto as Exhibit “D.”

I declare, under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct. Executed on June 21, 2024 at Westlake Village, California.


DANIEL F. GAINES

EXHIBIT A

Adams v. Newell Rubbermaid, USDC – Central District of California (Los Angeles), Case No. EDCV 08-1499 JTM (CTx)

Adams v. Sam's West, Inc., San Bernardino County Superior Court, Case No. CIVDS1403987

Agredano v. GS Brothers, Inc., Los Angeles County Superior Court, Case No. BC445561

Allen v. Toms Sierra Company, Nevada County Superior Court, Case No. CU18-082823

Allen v. Valley Inventory Service, Inc., Solano County Superior Court, Case No. FCS034682

Alvarez v. Pilot Travel Centers, LLC, San Joaquin County Superior Court, Case No. STK-CV-UOE-2018-4605

Alonzo v. Camblin Steel Service, Inc., Placer County Superior Court, Case No. SCV0034165

Amenhotep v. Google, Inc., Santa Clara County Superior Court, Case No. 17CV311528

Anaya v. Progressive Logistics Services, LLC, Riverside County Superior Court, Case No. RIC1308270

Andre v. Newell Rubbermaid, Inc., San Bernardino County Superior Court, Case No. CIVVS1200282

Anduha v. ABC Phones of North Carolina, Inc., Stanislaus County Superior Court, Case No. 2022729

Anslow v. Wellington Energy, Inc., USDC – Northern District of California (San Francisco), Case No. CV11-1596-JCS

Aranda, et al. v. Universal Lumpers of California, Inc., San Joaquin County Superior Court, Case No. STK-UOE-2017-7826

Armendariz v. Integrated Pain Management Medical Group, Inc., Kern County Superior Court, Case No. BCV-19-100267-SDS

Barrow, et al. v. Desmond Foods, L.P., Sacramento County Superior Court, Case No. 34-2015-00187227

Batmanghelich v. Sirius XM Radio Inc., USDC – Central District of California (Los Angeles), Case No. CV 09-9190 VBF (JCx)

Bosser v. Hooked on Solar, Yolo County Superior Court, Case No. CVCV-2016-876

Bourland v. Horizon Personnel Services, Inc., Sacramento County Superior Court, Case No. 34-2014-00161365-CU-OE-GDS

Bowen v. IMI Material Handling Logistics, Inc., San Joaquin County Superior Court, Case No. STK-CV-UOE-2016-0000192

Branson v. Mladen Buntich Construction, San Bernardino County Superior Court, Case No. CIVDS1609129

Brandt v. Sacramento Auto Insurance Center, Inc., San Joaquin County Superior Court, Case No. 39-2009-00202938-CU-OE-STK

Brown v. 22nd District Agricultural Association, United States District Court, Southern District of California, Case No. 15-cv-2578-DHB

Brown v. Sierra Central Credit Union, Sutter County Superior Court, Case No. CVCS18-0002161

Burgess v. Blue Cross and Blue Shield of South Carolina, San Joaquin County Superior Court, Case No. 39-2012-00277449-CU-BT-STK

Burgess v. Strategic Retail Solutions, LLC, Los Angeles County Superior Court, Case No. BC413791

Calhoun v. Celadon Trucking Services, Inc., USDC – Central District of California (Los Angeles), Case No. 5:16-cv-01351-PSG-FFM

Caporicci v. Owens & Minor Distribution, Inc., San Joaquin County Superior Court, Case No. 39-2013-00295662-CU-OE-STK

Carl v. Advanced Call Center Technologies, LLC, Sacramento County Superior Court, Case No. 34-2013-00148310

Carlisle, et al. v. Professional Technical Security Services, Inc., Case No. CGC18569791

Carrete v. Gamestop, Inc., Imperial County Superior Court, Case No. ECU08501

Carrillo v. Bimbo Bakeries, Inc., San Bernardino County Superior Court, Case No. CIVDS1606813

Caudillo v. Aegis Treatment Centers, LLC, Merced County Superior Court, Case No. 18CV-0744

Cerami v. Metlife, Inc., USDC – Central District of California (Orange County), Case No. 11-CV-00681-CJC (MLGx)

Charles v. Aaron's Inc., Los Angeles County Superior Court, Case No. BC431468

Charles v. Nursefinders, LLC, Imperial County Superior Court, Case No. ECU07422

Cheifer v. JetBlue Airways Corporation, Los Angeles County Superior Court, Case No. BC451887

Cheifer, et al. v. WHGM, Inc., Los Angeles County Superior Court, Case No. LC104900

Chong, et al. v. Crescent Northwoods Inn, Inc., Del Norte County Superior Court, Case No. CVUJ-2018-1133

Church v. GameStop, Inc., et. al., USDC – Central District of California (Los Angeles), Case No. 11-CV-00132-VAP-RZ

Clothier v. Spar Marketing Services, Inc., Alameda County Superior Court, Case No: RG12-639317

Coleman v. Wireless Lifestyle, Inc., USDC – Western District of Missouri, Case No. 4:12-cv-00855-ODS

Colombo-Beyeler, et al. v. Viking River Cruises, Inc., San Bernardino County Superior Court, Case No. CIVDS1611608

Conlee v. Clark Pacific Corporation, Yolo County Superior Court, Case No. CV14-1409

Contreras v. Osmose Utilities Services, Inc., San Bernardino County Superior Court, Case No. CIVDS1513998

Contreras v. West American Service Corporation, Kings County Superior Court, Case No. 14C0280

Corona v. Yosemite Meat & Locker Service, Inc., Stanislaus County Superior Court, Case No. 2006828

Cortellessa v. Dotnext, Inc., Alameda County Superior Court, Case No. RG09429971

County v. Ingram Mirco, Inc., San Bernardino Superior Court, Case No. CIVRS 1304445

Covarrubias, et al. v. Petersendean Builder Group, Inc., Kern County Superior Court, Case No. BCV-16-101122

Cowen, et al. v. Evergreen Alliance Golf Limited, L.P., d/b/a Arcis Golf, San Bernardino County Superior Court, Case No. CIVDS1719283

Cruz-Garcia v. Lemonade Restaurant Group, LLC, Los Angeles County Superior Court, Case No. BC478205

Cunningham v. Performance Contracting, Inc., Contra Costa County Superior Court, Case No. C16-02157

Dabney v. Coneybeare, LLC, et al., Orange County Superior Court, Case No. 30-2018-00999989-CU-OE-CXC

Dabney, et al. v. Panera, LLC., San Bernardino County Superior Court, Case No. CIVDS1516030

Diaz, et al. v. Seaworld Entertainment, Inc., Imperial County Superior Court, Case No. ECU10046

Diggs v. Western Waterproofing Company, Inc., San Francisco County Superior Court, Case No. CGC-14-539281

Dismuke v. Rhodes Retail Services, Inc., Sacramento County Superior Court, Case No. 34-2011-00105001

Dorsette v. TA Operating, LLC, USDC – Central District of California (Los Angeles), Case No. EDCV 09-1350 PA (RZx)

Duran v. The Image of California, Inc., Kern County Superior Court, Case No. S-1500-CV-284056 DRL

Edwards v. Trans World Entertainment Corp., San Diego County Superior Court, Case No. 37-2010-00095123-CU-OE CTL

Esakhani v. Central Valley Gaming, Stanislaus County Superior Court, Case No. 2020667

Escobar v. SMSSI of California, Inc., San Francisco Superior Court, JCCP No. 4776

Espinosa v. Taltech Construction, et al., Los Angeles County Superior Court, Case No. BC590176

Espinosa v. Bodycote Thermal Processing, Inc., Los Angeles County Superior Court, Case No. BC501617

Espinoza v. Pabco Building Products, LLC, Los Angeles County Superior Court, Case No. VC065660

Estrada v. Net Source Communications, Inc., Los Angeles County Superior Court, Case No. BC431169

Estrada v. OS Restaurant Services, LLC, Santa Clara County Superior Court, Case No. 16CV293249

Estupinan v. Global Development Strategies, Inc., Santa Clara County Superior Court, Case No. 110CV178898

Fadhl. v. Siemens Healthcare Diagnostics Inc., Sacramento County Superior Court, Case No. 34-2017-00209518

Fernandez v. The Regents of the University of California, Los Angeles County Superior Court, Case No. BC656256

Ferrer v. Dish Network Corporation, Los Angeles County Superior Court, Case No. BC441354

Findora v. Barry Callebaut USA LLC, Napa County Superior Court, Case No. 19CV000219

Flores v. Cintas Corporation, Los Angeles County Superior Court, Case No. BC400422

Friel v. Midwest Construction Services, Inc., San Joaquin County Superior Court, Case No. 39-2015-00329204-CU-OE-STK

Gagnon v. Banc of California, Contra Costa County Superior Court, Case No. C 15-00196

Galarza v. Bayou Well Services, LLC, Kern County Superior Court, Case No. S-1500-CV-279372 DRL

Galarza v. C & H Testing Service LLC, Kern County Superior Court, Case No. BCV-15-100008 SPC

Garcia v. Old Dominion Freight Line, Inc., San Bernardino County Superior Court, Case No. CIVDS1404636

Geer v. Applied Aerospace Structures Corp., San Joaquin County Superior Court, Case No. 39-2014-00313702-CU-OE-STK

Getz v. California Cinema Investments, Inc., Ventura County Superior Court, Case No. 56-2013-00437706-CU-MC-VTA

Gibbs v. M. Lehmann Enterprises, Orange County Superior Court, Case No. 30-2013-00678538-CU-OE-CXC

Gilles v. Schaefer Ambulance Service Inc., Imperial County Superior Court, Case No. ECU07970

Goldman, et al. v. Defender's, Inc., San Joaquin County Superior Court, Case No. STK-CV-UOE-2018-0009973

Gomez v. Low Desert Empire Pizza, Inc., San Bernardino County Superior Court, Case No. CIVVS900392

Gomez v. Pizza Hut of Southeast Kansas, Inc., San Bernardino County Superior Court, Case No. CIVVS900679

Gonzalez v. Harris Farms, Inc., USDC – Eastern District of California (Fresno), Case No. 1:14-cv-00038-LJO-SAB

Guerrero v. Main Electric Supply Company LLC, Ventura County Superior Court, Case No. 56-2019-00525427-CU-OE-VTA

Gutierrez v. Asset Management Specialists, Inc., Fresno County Superior Court, Case No. 12CECG03577

Gutierrez v. Linkus Enterprises, Inc., Madera County Superior Court, Case No. MCV065774

Gutierrez v. Shiekh, LLC, San Bernardino County Superior Court, Case Nos. CIVRS1206525, CIVRS1303408

Hairston v. Stanislaus Surgical Hospital, Stanislaus County Superior Court, Case No. CV-19-000651

Hindman v. Service Quick, Inc., San Bernardino County Superior Court, Case No. CIVDS1724229

Hogan v. iMobile of CA LLC, San Bernardino County Superior Court, Case No. CIVDS1409263

Hogan v. Wireless Evolution Inc., Riverside County Superior Court, Case No. MCC1300669

Hogan v. Wireless That's It! LLC, Riverside County Superior Court, Case No. RIC1201997

Holmes v. Bottling Group, LLC, Stanislaus County Superior Court, Case No. 2022584

Hooper, et al. v. URS Midwest, Inc., et al., San Bernardino Superior Court, Case No. CIVDS1607489

Humphrey v. Freedomroads, LLC, Shasta County Superior Court, Case No. 178228

Hurtado v. Rush Truck Centers of California, Inc., Los Angeles County Superior Court, Case No. BC427672

Hyde v. Dent Wizard International Corporation, Sacramento County Superior Court, Case No. 34-2015-00173882

Ibrihim v. Imperfect Foods, Inc., San Joaquin County Superior Court, Case No. STK-VI-UOE-2019-0000846

Id-deen v. Educational Services of America, Solano County Superior Court, Case No. FCS040803

Isherwood v. Mason Dixon Intermodal, Inc., San Joaquin County Superior Court, Case No. 39-2012-00279891-CU-OC-STK

Jahanbin v. Pacific Mercantile Bank, Orange County Superior Court, Case No. 30-2011-00480705CU-OE-CXC

Jenkins v. Sedgwick Claims Management Services, Inc., Los Angeles Superior Court, Case No. LC101648

Job v. California Security Services, Yuba County Superior Court, Case No. 14-0000820

Johnson v. The Goodyear Tire & Rubber Company, USDC – Northern District of California (San Francisco), Case No. 3:13-cv-01069-MMC

Jolin v. Bay Cities Recovery, Inc., El Dorado County Superior Court, Case No. PC20100458

Jordan v. Sutter Memorial Hospital, Stanislaus County Superior Court, Case No. 2023344

Keebaugh v. Mike Thompson Recreational Vehicles, San Bernardino County Superior Court, Case No. CIV-DS-1500718

Kelly v. Robin's Enviro Vac, Inc., Kern County Superior Court, Case No. S-1500-CV-282277
DRL

King v. Levy Premium Foodservice Limited Partnership, Alameda County Superior Court, Case No. HG15786353

Kunsman v. Punch Bowl Sacramento, LLC, et al., Sacramento County Superior Court, Case No. 34-2018-00243175

LaFear v. Encore Education Corporation, San Bernardino County Superior Court, Case No. CIVDS1802251

Lanzarin v. AWI Management Corporation, Solano County Superior Court, Case No. FCS041809

Lee, et al. v. Foster Dairy Farms, Stanislaus County Superior Court, Case Nos. 2006542, 2015679

Lemus, et al. v. Eastridge Workforce Technology, Inc., San Bernardino County Superior Court, Case No. CIV-DS-1611470

Lewis v. American Casino & Entertainment Properties LLC, San Bernardino County Superior Court, Case No. CIVDS1719094

Lemus v. On Assignment Staffing Services, San Bernardino County Superior Court, Case No. CIV-DS-1600497

Leon v. Piercey West Inc., Los Angeles County Superior Court, Case No. BC656874

Lopez v. Creative Communication Technologies, Inc., Imperial County Superior Court, Case No. ECU07851

Lopez v. Go Green Auto Spa Franchise, Inc., et al., Los Angeles County Superior Court, Case No. BC 562212

Lopez v. Truck Accessories Group, LLC, Yolo County Superior Court, Case No. CV13798

Ludlow v. Prince Telecom, LLC, Stanislaus County Superior Court, Case No. 684239

Luna v. Express Locations, LLC, Imperial County Superior Court, Case No. ECU09779

Macias v. American Tire Distributors, Inc., Kern County Superior Court, Case No. BCV-18-101586

Maldonado v. Hardwood Flooring Liquidators, Inc., Los Angeles County Superior Court, Case No. BC642170

Mansfield v. Cambridge Real Estate Services, Inc., Butte County Superior Court, Case No. 160175

Martinez v. DPI Specialty Foods West, San Joaquin County Superior Court, Case No. 39-2015-00327311-CU-OE-STK

Martinez v. Styles For Less, Inc., San Bernardino County Superior Court, Case No. CIVVS1203057

Mayne v. John Muir Behavioral Health, Contra Costa County Superior Court, Case No. C17-00998

Maze v. Bulldog Freightway, Inc., Imperial County Superior Court, Case No. ECU08716

McCormick v. G & O Body Shop, Inc., El Dorado Superior Court, Case No. PC20130291

McCrary v. Campbell Soup Supply Company, San Joaquin County Superior Court, Case No. 39-2013-00297698-CU-OE-STK

McDaniel v. Vancary, Inc., Tulare County Superior Court, Case No. 268036

Melgar-Farela v. Guardian Compliance, Inc., Los Angeles County Superior Court, Case No. BC481865

Mendiola v. Tyco Electronics Corporation, Riverside County Superior Court, Case No. RIC1400721

Mettler v. Les Schwab Tire Centers of California, Inc., San Joaquin County Superior Court, Case No. STK-CV-UOE-2018-476

Miller v. California Subshine, Inc., Los Angeles County Superior Court, Case No. BC637754

Miller v. Southwest Airlines Co., USDC – Northern District of California (San Francisco), Case No. 3:12-cv-05978-CRB

Mitchell v. Crossmark, Inc., USDC – Central District of California (Los Angeles), Case No. CV 11-2818-JAK (FMOx)

Moghrabi v. Vitaligent, Inc., San Joaquin County Superior Court, Case No. STK-CV-UOE-2018-1650

Molina v. Berkshire Hathaway Energy Company, et al., Imperial County Superior Court, Case No. ECU000522

Moore v. Horizon Solar Power, Inc., San Bernardino County Superior Court, Case No. CIVDS1410001

Murray v. Select Media Services, LLC, Los Angeles County Superior Court, Case No. BC424506

Myles v. Central Transport LLC, San Bernardino County Superior Court, Case No. CIVDS1401434

Navarro v. Mariana Packing Co., Inc., Solano County Superior Court, Case No. FCS045935

Nehrlich, et al. v. RPM Mortgage, Inc., Orange County Superior Court, Case No. 30-2013-00666783-CU-OE-CXC

Overton v. Hat World, Inc., USDC – Eastern District of California (Sacramento), Case No. 2:11-CV-01645-LKK-KJN

Perez v. Alcatel-Lucent USA Inc., Imperial County Superior Court, Case No. ECU07977

Perez v. Major Gloves and Safety, Inc., San Bernardino County Superior Court, Case No. CIVDS1710445

Perry v. Cardinal Health 200, LLC, Solano County Superior Court, Case No. FCS035303

Phraxayavong-Briones v. RSM, Inc., Sacramento County Superior Court, Case No. 34-2012-00117524

Pugh v. Wi Spa, LLC, Imperial County Superior Court, Case No. ECU07932

Quist v. Knight Transportation, Inc., San Bernardino Superior Court, Case No. CIVDS 1615414

Quitco v. Aviation Fuel Systems Repair, Inc., San Bernardino Superior Court, Case No. CIVRS1302311

Rambeau v. C.C.M. Corporation, et al., Sacramento County Court, Case No. 34-2018-00244842

Rankins v. Roman Empire Living Skills, Inc., Los Angeles County Superior Court, Case No. BC713399

Rees v. Advantel, Incorporated, Santa Clara County Superior Court, Case No. 16-CV-292219

Renfrow v. Janra Enterprises, Inc., Sacramento County Superior Court, Case No. 3402010-00080471

Reynolds v. Diamond Pet Food Processors of Ripon, San Joaquin County Superior Court, Case No. 39-2014-00310818

Richard v. A-Para Transit Corp., Alameda County Superior Court, Case No. HG17870373

Richardson v. TEC Equipment, Inc., et al., Los Angeles County Superior Court, Case No. VC065536

Robles v. North County Health Project Incorporated, San Diego Superior Court, Case No. 37-2014-00001751-CU-OE-NC

Rodas v. Monetary Management of California, Inc., USDC – Eastern District of California (Sacramento), Case No. 2:14 cv 01389 TLN AC

Rodriguez v. 20/20 Plumbing & Heating, Inc., San Bernardino County Superior Court, Case No. CIVDS1705362

Rodriguez v. Commerce Distribution Company, Los Angeles County Superior Court, Case No. BC656259

Rodriguez v. Valley Oak, San Joaquin County Superior Court, Case No. STK-CV-UOE-2016-7980

Roden v. Service Champions, San Bernardino County Superior Court, Case No. CIVDS1613183

Russell v. Bradshaw International, Imperial County Superior Court, Case No. ECU00853

Rutledge, et al. v. Healthport Technologies, LLC, Alameda County Superior Court, Case No. RG16835813

Sabala v. Econtactlive, Inc., Stanislaus County Superior Court, Case No. 684981

Sabatier v. Picture Perfect Installation, Inc., Riverside County Superior Court, Case No. RIC10004953

Salameh v. Sonomaidence OPCO, LLC, Sonoma County Superior Court, Case No. SVC264228

Salazar v. Tag-3 Medical Investment Group, LLC, Los Angeles County Superior Court, Case No. BC527698

Salbeck v. Ingredion Incorporated, San Joaquin County Superior Court, Case No. STK-UOE-2017-0012622

Sampson v. Healthnet of California Inc., Sacramento County Superior Court, Case No. 34-2015-00183785-CU-OE-GDS

Sanchez v. Don Roberto Jewelers, Inc., Imperial County Superior Court, Case No. ECU06819

Sanders v. Lionakis, Sacramento County Superior Court, Case No. 34-2017-00223601

Santana v. United Staffing Associates, LLC, Tulare County Superior Court, Case No. 249338

Schrader v. Adidas Promotional Retail Operations, Inc., Los Angeles County Superior Court, Case No. BC414168

Sebrell v. Pomeroy IT Solutions, San Bernardino County Superior Court, Case No. CIVDS1721560

Seymour v. Quest Service Group, LLC, Sacramento County Superior Court, Case No. 34-2017-00206917

Silva v. Trical, San Benito County Superior Court, Case No. CU-16-00218

Simler v. Polly's Inc., Riverside County Superior Court, Case No. RIC 1117862

Sipin, Scott v. Salesforce.com, Inc., San Joaquin County Superior Court, Case No. STK-CV-UOE-2019-0004629

Skuro v. BMW of North America, LLC, USDC – Central District of California (Los Angeles), Case No.: CV 10-8672-GW (FFMx)

Smith v. Steelcase, Inc., San Bernardino County Superior Court, Case No. CIVDS1725850

Sohal v. Foster Poultry Farms, Stanislaus County Superior Court, Case No. 2026605

Solomon v. City of Los Angeles, Los Angeles County Superior Court, Case No. BC570345

Solano v. Vozzcom, Inc., Imperial County Superior Court, Case No. ECU09519

Smith, et al. v. Sente Development, Inc., Sacramento County Superior Court, Case No. 34-2016-00196614

Solorzano v. FDS Manufacturing Corporation, Los Angeles County Superior Court, Case No. BC542532

Solowitz v. BakeMark USA LLC, Los Angeles County Superior Court, Case No. BC467838

Spampinato v. Wind & Sea Restaurants, Inc., San Bernardino County Superior Court, Case No. CIVVS1205154

Spitzer, et al. v. FRHI Hotels & Resorts (Canada) Inc., San Bernardino County Superior Court, Case No. C IVDS1712220

Stephens v. C.S., Inc., Riverside County Superior Court, Case No. PSC1301224

Stevenson v. Harvest Management Sub LLC, Ventura County Superior Court, Case No. 56-2011-00397420-CU-OE-SIM

Thompson v. Continental Labor Resources, Inc. d/b/a Continental Labor & Staffing Resources, Kern County Superior Court, Case No. S-1500-CV-278751-DRL

Thompson v. Sidhu Truck Line, Inc., Kern County Superior Court, Case No. BCV-15-101308-DRL

Tigas v. Ajilon Communications, Los Angeles County Superior Court, Case No. BC409737

Torres v. Coastal Employment Inc., Los Angeles County Superior Court, Case No. BC529207

Tran v. CSP Fiber Services, San Bernardino County Superior Court, Case No. CIVDS172758

Tripp v. California Guest Services, Inc., Plumas County Superior Court, Case No. CV16-00036

Valdez v. Diamond Landscaping, Inc., Los Angeles County Superior Court, Case No. BC497097

Valencia v. American Team Managers, Inc., Orange County Superior Court, Case No. 30-2016-00857365-CU-CR-CXC

Van Son v. Rush Truck Centers of California, Inc., Los Angeles County Superior Court, Case No. BC494747

Vasquez v. Schurman Fine Papers, San Joaquin County Superior Court, Case No. STK-CV-LMC-2015-10035

Velasquez v. Modesto Ventures, LLC, Sacramento County Superior Court, Case No. 32-2012-00126159

Victoria v. Bali Limousines Inc., San Mateo County Superior Court, Case No. CIV507774

Victorian v. Vision X, Inc., Los Angeles County Superior Court, Case No. BC400333

Wade v. Frito Lay, Kern County Superior Court, Case No. BCV-17-102014

Walls v. E. & J. Gallo, Stanislaus County Superior Court, Case No. 2015874

Warner v. Waterdrops Express Car Wash, LLC, Tulare County Superior Court, Case No. 265708

Waybright v. EAH, Inc., Stanislaus County Superior Court, Case No. 2011677

Weiss v. C.A.R. Enterprises, Inc., Riverside County Superior Court, Case No. RIC1113165

White v. Sally Beauty Supply, LLC, Imperial County Superior Court, Case No. ECU08177

Williams v. Dennis Dillon RV, LLC, San Bernardino County Superior Court, Case No. CIVDS 16006879

Williams v. Closet World, Inc., Los Angeles County Superior Court, Case No. BC400178

Williams v. Progress Rail Services Corporation, Kern County Superior Court, Case No. S-1500-CV-280236 DRL

Wing v. Three Group, Inc., Los Angeles County Superior Court, Case No. BC643883

Wilson v. ALSCO, Inc., Imperial County Superior Court, Case No. ECU07406

Wilson v. Michael C. Stead, Inc., Contra Costa Superior Court, Case No. C1400135

Winningham v. Storer Transportation Service, San Joaquin County Superior Court, Case No. 39-2015-00324708-CU-STK

Woody v. WBN Home Design, San Bernardino County Superior Court, Case No. CIVDS1613367

Woods, et al. v. F&B Innovations, LLC, San Bernardino County Superior Court, Case No. CIVDS1717765

Woodyard v. Bellus ALC Acquisition, LLC, USDC – Central District of California (Los Angeles), Case No. 2:13-cv-05285 SJO AGRx

Wright v. Social Vocational Services, Inc., Kern County Superior Court, Case No. BCV-15-101264

Ybarra v. New Legend, Inc., Sutter County Superior Court, Case No. CVCS-16-2097

Zaragoza v. Center Automotive, Inc., Los Angeles Superior Court, Case No. BC505194

EXHIBIT B

GAINES & GAINES

A PROFESSIONAL LAW CORPORATION

WWW.GAINESLAWFIRM.COM

4550 EAST THOUSAND OAKS BOULEVARD, SUITE 100
WESTLAKE VILLAGE, CALIFORNIA 91362

PHONE (818) 703-8985
FAX (818) 703-8984

November 15, 2022

Via Certified Mail

Labor & Workforce Development Agency
By online submission

Dubug No. 7, Inc.
3711 Morrow Lane
Chico, CA 95928 Defendant mailed certified #7021 1970 0001 8780 1505

Agent for Service of Process for Dubug No. 7, Inc
Ann Alvelais
3711 Morrow Lane
Chico, CA 95928 Agent mailed certified #7021 1970 0001 8780 1499

Re: ***Labor Code Violations of Dubug No. 7, Inc. – Compliance Letter of California Labor Code § 2698 - Private Attorneys General Act***

Dear LWDA:

This office represents Troy Cruse, a former non-exempt California employee of Dubug No. 7, Inc. ("Defendant"). The purpose of this letter is to comply with the Private Attorneys General Act of 2004, pursuant to California Labor Code § 2698 *et seq.*

Our client was employed by Defendant in Southern California. Herein, we set forth the facts and theories of California Labor Code violations which we allege Defendant engaged in with respect to our client and other of its non-exempt California employees ("Aggrieved Employees").

Our client alleges that Defendant failed to properly compute bonus, commission, and other non-base hourly wages earned by our client and other Aggrieved Employees into their regular rate of pay for purposes of paying them meal period premiums, rest period premiums, overtime, and double-time wages at the correct rates of pay, in violation of Labor Code §§ 226.7, 510, 512, 558 and 1194 and IWC Wage Order No. 4-2001. Defendant failed to properly blend bonus, commission, and/or other non-base hourly wages and instead paid our client and other Aggrieved Employees meal period premiums, rest period premiums, overtime, and double-time wages based *only* on the base hourly rate of pay, thus depriving our client and other Aggrieved Employees of all meal period premiums, rest period premiums, and overtime wages earned. This violates Labor Code §§ 226.7, 510, 512, 558, and 1194 and IWC Wage Order No. 4-2001.

Our client alleges that Defendant failed to pay premium wages to him and other Aggrieved Employees who were denied rest periods, in violation of Labor Code § 226.7 and IWC Wage Order No. 4-2001. Our client and Aggrieved Employees were routinely unable to take a 10-minute rest period for every four (4) hours of work or major fraction thereof, but were not paid premium wages of one hour's pay for each missed rest period. They were rarely, if ever, provided with a legally compliant rest period, and were never paid a premium wage for any missed rest period. This violates Labor Code § 226.7 and IWC Wage Order No. 4-2001.

Defendant failed to pay premium wages to our client and Aggrieved Employees who were denied proper meal periods, in violation of Labor Code §§ 226.7, 510, 512, 558, and 1194 and IWC Wage Order 4-2001. Our client and Aggrieved Employees were routinely denied, and not authorized to take, a proper, timely, uninterrupted, 30-minute meal period for every shift worked that exceeded five hours, or a second proper, timely, uninterrupted, 30-minute meal period for every shift worked that exceeded ten hours, but are not paid premium wages of one hour's pay for each missed first or second meal period. They were rarely, if ever, provided with a legally compliant meal period (as with rest periods), and were never paid a premium wage for any missed meal period. This violates Labor Code §§ 226.7, 512, and 558 and IWC Wage Order 4-2001.

Our client further alleges that Defendant failed to provide him and other Aggrieved Employees with wage statements that fully and accurately itemized the requirements set forth in Labor Code § 226(a). Our client and other Aggrieved Employees were not paid all wages due, as stated above. As such, the wage statements provided by Defendant failed to accurately state all gross wages earned, in violation of Labor Code §§ 226(a)(1) and 226.3, total hours worked, in violation of Labor Code §§ 226(a)(2) and 226.3, net wages earned, in violation of Labor Code §§ 226(a)(5) and 226.3, and all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate, in violation of Labor Code §§ 226(a)(9) and 226.3. Furthermore, and independent of the above allegations, when overtime or double-time hours were worked, the wage statements issued to our client and Aggrieved Employees failed to set forth the correct total hours worked, in violation of Labor Code §§ 226(a)(2) and 226.3, and all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate, in violation of Labor Code §§ 226(a)(9) and 226.3. The wage statements set forth the incorrect total hours worked and overtime and double-time rates of pay when those such hours are worked.

Our client further alleges that Defendant failed to pay him all wages due at the separation of his employment based on the time frames required by Labor Code §§ 201 and 202. As stated above, our client and other Aggrieved Employees were not paid all wages due during the course of their employment and, as a result of this failure, they were not timely paid all wages due at the separation of their employment. This violates Labor Code §§ 201-202 and is alleged on behalf of our client and certain Aggrieved Employees no longer employed by Defendants.

Labor & Workforce Development Agency
Dubug No. 7, Inc
Ann Alvelais
November 15, 2022
Page 3

The \$75 PAGA filing fee has been submitted to the LWDA concurrently with the transmission of this letter.

We invite Defendant or its attorney to contact our office to discuss this matter, including whether an early resolution of the claims can be reached.

Our office awaits your response,

Very truly yours,

GAINES & GAINES
A Professional Law Corporation

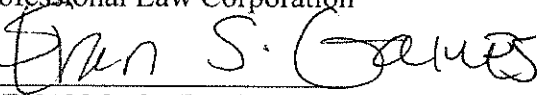
By: 
EVAN S. GAINES

EXHIBIT C

PRIVATE ATTORNEYS GENERAL ACT (LABOR CODE § 2698 ET SEQ.)
SETTLEMENT AGREEMENT

Troy Cruse v. Dubug No. 7, Inc.
Butte County Superior Court, Case No. 23CV00216

IT IS HEREBY STIPULATED AND AGREED by and among the undersigned Parties, subject to the approval of the Court, that the settlement of this action with respect to all claims brought in a representative capacity pursuant to the Private Attorneys General Act (“PAGA”) (Labor Code § 2698 *et seq.*) shall be effectuated upon and subject to the following terms and conditions. Capitalized terms used herein shall have the meanings set forth in Article I or elsewhere in this PAGA Settlement Agreement (“Agreement”).

This Agreement is made by and between Defendant Dubug No. 7, Inc. (“Defendant”), Plaintiff Troy Cruse (“Plaintiff”), for himself and in his capacity as a representative of the State of California on behalf of other Aggrieved Employees, and the law firms defined below as “Plaintiff’s Counsel” and “Defense Counsel.” (Defendant, Plaintiff and Aggrieved Employees, as defined herein, are sometimes collectively referred to as the “Parties.”)

The Parties agree that all representative claims brought pursuant to the PAGA in the Superior Court of California, County of Butte, Case No. 23CV00216, entitled *Troy Cruse, on behalf of himself and all “aggrieved employees” pursuant to Labor Code § 2698 et seq., v. Dubug No. 7, Inc.* (the “Litigation” or “Action”) shall be, and hereby are, ended, settled, resolved, and concluded by agreement of Defendant to pay the sum of Eighty-Seven Thousand Five Hundred Dollars and Zero Cents (\$87,500) (hereinafter referred to as the “PAGA Gross Settlement Amount”) for settlement of the PAGA claims and penalties sought in the Litigation, which shall be inclusive of Plaintiff’s attorneys’ fees and costs in connection with the Litigation, an enhancement and general release payment to Plaintiff, and the expenses of the Settlement Administrator. The Parties further agree that this Agreement is a compromise of disputed claims and that nothing in this Agreement shall be construed as an admission of liability.

Article I.

Definitions.

Section 1.01 Definitions.

Unless otherwise defined herein, the following terms used in this Agreement shall have the meanings ascribed to them as set forth below:

- (a) “Aggrieved Employees” means all current and former non-exempt employees who were employed by Defendant in California at any time during the PAGA Release Period. Defendant represents that the total number of Aggrieved Employees is approximately 92 individuals who worked approximately 2,926 pay periods during the PAGA Release Period.
- (a) “Complaint” means the operative Complaint filed by Plaintiff in the Action on or about January 23, 2023, which asserts a single cause of action under the PAGA predicated on

underlying violations of Labor Code §§ 201, 202, 226(a), 226.3, 226.7, 510, 512, 558, 1194, and 2699.

(b) “Court” means the Superior Court for the State of California, County of Butte.

(c) “Defense Counsel” or “Counsel for Defendant” is:

Mark Posard, Esq.
Jennifer M. Holly, Esq.
GORDON REES SCULLY MANSUKHANI
3 Parkcenter Drive, Suite 200
Sacramento, CA 95825

(d) “Effective Date” means the date on which the Court approves this Agreement and dismisses the Action, with prejudice.

(e) “PAGA Release Period” is the period from January 23, 2022 to the Effective Date.

(f) “Plaintiff’s Counsel” is:

Daniel F. Gaines, Esq.
Alex P. Katofsky, Esq.
GAINES & GAINES, APLC
4550 East Thousand Oaks Boulevard, Suite 100
Westlake Village, California 91362

Article II.

Background.

Section 2.01 Background.

(a) On November 15, 2022, Plaintiff, on behalf of himself and similarly situated aggrieved employees, submitted a notice to the California Labor & Workforce Development Agency (“LWDA”) memorializing claims against Defendant for violations of the California Labor Code, including claims for failure to properly compute bonus, commission, and other non-base hourly wages earned by Plaintiff and other Aggrieved Employees into their regular rate of pay for purposes of paying them meal period premiums, rest period premiums, overtime, and double-time wages at the correct rates of pay, in violation of Labor Code §§ 226.7, 510, 512, 558 and 1194 and IWC Wage Order No. 4-2001; failure to pay premium wages to Plaintiff and other Aggrieved Employees who were denied rest periods, in violation of Labor Code § 226.7 and IWC Wage Order No. 4-2001; failure to pay premium wages to Plaintiff and Aggrieved Employees who were denied proper meal periods, in violation of Labor Code §§ 226.7, 510, 512, 558, and 1194 and IWC Wage Order 4-2001; failure to provide Plaintiff and other non-exempt Aggrieved Employees with wage statements that fully and accurately itemized the requirements set forth in Labor Code §§ 226(a); failure to pay Plaintiff and other Aggrieved Employees all wages due at the separation of employment based

on the time frames required by Labor Code §§ 201 and 202, in violation of Labor Code §§ 201 and 202.

- (b) On January 23, 2023, Plaintiff filed his Complaint in the Superior Court of the State of California, County of Butte, entitled *Troy Cruse vs. Dubug No. 7, Inc., et al.*, Case No. 23CV00216. Through this Settlement, the Parties have agreed to resolve Plaintiff's claims under the PAGA based on alleged violations of Labor Code §§ 201, 202, 226(a), 226.3, 226.7, 510, 512, 558, 1194, and 2699 premised on Defendant's alleged failure to pay all wages due, provide all meal and rest periods or premium compensation in lieu thereof, timely pay all wages due upon separation of employment, and issue complete and accurate wage statements.
- (c) On February 27, 2024, the Parties engaged in mediation with Mariam Zadeh, an experienced and reputable wage and hour and PAGA action mediator. In advance of mediation, the Parties engaged in informal discovery to determine the total number of aggrieved employees and implicated pay periods at issue, together with a review of the pertinent policies and procedures. At all times, the Parties' settlement negotiations have been non-collusive, adversarial, and at arm's length.
- (d) The Parties agree that the investigation and evaluation discussed above, as well as discovery and the information exchanged to date, are more than sufficient to assess the merits of the respective Parties' positions and to compromise the issues on a fair and equitable basis. Plaintiff, Plaintiff's Counsel, Defendant, and Defendant's Counsel have concluded that it is desirable that the PAGA claims asserted in the Action be settled in a manner and upon such terms and conditions set forth herein in order to avoid further expense, inconvenience and distraction of further legal proceedings, and the risk of an adverse outcome each of the Parties potentially face. Plaintiff, Plaintiff's Counsel, Defendant, and Defendant's Counsel are of the opinion that the Agreement for the consideration and terms set forth herein is fair, reasonable, and adequate in light of all known facts and circumstances.
- (e) This Agreement contemplates the (a) entry of an order by the Court approving the payment allocated for settlement of the PAGA Gross Settlement Amount; (b) dismissal of the Action with prejudice; and (c) all Parties bearing their respective fees and costs except as expressly provided in this Agreement. These terms are material provisions of this Agreement.

Defendant denies each and every claim and contention alleged in the Action, and has always maintained that it never engaged in any unlawful acts regarding any of the matters alleged in the Action.

Article III.

Scope of the Aggrieved Employees.

Section 3.01 The scope of individuals encompassed under the Agreement, who are entitled to all benefits as authorized under the Agreement and subject to all obligations and duties required under the Agreement, shall include all Aggrieved Employees as defined in Section 1.01(a).

Article IV.

Approval and Implementation of Settlement.

Section 4.01 Cooperation.

The Parties will cooperate in obtaining, through a stipulation, or an unopposed motion to be filed by Plaintiff's Counsel, if required, an Order from the Court approving the payment of the PAGA Gross Settlement Amount as described in this Agreement at the earliest possible date. Concurrently with the submission of this Agreement to the Court, Plaintiff shall submit it to the LWDA as required by PAGA.

The Parties agree to use their best efforts to expedite the preparation and submission of the settlement documents. The Parties further agree to fully cooperate in the drafting and/or filing of any further documents or filings reasonably necessary to be prepared or filed, shall take all steps that may be requested by the Court relating to, or that are otherwise necessary to, the approval and implementation of the payment of the PAGA Gross Settlement Amount and dismissal of the Litigation as described in this Agreement.

The Court's approval of the payment of the PAGA Gross Settlement Amount as described in this Agreement shall be embodied in a written Order, which shall be transmitted by Plaintiff's Counsel to the LWDA within ten (10) calendar days upon entry, as required by PAGA. Should the Court not grant approval of the payment of the PAGA Gross Settlement Amount as described in this Agreement or decline to dismiss the Action with prejudice, this Agreement shall be null and void and have no further effect, and all sums paid by Defendant, if any, shall be promptly returned to them.

Section 4.02 Settlement Payment Procedures.

(a) Payment of PAGA Gross Settlement Amount and Notice to Aggrieved Employees.

- (1) Defendant shall pay the total amount of Eighty-Seven Thousand Five Hundred Dollars (\$87,500) to settle the Action. This amount, *i.e.*, the PAGA Gross Settlement Amount, shall cover, resolve, and fully satisfy any and all amounts owed to Plaintiff, the Aggrieved Employees, the State of California, and Plaintiff's Counsel, including all amounts allocated to attorneys' fees and costs, in settlement of all Released Claims, as defined herein. The Parties agree that there are no circumstances that would require Defendant to pay any amount greater than the PAGA Gross Settlement Amount in connection with this Agreement unless the escalator clause in paragraph 7.15 herein is invoked. In the event that this Agreement is canceled, rescinded, terminated, voided or nullified, or if for any reason the Effective Date does not occur, however that may occur as permitted herein, or the settlement is barred by operation of law, invalidated, or ordered not to be carried out by a court of competent jurisdiction, Defendant shall have no obligation to pay any of the PAGA Gross Settlement Amount and the Parties' respective positions shall be restored to positions prior to the settlement. Further, in that event, nothing in this Agreement, the negotiations leading to this settlement, nor any papers prepared in connection with this Agreement shall be admissible in any proceeding for any purpose whatsoever.

- (2) Plaintiff's Counsel will apply to the Court for an award of attorneys' fees not to exceed thirty-five percent (35%) of the PAGA Gross Settlement Amount. Plaintiff's Counsel will also seek reimbursement of reasonable litigation costs not to exceed \$12,000 (attorneys' fees and reasonable litigation costs are referred to as "Plaintiff's Counsel Payment"). Defendant will not oppose or object to Plaintiff's Counsel's application for fees and costs consistent with this section. In the event that the Court does not approve an award of attorneys' fees equal to the requested amount, or the Court alters the payment methodology described herein, Plaintiff's Counsel agrees not to seek additional review of the Court's decision regarding attorneys' fees, and this Settlement will be enforceable. Any reduction in this payment by the Court is not grounds to void this Agreement and any funds requested but not awarded as attorneys' fees or costs will be distributed to the LWDA and Aggrieved Employees pursuant to the distribution terms of the Agreement or any terms imposed by the Court.
- (3) The "Net Settlement Fund" shall be calculated by deducting from the PAGA Gross Settlement Amount Plaintiff's Counsel Payment, up to \$8,750 to Plaintiff as an enhancement and general release payment, and up to \$4,000 to compensate the parties' chosen Settlement Administrator. Seventy-five percent (75%) of the Net Settlement Fund shall be distributed to the LWDA, and the remaining twenty-five percent (25%) of the Net Settlement Fund shall be distributed to the Aggrieved Employees.
- (4) The Twenty-Five percent (25%) of the Net Settlement Fund to be distributed to the Aggrieved Employees will be divided by the total number of pay periods worked by all of them in California during the PAGA Release Period to yield the Pay Period Value. Each Aggrieved Employee will be paid an amount equal to their individual number of pay periods worked in California during the PAGA Release Period multiplied by the Pay Period Value.
- (5) Defendant shall deposit the PAGA Gross Settlement Amount into a Qualified Settlement Fund pursuant to Section 468B(g) of the Internal Revenue Code set up by the Settlement Administrator no later than thirty (30) calendar days after the Effective Date.
- (6) Defendant will provide the Settlement Administrator with a confidential list of the names and addresses of the Aggrieved Employees, together with the number of their individual pay periods worked during the PAGA Release Period, within fifteen (15) calendar days after the Effective Date. This information will be provided confidentially to the Settlement Administrator only, and the Settlement Administrator will treat the information as private and confidential and take all necessary precautions to maintain the confidentiality of such information. This information is to be used only to carry out the Settlement Administrator's duties as specified in this Agreement.
- (7) No later than twenty-one (21) calendar days after Defendant's deposit of the PAGA Gross Settlement Amount, the Settlement Administrator shall transmit the Notice of PAGA Settlement (attached hereto as Exhibit "A"), together with settlement checks containing their full individual settlement amounts, with no claims process required, to all Aggrieved Employees by first-class United States mail, postage prepaid, to the last known address of each recipient with directions to the Postmaster to forward the Notice of PAGA

Settlement and return all undeliverable Notices. No later than twenty-one (21) calendar days after Defendant's deposit of the PAGA Gross Settlement Amount, the respective shares shall be paid to Plaintiff's Counsel, the Settlement Administrator, Plaintiff for his enhancement and general release payment, and the LWDA to satisfy their payments herein.

- (8) For each settlement check and Notice of PAGA Settlement to Aggrieved Employees that is returned as undeliverable, the Settlement Administrator shall promptly attempt to locate the Aggrieved Employee by using an address refresher database. If no current address is located, the individual payment for that individual will be deemed undeliverable. If any Aggrieved Employees cannot be located within two attempts at mailings by the Settlement Administrator, the individual payment for that individual will be deemed undeliverable. The value of checks uncashed more than 180 days after issuance shall be paid to the Office of the California State Controller – Unclaimed Property Fund, to be held in the name of the respective Aggrieved Employees.
- (9) 100% of the PAGA Gross Settlement Amount is considered penalties and will not be subject to local, state or federal tax withholdings. All recipients of payments under this Agreement have their payments reported on an IRS Form 1099. The Settlement Administrator shall issue IRS Form 1099s (if required) to the Aggrieved Employees.

Article V.

Limitations On Use Of This Settlement.

Section 5.01 No Admission.

Defendant has denied and continues to deny all claims asserted in the Action. It is understood and agreed by the Parties that this is a compromise and settlement of all disputed claims, and that the promises and payment in consideration of this Agreement shall not be construed to be an admission of any liability or obligation whatsoever by Defendant or Released Parties to any other party or to any other person whomsoever. Defendant has agreed to resolve the asserted PAGA claims in the Action via this Agreement, but to the extent this Agreement is deemed void or the Court does not enter an order granting this Agreement, Defendant does not waive, and is expressly reserving, all rights to challenge all such claims and allegations in the Action upon all procedural and factual grounds, including, without limitation, the ability to challenge representative or collective treatment on any grounds, as well as to assert any and all other potential defenses or privileges.

Section 5.02 Non-Evidentiary Use.

This Agreement is made for the sole purpose of settling the PAGA claims asserted in the Action, and may only be used as evidence of the resolution detailed herein. However, neither this Agreement, nor any of its terms, nor any of the negotiations connected with it or proceedings relating to this Agreement, payouts or anything else associated with it, shall be offered or used as evidence by any of the Parties, or their respective counsel in the Litigation or in any other action or proceeding, including to establish any liability or admission on the part of Defendant or any

Released Parties or to establish the existence of any condition constituting a violation of, or noncompliance with, federal, state, local or other applicable law; provided, however, this shall not prevent this Agreement from being used, offered, or received in evidence in any proceeding to enforce, construe, or finalize this Agreement. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it or proceedings relating to this Agreement, payouts or other events associated with it, shall be construed as an admission or concession by Defendant or any Released Parties or establishment of any such violation(s) or failure(s) to comply with any applicable law. If the Court does not enter an order approving the Agreement, this Agreement shall be deemed null and void; it shall be of no force or effect whatsoever; it shall not be referred to or utilized for any purpose whatsoever; and the negotiation, terms, and entry of this Agreement shall remain subject to the provisions of California Evidence Code Sections 1119 and 1152, Federal Rule of Evidence 408, and any other analogous rules of evidence that may be applicable. Defendant specifically retains the right to defend, on the merits, against any non-settled claims brought by any Aggrieved Employees.

Section 5.03 Nullification.

(a) If the Court should for any reason fail to approve this Agreement, then (a) this Agreement shall be considered null and void, (b) neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect, and (c) all Parties to this Agreement shall stand in the same position, without prejudice, as if the Agreement had been neither entered into nor filed with the Court.

(b) Invalidation of any material portion of this Agreement shall invalidate this Agreement in its entirety unless the Parties shall subsequently agree in writing that the remaining provisions shall remain in full force and effect. Material terms of this Agreement include: the definition of Aggrieved Employees; the definition of Effective Date; the definition of PAGA Release Period; the definition of Released Claims; the definition of Released Parties; the definition of Net Settlement Fund; the requirement for entry of an order by the Court approving this Agreement and dismissing the Action with prejudice. The following terms are not material to this Agreement: Plaintiff's Counsel Payment; the amount of the Settlement Administration Fee; the allocation within the Net Settlement Fund.

Article VI.

Release and Waiver of Claims.

Section 6.01 Limited Release By Plaintiff and Aggrieved Employees.

Upon the Court's approval of this PAGA Settlement, dismissal of the Action with prejudice, and subject to Defendant's full payment of the PAGA Gross Settlement Amount, all Aggrieved Employees will be deemed to have released the Released Parties of the Released PAGA Claims which arose during employment in a non-exempt position in California during the PAGA Release Period.

“Released Parties” means the named Defendant, together with its officers, directors, employees, members, member managers, owners, subsidiaries, affiliates and agents.

“Released PAGA Claims” are all PAGA claims that Plaintiff alleged against Defendant, on behalf of the Aggrieved Employees and the State of California, as stated in the operative Complaint and in the relevant LWDA notice letter, including all PAGA claims seeking civil penalties premised upon: (a) failure to properly compute bonus, commission, and other non-base hourly wages earned by Plaintiff and other Aggrieved Employees into their regular rate of pay for purposes of paying them meal period premiums, rest period premiums, overtime, and double-time wages, (b) failure to pay correct premium wages to Plaintiff and other Aggrieved Employees who were routinely denied rest periods and not paid premium wages, (c) failure to pay correct premium wages to Plaintiff and other Aggrieved Employees who were routinely denied meal periods and not paid premium wages, (d) failure to provide accurate itemized wage statements, (e) failure to failure to timely pay wages upon separation of employment, and (f) all other claims for civil penalties recoverable under the Private Attorneys General Act, Labor Code §§ 2698 *et seq.* based on the facts or claims alleged in the operative Complaint. The Released PAGA Claims do not release any Aggrieved Employees’ claims for wages or statutory penalties.

Section 6.02 General Release as to Plaintiff’s Claims

Complete and General Release: In exchange for the consideration, promises and covenants contained in this Agreement, and subject to Defendant’s full payment of the PAGA Gross Settlement Amount as provided herein, Plaintiff, on behalf of himself and his agents, representatives, attorneys, spouses, heirs, executors, administrators, successors and assigns, now or hereafter, hereby releases, waives and forever discharges Defendant and the Released Parties, from any and all claims, liabilities, causes of action, charges, complaints, obligations, costs, losses, damages, injuries, attorneys’ fees, and other legal responsibilities, of any form whatsoever, whether known or unknown, unforeseen, unanticipated, unsuspected, or latent, which Plaintiff or his heirs, administrators, executors, successors in interest, and/or assigns have incurred or expect to incur, or now own or hold, or have at any time heretofore owned or held, or may at any time own, hold, or claim to hold by reason of any matter or thing arising from any cause whatsoever prior to the date of Plaintiff’s execution of this Agreement related in any way to his employment with Defendant or separation thereof from Defendant (“Plaintiff’s General Release”).

The scope of Plaintiff’s General Release extends to claims including, but not limited to, any alleged (a) violation of the National Labor Relations Act, Title VII of the Civil Rights Act, the California Fair Employment and Housing Act, the Americans With Disabilities Act of 1990, the Fair Labor Standards Act, the California Labor Code, any applicable California Wage Order, the California Private Attorneys General Act (to include but not limited to, acting as a PAGA representative), the Occupational Safety and Health Act, the Consolidated Omnibus Budget Reconciliation Act of 1985, the California Family Rights Act, the Employee Retirement Income Security Act (excluding vested benefits), the California Unfair Business Practices Act/Unfair Competition Law, the Family and Medical Leave Act, the California Family Rights Act, the Worker Adjustment and Retraining Notification Act, and any state law equivalent; (b) harassment, discrimination, and/or retaliation on the basis of age, race, color, ancestry, national origin (including language use restrictions), citizenship, religious creed (including religious dress and

grooming practices), sex marital status, domestic partnership status, sexual orientation, gender, gender identity or gender expression, veteran status, military status, political affiliation, family care or medical leave status or the denial of family and medical care leave, physical or mental disability (including HIV and AIDS), medical condition (including cancer and genetic characteristics), genetic information or any other basis protected by applicable federal, state and/or local laws, regulations, rules, ordinances and/or orders, failure to prevent harassment, discrimination, and/or retaliation, failure to accommodate, failure to engage in the interactive process, retaliation; (c) any whistleblower or retaliation claims on the basis of any protected activity or other protected basis; (d) breach of any express or implied promise, contract or agreement (express or implied), or breach of the implied covenant of good faith and fair dealing; (e) any tort or common law claims, including wrongful discharge, intentional or negligent infliction of emotional distress, negligence, fraud, misrepresentation, defamation, interference with prospective economic advantage, or other tort or common law actions; (f) claims for misclassification, wage and hour, or other claims related to hours, conditions, or compensation related to work; and (g) any other violation of local, state, or federal law, constitution, statute, regulation or ordinance, public policy, contract, or tort or common law claim, whether for legal or equitable relief, having any bearing whatsoever on the terms and conditions of employment, or association or working relationship, with any of the Released Parties, including but not limited to any allegations for penalties, interest, costs and fees, including attorneys' fees, incurred in any of these matters, which Plaintiff ever had, now has, or may have prior to the date of Plaintiff's execution of this Agreement. All such claims, liabilities or causes of action (including, without limitation, claims for related attorneys' fees and costs) are forever barred by this Agreement regardless of the forum in which they may be brought. The Parties intend for Plaintiff's General Release to be as broad as possible.

Plaintiff represents and acknowledges that the enhancement and general release payment contained herein shall constitute the entire consideration provided to Plaintiff and Plaintiff will not seek any further compensation for any claim, damage, cost, or attorney's fees in connection with the matters encompassed in the Agreement. Plaintiff represents and acknowledges that the enhancement and general release payment contained herein constitutes a full satisfaction and accord of any claims Plaintiff has or may have against any of the Released Parties. Plaintiff acknowledges the payment constitutes ample consideration, the sufficiency of which is hereby acknowledged, for Plaintiff's promises in this Agreement.

Section 1542 Waiver: Plaintiff stipulates and agrees that he expressly waives and relinquishes, to the fullest extent permitted by law, the provisions, rights, and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law, which provides:

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

Plaintiff may hereafter discover facts in addition to or different from those he now knows or believes to be true with respect to the subject matter of the Release, but Plaintiff upon the

Effective Date shall fully, finally, and forever settle and release any and all of the claims released pursuant to Plaintiff's General Release, whether known or unknown, suspected or unsuspected, contingent or non-contingent, which now exist, or heretofore have existed upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts.

Non-Waivable Rights: Plaintiff's General Release does not apply to any claims that cannot be released as a matter of law. The provisions of this Section 6.02 also do not preclude filing a charge or complaint with or from participating in an investigation or proceeding conducted by the Equal Employment Opportunity Commission ("EEOC"), the National Labor Relations Board ("NLRB"), the Occupational Safety and Health Administration ("OSHA"), or any other federal, state, or local agency charged with the enforcement of any employment laws, although Plaintiff understands that by signing this Agreement, he waives the right to recover any damages or to receive other relief directly from the Released Parties in any claim or suit brought by or through the EEOC, NLRB, OSHA or any other federal, state, or local agency on his behalf.

Section 6.03 Tax Treatment and Tax Indemnification.

Aggrieved Employees will assume any tax obligations or consequences which may arise from this Settlement.

If any state or federal taxing authority contacts, investigates, or pursues any action against any Aggrieved Employees for their individual share of taxes related to any payments made under this Agreement, each Aggrieved Employee shall be responsible for his/her own defense of and payment for any claim of unpaid taxes, interest, or penalties brought by any state or federal taxing authority for the Aggrieved Employee's share of any state or federal tax obligation. If an Aggrieved Employee has questions about any liability to any state or federal taxing authority, they shall their tax advisor. The Aggrieved Employees shall not contact Defendant, any of the Released Parties, or Defense Counsel.

Miscellaneous Provisions.

Section 7.01 Voluntariness.

This Agreement is executed voluntarily and without duress or undue influence on the part of or on behalf of any of the Parties, or of any other person, firm or other entity.

Section 7.02 Amendments.

The terms and provisions of this Agreement may be amended only by a written agreement that is both (a) signed by the Plaintiff, Plaintiff's Counsel, Defendant, and Defense Counsel who executed this Agreement and (b) approved by the Court. Any waiver of any provision of this Agreement shall not constitute a waiver of any other provision of this Agreement unless expressly so indicated otherwise.

Section 7.03 No Modifications and Void *Ab Initio*.

This Agreement may not be changed, altered, or modified, except as provided for in this Agreement, in writing signed by the Parties hereto, and approved by the Court. If the Court does not enter an order granting approval of the Agreement, if the Court's approval of the settlement is reversed, if the Agreement is materially modified by the Court or on appellate review, or if the Effective Date does not occur, this Agreement shall be deemed Void *Ab Initio*. Void *Ab Initio* shall mean the Parties will be returned to the status quo prior to this Agreement being reached and it will be as if the Agreement was never entered into. If Void *Ab Initio*, the Agreement shall be of no force or effect whatsoever, it shall not be referred to or utilized for any purpose whatsoever, and the negotiation, terms and entry of the Agreement shall remain subject to the provisions of California Evidence Code Sections 1119 and 1152, Federal Rule of Evidence 408, and any other analogous rules of evidence that may be applicable. A material modification shall have the same meaning as that term is used in California law regarding contracts. This Agreement may not be discharged except by performance in accordance with its terms.

Section 7.04 Assignment.

None of the rights, commitments, or obligations recognized under this Agreement may be assigned by any Party, Aggrieved Employee, Plaintiff's Counsel, or Defense Counsel without the express written consent of each other Party and their respective counsel hereto. The representations, warranties, covenants, and agreements contained in this Agreement are for the sole benefit of the Parties under this Agreement, and shall not be construed to confer any right or to avail any remedy to any other person. Plaintiff expressly warrants that she has not transferred to any person or entity any right or cause of action, or claim released by this Agreement.

Section 7.05 Governing Law.

This Agreement shall be governed, construed, and interpreted, and the rights of the Parties shall be determined, in accordance with the laws of the State of California, and shall in all cases be interpreted in accordance with the plain meaning of its terms and not strictly for or against any of the Parties hereto.

Section 7.06 Entire Agreement.

This Agreement contains the entire understanding of the Parties hereto in respect of the subject matter contained herein. This Agreement supersedes all prior agreements and understandings among the Parties hereto with respect to the settlement of the Litigation.

Section 7.07 Headings and Captions.

Paragraph titles or captions contained in the Agreement are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Agreement, or any provision thereof.

Section 7.08 No Press Release or Publicity Regarding the Terms of the Settlement.

Plaintiff and Plaintiff's Counsel, as well as Defendant and Defendant's Counsel, agree that they will not issue any media or press release, initiate any contact with the media or the press, respond to any media or press inquiry, or have any communications with the media or the press.

about the fact, amount, or terms of this Agreement, except to (i) Aggrieved Employees, but only upon inquiry, and (ii) the Court and the LWDA, but only as necessary to obtain Court approval of the Settlement.

Section 7.09 Waiver of Compliance.

Any failure of any Party, Defense Counsel, and/or Plaintiff's Counsel hereto to comply with any obligation, covenant, agreement, or condition herein may be expressly waived in writing, to the extent permitted under applicable law, by the Party or Parties and their respective counsel hereto entitled to the benefit of such obligation, covenant, agreement, or condition. A waiver or failure to insist upon strict compliance with any representation, warranty, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

Section 7.10 Counterparts.

This Agreement, and any amendments hereto, may be executed in any number of counterparts and any Party and/or their respective counsel hereto may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument. It shall not be necessary in making proof of this Agreement or any counterpart hereof to produce or account for any of the other counterparts.

Section 7.11 Attorneys' Fees and Costs.

With respect to this Agreement, neither Plaintiff's Counsel nor any other attorneys acting for, or purporting to act for the Aggrieved Employees, or Plaintiff may recover or seek to recover any amounts for fees, costs, or disbursements from the Released Parties or the PAGA Gross Settlement Amount except as expressly provided herein. Defendant shall bear its own attorney's fees and costs, and neither Plaintiff's Counsel, Aggrieved Employees or the Plaintiff shall be responsible for Defendant's attorney's fees and costs. If any party moves the Court to enforce this Agreement, the prevailing party shall be entitled to recover from the other party all attorneys' fees and costs incurred to enforce this Agreement.

Section 7.12 Dispute(s).

Should any dispute(s) arise among the Parties or their respective counsel regarding the implementation or interpretation of this Agreement, the Parties agree to submit any such dispute(s) to the Court. To the extent any Party seeks to enforce any of the terms of this Agreement in Court or before the Court, the prevailing party shall be entitled to recover his/their reasonable attorneys' fees and costs.

Section 7.13 Binding.

The Parties, by signing this Agreement, are bound by the terms herein. The Parties waive their rights to file an appeal, writ, or any challenge whatsoever to the terms of this Agreement. This Agreement shall bind and inure to the benefit of the Parties hereto and to their respective successors, assigns, legatees, heirs, and personal representatives.

Section 7.14 Court's Retention of Jurisdiction.

The Court shall retain jurisdiction, pursuant to Code of Civil Procedure section 664.6 and otherwise as permitted by law, to enforce this Settlement.

Section 7.15 Escalator Provision.

Defendant represents that there will be approximately 92 Aggrieved Employees who collectively worked approximately 2,926 pay periods during the PAGA Release Period. As such, the Parties agree that, should the total number of pay periods exceed 3,219 (which is 10% more than Defendant's representation), then the PAGA Settlement Gross Settlement Amount shall increase by \$29.90 for each additional pay period above 3,219.

Section 7.16 Default; Notice; Cure; Acceleration; Time is of the Essence.

Time is of the essence with respect to all provisions of this Agreement. If Defendant fails to timely make any payment due hereunder, it shall be in default of its obligations. Plaintiff shall thereafter give notice of default and Defendant must cure said default within five (5) business days thereof. In the event of an uncured default, all unpaid amounts shall be accelerated and be all due and payable together with interest at the legal rate from the date of default.

IN WITNESS WHEREOF, the Parties have executed this Private Attorneys General Act Settlement Agreement on the date set forth.

APPROVED AND ACCEPTED.

[SIGNATURES ON FOLLOWING PAGE]

Dated: June 13, 2024

DUBUG NO. 7, INC.

By Ann Alvelais
Its _____
DocuSigned by:
Ann Alvelais
C8CC06072D5B455...

05 / 21 / 2024
Dated: May 21, 2024

By Troy Cruse
TROY CRUSE

**APPROVED AS TO FORM AND
ATTORNEY OBLIGATIONS ONLY**

Dated: May 21, 2024

GAINES & GAINES, ALPC
By: [Signature]
Daniel F. Gaines, Esq.
Alex P. Katofsky, Esq.
Attorneys for Plaintiff

Dated: June 13, 2024

GORDON REES SCULLY MANSUKHANI
By: [Signature]
Mark Posard, Esq.
Jennifer M. Holly, Esq.
Attorneys for Defendant

EXHIBIT A

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF BUTTE**

TROY CRUSE, on behalf of himself and all
“aggrieved employees” pursuant to Labor
Code § 2698 *et seq.*,

Plaintiff,

v.

DUBUG NO. 7, INC., a California
corporation, and DOES 1 through 10,
inclusive,

Defendants.

Case No. 23CV00216

**NOTICE OF SETTLEMENT OF
PRIVATE ATTORNEYS GENERAL ACT
CLAIM (CAL. LABOR CODE § 2698 *ET
SEQ.*)**

You have been identified as an individual who currently and/or formerly worked for Defendant Dubug No. 7, Inc. (“Defendant”) in California, as a non-exempt employee at any time between January 23, 2022 and _____. (“Aggrieved Employee”).

On January 23, 2023, Plaintiff Troy Cruse (the “Plaintiff”) commenced a lawsuit in the Superior Court of California, County of Butte, Case Number 22CV00216 to recover civil penalties (the “Lawsuit”). Plaintiff alleges in the lawsuit that Defendant failed to: properly compute bonus, commission, and other non-base hourly wages earned by Plaintiff and other Aggrieved Employees into their regular rate of pay for purposes of paying them meal period premiums; pay correct premium wages to Plaintiff and other Aggrieved Employees who were routinely denied rest periods and not paid premium wages rest period premiums; pay correct premium wages to Plaintiff and other Aggrieved Employees who were routinely denied meal periods and not paid premium wages; provide accurate itemized wage statements; and timely pay wages upon separation of employment. For these alleged violations, Plaintiff seeks penalties pursuant to the California Labor Code’s Private Attorneys General Act of 2004, codified at Labor Code § 2698 *et seq.* (“PAGA”).

Defendant denies Plaintiff’s allegations and disputes all of Plaintiff’s claims. The Lawsuit was litigated and following an investigation, the Parties reached a settlement which takes into account the uncertainties and risks of proceeding with litigation.

The Court approved the settlement on _____ and has determined that the settlement is fair and reasonable. The payment which accompanies this notice is made to you pursuant to the terms of the Settlement.

The Court-approved settlement contains the following release of claims, to which you are bound:

Upon the Court's approval of this PAGA Settlement, dismissal of the Action with prejudice, and subject to Defendant's full payment of the PAGA Gross Settlement Amount, all Aggrieved Employees will be deemed to have released the Released Parties of the Released PAGA Claims which arose during employment in a non-exempt position in California during the PAGA Release Period.

"Released Parties" means the named Defendant, together with its officers, directors, employees, members, member managers, owners, subsidiaries, affiliates and agents.

"Released PAGA Claims" are all PAGA claims that Plaintiff alleged against Defendant, on behalf of the Aggrieved Employees and the State of California, as stated in the operative Complaint and in the relevant LWDA notice letter, including all PAGA claims seeking civil penalties premised upon: (a) failure to properly compute bonus, commission, and other non-base hourly wages earned by Plaintiff and other Aggrieved Employees into their regular rate of pay for purposes of paying them meal period premiums, rest period premiums, overtime, and double-time wages, (b) failure to pay correct premium wages to Plaintiff and other Aggrieved Employees who were routinely denied rest periods and not paid premium wages, (c) failure to pay correct premium wages to Plaintiff and other Aggrieved Employees who were routinely denied meal periods and not paid premium wages, (d) failure to provide accurate itemized wage statements, (e) failure to failure to timely pay wages upon separation of employment, and (f) all other claims for civil penalties recoverable under the Private Attorneys General Act, Labor Code §§ 2698 *et seq.* based on the facts or claims alleged in the operative Complaint. The Released PAGA Claims do not release any Aggrieved Employees' claims for wages or statutory penalties.

If you have any questions, please contact Gaines & Gaines, APLC, counsel for Plaintiff, at (866) 550-0855 or Gordon Rees Scully Mansukhani, counsel for Dubug No. 7, Inc., at (415) 218-4765.

EXHIBIT D

1 **PROOF OF SERVICE AND CERTIFICATION**

2 I am employed in the County of Ventura, State of California. I am over the age of 18 and not a party to the
3 within action. My business address is 4550 E. Thousand Oaks Blvd., Suite 100 Westlake Village, CA 91362.

4 _____ (For messenger) my business address is:

5 On June 21, 2024, I served the foregoing documents described as **(1) STIPULATION AND [PROPOSED]**
6 **ORDER APPROVING SETTLEMENT OF PRIVATE ATTORNEYS GENERAL ACT CLAIMS AND**
7 **DISMISSING ACTION WITH PREJUDICE** and **(2) DECLARATION OF DANIEL F. GAINES IN SUPPORT**
8 **OF STIPULATION AND [PROPOSED] ORDER APPROVING SETTLEMENT OF PRIVATE ATTORNEYS**
9 **GENERAL ACT CLAIMS, AND DISMISSING ACTION WITH PREJUDICE** on the interested parties in this action
10 by placing a true copy thereof enclosed in sealed envelopes addressed as follows:

11
12 Mark S. Posard, Esq.
13 Jennifer M. Holly, Esq.
14 GORDON REES SCULLY MANSUKHANI, LLP
15 3 Parkcenter Drive, Suite 200
16 Sacramento, CA 95825

17 On the above date:

18 _____ (BY ☐ U.S. MAIL/ BY ☐ CERTIFIED MAIL, RETURN RECEIPT REQUESTED) The sealed envelope was
19 mailed with postage thereon fully prepaid. I am "readily familiar" with the firm's practice of collection and processing
20 correspondence for mailing. It is deposited with United States postal service on that same day in the ordinary course of
21 business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage
22 meter date is more than one day after date of deposit for mailing in affidavit.

23 _____ (BY FEDERAL EXPRESS OR OTHER OVERNIGHT SERVICE) I deposited the sealed envelope in a box or
24 other facility regularly maintained by the express service carrier or delivered the sealed envelope to an authorized carrier
25 or driver authorized by the express carrier to receive documents.

26 _____ (BY FACSIMILE TRANSMISSION) On June 21, 2024, at _____ a.m./p.m., at Westlake Village, California, I
27 served the above-referenced document on the above-stated addressee by facsimile transmission pursuant to Rule 2008 of
28 the California Rules of Court. The telephone number of the sending facsimile machine was (818)703-8984 and the
29 telephone number(s) of the receiving facsimile machine was (____) ____-. A transmission report was properly issued
30 by the sending facsimile machine, and the transmission was reported as complete and without error. Copies of the
31 facsimile transmission cover sheet and the transmission report are attached to this proof of service.

32 X (BY ELECTRONIC SERVICE) The above-stated document was submitted for service by electronic
33 transmission via email on the counsel of record listed above.

34 X (UPLOADED TO LWDA WEB PORTAL) I caused the above-described documents to be delivered to the Labor
35 & Workforce Development Agency via online process at the PAGA Filing website (www.dir.ca.gov) in accordance with
36 the procedure imposed by the LWDA.

37 I declare under penalty of perjury that the foregoing is true and correct.
38 Executed on June 21, 2024, at Westlake Village, California.

39 
40 AMELIA BOOTH