

Brian J. Mankin, Esq. [CSB No. 216228]
brian@lmlfirm.com
Peter J. Carlson, Esq. [CSB No. 295611]
peter@lmlfirm.com
LAUBY, MANKIN & LAUBY LLP
5198 Arlington Avenue, PMB 513
Riverside, CA 92504
Tel: (951) 320-1444 | Fax: (951) 320-1445

Attorneys for Plaintiff, on a representative basis and on behalf of all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO

MARK SUAREZ, individually, on a
representative basis, and on behalf of all
others similarly situated;

Plaintiff,

vs.

MONZON & SON ENTERPRISES, INC.,
a California Corporation; MONZON &
SON EQUIPMENT TRANSPORT INC., a
California Corporation; and DOES 1
through 20, inclusive;

Defendants.

Case No.: CIVSB2225078
*[Assigned to Hon. Christian Towns, Dept S26,
for all purposes]*

**DECLARATION OF BRIAN J. MANKIN,
ESQ., IN SUPPORT OF MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Hearing

Date: November 4, 2025
Time: 8:30 a.m.
Dept.: S26

I, Brian J. Mankin, state and declare:

1. I am an attorney licensed to practice before all of the courts of the State of California. I manage the employment department within my firm where I am also a Partner. I represent Plaintiff in this action and I am thoroughly familiar with and have personal knowledge of all of the facts set forth herein. I submit this declaration in support of Plaintiff's Motion for Preliminary Approval of this Class Action Settlement. If called as a witness, I could and would competently testify thereto.

1 **COUNSEL’S EXPERIENCE**

2 2. I have been a member, in good standing, of the State Bar of California since 2001.
3 I am admitted to practice in the United States District Courts for the Central and Southern
4 District of California and the Ninth Circuit Court of Appeal and have tried cases in various
5 courts in California.

6 3. I have handled well over 500 employee vs. employer litigation matters during my
7 23 years in practice. Over the last 18 years, my practice has almost entirely consisted of
8 representing employees, the majority of which has included class action and representative
9 action wage and hour matters. In total, I have handled well over 300 class action and
10 representative action wage/hour cases, and have been appointed by the court as class counsel and
11 have received final court approval and judgment in over half of those actions to date, and
12 anticipate receiving final approval in many more of those in the future.

13 4. As part of these settlements and judgments, I have recovered well in excess of
14 \$250 million in damages for my clients and the class members (who often work as nurses,
15 ambulance drivers, technicians, warehouse workers, truck drivers, sales, professional
16 occupations and countless other trades). My team and I once held the record for the largest
17 known PAGA-only case in California’s history - a \$12.5 million-dollar court approved
18 settlement, which followed extensive litigation, summary adjudication and writs to the CA
19 Supreme Court against a Fortune 50 company (*Garcia v. Macy’s*, Los Angeles Superior Court).

20 5. I have tried two major class and PAGA cases against Fortune 100 companies. In
21 2018, I was lead counsel in a PAGA case that my firm tried in the Orange County Superior Court
22 and received a \$425,000 judgment. In 2019, I was co-counsel in a class action case against
23 Walmart in District Court, wherein the jury awarded Plaintiffs and the class over \$6 million.
24 Both cases were appealed.

25 6. I was named by the LA Times as one “Southern California Leading Lawyers” in
26 the May 2023 issue of Consumer Attorney’s of Southern California (a recognition given to 17
27 employment/labor law attorneys in 2023). Additionally, over the last five consecutive years, I
28 have been selected by my peers as a “Super Lawyer” in Employment Litigation, a distinction that

only 5% of lawyers receive.

BRIEF SUMMARY OF THE SETTLEMENT

7. Following a contested litigation process, Plaintiff and Defendants (collectively, the “Parties”) finalized a Class Action and PAGA Settlement Agreement and Release of Claims (the “Settlement Agreement” or “S.A.”), which is attached hereto as **Exhibit 1**.

8. The Settlement Agreement seeks to release and discharge Defendants from the claims brought against them in exchange for Defendants’ agreement to pay \$300,000 on a non-reversionary, non-claims made basis (each Class Member will receive his/her share of the Net Settlement Amount without having to submit a claim form or take any action). As set forth in the motion and Settlement Agreement, Plaintiff seeks to represent “All current and former nonexempt, California resident truck drivers employed by Defendants during the Class Period (November 4, 2018, through October 31, 2024).”

9. Under the terms of the Settlement Agreement, Defendants will not oppose my firm’s application for a reasonable award of attorneys’ fees not to exceed \$100,000 (1/3 of the Settlement Amount), litigation expenses not to exceed \$25,000, Administration Costs of \$6,950, PAGA penalties of \$10,000 (75% to the LWDA and 25% to the Aggrieved Employees on a pro rata basis), and a Service Payment not to exceed \$10,000 to Plaintiff Mark Suarez (“Class Representative”). After subtracting the agreed-upon deductions from the Settlement Amount, approximately \$148,050 will be available to pay the individual settlement amounts to approximately the Class Members who do not opt-out of the settlement, as follows:

<i>Gross Settlement Amount</i>	\$ 300,000.00
Attorneys’ Fees (1/3)	\$ 100,000.00
Litigation Costs (not to exceed)	\$ 25,000.00
Administrator Costs	\$ 6,950.00
PAGA Penalties	\$ 10,000.00
Class Representative Service Payment	\$ 10,000.00
<i>Net Settlement Amount</i>	\$ 148,050.00

10. Assuming 160 Class Members, the average payment will be approximately \$925.31 (\$148,050 / 160). However, the actual payments will be calculated on a pro-rata basis according to the number of Weeks Worked by each Class Member during the Class Period. In

1 addition, approximately the PAGA “Aggrieved Employees” will receive a share of the \$2,500
2 PAGA Penalties (25% of the \$10,000 allocation), shared pro-rata based on pay periods worked
3 during the PAGA Period.

4 11. Each Class Member will receive the Class Notice, attached hereto as **Exhibit 2**,
5 explaining the nature of the case, and the process for participating, objecting and opting-out,
6 and advising of his/her estimated settlement payment and the number of Weeks and pay periods
7 he/she is credited with working during the Class and PAGA Periods.

8 **PROCEDURAL BACKGROUND**

9 12. My office has performed considerable work and diligently investigated and
10 prosecuted this case to a successful conclusion. Our work has resulted in the creation of a
11 significant settlement fund for the benefit of the Class. We efficiently communicated and
12 exchanged information informally with Defense counsel which enabled the parties to
13 successfully settle the case. Because of the risks involved in litigating the case and the contested
14 legal and factual issues, we believe this settlement to be fair, reasonable, and adequate.

15 13. After being retained by Plaintiff, we sent a letter to Defendants requesting the
16 production of Plaintiff’s personnel and timekeeping records in order to further evaluate her wage
17 and hour claims. We also submitted a letter to the California Labor Workforce Development
18 Agency (the “LWDA”) for civil penalties under the Private Attorney General Act of 2004 (the
19 “PAGA”), which is attached hereto as **Exhibit 3**.

20 14. Then, on November 4, 2020, Plaintiff filed this class action, alleging that
21 Defendant violated various sections of the Labor Code. After the LWDA declined to assert
22 jurisdiction over the PAGA claims, Plaintiff later filed the operative First Amended Complaint,
23 alleging putative class and representative PAGA claims against all Defendants named herein.

24 15. Defendants retained counsel and immediately began to defend the case.
25 Ultimately, after discussions among counsel, the Parties agreed to attend private mediation prior
26 to further discovery and motion practice.

27 16. In preparation for mediation, the Parties informally exchanged documents and
28 information that allowed both sides to calculate the potential damages and evaluate potential risk,

1 including policies and procedures pertaining to the claims, statistics relating to the number of
2 current and former employees, number of shifts, pay periods worked, and other things. This
3 information enabled both parties to take a deep dive into the claims. Additionally, during this
4 process, we analyzed, researched, and investigated the potential issues, including matters related
5 to the calculation of damages, trial, and appellate issues and risks.

6 17. On March 18, 2024, Plaintiff and Defendants participated in a full-day mediation
7 with Hon Jonathan Cannon (Ret.), a well-respected employment mediator.

8 18. Mediation was unsuccessful, and Defendants then filed a Motion to Compel
9 Arbitration which was set for hearing on July 25, 2024. At the hearing, and after oral argument,
10 the Court continued the hearing to October 29, 2024, and lifted the discovery stay for the limited
11 purpose of allowing Plaintiff to investigate the applicability of the Federal Arbitration Act and
12 the transportation worker exemption. Thereafter, Plaintiff propounded discovery on Defendants
13 and noticed depositions of Defendants' PMK and of Mr. Kelvin Monzon.

14 19. Before discovery responses were provided, and before the depositions occurred,
15 the Parties reengaged the services of the mediator, who ultimately issued a mediator's proposal
16 that was accepted by all Parties. The Parties now seek the Court's preliminary approval of the
17 Settlement.

18 **SUMMARY OF THE CLAIMS AND DEFENSES**

19 20. Here, Plaintiff alleged numerous wage and hour violations on behalf of the Class
20 Members. However, Defendants vigorously contested and denied Plaintiff's material allegations
21 on the merits and as to the propriety of a class action or PAGA representative action. Still,
22 Plaintiff believed there were several strong claims.

23 21. For instance, Plaintiff alleged Defendants failed to pay proper wages due to a pay
24 policy that paid Class Members a "percent of the load" plus a base hourly rate for some (but not
25 all) forms of "downtime" (when they were not hauling loads). Plaintiff thus alleged that this
26 policy failed to pay for all hours worked, including time spent performing non-driving tasks. As
27 a result, Plaintiff argued that these violations resulted in unpaid wages, waiting time penalties
28 under Labor Code § 203, and other derivative penalties. However, Defendants opposed this

1 claim on the merits and as to the propriety of class certification.

2 22. Plaintiff also alleged that Defendants' wage statements failed to comply with
3 Labor Code § 226 because the documents did not provide any information as to "total hours
4 worked" as required by Labor Code § 226(a)(2). But Defendants again disputed the merits of
5 this claim, and argued that that subsection of § 226 does not apply to the drivers and, moreover,
6 any violations (if any were found) would not be deemed "knowing and intentional" under §
7 226(e) so no liability or penalties could attach.

8 23. Finally, Plaintiff alleged that he and the Class Members were required to use their
9 personal cell phones to carry out their tasks for Defendants, without reimbursement, in violation
10 of Labor Code § 2802. However, Defendants vehemently opposed this claim and argued that the
11 Class Members were not required to use their phones, nor was such use "necessary" under the
12 law because these truck drivers had access to onboard systems through which they could
13 communicate with dispatch to complete their tasks.

14 24. Despite the disputed nature of the claims, the Parties concluded that further
15 litigation of the Action would be protracted and expensive, and that it is desirable that the Action
16 be fully and finally settled to limit further risk, expense, and protracted litigation.

17 **EVALUATION OF THE SETTLEMENT**

18 25. In preparation for mediation, Peter Carlson, a senior associate with 10 years of
19 litigation experience within my office, and I formulated a damages model and risk analysis based
20 upon detailed data obtained through informal discovery and information exchanges. The
21 summary of the claims below is based on calculations by our expert and us, and the risks that we
22 potentially faced, giving significant credit to the defenses that Defendants raised or would likely
23 raise in further proceedings.

24 26. Here, Plaintiff alleged a variety of claims against Defendant, which boil down to
25 these categories: (1) unpaid wages, (2) waiting time penalties under Labor Code §§ 201 – 203,
26 (3) wage statement penalties under § 226(e), (4) claims for unreimbursed expenses under Labor
27 Code § 2802, and (5) PAGA civil penalties for the same claims.

1 27. Plaintiff's unpaid wage claims was based on the allegation that Defendants failed
2 to pay for non-driving tasks. However, as discussed above, Defendants opposed this claim on the
3 merits and as to the propriety of class certification. As a result of the defenses and risks, for
4 mediation and settlement purposes, Plaintiff and Class Counsel applied appropriate risk
5 reductions from the maximum potential unpaid wages to account for risks of defeat at class
6 certification and on the merits.

7 28. Plaintiff also alleged claims for failure to reimburse business expenses based on
8 the argument that Class Members were required to use personal cell phones for business
9 purposes, without reimbursement. But Defendants argued this claim had no merit and raised
10 several factual and legal defenses to argue that any expenses incurred were not "necessary" and
11 do not trigger liability under California law.

12 29. Finally, Plaintiff also alleged claims for waiting time penalties and wage
13 statement violations. But Defendants raised a variety of defenses to these claims that impacted
14 the valuation. Namely, as to the wage statement violations, Defendants argued that the wage
15 statements did not violate Labor Code § 226 and even if there was a "technical" violation, that
16 Plaintiff would be unable to prove the required "knowing and intentional" and "injury" elements.
17 Then, as to the waiting time penalty claim, Plaintiff's valuation had to account for the fact that
18 this claim was derivative of the unpaid wage claims and, if those claims failed at certification or
19 on the merits, there would be no waiting time penalties owed, so the same risks for those claims
20 applied to this claim. Furthermore, even if the unpaid wage claims succeeded at certification and
21 on the merits, Plaintiff would have to prove that the violations (if any existed) were "willful"
22 under the meaning of Labor Code § 203. And, here, Defendants argued that there could not be a
23 finding of a "willful" violation since they had compliant written policies, and any deviations
24 therefrom were inadvertent and unintentional.

25 30. In sum, Plaintiff calculated the *maximum* potential Class damages as
26 approximately \$1,500,000. However, that figure fails to consider the various risks at class
27 certification, on the merits, and the many evidentiary issues. When considering all relevant
28 factors, we estimated the risk-adjusted value of the Class claims at approximately \$600,000.

1 31. And while the PAGA penalties had a potential maximum value in the six figures,
2 this also fails to incorporate the risks above and, further, fails to acknowledge that courts have
3 wide latitude to reduce the civil penalties “based on the facts and circumstances of a particular
4 case” and if “to do otherwise would result in an award that is unjust, arbitrary and oppressive, or
5 confiscatory.” Labor Code § 2699(e)(2). Moreover, Defendants argued against the merits of the
6 underlying claims and particularly that the “willfulness” standard and/or “good faith” defenses
7 mitigated the civil penalty claims and rendered any such penalties as uncertain. Defendants also
8 argued it is improper to stack civil penalty claims on top of underlying statutory claims. For
9 these reasons, the Parties submit that this settlement is fair and reasonable.

10 **THE SETTLEMENT IS FAIR, JUST, AND REASONABLE**

11 32. The settlement was the product of extensive arm’s length negotiations, facilitated
12 by an experienced mediator. Though cordial and professional, the settlement negotiations were
13 adversarial and non-collusive in nature. The settlement reached is the product of substantial
14 effort by the parties and their counsel. Although we believed that there was a possibility of
15 certifying the claims, we recognized the potential risk, expense, and complexity posed by
16 litigation, such as unfavorable decisions on class certification, summary judgment, at trial and/or
17 on the damages awarded, and/or on an appeal that can take several more years to litigate.

18 33. The settlement will result in a fair payment to each Class Member based on the
19 percentage of weeks worked during the Class Period and other factors as set forth in the
20 Settlement Agreement. As set forth hereinabove, Plaintiff and his counsel have diligently
21 investigated the claims and defenses on behalf of the Class Members and worked to achieve a
22 resolution of the claims to maximize the recovery by avoiding further expenditure of attorneys’
23 fees and costs. After evaluating the significant risks attendant with further litigation described
24 above and weighing them against the benefits of a known compromise and settlement as set forth
25 in the Settlement Agreement, settlement on the terms agreed to is believed to be in the best
26 interest of Plaintiff and the Class, and is a fair and reasonable resolution of the claims alleged.

27 34. My office brought to bear a great deal of experience in negotiating the settlement
28 of this case. As detailed herein, my office engaged in the necessary discovery and investigation,

1 making it possible to exercise informed judgment throughout the settlement process, including
2 significant document review (e.g. documents pertaining to Defendants' policies and procedures,
3 personnel documents, among others), and conducted an extensive analysis of the detailed class-
4 wide data provided by Defendants.

5 35. Based on my experience in other cases, including wage and hour matters, I
6 believe I am qualified to evaluate the class claims and viability of defenses in this class action.
7 In this case, the recovery for each class member is reasonable, fair, and adequate, and a
8 settlement at this time is in the best interests of the class. The settlement provides each class
9 member with compensation for the alleged violations when viewed in relation to the costs and
10 risks inherent in obtaining class certification and proceeding to trial.

11 36. Plaintiff's counsel, as well as Defendants' counsel, fully endorse the terms and
12 conditions of the settlement as set forth in the abovementioned Settlement Agreement.

13 37. Of course, the settlement amount represents a compromise figure, taking into
14 account the various risks surrounding class certification and the merits of Defendants' asserted
15 defense. Nevertheless, the settlement provides for fair and adequate payments to the class
16 members, with no reversion to Defendants.

17 **PLAINTIFF'S REQUESTED ENHANCEMENT PAYMENT**

18 38. Plaintiff seeks an enhancement payment of \$10,000 for his service to the class,
19 which I believe is fair and warranted. Plaintiff came forward in an effort to effectuate a policy
20 and practice change that benefitted all other Class Members, and to recover unpaid wages. He
21 assumed significant risk in bringing this litigation—namely, had he lost, he would have been
22 ordered to pay Defendants' costs.

23 39. Plaintiff provided invaluable assistance to my office and the Class in this case,
24 including providing factual background for the Class Complaint; reviewing the litigation
25 documents; providing information and documents about Defendants' policies and practices;
26 participating in phone calls to discuss litigation and settlement strategy; drafting responses to
27 formal discovery; and reviewing the settlement documents. Plaintiff agreed to participate in this
28 case with no guarantee of personal benefit. At final approval, Plaintiff will submit a

1 comprehensive declaration setting forth all of the reasons why she believes that the service award
2 should be approved.

3 **ADEQUACY OF COUNSEL AND THE PROVISIONAL REASONABLENESS OF THE**
4 **REQUESTED FEES AND COSTS**

5 40. As set forth above, I have handled over 500 class and representative actions, have
6 been appointed as class counsel and have successfully resolved over half of those cases, and
7 many others remain pending and will successfully resolve in the future.

8 41. When this case was taken on a contingency fee basis, with my firm agreeing to
9 assume responsibility for all litigation costs, the ultimate result was far from certain. In the
10 course of this litigation, my firm paid all costs including filing fees, court costs, research fees,
11 and mediation costs. There was never a guarantee that we would recoup those expenditures.

12 42. It is my experience that attorney fee awards of one-third of a common fund
13 settlement is the standard in California. In this case, my firm agreed to seek one-third of the
14 Settlement Amount for attorneys' fees. Defendants do not oppose this fee request. The fee is
15 further warranted because it is within the range of reasonableness typically awarded in class
16 actions. The costs are reasonably capped at \$25,000 and will be based on the actual amount of
17 costs incurred at the time of final approval.

18 **SETTLEMENT ADMINISTRATOR**

19 43. The parties request that the Court appoint ILYM to serve as the Administrator.
20 ILYM is experienced in administering class action settlements and has provided a proposal to
21 administer this settlement for a total of \$6,950, which is attached hereto as **Exhibit 4**.

22 **SUBMISSION TO THE LWDA**

23 44. Plaintiff has concurrently submitted the settlement and motion documents to the
24 LWDA in accordance with Labor Code § 2699(1)(2). The proof of submission is attached hereto
25 as **Exhibit 5**.

26 **EXHIBITS AND CONCLUSION**

27 45. A true and correct copy of the Settlement Agreement is attached as **Exhibit 1**.
28

46. A true and correct copy of the proposed Class Notice is attached hereto as **Exhibit**

47. A true and correct copy of Plaintiff's letter to the LWDA is attached hereto as **Exhibit 3.**

48. A true and correct copy of ILYM's proposal to administer the Settlement is attached as **Exhibit 4**.

49. A true and correct copy of the LWDA's confirmation of receipt of this Motion, Declarations and exhibits is attached hereto as **Exhibit 5**.

50. For the foregoing reasons, it is respectfully requested that the Court grant preliminary approval of the settlement as being fair, reasonable, and in the best interests of the class, as well as preliminarily approve the requested attorneys' fees, costs, and enhancement payment to the Class Representative.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on October 13, 2025, at Riverside, California.

By: Brian J. Mankin
Brian J. Mankin, Esq.

EXHIBIT “1”

Brian J. Mankin, Esq. [CSB No. 216228]
brian@lmlfirm.com
Peter J. Carlson, Esq. [CSB No. 295611]
peter@lmlfirm.com
LAUBY, MANKIN & LAUBY LLP
5198 Arlington Avenue, PMB 513
Riverside, CA 92504
Tel: (951) 320-1444 | Fax: (951) 320-1445

Attorneys for Plaintiff, on a representative basis and on behalf of all others similarly situated

Marie Burke Kenny (Bar No. 183640)
marie.kenny@procopio.com
PROCOPIO, CORY, HARGREAVES & SAVITCH LLP
525 B Street, Suite 2200
San Diego, CA 92101
Tel: (619) 238.1900 | Fax: (619) 235-0398

Attorneys for Defendants Monzon & Son Enterprises, Inc., Monzon & Son Equipment Transport Inc., and Kelvin J. Monzon

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO

MARK SUAREZ, individually, on a
representative basis, and on behalf of all
others similarly situated;

Plaintiff,

vs.

MONZON & SON ENTERPRISES, INC., a
California Corporation; MONZON & SON
EQUIPMENT TRANSPORT INC., a
California Corporation; and DOES 1 through
20, inclusive;

Defendants.

Case No.: CIVSB2225078
*[Assigned to Hon. Christian Towns, Dept
S26, for all purposes]*

**CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT AND
RELEASE OF CLAIMS**

1 This Class Action Settlement Agreement and Release of Claims is entered into by and
2 between Plaintiff Mark Suarez (“Plaintiff”), individually and on behalf of all others similarly
3 situated, and on behalf of the State of California, and Defendants Monzon & Son Enterprises, Inc.,
4 Monzon & Son Equipment Transport Inc., and Kelvin J. Monzon (collectively, “Defendants”)
5 (hereinafter, Plaintiff and Defendants are collectively referred to as the “Parties” and individually
6 as a “Party”), and is approved by their respective counsel of record, subject to the terms and
7 conditions hereof and the Court’s approval.

8 **A. Definitions**

9 1. “Action” or “Lawsuit” means the case entitled *Suarez v. Monzon & Son*
10 *Enterprises, Inc., et al.*, San Bernardino County Superior Court, Case No. CIVSB22250789.

11 2. “Administrator” means ILYM Group, Inc., the third-party class action settlement
12 administrator agreed to by the Parties, that will administer this Settlement as described in this
13 Agreement.

14 3. “Administration Costs” means the costs payable from the Settlement Amount to the
15 Administrator for administering this Settlement, including, but not limited to, printing,
16 distributing, and tracking documents for this Settlement, tax reporting, and deposit of the employee
17 and employer share of payroll taxes, unclaimed property due diligence, reporting and remittance
18 obligations, distributing the Settlement Amount, and providing necessary reports and declarations,
19 as requested by the Parties. The Administration Costs shall be paid from the Settlement Amount,
20 including, if necessary, any such costs in excess of the amount represented by the Administrator
21 as being the maximum costs necessary to administer the Settlement.

22 4. “Aggrieved Employee(s)” means all current and former nonexempt, California
23 resident truck drivers employed by Defendants in California during the PAGA Period.

24 5. “Agreement” or “Settlement Agreement” or “Settlement” means this Class Action
25 and PAGA Settlement Agreement and Release of Claims.

26 6. “Class” means all current and former nonexempt, California resident truck drivers
27 employed by Defendants in California during the Class Period.

28 7. “Class Member(s)” means individual members of the Class.

1 8. “Class Counsel” means Brian Mankin and Peter Carlson of Lauby, Mankin &
2 Lauby LLP.

3 9. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment”
4 mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and
5 expenses, respectively, incurred to prosecute the Action.

6 10. “Class Data” means the Class Member identifying information in Defendants’
7 possession, including each Class Member’s full name, last known address, Social Security number,
8 and dates of employment, which Defendants will diligently and in good faith compile from their
9 records and provide to the Administrator on one spreadsheet.

10 11. “Class Period” means the period of November 4, 2018, through October 31, 2024.

11 12. “Class Representative” or “Plaintiff” means Plaintiff Mark Suarez.

12 13. “Class Representative Service Payment” means the amount approved by the Court
13 to be paid to Class Representative Mark Suarez for initiating the Action and providing services in
14 support of the Action, in addition to his Individual Class Payment as a Participating Class Member
15 and Individual PAGA Payment as an Aggrieved Employee.

16 14. “Complaint” means the operative first amended class and PAGA representative
17 action complaint filed in the Action, along with the Doe amendment thereto.

18 15. “Court” or “Judge” means the California Superior Court, County of San
19 Bernardino.

20 16. “Defendants” means Monzon & Son Enterprises, Inc., Monzon & Son Equipment
21 Transport Inc., and Kelvin J. Monzon.

22 17. “Defendants’ Counsel” or “Defense Counsel” means Procopio, Cory, Hargreaves
23 & Savitch LLP.

24 18. “Effective Date” means the latest of the following dates: (i) if no Class Member
25 timely and properly intervenes or files a motion to vacate the Judgment approving the Settlement
26 Agreement under Code of Civil Procedure § 663, then the date the Court enters an order granting
27 Final Approval of the Settlement; (ii) if a Class Member intervenes or files a motion to vacate the
28 Judgment approving the Settlement Agreement, then sixty-one (61) calendar days following the

1 date the Court enters an order granting Final Approval, assuming no appeal is filed; or (iii) if a
2 Class Member timely and properly intervenes or files a motion to vacate the Judgment under Code
3 of Civil Procedure § 663 or initiates another collateral attack, and if a timely appeal is filed, then
4 the date of final resolution of that appeal or other collateral attack (including any requests for
5 rehearing and/or petitions for *certiorari*), resulting in final judicial approval of the Settlement.

6 19. “Final Approval” means the Court’s order granting final approval of this Settlement
7 Agreement and entering a judgment approving this Agreement on substantially the terms provided
8 herein or as may be modified by subsequent agreement of the Parties.

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

11 21. “Gross Settlement Amount” means \$300,000.00, subject to the Escalator Clause
12 defined in Paragraph 55(b) below and exclusive of Defendants’ obligation to fund the employer
13 share of payroll taxes, which is the total amount Defendants agree to pay under the Settlement.
14 The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA
15 Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation
16 Expenses Payment, Class Representative Service Payment, and the Administration Costs.

17 22. “Individual Class Payment(s)” refers to each Participating Class Members’ share
18 of the Net Settlement Amount, as further discussed in Paragraph 55(d) below.

19 23. “Individual PAGA Payment(s)” refers to each Aggrieved Employees’ share of the
20 PAGA Penalties, as further discussed in Paragraph 55(i) below.

21 24. “Judgment” means the judgment entered by the Court based upon the Final
22 Approval.

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

25 26. “LWDA Notice Letter” means the notice letter Plaintiff filed with the LWDA on
26 November 4, 2022, pursuant to Labor Code section 2699.3, subd. (a).

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

1 28. “Net Settlement Amount” means the Gross Settlement Amount, less the following
2 payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA
3 Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel
4 Litigation Expenses Payment, and the Administration Costs. The remainder is to be paid to
5 Participating Class Members as Individual Class Payments, as described further in Paragraph 55(d)
6 below.

7 29. “Notice” means the notice of proposed class settlement that will be sent to the Class
8 Members and which will advise each Class Member of the Settlement and each Class Member’s
9 estimated Individual Class Payment and Individual PAGA Payment, and will further advise Class
10 Members of the setting of a Final Approval Hearing.

11 30. “Objecting Class Member” means a Class Member, other than Plaintiff, who
12 submits a valid and timely objection to the terms of this Agreement, pursuant to Paragraph 76(c)
13 below.

14 31. “PAGA” means the California Labor Code Private Attorneys General Act of 2004
15 (Cal. Lab. Code §§ 2698, *et seq.*).

16 32. “PAGA Pay Periods” means any and all pay periods during the PAGA Period
17 during which an Aggrieved Employee worked at least one day in California for Defendants.

18 33. “PAGA Penalties” means the total amount that the Parties have agreed to be paid
19 from the Gross Settlement Amount in Settlement of Plaintiff’s PAGA claims, allocated 75% to the
20 LWDA and 25% to the Aggrieved Employees.

21 34. “PAGA Period” means the period of November 4, 2021, through October 31, 2024.

22 35. “Participating Class Member” means any and all Class Members who are deemed
23 to participate in the Settlement and receive an Individual Class Payment, and do not opt-out by
24 submitting timely, valid Requests for Exclusion.

25 36. “Parties” means Plaintiff and Defendants, collectively.

26 37. “Preliminary Approval Date” means the date the Court grants preliminary approval
27 of the Settlement Agreement and enters the Preliminary Approval Order.

1 38. “Preliminary Approval Order” means the judicial Order to be entered by the Court,
2 upon the application or motion of the Plaintiff, preliminarily approving this Settlement and
3 providing for the issuance of the Notice to the Class, an opportunity to opt out of the Settlement,
4 an opportunity to submit timely objections to the Settlement, and setting a Final Approval Hearing
5 on the fairness of the terms of Settlement, including approval of attorneys’ fees and costs. Provided
6 that the motion is consistent with the terms herein, Defendants will not object to Plaintiff’s motion
7 for preliminary approval but will be provided with an opportunity to review and comment upon
8 the motion before it is filed.

9 39. “QSF” means the Qualified Settlement Fund set up by the Administrator for the
10 benefit of the Participating Class Members and Aggrieved Employees, and from which the
11 settlement payments shall be made.

12 40. “Released Class Claims” or “Class Claims” means all claims, rights, demands,
13 liabilities and causes of action that were alleged in the Complaint, or that reasonably could have
14 been alleged based upon the facts stated in the Complaint, during the Class Period, including, but
15 not limited to: (1) failure to pay minimum wages, (2) failure to pay for nonproductive time under
16 Labor Code § 226.2, (3) failure to reimburse business expenses, (4) failure to pay vested vacation,
17 (5) failure to timely pay final wages, (6) failure to provide accurate itemized wage statements, (7)
18 unfair and unlawful competition. The time period governing the Released Class Claims shall be the
19 Class Period.

20 41. “Released PAGA Claims” or “PAGA Claims” means all claims for PAGA penalties
21 based on the Labor Code violations alleged in the Complaint and the LWDA Notice Letter, or that
22 reasonably could have been based on the facts stated in the Complaint and in the LWDA Notice
23 Letter, including all PAGA claims for: (1) failure to pay minimum, overtime, and doubletime
24 wages, (2) failure to pay for nonproductive time under Labor Code § 226.2, (3) failure to provide
25 meal periods, (4) failure to provide rest periods, (5) failure to pay meal and rest period premiums
26 at the regular rate of pay, (6) failure to pay paid sick leave at the regular rate of pay, (7) failure to
27 reimburse business expenses, (8) failure to pay vested vacation or paid time off, (9) failure to
28 timely pay wages each period, (10) failure to timely pay wages upon separation of employment,

(11) failure to provide accurate itemized wage statements, (12) failure to maintain accurate records, and (13) all other claims for civil penalties recoverable under the PAGA based on the facts or claims alleged in the LWDA Notice Letter and Complaint, as well as claims for attorneys' fees and costs arising out of the claims above. The time period governing the PAGA Released Claims shall be the PAGA Period. The PAGA Released Claims do not release any Aggrieved Employees' claims for wages or statutory penalties.

42. "Released Parties" means Defendants and their present and former parents, affiliates, divisions, subsidiaries, joint ventures and all of their past and present directors, owners, shareholders, officers, agents, attorneys, insurers, servants, joint employers, employees, members, executors, administrators, general partners, limited partners, real or alleged alter egos, predecessors, successors, transferees, assigns, registered representatives, profit sharing, savings, health and other employee benefit plans of any nature, and the successors of such plans and those plans' respective trustees, administrators, agents, employees, attorneys, fiduciaries, and other persons acting on their behalf, and each of them, and the predecessors and successors, assigns and legal representatives of all such entities and individuals.

43. "Release" means the release and discharge of the Released Class Claims by Plaintiff and all Participating Class Members and their assignees.

44. "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Settlement signed by the Class Member, as described further in Paragraph 76(a) below.

45. "Response Deadline" means thirty (30) calendar days from the date the Notice is mailed to the Class Members, or for Notices that are re-mailed thirty (30) calendar days from the date the Notice was originally mailed or fifteen (15) calendar days after the remailing of the Notice, whichever is later.

46. "Work Weeks" or "Weeks Worked" in the context of a Class Member means any and all work weeks during the Class Period during which the Class Member worked at least one day in California for Defendants.

1 **B. General Terms**

2 47. On November 4, 2022, Plaintiff filed the instant putative class action complaint
3 alleging that Defendants violated various sections of the Labor Code. On the same day, Plaintiff
4 gave written notice by online filing to the Labor and Workforce Development Agency (“LWDA”)
5 and by certified mail to Defendants of the specific provisions of the Labor Code alleged to have
6 been violated, including the facts and theories to support the alleged violations. Then, on about
7 March 13, 2023, Plaintiff filed a First Amended Complaint adding causes of action under PAGA.
8 Defendants Monzon & Son Enterprises, Inc. and Monzon & Son Equipment Transport Inc. filed
9 their Answer to the First Amended Complaint on or about May 24, 2023. Plaintiff later filed a
10 Doe amendment, adding Kelvin J. Monzon as a Defendant, and Mr. Monzon filed his Answer on
11 May 23, 2024.

12 48. Defendants generally and specifically deny any and all liability or wrongdoing of
13 any kind associated with Plaintiff’s claims and the allegations in the Action. Defendants dispute
14 that any wages, damages, and penalties claimed by Plaintiff, alleged in the Complaint, or alleged
15 in the LWDA Notice Letter are owed, and further contends that the Action is not suitable for class
16 certification or representative treatment, other than for the limited purpose of effectuating this
17 Settlement. Defendants assert a number of defenses to the alleged claims, and contend that they
18 have made a good faith effort to comply with applicable California and federal law during the
19 Class Period. Neither this Agreement, nor any document referred to or contemplated herein, nor
20 any action taken to carry out this Agreement is or may be construed as a concession, admission,
21 or indication by or against Defendants, or any of the Released Parties, of any fault, wrongdoing,
22 or liability whatsoever. This Agreement is not a concession or admission by Defendants that
23 Plaintiff can serve as an adequate class representative, except for the limited purpose of
24 effectuating this Settlement. There has been no determination by any court as to the merits of the
25 claims Plaintiff asserts against Defendants or whether a class should be certified for any purpose
26 other than settlement.

27 49. The Class Representative believes he can proceed with the representative and class
28 claims, that the Action is meritorious, and that class certification is appropriate.

1 50. The Parties have conducted a thorough investigation into the facts of the Action.
2 This includes conducting an extensive exchange of informal discovery, including a sampling of
3 payroll and timekeeping records for Class Members. Class Counsel is both knowledgeable about
4 and has done extensive research with respect to the applicable law and potential defenses to the
5 claims of the Class. Class Counsel has diligently pursued an investigation of the Class Members'
6 claims against Defendants. Based on the foregoing data and on their own independent
7 investigation and evaluation, Class Counsel is of the opinion that the settlement with Defendants
8 for the consideration and on the terms set forth in this Settlement Agreement is fair, reasonable,
9 and adequate and is in the best interest of the Class Members in light of all known facts and
10 circumstances, including the risk of significant delay and uncertainty associated with litigation,
11 various defenses asserted by Defendants, and numerous potential appellate issues.

12 51. Defendants recognize that the defense of this litigation will be protracted and
13 expensive. Substantial amounts of time, energy, and resources of Defendants have been and, unless
14 this Settlement is made, will continue to be devoted to the defense of the claims asserted by
15 Plaintiff. Defendants have, therefore, agreed to settle in the manner and upon the terms set forth
16 in this Agreement.

17 52. On March 18, 2024, Plaintiff and Defendants participated in a full-day mediation
18 with Hon. Jonathan Cannon (Ret.) (the "Mediator"), a well-respected wage-and-hour mediator. At
19 the conclusion of mediation, the Parties did not settle, leading to Defendants filing a Motion to
20 Compel Arbitration and extensive briefing and discovery in connection thereto. However, the
21 Parties re-engaged the services of the Mediator and resumed negotiations, which ultimately
22 resulted in issuance of a mediator's proposal, which all Parties accepted.

23 53. The Parties agree that neither the Parties' Settlement, this Agreement, nor the acts
24 to be performed or judgment to be entered pursuant to the terms of the Settlement and Agreement,
25 shall be construed as an admission by Defendants of any wrongdoing or violation of any statute or
26 law or liability on the claims or allegations in the Action.

27 54. Stipulation for Class Certification. For settlement purposes only, Defendants will
28 stipulate that the Participating Class Members may be conditionally certified as a Class. This

1 stipulation to certification is in no way an admission that class action certification is proper and
2 shall not be admissible in this or in any other action except for the sole purposes of enforcing this
3 Agreement. Should, for whatever reason, the Court fail to issue Final Approval, the Parties'
4 stipulation to class certification as part of the Settlement shall become null and void ab initio and
5 shall have no bearing on, and shall not be admissible in connection with, the issue of whether
6 certification would be appropriate in a non-settlement context. Defendants expressly reserve their
7 rights and declare that they would continue to oppose class certification and the substantive merits
8 of the case should the Court fail to issue Final Approval. Plaintiff expressly reserves his rights
9 and declares that he will continue to pursue class certification and a trial should the Court fail to
10 issue Final Approval.

11 **C. Terms of Settlement**

12 55. The financial terms of the Settlement are as follows:

13 (a) Gross Settlement Amount: The Parties agree to settle this Action for
14 \$300,000 and no more as the Gross Settlement Amount, subject to the Escalator Clause described
15 in Paragraph 55(b) below and Defendants' obligation to separately pay the employer's share of
16 payroll taxes owed on the wage portion of the Individual Class Payments. The Gross Settlement
17 Amount is the maximum amount that will be paid by Defendants and includes the Individual Class
18 Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class
19 Representative Service Payment, Administration Costs, and PAGA Penalties.

20 (b) Escalator Clause: Defendants represent that there are approximately 160
21 Class Members, who collectively worked a total of 15,000 Work Weeks from November 4, 2018,
22 through March 15, 2024. Should the total number of Weeks Worked by the Class Members during
23 the Class Period exceed 16,500 (which is 10% more than Defendants' representation), then
24 Defendants, at their option, can either choose to: (1) cut off the end date for the Class Period as of
25 the date on which the number of Work Weeks reaches 16,501, or (2) increase the Gross Settlement
26 Amount on a proportional basis equal to the percentage increase in the number of Work Weeks
27 worked by the Class Members above the 10% (*i.e.*, if there was an 11% increase in the number
28 Work Weeks during the Class Period, Defendants would agree to increase the Gross Settlement

Amount by 1%). However, in no circumstance shall the Class Period end prior to March 18, 2024 (the date of mediation).

(c) Net Settlement Amount: The Net Settlement Amount is the Gross Settlement Amount less the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, Administration Costs, and PAGA Penalties, as approved by the Court. If the Court reduces the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Award, and/or Administrator Costs, or either increases or decreases the amount allocated to the PAGA Penalties, the difference shall be placed in the Net Settlement Amount and allocated to the Class.

(d) Calculation of Individual Class Payments: Individual Class Payments for the Class will be calculated and apportioned from the Net Settlement Amount based on the number of Weeks Worked by a Class Member during the Class Period. Each specific Individual Class Payment will be calculated by: (a) dividing the Net Settlement Amount by the total number of Weeks Worked by all Participating Class Members during the Class Period, and (b) multiplying the result by each Participating Class Members' Weeks Worked. The entire Net Settlement Amount will be disbursed to all Participating Class Members. If there are any valid and timely Requests for Exclusion, the Settlement Administrator shall proportionally increase the Individual Class Payment for each Participating Class Member according to the number of Weeks Worked, so that the amount actually distributed to Participating Class Members equals one hundred percent (100%) of the Net Settlement Amount.

(e) Allocation of Individual Class Payments: The Individual Class Payments to Participating Class Members will be allocated as follows: 10% will be allocated as wages subject to withholding of all applicable local, state and federal taxes; and 90% will be allocated for interest and statutory penalties (pursuant to, *e.g.*, California Labor Code sections 203, 210, 226) from which no taxes will be withheld. The Administrator will issue to each Participating Class Member an Internal Revenue Service ("IRS") Form W-2 and comparable state forms with respect to the wage allocation, and an IRS Form 1099 with respect to the penalties and interest allocation.

1 (f) Class Representative Service Payment: The amount, if any, awarded to the
2 Plaintiff as a Class Representative Service Payment will be set by the Court in its discretion, not
3 to exceed \$10,000, in exchange for the service that Plaintiff performed on behalf of the Class.
4 Defendants agree not to oppose this request. The Class Representative Service Payment will be
5 paid out of the Gross Settlement Amount. The Administrator will issue an IRS Form 1099 to the
6 Class Representative in connection with this payment. The Class Representative shall be solely
7 and legally responsible to pay all applicable taxes on this payment. The Parties agree that any
8 amount awarded as the Class Representative Service Payment less than the requested amount shall
9 not be a basis for Class Counsel to void this Settlement Agreement. Should the Court approve a
10 lesser amount for the Class Representative Service Payment, the difference shall be added to the
11 Net Settlement Amount to be distributed to the Participating Class Members.

12 (g) Class Counsel Fees and Litigation Expenses Payments: Defendants agree
13 to not oppose a request by Class Counsel to the Court for an award of attorneys' fees of one-third
14 of the Gross Settlement Amount ("Class Counsel Fees Payment"), and reasonable litigation costs
15 not to exceed \$25,000 ("Class Counsel Litigation Expenses Payment"). Defendants agree not to
16 oppose any contention by Class Counsel that attorneys' fees should be based on the common fund
17 theory. The Class Counsel Fees Payment and Litigation Expenses Payment shall be paid from the
18 Gross Settlement Amount, and, except for these payments, Defendants shall have no further
19 obligation to pay any attorneys' fees, costs, or expenses to Class Counsel. Should the Court
20 approve lesser amounts than what is sought by Class Counsel, the difference shall be added to the
21 Net Settlement Amount to be distributed to the Participating Class Members. Any Court order
22 awarding less than the amounts sought by Class Counsel for fees or costs shall not be grounds to
23 rescind the Settlement Agreement or otherwise void the Settlement. The Administrator shall issue
24 to Class Counsel an IRS Form 1099 reflecting the amount of attorneys' fees and costs approved
25 by the Court.

26 (h) Administration Costs: The fees and other charges of the Administrator will
27 be paid from the Gross Settlement Amount, not to exceed \$6,950.00, unless (1) the Escalator
28 Clause is triggered (whereby any reasonable increase in Administration Costs shall be paid from

the increased Gross Settlement Amount, subject to Court approval), or (2) as otherwise approved by all Parties and the Court.

(i) PAGA Penalties: The Parties agree that \$10,000 is allocated to PAGA Penalties, and is to be paid from the Gross Settlement Amount, subject to Court approval. Of this amount, \$7,500 (75%) shall be paid to the LWDA in satisfaction of civil penalties under the PAGA and \$2,500 (25%) will form the Individual PAGA Payments to the Aggrieved Employees, which shall be calculated and allocated pro-rata on a pay period basis. Each specific Individual PAGA Payment will be calculated by: (a) dividing the \$2,500 portion of the PAGA Penalties by the total number of PAGA Pay Periods, and (b) multiplying the result by each Aggrieved Employee's pay periods worked during the PAGA Period. The Individual PAGA Payments which will be treated entirely as civil penalties. The Administrator shall issue an IRS Form 1099 to each Aggrieved Employee for their Individual PAGA Payment. Class Counsel shall give proper notice to the LWDA of the Settlement.

(j) Tax Liability: Class Counsel and Defendants make no representations as to the tax treatment or legal effect of settlement amounts called for hereunder, and Plaintiff and the Class Members are not relying on any statement or representation by Class Counsel, Defendants, or Defendants' Counsel in this regard. Plaintiff, Participating Class Members, and Aggrieved Employees understand and agree that they will be solely responsible for the payment of any taxes and penalties assessed on their respective Individual Class Payments and Individual PAGA Payments, described herein. The Administrator shall distribute IRS Forms 1099 in the manner required by the Internal Revenue Code of 1986 (the "Code") and consistent with this Agreement. If the Code, the regulations promulgated thereunder, or other applicable tax law, is changed after the date of this Agreement, the processes set forth in this Paragraph may be modified in a manner to bring Defendants into compliance with any such changes. Plaintiff, Participating Class Members, and Aggrieved Employees understand and agree that they will be solely responsible for the payment of any taxes and penalties assessed on their respective payments described herein.

(k) CIRCULAR 230 DISCLAIMER. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS PARAGRAPH, THE "ACKNOWLEDGING

PARTY” AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

(l) “Non-Reversionary” Settlement. This is a “non-reversionary” settlement. Under no circumstances will any portion of the Gross Settlement Amount revert to Defendants. Participating Class Members and Aggrieved Employees will not have to make a claim in order to receive an Individual Class Payment or Individual PAGA Payment. Distributions, in the form of Individual Class Payments or Individual PAGA Payments will be made directly to each Participating Class Member and Aggrieved Employee. The Administrator shall be responsible for

1 accurately and timely reporting and remittance obligations with respect to unclaimed funds as a
2 result of a Participating Class Member and/or Aggrieved Employee not cashing any checks
3 delivered pursuant to the Settlement by the check cashing deadline, as set forth herein.

4 (m) Class Counsel and Plaintiff believe that the Settlement is fair and reasonable
5 and will so represent the same to the Court.

6 **D. Release by the Participating Class Members**

7 56. Upon entry of the Final Approval Order and Defendants' funding of the Gross
8 Settlement Amount and the required employer-side payroll taxes, Plaintiff and the Participating
9 Class Members, on behalf of themselves and their respective former and present representatives,
10 agents, heirs, administrators, successors, and assigns, will forever completely release and
11 discharge the Released Parties from the Released Class Claims for the Class Period.

12 57. Each Participating Class Member will be deemed to have made the foregoing
13 Release as if by manually signing it.

14 58. Class Representative, on behalf of himself and the Class, acknowledges and agrees
15 that the claims for unpaid wages and untimely payment of wages in the Action are disputed, and
16 that the payments set forth herein constitute payment of all sums allegedly due to them. Class
17 Representative, on behalf of himself and the Class, acknowledges and agrees that Labor Code §§
18 206.5 and 2804 are not applicable to the Parties or Settlement. Labor Code § 206.5 provides in
19 pertinent part as follows: "An employer shall not require the execution of any release of any claim
20 or right on account of wages due, or to become due, or made as an advance on wages to be earned,
21 unless payment of those wages has been made."

22 **E. Release of PAGA Claims**

23 59. Upon entry of the Final Approval Order and Defendants' funding of the Settlement
24 Amount and the required employer-side payroll taxes, Plaintiff, in his individual capacity and on
25 behalf of the State of California and LWDA, and the Aggrieved Employees, on behalf of
26 themselves and their respective former and present representatives, agents, heirs, administrators,
27 successors, and assigns, shall completely release and discharge the Released Parties from the
28 Released PAGA Claims for the PAGA Period.

1 60. Regardless of submitting a valid Request for Exclusion, neither Plaintiff nor any
2 Aggrieved Employee shall have the right to opt-out or otherwise exclude themselves from
3 releasing the Released PAGA Claims.

4 61. It is the intent of the Parties that the Final Approval Order shall have full equitable
5 and collateral estoppel and res judicata effect to the fullest extent permitted by law.

6 **F. Release by Plaintiff and Class Representative**

7 62. Class Representative does hereby, for himself and his spouses, heirs, successors,
8 beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians,
9 personal representatives, and assigns forever and completely release and discharge the Released
10 Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements,
11 controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and
12 expenses (including back wages, statutory penalties, civil penalties, liquidated damages,
13 exemplary damages, interest, attorneys' fees, and costs) of any nature whatsoever, from the
14 beginning of time through the execution of this Agreement, whether known or unknown, suspected
15 or unsuspected, including but not limited to: (a) all claims that were, or reasonably could have
16 been, alleged, based on the facts contained, in the Complaint and (b) all PAGA claims that were,
17 or reasonably could have been, alleged based on facts contained in the Complaint and the LWDA
18 Notice Letter; and (c) all claims arising out of, based upon, or relating to Class Representative's
19 employment with Defendants or the remuneration for or termination of such employment (the
20 "Class Representative's Claims").

21 63. Without limiting the generality of the foregoing, this general release by Plaintiff
22 includes all federal, state and local statutory claims, federal and state common law claims
23 (including but not limited to those for contract, tort and equity), including without limitation the
24 Americans with Disabilities Act, Age Discrimination in Employment Act, Title VII of the Civil
25 Rights Act of 1964 (as amended), 42 USC sec. 1981, 42 USC sec. 1983, the Fair Labor Standards
26 Act, the Employment Retirement Security Income Act of 1974, the California Constitution, the
27 California Fair Employment and Housing Act, the California Unfair Competition Act (California
28 Business and Professions Code section 17200 et seq.), and the California Labor Code.

1 64. Plaintiff agrees that there is a risk that any injury that he may have suffered by
2 reason of the Released Parties' relationship with him might not now be known, and there is a
3 further risk that said injuries, whether known or unknown at the date of execution of this Settlement
4 Agreement, might possibly become progressively worse, and that as a result thereof further
5 damages may be sustained. Nevertheless, Plaintiff agrees to forever and fully release and
6 discharge the Released Parties, and understands that by the execution of this Settlement Agreement
7 no further claims for any such injuries that existed at the time of the execution of this Settlement
8 Agreement may ever be asserted by Plaintiff with respect to claims arising in the time period from
9 the beginning of time to the execution of this Settlement Agreement.

10 65. Plaintiff expressly waives and relinquishes all rights and benefits afforded by
11 Section 1542 of the Civil Code of the State of California and does so understanding and
12 acknowledging the significance of the waiver of Section 1542. Section 1542 of the Civil Code of
13 the State of California states:

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

21 Notwithstanding the provisions of Section 1542, and for the purpose of implementing a
22 full and complete release and discharge of all parties, Class Representative expressly
23 acknowledges that this Settlement Agreement is intended to include in its effect, without
24 limitation, all claims that Class Representative knew of, as well as all claims that he does not know
25 or suspect to exist in his favor against the Released Parties, or any of them, for the time period
26 from the beginning of time to the execution of this Settlement Agreement, and that this Settlement
27 Agreement contemplates the extinguishment of any such Class Representative's claims.
28 Notwithstanding the above, the general release by Class Representative shall not extend to claims
for workers' compensation benefits, claims for unemployment benefits, claims for state disability
benefits, or other claims that may not be released by law.

1 **G. Interim Stay of Proceedings**

2 66. Pending completion of all of the prerequisites necessary to effectuate this
3 Settlement, the Parties agree, subject to Court approval, to a stay of all proceedings in the Action
4 except such as is necessary to effectuate the Settlement.

5 **H. Notice Process**

6 67. Appointment of Administrator. The Parties have agreed to the appointment of the
7 Administrator to perform the duties of a settlement administrator, including mailing the Notice,
8 using standard devices to obtain forwarding addresses, independently reviewing and verifying
9 documentation associated with any claims or opt-out requests, resolving any disputes regarding
10 the calculation or application of the formula for determining the Individual Class Payments and
11 Individual PAGA Payments, drafting and mailing the settlement checks to Participating Class
12 Members and Aggrieved Employees, issuing all necessary tax forms, and performing such other
13 tasks as set forth herein or as the Parties mutually agree or that the Court orders.

14 68. Disputes Regarding Administration. Any and all disputes relating to administration
15 of the Settlement by the Administrator (except for disputes regarding Class Data) shall be referred
16 to the Court, if necessary, which will have continuing jurisdiction over the terms and conditions
17 of this Agreement, until Plaintiff and Defendants notify the Court that all payments and obligations
18 contemplated by this Agreement have been fully carried out. Prior to presenting any issue to the
19 Court, counsel for the Parties will confer in good faith to resolve the dispute without the necessity
20 of Court intervention. The Administrator shall also be responsible for issuing to Plaintiff,
21 Participating Class Members, and Aggrieved Employees, and Class Counsel any Tax Forms as
22 may be required by law for all amounts paid pursuant to this Agreement.

23 69. Class Data. Within fourteen (14) calendar days after entry of the Preliminary
24 Approval Order, Defendants shall provide the Class Data to the Administrator. The Administrator
25 will run a check of the Class Members' addresses against those on file with the U.S. Postal
26 Service's National Change of Address List. The Class Data provided to the Administrator will
27 remain confidential and will not be used or disclosed to anyone, except as required by applicable
28 tax authorities, pursuant to Defendants' express written consent, or by order of the Court.

1 Although Class Counsel will not be provided with the list of Class Data, nothing herein shall
2 prevent Class Counsel from communicating with Class Members regarding the Action and
3 Settlement.

4 70. Total Workweeks. At least seven (7) calendar days prior to mailing the Notice, the
5 Administrator shall provide a spreadsheet to Class Counsel and Defense Counsel containing a
6 preliminary calculation of all payments to be paid from the Settlement Amount, including the
7 estimated Individual Class Payments to each Class Member and Individual PAGA Payments to
8 each Aggrieved Employee (a person's name shall be redacted and a control number used in place
9 of the name). In the event that the total Workweeks worked by all Class Members exceed 16,500
10 (thus triggering the Escalator Clause), Defendants shall have seven (7) calendar days to make the
11 election to either increase the Settlement Amount or change the end date for the Class Period. If
12 Defendants fail to make an election within the required seven-calendar-day period, the
13 Administrator shall automatically cut off the end date for the Class Period as of the date on which
14 the number of Work Weeks reaches 16,501. In either event, the Settlement Administrator shall
15 notify the Parties of the increased Settlement Amount (if applicable), and related increased
16 payments from the Settlement Amount (if applicable), including increased Attorneys' Fees and
17 Costs and any increased Settlement Administration Costs, all of which shall be subject to Court
18 approval, and shall update Notice accordingly (including modifying the end date of the Class
19 Period if Defendants elect that option).

20 71. Notice. The Notice, as approved by the Court, shall be sent by the Administrator
21 to the Class Members, by first class mail, in English and Spanish, within fifteen (15) calendar days
22 following the Administrator's receipt of the Class Data. The Administrator shall use standard
23 devices, including a skip trace, to obtain forwarding addresses of Class Members if any envelopes
24 are returned.

25 72. Returned Notices. The Administrator will take steps to ensure that the Notice is
26 received by all Class Members, including utilization of the National Change of Address Database
27 maintained by the United States Postal Service to review the accuracy of and, if possible, update
28 a mailing address. Notices will be re-mailed to any Class Member for whom an updated address

1 is located within ten (10) calendar days following both the Administrator learning of the failed
2 mailing and its receipt of the updated address. The re-mailed Notice shall be identical to the
3 original Notice, except that it shall notify the Class Member that the exclusion (opt-out) request or
4 objection must be returned by the later of the Response Deadline or fifteen (15) calendar days after
5 the remailing of the Notice.

6 73. Presumption Regarding Receipt of Notice. It will be conclusively presumed that if
7 an envelope has not been returned to Administrator by the Response Deadline that the Class
8 Member received the Notice.

9 74. Disputes Regarding Class Data. Class Members are deemed to participate in the
10 Settlement unless they opt-out, and Aggrieved Employees may not opt out of the Released PAGA
11 Claims. The Notice will inform Class Members of their estimated Individual Class Payment and
12 Individual PAGA Payment, as well as the number of weeks they worked during the Class Period
13 and the PAGA Period. Class Members may dispute their Weeks Worked if they feel they should
14 be credited with more Weeks Worked in the Class Period and/or PAGA Period in California than
15 Defendants' records show by timely submitting evidence to the Administrator. Defendants'
16 records will be presumed determinative absent reliable evidence to rebut Defendants' records, but
17 the Administrator will evaluate the evidence submitted by the Class Member and provide the
18 evidence submitted to Class Counsel and Defense Counsel who agree to meet and confer in good
19 faith about the evidence to determine the Class Member's actual number of Work Weeks and
20 estimated Individual Class Payment and Individual PAGA Payment. If Class Counsel and Defense
21 Counsel are unable to agree, they agree to submit the dispute to the Court to render a final decision.
22 Class Members and Aggrieved Employees will have until the Response Deadline to dispute Weeks
23 Worked, object or opt out, unless extended by the Court.

24 75. Declaration of Due Diligence. The Administrator shall provide counsel for the
25 Parties, at least twenty-five (25) calendar days prior to the final approval hearing, a declaration of
26 due diligence and proof of mailing with regard to the mailing of the Notice.

27 76. Class Members' Rights. Each Class Member will be fully advised of the
28 Settlement, the ability to object to the settlement, and the ability to opt-out or request exclusion

1 from the Class Claims portion of the Settlement. The Notice will inform the Class Members of
2 the Court-established deadlines for filing objections or requesting exclusion from the Settlement
3 in accordance with the following guidelines:

4 (a) Requests for Exclusion from Class. Any Class Member, other than
5 Plaintiff, may request to be excluded from the Class by submitting a “Request for Exclusion” to
6 the Administrator, postmarked on or before the Response Deadline. The Request for Exclusion
7 should state:

8 “I WISH TO BE EXCLUDED FROM THE CLASS IN THE MONZON &
9 SON LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED
10 FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE MY
INDIVIDUAL CLASS PAYMENT FROM THIS LAWSUIT.”

11 To be valid, any Request for Exclusion must include the full name, address, telephone
12 number, last four digits of the social security number or date of birth, and signature of the Class
13 Member requesting exclusion. The Request for Exclusion must be returned by mail to the
14 Administrator at the specified address set forth in the Notice. Any such Request must be made in
15 accordance with the terms set forth in the Notice. A Request for Exclusion will be timely only if
16 postmarked by the Response Deadline, unless the Parties otherwise agree in writing. Any Class
17 Member who timely requests exclusion in compliance with these requirements: (i) will not have
18 any rights under this Agreement, including the right to object, appeal or comment on the
19 Settlement; (ii) will not be entitled to receive the Individual Class Payment under this Agreement;
20 and (iii) will not be bound by this Agreement, or the Judgment. However, any Class Member who
21 is an Aggrieved Employee who requests timely exclusion will still be subject to the Released
22 PAGA Claims to the fullest extent permitted by law and receive an Individual PAGA Payment.
23 All Parties and their counsel, including Defendants’ respective members, member managers,
24 owners, officers, and directors, shall not encourage or solicit opt-outs or objections, directly or
25 indirectly, through any means.

26 (b) Binding Effect on Participating Class Members. All Participating Class
27 Members will: (i) be bound by the terms and conditions of this Agreement, the Judgment, and the
28 releases set forth herein; and (ii) except as otherwise provided herein, will be deemed to have

1 waived all objections and oppositions to the fairness, reasonableness, and adequacy of the
2 Settlement.

3 (c) Objections to Settlement. Any Class Member, other than Plaintiff, who
4 does not submit a valid and timely Request for Exclusion may object to the terms of this
5 Agreement. To object, a Class Member shall inform the Administrator, in writing, of his or her
6 objection which must be postmarked by the Response Deadline at the address set forth in the
7 Notice. Such objection shall include the Objecting Class Member's full name, address, telephone
8 number, last four digits of the social security number or date of birth, signature, and dates of
9 employment with Defendants, in addition to the case name and number, the basis for the objection,
10 including any legal support and each specific reason in support of the objection, as well as any
11 documentation or evidence in support thereof, and, if the Objecting Class Member is represented
12 by counsel, the name and address of his or her counsel. The Administrator shall provide
13 objections, if any, to Class Counsel and Defense Counsel within three (3) calendar days of receipt,
14 and the Administrator shall attach the same to its declaration of due diligence and file with the
15 Court prior to the Final Approval Hearing. An Objecting Class Member remains eligible to receive
16 monetary compensation from the Settlement. Plaintiff and Defendants shall not be responsible for
17 any fees, costs, or expenses incurred by an Objecting Class Member and/or his or her counsel
18 related to any objections to the Settlement. Submitting an objection does not preserve the right to
19 appeal a final judgment. Rather, the right to appeal is preserved by becoming a party of record by
20 timely and properly intervening or filing a motion to vacate the judgment under Code of Civil
21 Procedure section 663.

22 (d) Failure to Object. Any Class Member who does not timely and properly
23 become a party of record by intervening or filing a motion to vacate the judgment waives any and
24 all rights to appeal from the Judgment, including all rights to any post-judgment proceeding and
25 appellate proceeding, such as a motion to vacate judgment, motion for new trial, a motion under
26 California Code of Civil Procedure section 473, and extraordinary writs.

1 (e) Responses to Objections. Counsel for the Parties may file a response to any
2 objections submitted by an Objecting Class Member at least five (5) court days before the date of
3 the Final Approval Hearing.

4 (f) Class Members will have until the Response Deadline to object or submit a
5 Request for Exclusion to the Administrator by U.S. Mail. The Administrator shall disclose jointly
6 to Class Counsel and Defense Counsel what objections or Requests for Exclusion were timely
7 submitted on a weekly basis, and upon the request of Class Counsel or Defense Counsel.

8 (g) If the number of valid Requests for Exclusion exceeds 5% of the total of all
9 Class Members, Defendants may, but are not obligated to, elect to withdraw from the Settlement.
10 The Parties agree that, if Defendants withdraw, the Settlement shall be void ab initio, have no force
11 or effect whatsoever, and that neither Party will have any further obligation to perform under this
12 Agreement; provided, however, Defendants will remain responsible for paying all Settlement
13 Administration Expenses incurred to that point. Defendants must notify Class Counsel and the
14 Court of its election to withdraw not later than ten (10) calendar days after the Administrator sends
15 the final list of all exclusions to Counsel; late elections will have no effect.

16 77. Funding of the Settlement Amount. Defendants shall, jointly and severally, fund
17 the Settlement Amount under a two-part payment plan, as follows: (A) within 30 days after the
18 Effective Date, Defendants shall fund fifty percent (50%) of the Gross Settlement Amount and (B)
19 within 180 days after the Effective Date, Defendants shall fund the remaining fifty percent (50%)
20 of the Gross Settlement Amount, plus any required amounts owed for Defendants' employer share
21 of payroll taxes owed on Individual Class Payments.

22 78. Distribution of Funds. No later than ten (10) calendar days after the deposit of each
23 installment by Defendants, the Administrator shall distribute pro-rata shares of the Individual Class
24 Payments to the Participating Class Members, the Individual PAGA Payments to the Aggrieved
25 Employees, the payment to Class Counsel for the Class Counsel Fees Payment and Litigation
26 Expenses Payment, the Class Representative Service Payment to Plaintiff, the LWDA PAGA
27 Payment to the LWDA, and Administration Costs. Because Defendants are not required to fund
28 the employer share of payroll taxes on Individual Class Payments until the second installment

1 payment, the Administrator shall, after receipt of the first installment payment, ensure that the pro-
2 rata distribution of Individual Class Payments only represent amounts payable on a 1099 basis
3 (e.g., the wage portion of the Individual Class Payments will not be distributed until after the
4 second installment, at which time Defendants will also have funded the employer share of payroll
5 taxes owed on Individual Class Payments).

6 79. Deadline for Cashing Settlement Checks. Participating Class Members and
7 Aggrieved Employees shall have 180 calendar days after mailing by the Administrator to cash
8 their settlement checks. The release will be binding upon all Participating Class Members and
9 Aggrieved Employees who do not cash their checks within the 180-day period. In the event that
10 any settlement check is returned to the Administrator within 180 days of mailing, the Administrator
11 will, within five (5) business days of receipt of the returned settlement check, perform a skip trace
12 to locate the individual, and notify Defense Counsel and Class Counsel of the results. If a new
13 address is located by these means, the Administrator will have ten (10) business days to re-issue
14 the check. Neither Defendants, Defense Counsel, Class Counsel, Plaintiff, nor the Administrator
15 will have any liability for lost or stolen settlement checks, forged signatures on settlement checks,
16 or unauthorized negotiation of settlement checks. Without limiting the foregoing, in the event a
17 Participating Class Member and/or Aggrieved Employee notifies the Administrator that he or she
18 believes that a settlement check has been lost or stolen, the Administrator shall immediately stop
19 payment on such check. If the check in question has not been negotiated prior to the stop payment
20 order, the Administrator will issue a replacement check.

21 (a) If any Participating Class Member's check is not cashed within the time
22 periods noted above, the check will be void and a stop-payment will be issued, and the
23 Administrator shall issue the unclaimed funds to the California State Controller's Office in the
24 name of the Class Member.

25 (b) If any Aggrieved Employee's check is not cashed within the time period
26 noted above, the check will be void and a stop-payment will be issued, and the Administrator shall
27 issue the unclaimed funds to the California State Controller's Office in the name of the Aggrieved
28 Employee.

1 **I. Duties of the Parties Prior to the Court's Approval**

2 80. Promptly after execution of this Agreement, Plaintiff will move the Court for
3 Preliminary Approval of this Settlement and entry of the Preliminary Approval Order
4 accomplishing the following:

- 5 (a) Approving as to form and content the proposed Notice;
6 (b) Directing the mailing of the Notice by first class mail to the Class Members;
7 (c) Preliminarily approving this Settlement;
8 (d) Preliminarily certifying the Class for purposes of this Settlement;
9 (e) Advising the LWDA of the proposed Settlement; and
10 (f) Scheduling the Final Approval Hearing on the issue of whether this
11 Settlement should be finally approved as fair, reasonable and adequate.

12 **J. Duties of the Parties Following Court's Final Approval**

13 81. In connection with the Final Approval Hearing provided for in this Agreement,
14 Class Counsel shall submit a proposed Final Approval Order:

- 15 (a) Approving the Settlement, adjudging the terms thereof to be fair, reasonable
16 and adequate, and directing consummation of its terms and provisions;
17 (b) Approving Class Counsel's application for the Class Counsel Fees
18 Payment, the Class Counsel Litigation Expenses Payment, the Class Representative Service
19 Payment, and the Administration Costs; and
20 (c) Entering Judgment approving the Settlement, which shall operate to
21 permanently bar and enjoin all Participating Class Members and Aggrieved Employees from
22 instituting, commencing, prosecuting, or pursuing, either directly or in any other capacity, any of
23 the claims, damages, causes of action, or claims for attorneys' fees identified as Released Class
24 Claims and/or Released PAGA Claims in this Agreement.

25 **K. Voiding the Agreement**

26 82. If the Court fails or refuses to issue the Final Approval Order or fails to approve
27 any material condition of this Agreement which effects a fundamental change of the Settlement,
28

1 the entire Agreement shall be rendered voidable and unenforceable as to all Parties herein at the
2 option of either Party.

3 83. If the Settlement is voided or fails for any reason, Plaintiff and Defendants will
4 have no further obligations under the Settlement, including any obligation by Defendants to pay
5 the Settlement Amount, or any amounts that otherwise would have been owed under this
6 Settlement.

7 84. If the Settlement is voided or fails for any reason, any costs incurred by the
8 Administrator shall be borne equally by Defendants and Plaintiff, unless otherwise specified in
9 this Agreement.

10 **L. Other Terms**

11 85. Waiver. The waiver by one Party of any breach of this Agreement by another Party
12 shall not be deemed a waiver of any other prior or subsequent breach of this Agreement.

13 86. Acceleration Clause. In the event that Defendants fail to make any required
14 payments within five (5) business days of the respective due date, Class Counsel shall send a notice
15 of default to Defense Counsel. Defendants will then have ten (10) business days after issuance of
16 the notice of default to cure and bring all payments up to the current required amount. If
17 Defendants fail to timely cure the late payment, all remaining balances shall become due and
18 payable immediately.

19 87. Parties' Authority. The signatories hereto represent that they are fully authorized to
20 enter into this Agreement and bind the Parties hereto to the terms and conditions hereof.

21 88. Mutual Full Cooperation. The Parties agree to fully cooperate with each other to
22 accomplish the terms of this Agreement, including but not limited to, execution of such documents
23 and to take such other action as may reasonably be necessary to implement the terms of this
24 Agreement. The Parties to this Agreement shall use their best efforts, including all efforts
25 contemplated by this Agreement and any other efforts that may become necessary by order of the
26 Court, or otherwise, to effectuate this Agreement and the terms set forth herein. As soon as
27 practicable after execution of this Agreement, Class Counsel shall, with the assistance and
28

1 cooperation of Defendants and Defense Counsel, take all necessary steps to secure the Court's
2 preliminary and final approval of the Settlement, and the final entry of Judgment.

3 89. Confidentiality Prior to Preliminary Approval. The Parties and their Counsel agree
4 that they will not issue any press releases, initiate any contact with the press, respond to any press
5 inquiry or have any communication with the press about this case and/or the fact, amount or terms
6 of the Settlement. Any communication about the Settlement to Class Members prior to the mailing
7 of the Court-approved Notice will be limited to a statement that a Settlement has been reached and
8 the details will be communicated in a forthcoming Court-approved Notice. This paragraph does
9 not restrict Class Counsel's communications with Class Members in accordance with Class
10 Counsel's ethical obligations owed to Class Members.

11 90. No Prior Assignments. The Parties hereto represent, covenant, and warrant that they
12 have not, directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer,
13 or encumber to any person or entity any portion of any liability, claim, demand, action, cause of
14 action or rights released and discharged by this Agreement.

15 91. No Admission. Defendants deny any and all liability to Plaintiff and/or any Class
16 Member and/or Aggrieved Employee in this Action, as to any and all causes of action that were
17 asserted or that might have been asserted in this Action. Nonetheless, Defendants wish to settle
18 and compromise the matters at issue in the Complaint to avoid further substantial expense and the
19 inconvenience and distraction of protracted and burdensome litigation. Defendants have taken
20 into account the uncertainty and risks inherent in litigation, and without conceding any infirmity
21 in the defenses that they have asserted or could assert against Plaintiff, have determined that it is
22 desirable and beneficial that Plaintiff's claims be settled in the manner and upon the terms and
23 conditions set forth in this Agreement.

24 92. Inadmissibility of Agreement. Whether or not the Court issues the Final Approval
25 Order, nothing contained herein, nor the consummation of this Agreement, is to be construed or
26 deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendants
27 or any of the other Released Parties. Each of the Parties hereto has entered into this Agreement
28 with the intention of avoiding further disputes and litigation with the attendant inconvenience and

1 expenses. This Agreement is a settlement document, and it, along with all related documents such
2 as the notices, and motions for preliminary and final approval, shall, pursuant to California
3 Evidence Code section 1152 and/or Federal Rule of Evidence 408, be inadmissible in evidence in
4 any proceeding, except an action or proceeding to approve the settlement, and/or interpret or
5 enforce this Agreement. The stipulation for class certification as part of this Agreement is for
6 settlement purposes only and if, for any reason the settlement is not approved, the stipulation will
7 be of no force or effect.

8 93. No Publicity. The Parties will not publicize the Settlement or disclose it to third
9 parties prior to the Court granting Preliminary Approval, except as required or necessary to
10 effectuate its terms and comply with law. After the Final Approval date, Class Counsel and Class
11 Representative agree that they will not discuss the Settlement with the media, any settlement and
12 verdict reporting service, any social media postings or other Internet postings. Nothing herein
13 shall be construed to prevent Class Counsel from the public filing of motions or other case
14 materials in the Action related to seeking and obtaining Court approval of this Settlement and the
15 related awards of attorneys' fees and costs, or to communications with Class Members or their
16 representatives about this Settlement, including through the posting of Court-filed documents on
17 Class Counsel's websites for access solely by the Class Members, or to prevent the Parties or their
18 representatives from communicating with financial or legal advisors regarding the Settlement. In
19 response to any media inquiry, Class Counsel may state only that the Action has been settled on
20 terms mutually agreeable to the Parties.

21 94. Notices. Unless otherwise specifically provided herein, all notices, demands or
22 other communications given hereunder shall be in writing and shall be deemed to have been duly
23 given as of the third business day after mailing by United States registered or certified mail, return
24 receipt requested, addressed:

25 *To the Class:*

26 Brian J. Mankin
27 *brian@lmlfirm.com*
28 Lauby, Mankin & Lauby LLP
5198 Arlington Ave, PMB 513

Riverside, CA 92504
Tel: (951) 320-1444 | Fax: (951) 320-1445

To Defendant:

Marie Burke Kenny (Bar No. 183640)
marie.kenny@procopio.com
PROCOPIO, CORY, HARGREAVES & SAVITCH LLP
525 B Street, Suite 2200
San Diego, CA 92101
Tel: (619) 238.1900 | Fax: (619) 235-0398

95. Construction. The Parties hereto agree that the terms and conditions of this Agreement are the result of lengthy, intensive arms' length negotiations between the Parties and that this Agreement shall not be construed in favor of or against any Party by reason of the extent to which any Party or his or its counsel participated in the drafting of this Agreement. Plaintiff and Defendants expressly waive the common-law and statutory rule of construction that ambiguities should be construed against the drafter of an agreement and further agree, covenant, and represent that the language in all parts of this Agreement shall be in all cases construed as a whole, according to its fair meaning.

96. Captions and Interpretations. Paragraph titles or captions contained herein 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 hereof. Each term of this Agreement is contractual and not merely a recital.

97. Modification. This Agreement may not be changed, altered, or modified, except in writing and signed by the Parties hereto, and approved by the Court. This Settlement Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by all of the Parties hereto.

98. Dispute Resolution. Prior to instituting legal action to enforce the provisions of this Agreement or to declare rights and/or obligations under this Agreement, a Party shall provide written notice to the other Party and allow an opportunity to cure the alleged deficiencies, and Plaintiff and Defendants may agree to seek the help of the Mediator to resolve any dispute they are unable to resolve informally. During this period, the Parties shall bear their own attorneys' fees and costs. This provision shall not apply to any legal action or other proceeding instituted by

any person or entity other than Plaintiff or Defendants.

99. Choice of Law. This Settlement Agreement shall be governed by and construed, enforced and administered in accordance with the laws of the State of California, without regard to its conflicts-of-law rules.

100. Integration Clause. This Settlement Agreement contains the entire agreement between the Parties relating to the Settlement and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

101. Binding On Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors and assigns.

102. Signatures of All Class Members Unnecessary to be Binding. It is agreed that, because the members of the Class are numerous, it is impossible or impractical to have each Class Member execute this Agreement. The Notice will advise all Class Members of the binding nature of the release provided herein and such shall have the same force and effect as if this Agreement were executed by each Class Member.

103. Counterparts. This Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one fully signed Agreement, which shall be binding upon and effective as to all Parties. Electronic signatures shall have the same force and effect as an original.

-- Signatures on Next Page --

1 Dated: Aug 27, 2025

PLAINTIFF AND CLASS REPRESENTATIVE



Mark Suarez (Aug 27, 2025 13:14:12 PDT)

Mark Suarez

2
3
4 Dated: _____

DEFENDANT MONZON & SON ENTERPRISES, INC.

5
6 By: Kelvin Monzon
President

7
8 Dated: _____

**DEFENDANT MONZON & SON EQUIPMENT
TRANSPORT INC.**

9
10 By: Kelvin Monzon
President

11
12 Dated: _____

DEFENDANT KELVIN J. MONZON

13
14 Kelvin J. Monzon

15 **APPROVED AS TO FORM:**

16
17 Dated: 8/27/2025

**CLASS COUNSEL
LAUBY, MANKIN & LAUBY LLP**



18
19 Brian J. Mankin
20 Attorneys for Plaintiff

21
22 Dated: _____

**DEFENSE COUNSEL
PROCOPIO, CORY, HARGREAVES & SAVITCH LLP**

23
24 Marie Burke Kenny, Esq.
25 Attorneys for Defendants
26
27
28

1 Dated: _____

PLAINTIFF AND CLASS REPRESENTATIVE

2
3 Mark Suarez

4 Dated: October 7, 2025

DEFENDANT MONZON & SON ENTERPRISES, INC.

DocuSigned by:

Kelvin Monzon

5
6 By: BDBA2B1B8DF042B... Kelvin Monzon
President

7 Dated: October 7, 2025

**DEFENDANT MONZON & SON EQUIPMENT
TRANSPORT INC.**

DocuSigned by:

Kelvin Monzon

8
9
10 By: BDBA2B1B8DF042B... Kelvin Monzon
President

11 Dated: October 7, 2025

DEFENDANT KELVIN J. MONZON

DocuSigned by:

Kelvin Monzon

12
13
14 Kelvin J. Monzon

15 **APPROVED AS TO FORM:**

16
17 Dated: _____

**CLASS COUNSEL
LAUBY, MANKIN & LAUBY LLP**

18
19 Brian J. Mankin
Attorneys for Plaintiff

20
21 Dated: October 7, 2025

**DEFENSE COUNSEL
PROCOPIO, CORY, HARGREAVES & SAVITCH LLP**

Marie Burke Kenny

22
23
24 Marie Burke Kenny, Esq.
Attorneys for Defendants

EXHIBIT “2”

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT

Suarez v. Monzon & Son Enterprises, Inc., et al.

(San Bernardino County Superior Court, Case No. CIVSB2225078)

***The San Bernardino County Superior Court 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 Defendants Monzon & Son Enterprises, Inc., Monzon & Son Equipment Transport Inc., and Kelvin J. Monzon (collectively “Defendants”) for alleged violations of the California Labor Code.

The Action was filed by Mark Suarez (“Plaintiff” or “Class Representative”) and alleges (1) Defendants failed to pay wages, reimburse expenses and seeks statutory damages and penalties, interest and attorneys’ fees on behalf of a class of nonexempt, California resident truck drivers employed by Defendants in California (“Class Members”) during the Class Period (November 4, 2018, through October 31, 2024); and (2) that Defendants are liable for penalties under the California Private Attorneys General Act (“PAGA”) for alleged Labor Code violations affecting all nonexempt, California resident truck drivers employed by Defendants in California during the PAGA Period (November 4, 2021, to October 31, 2024) (“Aggrieved Employees”). Plaintiff and Defendants are collectively referred to as the “Parties.”

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendants to fund Individual Class Payments to Class Members, and (2) a PAGA Settlement requiring Defendants to fund Individual PAGA Payments to Aggrieved Employees and pay penalties to the California Labor and Workforce Development Agency (“LWDA”). Based on Defendants’ records, and the Parties’ current assumptions, your Individual Class and PAGA Payments are shown in the charts below, along with the applicable data points from which these estimates are derived.

[*CLASS MEMBER NAME*] [*ID/CONTROL NUMBER*]

Calculations and Data Points for Estimated Individual Class Payment	
Total Weeks Worked during Class Period	Estimated Individual Class Payment
INSERT	\$INSERT
Calculations and Data Points for Estimated Individual PAGA Payment	
Total Pay Periods during PAGA Period	Estimated Individual PAGA Payment
INSERT	\$INSERT

Please note that the actual amount you receive may be different from the above and will depend on several factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendants’ records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.) If you believe that you worked more weeks during the periods discussed above, you can submit a written dispute by **DATE, 2025** (“**Response Deadline**”). See **Section 4** of this Notice for instructions to dispute your estimated weeks worked.

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 do 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 Defendants to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendants.

If you worked for Defendants during the Class Period and/or the PAGA Period, you have a few options as shown in the chart below:

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

DO NOTHING AND RECEIVE A SETTLEMENT PAYMENT	If you want to receive your full settlement payment, then no further action is required on your part. You will automatically receive a settlement payment if the Settlement receives final approval by the Court. You will be bound by the terms of the Settlement Agreement and will give up your right to sue on the Released Class Claims described in Section 3 , below.
EXCLUDE YOURSELF	If you do not wish to participate in the settlement of the Class Claims, you may “opt-out” of the settlement of the Class Claims. If you choose to opt-out, you must submit a Request for Exclusion by [REDACTED], 2025 (see Section 6 for more details on how to opt-out). If you opt-out, you will no longer be a Class Member, and you will (1) <u>not</u> receive an Individual Class Payment, (2) you will preserve your right to pursue the Released Class Claims described below subject to applicable statutes of limitations, and (3) you will be barred from filing an objection to the Settlement. <u>You cannot opt-out of the PAGA portion of the proposed Settlement.</u> Defendants must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released PAGA Claims. See Section 6 of this Notice.
OBJECT	If you decide to object to the Settlement with respect to the Class Claims because you find it unfair or unreasonable, you must submit an objection stating why you object to the settlement by [REDACTED], 2025 (see Section 7 for more details on how to object).
DISPUTE THE NUMBER OF WEEKS WORKED	If you believe the number of workweeks or pay periods that you were credited with working in the chart above is incorrect, you may submit a written dispute to the Administrator (see Section 4 for more details on how to submit a dispute). Defendants’ records will be presumed correct, but you may provide evidence to the Administrator showing how many workweeks and/or pay periods you believe you should be credited.

YOU MAY ATTEND THE FINAL APPROVAL HEARING, BUT IT’S NOT REQUIRED

DATE: DATE, 2025 TIME: 8:30 A.M.	At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement. 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. See Section 8 of this Notice.
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1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Defendants. The Action alleges Defendants failed to pay all required wages, failed to reimburse business expenses, failed to pay vested vacation, failed to timely pay final wages, and failed to provide accurate itemized wage statements. Based on the same claims, Plaintiff has also asserted claims for civil penalties under PAGA.

Defendants strongly deny violating any laws or failing to pay any wages and contends it complied with all applicable laws. The Court has not determined that Defendants violated any laws. Defendants expressly deny any liability or wrongdoing of any kind associated with the claims alleged in the Action, disputes any wages, damages and penalties claimed by Plaintiff are owed, and further contends that, for any purpose other than settlement, the Action is not appropriate for class or representative action treatment.

Both Parties are represented by attorneys in the Action. See **Section 9** below for their contact information.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

The Court has made no determination whether Defendants or Plaintiff are correct on the merits of the claims asserted in the Action. In the meantime, Plaintiff and Defendants hired an experienced, neutral mediator in an effort to resolve the Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-

consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”), Plaintiff and Defendants 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, Defendants do not admit any violations or concede the merit of any claims asserted in the Action.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendants have 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) the Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Defendants Will Pay \$300,000 as the “Gross Settlement Amount.” Defendants have agreed to pay a total Gross Settlement Amount of \$300,000, and will deposit the Gross Settlement Amount into an account controlled by the Administrator. The Administrator will use the Gross Settlement Amount to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel attorney’s fees and expenses, the Administrator’s Costs, and LWDA PAGA Payment. Assuming the Court grants Final Approval, Defendants will fund the Gross Settlement Amount in a two-part payment plan, with the first payment approximately 30 days after the Judgment entered by the Court becomes final and the second payment approximately 180 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 the Judgment is appealed.

2. Court Approved Deductions from Gross Settlement Amount. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:

A. Up to one-third of the Gross Settlement Amount (\$100,000.00) to Class Counsel for attorneys' fees and up to \$25,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

B. Up to \$10,000 to the Class Representative as a Service Payment for litigating the Action, working with Class Counsel and representing the Class. The Class Representative Service Payment will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.

C. \$6,950.00 to the Settlement Administrator for services administering the Settlement.

D. Up to \$10,000 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their share of pay periods worked during the PAGA Period.

E. Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

3. Net Settlement Amount Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the remainder (the “Net Settlement Amount”) by making Individual Class Payments on a pro-rata basis to Participating Class Members based on their weeks worked during the Class Period.

4. Taxes Owed on Payments to Class Members. Plaintiff and Defendants are asking the Court to approve an allocation of 10% of each Individual Class Payment to taxable wages (“Wage Portion”) and 90% to penalties and interest (“Non-Wage Portion”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendants will separately pay employer payroll taxes they owe 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 Defendants have agreed to these allocations, neither side is giving you any advice on whether your settlement payments are taxable or how much you might owe in taxes. You are solely 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. 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 Settlement, unless you opt-out of the Settlement, not later than the Response Deadline. See **Section 6** of this Notice for details on how to opt-out of the Class portion of the Settlement.

7. The Proposed Settlement Will be Void If the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and Defendants have agreed that, in either case, the Settlement will be void: Defendants will not pay any money and Class Members will not release any claims against Defendants.

8. Settlement Administrator. The Court has appointed a neutral company, ILYM Group, Inc. (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion, among other duties. The Settlement Administrator will also decide any disputes over weeks worked, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Settlement Administrator's contact information is contained in **Section 9** of this Notice.

9. Participating Class Members' Release. After the Judgment is final and Defendants have fully funded the Gross Settlement Amount 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 Defendants or related entities based on the facts alleged in the Action for the duration of the Class Period, which are resolved by this Settlement. The Participating Class Members will be bound by the following release:

Upon entry of the Final Approval Order and Defendants' funding of the Gross Settlement Amount and the required employer-side payroll taxes, Plaintiff and the Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, heirs, administrators, successors, and assigns, will forever completely release and discharge the "Released Parties" (defined as "Defendants and their present and former parents, affiliates, divisions, subsidiaries, joint ventures and all of their past and present directors, owners, shareholders, officers, agents, attorneys, insurers, servants, joint employers, employees, members, executors, administrators, general partners, limited partners, real or alleged alter egos, predecessors, successors, transferees, assigns, registered representatives, profit sharing, savings, health and other employee benefit plans of any nature, and the successors of such plans and those plans' respective trustees, administrators, agents, employees, attorneys, fiduciaries, and other persons acting on their behalf, and each of them, and the predecessors and successors, assigns and legal representatives of all such entities and individuals") from the "Released Class Claims" (defined as "all claims, rights, demands, liabilities and causes of action that were alleged in the Complaint, or that reasonably could have been alleged based upon the facts stated in the Complaint, during the Class Period, including, but not limited to: (1) failure to pay minimum wages, (2) failure to pay for nonproductive time under Labor Code § 226.2, (3) failure to reimburse business expenses, (4) failure to pay vested vacation, (5) failure to timely pay final wages, (6) failure to provide accurate itemized wage statements, (7) unfair and unlawful competition"). 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.

10. Release of Released PAGA Claims. After the Court's Judgment is final, and Defendants have paid the

Gross Settlement Amount (and separately paid the employer-side payroll taxes), Plaintiff, in his individual capacity and on behalf of the State of California and LWDA, and the Aggrieved Employees, on behalf of themselves and their respective former and present representatives, agents, heirs, administrators, successors, and assigns, shall completely release and discharge the Released Parties from the “Released PAGA Claims” (defined as “all claims for PAGA penalties based on the Labor Code violations alleged in the Complaint and the LWDA Notice Letter, or that reasonably could have been based on the facts stated in the Complaint and in the LWDA Notice Letter, including all PAGA claims for: (1) failure to pay minimum, overtime, and doubletime wages, (2) failure to pay for nonproductive time under Labor Code § 226.2, (3) failure to provide meal periods, (4) failure to provide rest periods, (5) failure to pay meal and rest period premiums at the regular rate of pay, (6) failure to pay paid sick leave at the regular rate of pay, (7) failure to reimburse business expenses, (8) failure to pay vested vacation or paid time off, (9) failure to timely pay wages each period, (10) failure to timely pay wages upon separation of employment, (11) failure to provide accurate itemized wage statements, (12) failure to maintain accurate records, and (13) all other claims for civil penalties recoverable under the PAGA based on the facts or claims alleged in the LWDA Notice Letter and Complaint, as well as claims for attorneys’ fees and costs arising out of the claims above) during the PAGA Period.

4. HOW IS MY INDIVIDUAL SETTLEMENT PAYMENT CALCULATED?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of work weeks for all Participating Class Members during the Class Period, and (b) multiplying the result by the number of work weeks credited to each individual Participating Class Member during the Class Period.

2. Individual PAGA Payments. The Settlement Administrator will calculate Individual PAGA Payments by (a) dividing \$2,500 by the total number of pay periods by all Aggrieved Employees worked during the PAGA Period and (b) multiplying the result by the number of pay periods by each individual Aggrieved Employee worked during the PAGA Period.

3. Disputing Weeks Worked. The number of weeks you worked during the Class Period and PAGA Period, as recorded in Defendants’ records, are stated in the tables on page 1 of this Notice. You have until **DATE** (“Response Deadline”) to dispute the number of workweeks credited to you. **Section 9** of this Notice has the Administrator’s contact information. You need to support your dispute by sending copies of pay stubs or other records. The Administrator will accept Defendants’ calculation of weeks worked based on Defendants’ 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 challenges based on your submission and on input from Class Counsel and Defendants’ Counsel. The Administrator’s decision is final. You can’t appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. Participating Class Members and Aggrieved Employees. The Administrator will send, by U.S. mail, a check to every Participating Class Member (which includes every Class Member who doesn't opt-out) and Aggrieved Employee. The check will combine the Individual Class Payment and the Individual PAGA Payment.

2. Aggrieved Employees Only. If you opted out of the Class settlement, but qualify as an Aggrieved Employee, then the Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee, including those who opt 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 9 of this Notice has the Settlement Administrator's contact information.

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

You will be treated as a Participating Class Member, participating fully in the Settlement, unless you opt-out of the Settlement, not later than the Response Deadline.

If you **do not** wish to take part in the release of the Class Claims in the Settlement, you may exclude yourself by sending to the Administrator a “Request for Exclusion” letter/card postmarked no later than [REDACTED], **2025** with your full name, address, telephone number, last four digits of your social security number or your date of birth, and signature. The Request for Exclusion should state:

“I WISH TO BE EXCLUDED FROM THE CLASS IN THE MONZON & SON LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE MY INDIVIDUAL CLASS PAYMENT FROM THIS LAWSUIT.”

Any person who submits a timely Request for Exclusion from the Class Claims (1) will not have any rights under this Settlement, including the right to object, appeal or comment on the Settlement; (2) will not be entitled to receive an Individual Class Payment; (3) will preserve the right to pursue the Released Class Claims, and (4) will not be bound by this Settlement, or the Judgment. **However, you cannot opt-out of the PAGA portion of the Settlement.** Class Members who exclude themselves from the Class Claims remain eligible to receive an Individual PAGA Payment, and will be deemed to have released the Released PAGA Claims.

If you do not want to participate in the Class Settlement, the Administrator will exclude you based on timely receipt of a writing communicating your request to be excluded. Be sure to personally sign your request, identify the Action as *Suarez v. Monzon & Son*, and include your identifying information (full name, address, telephone number, approximate dates of employment, and last four digits of social security number or your date of birth for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **Send your request to be excluded to the Administrator by [REDACTED], 2025 (the “Response Deadline”), or it will be invalid.** Section 9 of the Notice has the Administrator’s contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. A Participating Class Member who disagrees with any aspect of the Settlement may wish to object. **The deadline for sending written objections to the Administrator is [REDACTED], 2025 (the “Response Deadline”).**

If you wish to object to the proposed Settlement, you or your own attorney must submit a written objection, and the objection must include your full name, address, telephone number, last four digits of the social security number or date of birth, signature, and dates of employment with Defendant, in addition to the case name and number (*Suarez v. Monzon & Son*, Case No. CIVSB2225078), the basis for the objection, including any legal support and each specific reason in support of the objection, as well as any documentation or evidence in support thereof. Additionally, if you are represented by an attorney, the objection must include the name and address of your attorney. This objection and all supporting information must be sent to the Administrator at the address listed in **Section 9, postmarked on or before [REDACTED], 2025.**

If you do not comply with these procedures and the deadline for objections, the Court may not consider your objection at the Final Approval Hearing, and you may lose the right to contest the approval of the Settlement. You are still eligible to receive a settlement payment should the settlement become final even if you object to the settlement. Submitting an objection does not preserve the right to appeal a final judgment. Rather, the right to appeal is preserved by becoming a party of record by timely and properly intervening or filing a motion to vacate the judgment before entry of judgment.

Alternatively, 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 8** of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. WHEN IS THE FINAL APPROVAL HEARING?

On [REDACTED], **2025** at [REDACTED] **a.m./p.m.**, the Court will hold a public hearing in Department S26 of the San Bernardino County Superior Court, located at 247 West 3rd Street, San Bernardino, CA 92415, for the purposes of determining whether the proposed Settlement is fair, adequate and reasonable and should be approved, whether to approve

Class Counsel's applications for attorneys' fees and costs, whether to approve the payment to the LWDA, and whether to approve Plaintiff's request for the service award. This hearing may be continued or rescheduled by the Court. Objectors to the proposed settlement will be provided notice in the event that the Final Approval Hearing is continued to a later date. Class Members who support the proposed Settlement do not need to appear at the hearing and do not need to take any other action to indicate their approval. Class Members who object to the proposed Settlement are not required to attend the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

If you have questions about this Notice, the process to opt-out or object, or the Settlement, or if you did not receive this Notice in the mail and you believe that you are or may be a member of the Class, you may contact the Administrator for more information or to request that a copy of this Notice be sent to you in the mail. And you may also contact Class Counsel. Contact information for both the Administrator and the Parties' Counsel is provided here:

Settlement Administrator	Class Counsel	Defendants' Counsel
Name Mailing Address Telephone Number	Brian Mankin, Esq. <i>brian@LMLfirm.com</i> Peter Carlson, Esq. <i>peter@LMLfirm.com</i> Lauby Mankin Lauby LLP 5198 Arlington Ave, PMB 513 Riverside, CA 92504 Tel: (951) 320-1444	Marie Burke Kenny <i>Marie.kenny@procopio.com</i> Procopio, Cory, Hargreaves & Savitch LLP 12544 High Bluff Drive, Suite 400 San Diego, CA 92130 Tel.: (619) 525-3876

You may also seek advice and guidance from your own private attorney at your own expense, if you so desire.

This Notice is only a summary. For more detailed information, you may review the Settlement Agreement, containing the complete terms of the proposed Settlement, which is on file with the Court and attached to the Declaration of Brian J. Mankin in Support of Motion for Preliminary Approval of Class Action Settlement filed on DATE, 2025 and available to be inspected at any time during regular business hours at the Office of the Clerk, San Bernardino County Superior Court, located at 247 West Third Street, San Bernardino, CA 92415.

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

10. 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.

11. 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.

EXHIBIT “3”



LAUBY, MANKIN & LAUBY LLP

November 4, 2022

Submitted Via Online Filing to the LWDA

California LWDA
Attn: PAGA Administrator
455 Golden Gate Ave., 9th Fl.
San Francisco, CA 94102

Sent Via U.S. Mail and Certified Mail

Monzon & Son Enterprises, Inc.
2880 Norton Ave.
Lynwood, CA 90262

Monzon & Son Equipment Transport Inc.
2880 Norton Ave.
Lynwood, CA 90262

Kelvin J. Monzon
2880 Norton Avenue
Lynwood, CA 90262

Re: PAGA Civil Penalty Claim
Mark Suarez v. Monzon & Son Enterprises, Inc., et al.

To the Labor and Workforce Development Agency, Monzon & Son Enterprises, Inc., Monzon & Son Equipment Transport Inc., and Mr. Kelvin J. Monzon:

Pursuant to the Private Attorneys General Act of 2004 (“PAGA”), Labor Code §§ 2699, *et seq.*, this letter shall serve as notification of the PAGA civil penalty claim of aggrieved employee Mark Suarez (“Claimant”), on behalf of the State of California and all Aggrieved Employees, against his former employer(s), Monzon & Son Enterprises, Inc., Monzon & Son Equipment Transport Inc., and any affiliated entities, as well as its owner(s) Mr. Kelvin J. Monzon and others (the “Owners”) (collectively, the “Company”), for violations of Labor Code §§ 200, 201, 202, 203, 204, 208, 210, 218.6, 226, 226.2, 226.3, 226.7, 227.3, 246, 510, 512, 558, 1194, 1194.2, 1197, 1197.1, 1198, 1199, and 2802, among possibly other sections inadvertently omitted, and/or sections of the applicable IWC Wage Order(s).

FACTUAL BACKGROUND

Claimant was employed by the Company from approximately 2020 through October 2022 as a truck driver. Claimant alleges that he and all other truck drivers employed by the Company (the “Aggrieved Employees”) were subjected to the same policies, working conditions, and corresponding wage and hour violations to Claimant was subjected during his employment.

For instance, at all relevant times, Claimant and the Aggrieved Employees were not provided proper wages due to the Company’s failure to accurately record and compensate for all hours worked. As one such example, during employment, Claimant and the Aggrieved Employees were only paid a percentage of the load and were illegally paid a rate of pay under the applicable minimum wage. Also, Claimant and the

Mailing Address

5198 Arlington Avenue, PMB 513, Riverside, CA 92504



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888.959.8508

Physical Address

11801 Pierce Street, Suite 200, Riverside, CA 92505

Aggrieved Employees did not receive separate hourly compensation at no less than the minimum wage for unpaid, on-duty, time including tasks such as pre-trip and post-trip inspections, detention time, loading and unloading time, completing paperwork, refueling or repair, and downtime between runs. Additionally, under the percent of the load pay plan, Claimant was only paid for jobs that he performed, and he was not paid any separate compensation for mandatory paid rest breaks, time spent working between jobs, waiting for work/standby, attending mandatory meetings, or performing other tasks. This exact compensation scheme was analyzed and found illegal in the landmark decision of *Vaquero v. Stoneledge Furniture, LLC* (2017) 9 Cal.App.5th 98.

Claimant was also not provided 30-minute off-duty meal periods, as mandated by California law, during employment with the Company. As a result of the Company's policies and practices, Claimant was subjected to meal period violations when Claimant was: (1) unable to take a meal period due to workload, (2) forced to take an on-duty meal period while under the control of the Company, (3) forced to take a meal period after the 5th hour of work, and (4) not provided a mandated second meal period on occasions for shifts in excess of 10 hours.

The Company also failed to provide Claimant with 10 minutes of net rest break time for every 4 hours worked, or major fraction thereof, as mandated by California law. The Company did not schedule Claimant's rest breaks, Claimant was unable to leave the premises for breaks, and Claimant was often not authorized and/or permitted to take mandated rest breaks due to being overwhelmed by the hectic workload. Furthermore, on occasions when Claimant worked in excess of 10 hours in a shift, the Company failed to authorize and/or permit a third mandated rest break.

Furthermore, at all relevant times, Claimant and the Aggrieved Employees were denied paid rest breaks by virtue of the Company's policy that only paid its truck drivers for miles driven and/or on a commission basis. As Claimant and the Aggrieved Employees could not accrue miles or earn commission during a rest break, Claimant and the Aggrieved Employees were illegally denied paid rest breaks. Claimant and the Aggrieved Employees were also not provided mandated 30-minute off-duty meal periods. Claimant and the Aggrieved Employees were not paid the mandatory one-hour wage premium for each such meal period or rest break denied. Also, the Company failed to pay Claimant and the Aggrieved Employees for rest and recovery periods and other nonproductive time as required by Labor Code § 226.2.

Also, the Company required Claimant and the Aggrieved Employees to incur necessary business-related expenses and costs without reimbursement, including, but not limited to, acquiring and maintaining a smart phone and related monthly data plan to communicate with the Company via phone and text message.

Moreover, at all relevant times, the Company utilized a policy and practice through which Claimant and the Aggrieved Employees accrued vacation and/or PTO hours (collectively, "vacation hours"). However, on the occasions when Claimant and the Aggrieved Employees had accrued but unused vacation hours upon separation of employment, Defendants failed to pay for these earned wages at the "final rate" as required by Labor Code § 227.3.

The Company also failed to comply with the mandates of Labor Code § 204 regarding the timing of the payment of wages to its employees each period, including meal and rest period premiums. Additionally, the Company failed to pay Claimant and the Aggrieved Employees their final wages within the timeframe required by Labor Code §§ 201 – 203. Finally, during employment with the Company, Claimant and the

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Aggrieved Employees received inaccurate and incomplete wage statements that failed to accurately state all necessary items required under Labor Code § 226(a).

Claimant alleges that he worked under the joint direction and control of the entities listed herein and their Owners and is informed and believes that each of them acted in all respects pertinent to this action as the agent of the others, carried out a joint scheme, business plan or policy in all respect pertinent hereto, and the acts of each are legally attributable to the others. On information and belief, a unity of interest and ownership between each exists such that the entities listed herein and the Owners acted as a single employer of Claimant and the Aggrieved Employees. Furthermore, on information and belief, the entities listed herein and their Owners are an integrated enterprise and should be treated as a single employer because the entities and their Owners share an interrelation of operations, with common human resources and personnel policies and shared common offices and facilities. Upon information and belief, the entities listed herein and their Owners share common management, a centralized control of labor operations, and common ownership or financial control.

Furthermore, Claimant alleges that the Owners are now and at all relevant times were the owners of the entities listed herein and were Claimant's and the Aggrieved Employees' actual employer or, in the alternative, were individuals employed by the Company as managerial and/or supervisory employees and/or agents. In addition, Claimant alleges that at all relevant times the Owners had the authority, in the interest of the entities listed herein to exercise independent judgment to hire, transfer, promote, discharge, assign, discipline, or take other similar actions against Claimant and the Aggrieved Employees, and were in Claimant's chain of command at the time of and direct participants in the wrongful conduct which constitutes the basis of Claimant's complaint herein. Claimant also alleges that the entities listed herein and the Owners are the agents, servants, employees, partners, affiliates, and/or representatives of each other, and were, at all times herein mentioned, acting within the course, scope, and purpose of such relationship(s) and with the knowledge, consent and/or ratification of each other. Furthermore, in conducting themselves in the manner described herein, the entities listed herein and the Owners were acting in active concert with on another such that the acts of each were fully attributable to the other in all material respects.

Claimant also alleges the entities listed herein and the Owners were merely the alter-ego of the others in that there existed a unity of interest and ownership such that any separateness between them ceased to exist and each exercised undue dominance, control, influence, and management over the others. Claimant further alleges that, at all relevant times, the entities listed herein have been inadequately capitalized to conduct business, have failed to follow appropriate corporate formalities, and have simply been a shell and instrumentality through which the Owners have conducted their personal affairs. Adherence to the fiction of the separate existence of the entities listed herein would permit abuse of the corporate privilege, thereby sanctioning fraud and promoting injustice. Accordingly, the corporate veil should be pierced, and any liability attached to the entities listed herein should be imposed jointly and severally against the Owners.

In an additional separate, but not necessarily mutually exclusive, alternative theory of liability, the Owners are liable for PAGA civil penalties under Labor Code § 558 as "other person(s)" who caused the violations regarding minimum wage among other claims. See *Atempa v. Pedrazzani* (2018) 27 Cal.App.5th 809, 820 ("if there is evidence and a finding that a party other than the employer 'violates, or causes to be violated' the overtime laws (§ 558(a)) or 'pays or causes to be paid to any employee' less than minimum wage (§ 1197.1(a)), then that party is liable for certain civil penalties regardless of the identity or business structure of the employer"); *Moua v. IBM* (N.D. Cal. 2019) 2019 U.S.Dist.LEXIS 40851 (same).

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As a result of these violations, and others described below, Claimant alleges that he and other Aggrieved Employees were denied specific rights to which they are/were entitled under California law and the rules promulgated by the IWC Wage Orders, including the following:

PAGA ASSESSMENT FOR FAILURE TO PAY WAGES

(Labor Code §§ 204, 221-223, 510, 558, 1194, 1194.2, 1197, 1197.1, 1198; IWC Wage Order §§ 3, 4(B))

During their employment, Claimant and the Aggrieved Employees were paid on a piece-rate/per-load basis but did not receive separate hourly compensation at no less than the minimum wage for unpaid, on-duty, time including tasks such as mandatory paid rest breaks, pre-trip and post-trip inspections, detention time, loading and unloading time, completing paperwork, refueling or repair, and downtime between runs. Additionally, the piece-rate/per-load compensation paid to Claimant and the Aggrieved Employees often resulted in a payment of wages at less than the required California minimum wages for all hours worked. Therefore, this resulted in earned, but unpaid, minimum and regular wages due and owing to Claimant and the Aggrieved Employees. Accordingly, Labor Code §§ 210, 558, 1194.2, 1197.1, and 2699, among possibly others, impose various penalties upon the Company for each employee and each pay period in which it failed to pay all wages.

PAGA ASSESSMENT FOR FAILURE TO PROVIDE SEPARATE PAYMENT FOR REST AND RECOVERY PERIODS AND OTHER NONPRODUCTIVE TIME

(Labor Code § 226.2)

Labor Code § 226.2 requires employers that pay their employees on a piece-rate basis to provide separate payment for rest and recovery periods and other nonproductive time. Claimant and the Aggrieved Employees are and/or were employees of the Company who were paid on a piece-rate/flat-rate basis, yet the Company did not comply with the requirements of Labor Code § 226.2 for its piece-rate employees. As a result of these violations, penalties may be assessed pursuant to Labor Code § 2699, among possibly other sections.

PAGA ASSESSMENT FOR DENIAL OF MEAL PERIODS, REST BREAKS, AND WAGE PREMIUMS

(Labor Code §§ 226.7(b) & (c), 512, 558; Cal. Admin. Code, Title 8, § 11090)

Labor Code § 226.7(b) states that “[a]n employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission ...” Labor Code § 512(a) states in pertinent part: “[A]n employer may not employ an employee for a work period of more than 5 hours per day without providing the employee with an uninterrupted meal period of not less than 30 minutes [...] [a]n employer may not employ an employee for a work period of more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes.” Section 12 of applicable IWC Wage Order states in pertinent part: “Every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period. The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof.”

Here, Claimant and other Aggrieved Employees were regularly not provided compliant mandatory meal periods and paid rest breaks due to the Company’s policies described above. Although the Company was required to pay Claimant and all Aggrieved Employees premium wages equal to an additional hour of

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pay at the employee's regular rate of pay for each violation under Labor Code § 226.7(c), the Company did not pay the mandatory one-hour wage premiums and did not do so at the proper rate. Labor Code § 558 imposes a penalty for each violation, plus an amount sufficient to recover the underpaid wages. Additionally, the civil assessment set forth in Labor Code § 2699 applies to these violations.

FAILURE TO PAY VESTED VACATION UPON SEPARATION OF EMPLOYMENT

(Labor Code § 227.3)

Pursuant to Labor Code § 227.3, an employer that has implemented a paid vacation, paid time off, or compensated time off policy must, upon an employee's separation from employment, pay to the employee all vested but unused vacation and/or paid time off at her final rate of pay. However, as alleged herein, the Company failed to pay all vested vacation upon separation of employment and, further, only paid vested vacation upon separation at the base rate of pay, leading to a violation on each such occasion. As a result of these violations, penalties may be assessed pursuant to Labor Code § 2699.

FAILURE TO PAY SICK TIME AT PROPER RATE OF PAY

(Labor Code § 246)

Labor Code § 246(l)(1) provides that paid sick time for non-exempt employees must be "calculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek." Additionally, Labor Code § 246(l)(2) states that the paid sick time must be "calculated by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment."

Here, Claimant and the Aggrieved Employees were compensated on an hourly basis plus additional compensation in the form of shift differentials and/or nondiscretionary bonuses. However, on the occasions that the Aggrieved Employees took sick time and received paid sick leave, the Company only paid sick time at the base rate of pay (not factoring in the additional compensation as required by Labor Code §§ 246(l)(1-2). As such, penalties may be assessed pursuant to Labor Code § 2699.

PAGA ASSESSMENT FOR FAILURE TO REIMBURSE BUSINESS EXPENSES

(Labor Code § 2802; IWC Wage Order § 9(b))

Labor Code § 2802(a) states "An employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties." IWC Wage Order § 9(b) states "[w]hen 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 the employer."

Here, the Company required Claimant and the Aggrieved Employees to incur expenses in direct consequence of the discharge of their duties. For example, the Company required Claimant and the Aggrieved Employees to acquire and maintain a smart phone and related monthly data plan to communicate with the Company via phone and text message. Accordingly, Labor Code § 2699 imposes a penalty upon the Company for each such violation of Labor Code § 2802.

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**PAGA ASSESSMENT FOR FAILURE TO PAY ALL WAGES DUE AND OWING
EACH PAYROLL PERIOD WITHIN THE TIME REQUIRED BY LAW**

(Labor Code §§ 204, 204.1, 208, 256 and 2699)

Labor Code § 204(a) states that all wages earned by a person are due and payable twice during each calendar month, and further states that wages earned during the first through fifteenth days of the month must be paid no later than the twenty-sixth day of the month, and that wages earned between the sixteenth and last day of the month must be paid by the tenth day of the following month. Labor Code § 204(d) states “[t]he requirements of this section shall be deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven calendar days following the close of the payroll period.”

As a result of the Company’s failure to pay Claimant and the Aggrieved Employees all compensation to which they were entitled, the Company had a pattern and practice of failing to pay all wages due and owing to Claimant and the Aggrieved Employees within the time mandated by Labor Code § 204. As a result of these violations, penalties may be assessed pursuant to Labor Code §§ 203, 210, 256, and/or 2699.

PAGA ASSESSMENT FOR FAILURE TO TIMELY PAY FINAL WAGES

(Labor Code §§ 201, 202, 203, 256 and 2699)

Labor Code § 201(a) provides in pertinent part: “If an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately.” Labor Code § 202(a) states in pertinent part “If an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours’ previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.” Labor Code § 203(a) states “If an employer willfully fails to pay, without abatement or reduction, in accordance with Sections 201, 201.3, 201.5, 201.9, 202, and 205.5, any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced; but the wages shall not continue for more than 30 days.”

The Company did not pay the Aggrieved Employees all wages that were due and owing within the required time following the end of their employment in accordance with Labor Code §§ 201-202. As a result, all such Aggrieved Employees are entitled to 30 days of wages as a “waiting time penalty.” (Labor Code § 203.) Labor Code § 2699 also imposes a penalty.

**PAGA ASSESSMENT FOR FAILURE TO PROVIDE ACCURATE,
ITEMIZED WAGE STATEMENTS**

(Labor Code §§ 226, 226.3, and 1174)

Labor Code § 226(a) requires an employer to provide its employees with itemized wage statements accurately stating gross wages earned, total hours worked, all deductions, net wages earned, the inclusive dates of the pay period, the employee’s name and the last four digits of his or her Social Security number (or employee identification number), the name and address of the legal entity that is the employer, and all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.

Mailing Address

5198 Arlington Avenue, PMB 513, Riverside, CA 92504



Toll Free
888.959.8508

Physical Address

11801 Pierce Street, Suite 200, Riverside, CA 92505

Furthermore, Labor Code § 226.2(a) states “[f]or employees compensated on a piece-rate basis during a pay period, the following shall apply for that pay period: [...] (2) the itemized statement required by subdivision (a) of Section 226 shall, in addition to the other items specified in that subdivision, separately state the following, to which the provisions of Section 226 shall also be applicable: (A) the total hours of compensable rest and recovery periods, the rate of compensation, and the gross wages paid for those periods during the pay period [and] (B) [...] the total hours of other nonproductive time, [...] the rate of compensation, and the gross wages paid for that time during the pay period.”

Here, the Company failed to provide accurate itemized wage statements due to violations including: failure to accurately state total hours worked; failure to accurately state the number of piece-rate units earned by the Aggrieved Employees and any applicable piece-rate; failure to accurately state gross wages earned; failure to accurately state all deductions; failure to state the name and address of the legal entity that is the employer; failure to accurately state net wages earned; failure to state all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee; failure to state the total hours of compensable rest and recovery periods, the rate of compensation, and the gross wages paid for those periods during the pay period; and failure to state the total hours of other nonproductive time, [...] the rate of compensation, and the gross wages paid for that time during the pay period. Accordingly, Labor Code §§ 226.3 and 2699 impose a civil penalty and/or assessment for these violations.

PAGA ASSESSMENT FOR VIOLATIONS OF LABOR CODE § 1199

(Labor Code § 1199)

An employer violates Labor Code § 1199 if said employer: (a) requires or causes an employee to work for longer hours than those fixed, or under conditions of labor prohibited by an order of the commission; (b) pays or causes to be paid to any employee a wage less than the minimum fixed by an order of the commission; or, (c) violates or refuses or neglects to comply with any provision of this chapter or any order or ruling of the commission. Labor Code § 2699.5 specifically enumerates Labor Code § 1199 as a section to which the civil penalties under the PAGA apply. Therefore, as a result of the Company’s violations described herein, the Company is subject to civil penalties in accordance with Labor Code § 2699.

ATTORNEYS’ FEES, INTEREST, AND PENALTIES

(Labor Code §§ 2699(f)(2), 2699(g)(1), 2699.5)

Labor Code § 2699(g)(1), give employees the right to recover in a civil action the unpaid balance of the full amount of wages, including interest thereon, penalties and other damages, as applicable, reasonable attorneys’ fees, and costs of suit. Additionally, Claimant seeks the assessment of penalties, including civil penalties, under Labor Code §§ 203, 210, 225.5, 226.3, 1174.5, 1197.1, 2699, and/or § 20 of the IWC Wage Orders, among possibly other provisions inadvertently omitted herein. Furthermore, Claimant is entitled to bring a wage/hour claim on behalf of all current and former similarly situated employees of the Company. Thus, the Company is exposed to these same penalties for violations involving all Aggrieved Employees. Additionally, Claimant seeks attorney’s fees pursuant to C.C.P. § 1021.5. Please construe this correspondence as Claimants’ notification of alleged wrongdoing and attempted resolution in accordance with C.C.P. § 1021.5 and *Graham v. DaimlerChrysler Corp.* (2004) 34 Cal.4th 553.

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CONCLUSION

Based on the foregoing, the Company may be liable for civil penalties related to the foregoing claims and remedies. If Claimant becomes aware of any additional claims for Labor Code violations related to his employment and/or other employees of the Company, he reserves the right to add new claims by supplementing this notice letter. Should you have any questions, please feel free to give me a call. In the meantime, I look forward to your response.

Very Truly Yours,



By: Peter J. Carlson, Esq.

E-mail: peter@lmfirm.com

EXHIBIT “4”

Case Name: Suarez v. Monzon & Son

Tuesday, December 3, 2024

Requesting Attorneys Name:	Brian J. Mankin
E-Mail:	Brian@lmlfirm.com
ILYM Contact:	Lisa Mullins
E-Mail:	Lisa@ilymgroup.com
Contact Number:	714.878.8836

Estimate For Administrative Solutions: Class & PAGA

KEY ASSUMPTIONS	
Total Number of Class Members	200
Estimated Percentage of Remails	15%
Certified Spanish Translation	Yes
ILYM Group Static Website	Yes
Case Duration (Years)	1

Summary Estimate: ILYM Group Fees & Expenses

Case Startup:	\$325.00
Project Management & Noticing:	\$2,575.00
Notification & Mailing:	\$615.00
Distribution (Includes EIN, Bank Acct * /QSF Setup):	\$2,640.00
Case Conclusion:	\$795.00
Not To Exceed ILYM Fees & Expenses:	\$6,950.00

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Case Name: Suarez v. Monzon & Son

Tuesday, December 3, 2024

Requesting Attorneys Name: Brian J. Mankin

Activity	Rate Type	Unit Cost	Volume	Amount
CASE STARTUP				
Initial Setup - Import and Formatting of Data*	Hourly	\$150.00	1	\$150.00
Programming of Class Database	Hourly	\$175.00	1	\$175.00

*ILYM assumes that data will be in a standard format. Client will be notified immediately if not in standard format to correct data or ILYM can convert to standard format @ \$150.00 per hour.

Subtotal \$325.00

PROJECT MANAGEMENT & NOTICING				
Project Manager (Case notification and maintenance)	Hourly	\$120.00	2	\$240.00
Staff Hours for Processing Returned Mail	Hourly	\$70.00	1	\$70.00
Staff Hours for Processing Opt-Outs, Disputes & Objection(s)	Hourly	\$70.00	1	\$70.00
Report Processing	Hourly	\$70.00	1	\$70.00
NCOA	Flat Rate	\$50.00	1	\$50.00
Toll Free Customer Service Representative	Flat Fee	\$75.00	1	\$75.00
Certified Spanish Translation	Flat Fee	\$1,250.00	1	\$1,250.00
ILYM Group Static Website	Flat Fee	\$750.00	1	\$750.00
Weekly Reports	Flat Rate	\$750.00	1	Waived

Subtotal \$2,575.00

NOTIFICATION/MAILING				
Fulfillment of Notice, English & Spanish	Per Piece	\$1.50	200	\$300.00
USPS First Class Postage	Per Piece	\$0.70	200	\$140.00
Re-Mails (Forward/Skip trace Undeliverables)	Per Piece	\$2.00	30	\$60.00
Storage, Photocopies, Deliveries	Flat Fee	\$115.00	1	\$115.00

Subtotal \$615.00

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Case Name: Suarez v. Monzon & Son

Tuesday, December 3, 2024

Requesting Attorneys Name: Brian J. Mankin

Activity	Rate Type	Unit Cost	Volume	Amount
DISTRIBUTION (Includes EIN, Bank Acct * /QSF Setup)				
Distribution Setup & Management	Hourly	\$150.00	2	\$300.00
Account Reconciliation & Distribution Reporting	Hourly	\$125.00	2	\$250.00
Check, Stub & Release - Print & Mail (W-2/1099)	Per Check	\$1.00	200	\$200.00
USPS First Class Postage	Per Piece	\$0.60	200	\$120.00
Re-Mails (Forward/Skip trace Undeliverables up to 10%)	Per Piece	\$1.50	20	\$30.00
Preparation of Taxes	Hourly	\$120.00	2	\$240.00
Annual Filing of Tax Return	Per Year	\$1,500.00	1	\$1,500.00

*Additional Bank fees may apply

Subtotal \$2,640.00

CASE CONCLUSION				
Data Manager Final Reporting	Hourly	\$100.00	1	\$100.00
Project Manager Final Reporting	Hourly	\$120.00	1	\$120.00
Process Unclaimed Funds	Flat Fee	\$450.00	1	\$450.00
Declaration	Hourly	\$125.00	1	\$125.00

Subtotal \$795.00

Not To Exceed ILYM Fees & Expenses: \$6,950.00

Terms and Conditions

All services to be provided by ILYM Group, Inc. (hereinafter, "ILYM") to Client shall be subject to the following terms and conditions:

Services: Subject to the terms hereof, ILYM agrees to provide the Client with Administration Services (hereinafter, "services") as specified in the Proposal provided to Client to which these Terms and Conditions are attached. The estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make provision for any services or class members/size not delineated in the request for proposal or stipulations. Such services do not in any way constitute legal services or advice. ILYM is performing its services as an Independent Contractor and neither it nor its employees shall be deemed to be employees of the Client.

Mailing and Data Conversion: ILYM's database administration assumes the Client will provide complete data that includes all information required to send notifications and complete the administration process. Data must be provided in a complete, consistent, standardized electronic format. ILYM's standard format is Microsoft Excel, however, ILYM may accept other formats at its discretion. Further developments or enhancements to non-standardized data will be billed to Client by ILYM on a time and materials basis, according to ILYM's Standard Rates.

Charges for Services: Charges to the Client for services shall be on a time and materials basis at our prevailing rates, as the same may change from time to time. Any fee estimates set forth in the proposal are estimates only, based on information provided by Client to ILYM. Actual fees charged by ILYM to Client may be greater or less than such estimate, and Client shall be responsible for the payment of all such charges and expenses in accordance with Section 5 hereof. Charges incurred related to resolving post distribution withholdings and related corrective files due to voids and re-issues of payments and related correspondence with state and federal taxing authorities will not be charged to the Client to the extent that funds are received from the taxing authorities offset these charges. ILYM may derive financial benefits from financial institutions in connection with the deposit and investment of settlement funds with such institutions, including without limitation, discounts on eligible banking services and fees, and loans at favorable rates.

Indemnification: Client will indemnify and hold ILYM (and the officers, employees, affiliates and agents harmless against any Losses incurred by ILYM, arising out of, in connection with, or related to (i) any breach of the terms by Client; (ii) the processing and handling of any payment by ILYM in accordance with Client's instructions, including without limitation, the imposition of any stop payment or void payment on any check or the wrongful dishonor of a check by ILYM pursuant to Client's instructions.

Payment of Charges: ILYM reserves the right to request payment of postage charges and 50% of the final administration charges at the start of the case. ILYM bills are due upon receipt unless otherwise negotiated and agreed to with the Client. In the event settlement terms provide that ILYM is to be paid out of the Settlement Fund, ILYM will request that Counsel endeavor to make alternate payment arrangements for ILYM charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the Settlement Account is funded by, or no later than the time of disbursement. Decisions of the court and actions of the parties, including disapproval or withdrawal of a settlement, do not affect the Client's liability to ILYM for payment of services. Services are not provided on a contingency fee basis.

Confidentiality: ILYM maintain reasonable and appropriate security measures and safeguards to protect the security and confidentiality of Client data provided to ILYM by Client in connection herewith. Should ILYM ever be notified of any judicial order or other proceedings in which a third party seeks to obtain access to the confidential data created by or for the Client, ILYM will promptly notify the Client, unless prohibited by applicable law. The Client shall have the option to (1) provide legal representation at the Client's expense to avoid such access or (2) promptly reimburse ILYM for any of its costs, including attorneys' fees, reasonably incurred in avoiding, attempting to avoid or providing such access and not paid by the entity seeking the data. If ILYM is required, pursuant to a court order, to produce documents, disclose data, or otherwise act in contravention of the obligations imposed by this Agreement, or otherwise, with respect to maintaining the confidentiality, proprietary nature and secrecy of the produced documents or disclosed data, ILYM will not be liable for breach of said obligation.

Data Rights: ILYM does not convey nor does the Client obtain any right in the programs, system data, or materials utilized or provided by ILYM in the ordinary course of business in the performance of this Agreement.

Document Retention: Unless directed otherwise in writing by Client, ILYM will destroy undeliverable mail on the effective date of the settlement or the date that the disposition of the case is no longer subject to appeal or review, whichever is later. ILYM will maintain claim forms and other correspondence for one year after final distribution of funds or benefits, or until the date that the disposition of the case is no longer subject to appeal or review, whichever is later.

Limitation of damages: ILYM is not responsible to the Client for any special, consequential or incidental damages incurred by Client. Any liability of ILYM to the Client shall not exceed the total amount billed to the Client for the particular services that give rise to any loss.

Termination: The services to be provided under this Agreement may be terminated, at will by the Client upon at least 30 calendar days' prior written notice to ILYM. The Client's obligation to pay for services or projects in progress at the time of notice of withdrawal shall continue throughout that 30 day period. ILYM may terminate this Agreement (i) with 10 calendar days' prior written notice, if the Client is not current in payment of charges or (ii) in any event, upon at least 3 months' prior written notice to the Client.

Notice: Any notice required or permitted hereunder shall be in writing and shall be delivered personally, or sent by registered mail, postage prepaid, or overnight courier service to the responsible officer or principal of ILYM or the Client, as applicable, and shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service.

Force Majeure: To the extent performance by ILYM of any of its obligations hereunder is substantially prevented by reason of any act of God or by reason of any other matter beyond ILYM's reasonable control, then such performance shall be excused and this Agreement, at ILYM's option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.

Waiver of Rights: No failure or delay on the part of a party in exercising any right hereunder will operate as a waiver of, or impair, any such right. No single or partial exercise of any such right will preclude any other or further exercise thereof or the exercise of any other right. No waiver of any such right will be effective unless given in a signed writing.

Jurisdiction: The parties hereto submit to the jurisdiction of the Court of the applicable case for purposes of any suit, action or proceeding to enforce any provision of, or based on any right arising out of, this Agreement. The parties hereto hereby waive any objection to the laying of venue of any such suit, action or proceeding in the Court.

Entire Agreement: These terms and conditions and the proposal embody the entire agreement between the parties with respect to the subject matter hereof, and cancels and supersedes all prior negotiations, representations, and agreements related thereto, either written or oral, except to the extent they are expressly incorporated herein. No changes in, additions to, or waivers of, the terms and conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.

EXHIBIT “5”