

Lilit Tunyan (SBN 329351)
ltunyan@tunyanlaw.com
Artur Tunyan (SBN 349174)
atunyan@tunyanlaw.com
TUNYAN LAW, APC
535 N Brand Blvd. Suite 285
Glendale, California 91203
Telephone: (323) 410-5050

Attorneys for Plaintiff KARINA A. SANTOYO, as an individual
and on behalf of all employees similarly situated

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

KARINA A. SANTOYO, as an individual and on
behalf of all employees similarly situated,

Plaintiff,

v.

ALLIED HIGH TECH PRODUCTS, INC., a
California Corporation; and DOES 1 through 50,
inclusive,

Defendants.

Case No.: 25STCV20927

[Assigned for all purposes to Hon. Theresa M.
Traber, Dept. 1]

**CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT AND
CLASS NOTICE**

Complaint Filed: July 15, 2025
Trial: None Set

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff KARINA A. SANTOYO (“Plaintiff”) and Defendant ALLIED HIGH TECH PRODUCTS, INC. (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. **DEFINITIONS.**

- 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against Defendant captioned *Santoyo v. Allied High Tech Products, Inc.*, Case No. 25STCV20927 initiated on July 15, 2025, pending in Superior Court of the State of California, County of Los Angeles.
- 1.2. “Administrator” means Phoenix Class Administration Solutions, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. “Aggrieved Employees” means all current and former non-exempt employees of Defendant who worked for Defendant in California at any time during the PAGA Period.
- 1.5. “Class” or “Class Members” means all current and former non-exempt employees of Defendant who worked for Defendant in California at any time during the Class Period.
- 1.6. “Class Counsel” means TUNYAN LAW, APC.
- 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.8. “Class Data” means Class Member identifying information in Defendant’s possession including the Class Members’ name, last-known mailing address, Social Security number,

and number of Class Period Workweeks and PAGA Pay Periods.

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

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

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

1.12. “Class Period” means the period from July 15, 2021 through the date the Court grants preliminary approval of this settlement or 60 days from July 1, 2026, whichever is earlier, or as modified under Paragraph 8.

1.13. “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.

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

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

1.16. “Defendant” means named Defendant ALLIED HIGH TECH PRODUCTS, INC.

1.17. “Defense Counsel” means FISHER & PHILLIPS LLP.

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

from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

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

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

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

1.22. “Gross Settlement Amount” means **Three Hundred Ten Thousand Dollars and Zero Cents (\$310,000.00)** (“GSA”) which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The employer’s share of payroll taxes will be paid separately and in addition to the GSA. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator’s Expenses.

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

1.24. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 35% of the PAGA Penalties calculated according to the number of Pay Periods worked during the PAGA Period.

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

1.26. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code § 2699(m).

1.27. “LWDA PAGA Payment” means the 65% of the PAGA Penalties paid to the LWDA under Labor Code § 2699(m).

1.28. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment,

Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment.

The remainder is to be paid to Participating Class Members as Individual Class Payments.

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

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

1.31. “PAGA Period” means the period from July 15, 2024 through the date the Court grants preliminary approval of this settlement or 60 days from July 1, 2026, whichever is earlier, or as modified under Paragraph 8.

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

1.33. “PAGA Notice” means Plaintiff’s July 15, 2025 letter to Defendant and the LWDA providing notice pursuant to Labor Code § 2699.3(a).

1.34. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 35% to the Aggrieved Employees (\$10,500.00) and the 65% to LWDA (\$19,500.00) in settlement of PAGA claims.

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

1.36. “Plaintiff” means KARINA A. SANTOYO, the named plaintiff in the Action.

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

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

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

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

1.41. “Released Parties” means: Defendant and each of its former and present directors, officers, shareholders, owners, agents, employees, attorneys, insurers, predecessors, successors,

1 assigns.

2 1.42. "Request for Exclusion" means a Class Member's submission of a written request to be
3 excluded from the Class Settlement signed by the Class Member.

4 1.43. "Response Deadline" means sixty (60) days after the Administrator mails Notice to Class
5 Members and shall be the last date on which Class Members may: (a) fax, email, or mail
6 Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection
7 to the Settlement. Class Members to whom Notice Packets are resent after having been
8 returned undeliverable to the Administrator shall have an additional 14 calendar days
9 beyond the Response Deadline has expired.

10 1.44. "Settlement" means the disposition of the Action effected by this Agreement and the
11 Judgment.

12 1.45. "Workweek" means any week during which a Class Member worked for Defendant for at
13 least one day, during the Class Period.
14

15 **2. RECITALS.**

16 2.1. On July 15, 2025, Plaintiff commenced this Action by filing a complaint alleging causes of
17 action against Defendant for: (1) Failure to Pay All Wages and Sick Pay; (2) Failure to Provide Meal
18 Periods; (3) Failure to Provide Rest Periods; (4) Failure to Keep Accurate Itemized Wage Statements; (5)
19 Failure to Pay Wages Upon Termination of Employment; (6) Failure to Reimburse For Necessary
20 Expenditures); and (7) Unfair Business Practices. On September 22, 2025, Plaintiff filed a First Amended
21 Complaint adding a cause of action for Civil Penalties Under PAGA [Cal. Lab. Code § 2699, et seq.]. The
22 First Amended Complaint is the operative complaint in the Action (the "Operative Complaint.")
23 Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws
24 identified in in the Operative Complaint and denies any and all liability for the causes of action alleged.

25 2.2. Pursuant to Labor Code § 2699.3(a), Plaintiff gave timely written notice to Defendant and
26 the LWDA by sending the PAGA Notice letters.

27 2.3. On July 1, 2026, the Parties participated in an all-day mediation presided over by Kevin
28 Barnes, Esq. and reached an agreement to settle the Action.

2.4. Prior to the mediation, Plaintiff obtained, through formal discovery, documents and information necessary to evaluate the claims in the Action, including a sample pay and time records for the Class, Class Members' contact information. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.*, 48 Cal. App. 4th 1794, 1801 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal. App. 4th 116, 129-130 (2008) ("*Dunk/Kullar*").

2.5. The Court has not granted class certification.

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

3. **MONETARY TERMS.**

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$310,000.00 and no more as the Gross Settlement Amount. Defendant will also separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments in addition to the GSA. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

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

3.2.1. To Plaintiff: Class Representative Service Payment to the Class Representative of not more than \$10,000.00 in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member. Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. Plaintiff will seek Court approval for any Class Representative Service Payment in the Final Approval Motion. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using

1 IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the
2 Class Representative Service Payment.

3 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 33 and 1/3%, which is
4 currently estimated to be \$103,333.33 and a Class Counsel Litigation Expenses Payment of not
5 more than \$18,000.00. Defendant will not oppose requests for these payments. Plaintiff will seek
6 court approval for Class Counsel Fees Payment and Class Litigation Expenses Payment in the
7 Final Approval Motion. If the Court approves a Class Counsel Fees Payment and/or a Class
8 Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will
9 allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to
10 Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class
11 Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will
12 pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS
13 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class
14 Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant
15 harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or
16 sharing of any of these Payments.

17 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$6,000.00
18 except for a showing of good cause and as approved by the Court. To the extent the
19 Administration Expenses are less or the Court approves payment less than \$6,000.00, the
20 Administrator will retain the remainder in the Net Settlement Amount. Phoenix Class
21 Administration Solutions has been selected as the Administrator, based upon its "not to exceed"
22 bid of \$4,900.00.

23 3.2.4. To Each Participating Class Member: An Individual Class Payment calculated by (a)
24 dividing the Net Settlement Amount by the total number of Workweeks worked by all
25 Participating Class Members during the Class Period and (b) multiplying the result by each
26 Participating Class Member's Workweeks.

27 3.2.4.1. Tax Allocation of Individual Class Payments. 20% of each Participating
28 Class Member's Individual Class Payment will be allocated to settlement

1 of wage claims (the “Wage Portion”). The Wage Portions are subject to tax
2 withholding and will be reported on an IRS W-2 Form. The 80% of each
3 Participating Class Member’s Individual Class Payment will be allocated
4 to settlement of claims for interest and penalties (the “Non-Wage
5 Portion”). The Non-Wage Portions are not subject to wage withholdings
6 and will be reported on IRS 1099 Forms. Participating Class Members
7 assume full responsibility and liability for any employee taxes owed on
8 their Individual Class Payment.

9 3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual
10 Class Payments. Non-Participating Class Members will not receive any
11 Individual Class Payments. The Administrator will retain amounts equal to
12 their Individual Class Payments in the Net Settlement Amount for
13 distribution to Participating Class Members on a pro rata basis.

14 3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$30,000.00
15 be paid from the Gross Settlement Amount, with 65% (\$19,500.00) allocated to the LWDA PAGA
16 Payment and 35% (\$10,500.00) allocated to the Individual PAGA Payments.

17 3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a)
18 dividing the amount of the Aggrieved Employees’ 35% share of PAGA
19 Penalties (\$10,500.00) by the total number of PAGA Period Pay Periods
20 worked by all Aggrieved Employees during the PAGA Period and (b)
21 multiplying the result by each Aggrieved Employee’s PAGA Period Pay
22 Periods. Aggrieved Employees assume full responsibility and liability for
23 any taxes owed on their Individual PAGA Payment.

24 3.2.5.2. If the Court approves PAGA Penalties of less than the amount requested,
25 the Administrator will allocate the remainder to the Net Settlement
26 Amount. The Administrator will report the Individual PAGA Payments on
27 IRS 1099 Forms.
28

1 **4. SETTLEMENT FUNDING AND PAYMENTS.**

2 4.1. Class Workweeks and Aggrieved Employee Pay Periods. Defendant represented that the
3 number of workweeks worked by 65 Class Members from July 15, 2021 to July 1, 2026 is 11,131.
4 Defendant also represented that the number of Aggrieved Employees is 50 who worked 2,134 PAGA Pay
5 Periods during the PAGA Period.

6 4.2. Class Data. Not later than fourteen (14) days after the Court grants Preliminary Approval
7 of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft
8 Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class
9 Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and
10 restrict access to the Class Data to Administrator employees who need access to the Class Data to effect
11 and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel
12 if it discovers that the Class Data omitted class member identifying information and to provide corrected
13 or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which
14 Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously
15 use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted
16 Class Data.

17 4.3. Funding of Gross Settlement Amount. Defendant will fund the Gross Settlement Amount
18 within fifteen (15) days from the Effective Date.

19 4.4. Payments from the Gross Settlement Amount. Within fourteen (14) days after Defendant
20 fund the GSA, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA
21 Payments, the LWDA PAGA Payment, the Class Representative Service Payment, the Administration
22 Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment.
23 Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and
24 the Class Representative Service Payment shall not precede disbursement of Individual Class Payments
25 and Individual PAGA Payments.

26 4.4.1. The Administrator will issue checks for the Individual Class Payments and/or
27 Individual PAGA Payments and send them to the Class Members via First Class
28 U.S. Mail, postage prepaid. The face of each check shall prominently state the

1 date when the check will be voided, which date shall be one hundred eighty (180)
2 days after the date of mailing. The Administrator will cancel all checks not cashed
3 by the void date. The Administrator will send checks for Individual Settlement
4 Payments to all Participating Class Members (including those for whom Class
5 Notice was returned undelivered). The Administrator will send checks for
6 Individual PAGA Payments to all Aggrieved Employees including Non-
7 Participating Class Members who qualify as Aggrieved Employees (including
8 those for whom Class Notice was returned undelivered). The Administrator may
9 send Participating Class Members a single check combining the Individual Class
10 Payment and the Individual PAGA Payment. Before mailing any checks, the
11 Settlement Administrator must update the recipients' mailing addresses using the
12 National Change of Address Database.

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

22 4.4.3. For any Class Member whose Individual Class Payment check or Individual PAGA
23 Payment check is uncashed and cancelled after the void date, the Administrator
24 shall transmit the funds represented by such checks to the California Controller's
25 Unclaimed Property Fund in the name of the Class Member thereby leaving no
26 "unpaid residue" subject to the requirements of California Code of Civil Procedure
27 § 384(b).

28 4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall

not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS.

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

5.1. Plaintiff's Release.

5.1.1. Scope of Plaintiff's Release. Plaintiff and her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the Class Period, including, but not limited to all claims, demands, rights, liabilities and causes of action of every nature and description whatsoever, known or unknown, asserted or that might have been asserted, whether in tort, contract, or for violation of any state or federal statute, rule or regulation arising out of, relating to, or in connection with any act or omission by or on the part of any of the Released Parties arising out of, based upon, or relating to Plaintiff's employment with Defendant or the remuneration for or termination of such employment committed or omitted prior to the execution of the Settlement Agreement. ("Plaintiff's Release.") Plaintiff's Release does not extend to any claims or actions to enforce the Settlement Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.2. Plaintiff's Waiver of Rights Under California Civil Code § 1542. For purposes of

1 Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions,
2 rights, and benefits, if any, of Section 1542 of the California Civil Code, which
3 reads:

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

7 5.2. Release by Participating Class Members: All Participating Class Members upon full
8 funding of the Gross Settlement Amount, on behalf of themselves and their respective former and present
9 representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Defendant and the
10 Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the
11 Class Period facts stated in the Operative Complaint in the Action, including claims for: (1) failure to pay
12 all wages and sick pay; (2) failure to provide meal periods; (3) failure to provide rest periods; (4) failure to
13 keep accurate itemized wage statements; (5) failure to pay wages upon termination of employment; (6)
14 failure to reimburse for necessary expenditures; and (7) unfair business practices. ("Released Class
15 Claims"). Participating Class Members do not release any other claims, including claims for vested
16 benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment
17 insurance, disability, social security, workers' compensation, or claims based on facts occurring outside
18 the Class Period.

19 5.3. Release by Aggrieved Employees: All Aggrieved Employees are deemed to
20 release, on behalf of themselves and their respective former and present representatives,
21 agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all
22 claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the
23 PAGA Period facts stated in the Operative Complaint in the Action and the PAGA Notice attached
24 hereto as **Exhibit B**, including claims for: (1) failure to pay all wages and sick pay; (2) failure to
25 provide meal periods; (3) failure to provide rest periods; (4) failure to keep accurate itemized wage
26 statements; (5) failure to pay wages upon termination of employment; and (6) failure to reimburse for
27 necessary expenditures.
28

1 **6. MOTION FOR PRELIMINARY APPROVAL.**

2 Plaintiff shall prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that
3 complies with the Court’s current checklist for Preliminary Approvals.

4 6.1. Defendant’s Declaration in Support of Preliminary Approval. Within seven (7) days of
5 the full execution of this Agreement, Defendant will prepare and deliver to Class Counsel a signed
6 Declaration in support of preliminary approval motion attesting that Defendant and their counsel have
7 no conflict of interest with the selected Administrator and not aware of any pending matter or action
8 asserting claims that will be extinguished or adversely affected by the Settlement.

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

28 6.3. Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible

1 for expeditiously finalizing and filing the Motion for Preliminary Approval no later than fifteen (15) days
2 after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary
3 Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class
4 Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

5 6.4. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for
6 Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense
7 Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone,
8 and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or
9 conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense
10 Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone,
11 and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

12 13 **7. SETTLEMENT ADMINISTRATION.**

14 7.1. Selection of Administrator. The Parties have jointly selected Phoenix Class
15 Administration Solutions to serve as the Administrator and verified that, as a condition of appointment,
16 Phoenix Class Administration Solutions agrees to be bound by this Agreement and to perform, as a
17 fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The
18 Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with
19 the Administrator other than a professional relationship arising out of prior experiences administering
20 settlements.

21 7.2. Employer Identification Number. The Administrator shall have and use its own Employer
22 Identification Number for purposes of calculating payroll tax withholdings and providing reports state and
23 federal tax authorities.

24 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets
25 the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation § 468B-1.

26 7.4. Notice to Class Members.

27 7.4.1. No later than three (3) business days after receipt of the Class Data, the

28 Administrator shall notify Class Counsel that the list has been received and state

the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.

7.4.2. Using best efforts to perform as soon as possible, and in no event later than fourteen (14) days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice (with Spanish translation) substantially in the form attached to this Agreement as **Exhibit A**. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

7.4.3. Not later than three (3) business days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4. The deadlines for Class Members’ written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional fourteen (14) days beyond the sixty (60) days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5. If the Administrator, Defendant or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class

1 Data and should have received Class Notice, the Parties will expeditiously meet
2 and confer in person or by telephone, and in good faith. in an effort to agree on
3 whether to include them as Class Members. If the Parties agree, such persons will
4 be Class Members entitled to the same rights as other Class Members, and the
5 Administrator will send, via email or overnight delivery, a Class Notice requiring
6 them to exercise options under this Agreement not later than fourteen (14) days
7 after receipt of Class Notice, or the deadline dates in the Class Notice, which ever
8 are later.

9 7.5. Requests for Exclusion (Opt-Outs).

10 7.5.1. Class Members who wish to exclude themselves (opt-out of) the Class Settlement
11 must send the Administrator, by fax, email, or mail, a signed written Request for
12 Exclusion not later than sixty (60) days after the Administrator mails the Class
13 Notice or as otherwise extended for re-mailed Class Notices as described herein. A
14 Request for Exclusion is a letter from a Class Member or his/her representative that
15 reasonably communicates the Class Member's election to be excluded from the
16 Settlement and includes the Class Member's name, address and email address or
17 telephone number. To be valid, a Request for Exclusion must be timely faxed,
18 emailed, or postmarked by the Response Deadline, subject to extension for
19 remailed Class Notices as described herein.

20 7.5.2. The Administrator may not reject a Request for Exclusion as invalid because it
21 fails to contain all the information specified in the Class Notice. The Administrator
22 shall accept any Request for Exclusion as valid if the Administrator can reasonably
23 ascertain the identity of the person as a Class Member and the Class Member's
24 desire to be excluded. The Administrator's determination shall be final and not
25 appealable or otherwise susceptible to challenge. If the Administrator has reason to
26 question the authenticity of a Request for Exclusion, the Administrator may
27 demand additional proof of the Class Member's identity. The Administrator's
28 determination of authenticity shall be final and not appealable or otherwise

1 susceptible to challenge.

2 7.5.3. Every Class Member who does not submit a timely and valid Request for
3 Exclusion is deemed to be a Participating Class Member under this Agreement,
4 entitled to all benefits and bound by all terms and conditions of the Settlement,
5 including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3
6 of this Agreement, regardless whether the Participating Class Member actually
7 receives the Class Notice or objects to the Settlement.

8 7.5.4. Every Class Member who submits a valid and timely Request for Exclusion is a
9 Non-Participating Class Member and shall not receive an Individual Class
10 Payment or have the right to object to the class action components of the
11 Settlement. Because future PAGA claims are subject to claim preclusion upon
12 entry of the Judgment, Non-Participating Class Members who are Aggrieved
13 Employees are deemed to release the claims identified in Paragraph 5.4 of this
14 Agreement and are eligible for an Individual PAGA Payment.

15 7.6. Challenges to Calculation of Workweeks. Each Class Member shall have sixty (60) days
16 after the Administrator mails the Class Notice, or as otherwise extended for re-mailed
17 Class Notices as described herein, to challenge the number of Workweeks and PAGA Pay
18 Periods (if any) allocated to the Class Member in the Class Notice. The Class Member
19 may challenge the allocation by communicating with the Administrator via fax, email or
20 mail. The Administrator must encourage the challenging Class Member to submit
21 supporting documentation. In the absence of any contrary documentation, the
22 Administrator is entitled to presume that the Workweeks contained in the Class Notice are
23 correct so long as they are consistent with the Class Data. The Administrator's
24 determination of each Class Member's allocation of Workweeks and/or Pay Periods shall
25 be final and not appealable or otherwise susceptible to challenge. The Administrator shall
26 promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods
27 to Defense Counsel and Class Counsel and the Administrator's determination the
28 challenges.

1 7.7. Objections to Settlement.

2 7.7.1. Only Participating Class Members may object to the class action components of
3 the Settlement and/or this Agreement, including contesting the fairness of the
4 Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class
5 Counsel Litigation Expenses Payment and/or Class Representative Service
6 Payment.

7 7.7.2. Participating Class Members may send written objections to the Administrator, by
8 fax, email, or mail. In the alternative, Participating Class Members may appear in
9 Court (or hire an attorney to appear in Court) to present verbal objections at the
10 Final Approval Hearing. A Participating Class Member who elects to send a
11 written objection to the Administrator must do so not later than the Response
12 Deadline, or as otherwise extended for re-mailed Class Notices as described herein.

13 7.7.3. Non-Participating Class Members have no right to object to any of the class action
14 components of the Settlement.

15 7.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be
16 performed or observed by the Administrator contained in this Agreement or otherwise.

17 7.8.1. Website, Email Address and Toll-Free Number. The Administrator will post
18 information of interest to Class Members including the date, time and location for
19 the Final Approval Hearing and copies of the Settlement Agreement, the Class
20 Notice, the Final Approval and the Judgment on the Administrator's website. The
21 Administrator will also maintain and monitor an email address and a toll-free
22 telephone number to receive Class Member calls, faxes and emails.

23 7.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will
24 promptly review on a rolling basis Requests for Exclusion to ascertain their
25 validity. Not later than five (5) days after the expiration of the deadline for
26 submitting Requests for Exclusion, the Administrator shall email a list to Class
27 Counsel and Defense Counsel containing (a) the names and other identifying
28 information of Class Members who have timely submitted valid Requests for

1 Exclusion (“Exclusion List”); (b) the names and other identifying information of
2 Class Members who have submitted invalid Requests for Exclusion; (c) copies of
3 all Requests for Exclusion from Settlement submitted (whether valid or invalid).

4 7.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written
5 reports to Class Counsel and Defense Counsel that, among other things, tally the
6 number of: Class Notices mailed or re-mailed, Class Notices returned undelivered,
7 Requests for Exclusion (whether valid or invalid) received, objections received,
8 challenges to Workweeks and/or Pay Periods received and/or resolved, and checks
9 mailed for Individual Class Payments and Individual PAGA Payments (“Weekly
10 Report”). The Weekly Reports must include provide the Administrator’s
11 assessment of the validity of Requests for Exclusion and attach copies of all
12 Requests for Exclusion and objections received.

13 7.8.4. Workweek and/or Pay Period Challenges. The Administrator has the authority to
14 address and make final decisions consistent with the terms of this Agreement on all
15 Class Member challenges over the calculation of Workweeks and/or Pay Periods.
16 The Administrator’s decision shall be final and not appealable or otherwise
17 susceptible to challenge.

18 7.8.5. Administrator’s Declaration. Not later than fourteen (14) days before the date by
19 which Plaintiff is required to file the Motion for Final Approval of the Settlement,
20 the Administrator will provide to Class Counsel and Defense Counsel, a signed
21 declaration suitable for filing in Court attesting to its due diligence and compliance
22 with all of its obligations under this Agreement, including, but not limited to, its
23 mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing
24 of Class Notices, attempts to locate Class Members, the total number of Requests
25 for Exclusion from Settlement it received (both valid or invalid), the number of
26 written objections and attach the Exclusion List. The Administrator will
27 supplement its declaration as needed or requested by the Parties and/or the Court.
28 Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.

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

8. CLASS SIZE ESTIMATES and ESCALATOR CLAUSE

Based on its records, Defendant estimates that, that the number of workweeks worked by Class Members from July 15, 2021 to July 1, 2026, the number of workweeks worked by 65 class members is estimated to be 11,131. The parties stipulate to a 10% escalation of the estimated workweeks without any increase to the GSA. If the number of actual workweeks during the Class Period exceeds 10% of the estimated workweeks (i.e., exceeds 12,244 workweeks), Defendant shall increase the GSA by a pro-rata dollar value equal to the number of workweeks in excess of 12,244 workweeks. For example, if there is a 1% increase over 10% then the GSA increases by 1%. Alternatively, Defendant may exercise the option to end the Class Period and PAGA Period on the date in which the workweeks equal 12,244 such that no increase to the GSA is necessary. Defendant shall provide the estimated workweeks total for the entire Class Period at least ten (10) court days prior to filing preliminary approval motion, provided that the Class Period end date has occurred, or ten (10) court days prior to preliminary approval motion hearing, for determining the exact GSA in case the escalator clause is triggered. Based on Defendant's election, Plaintiff's counsel shall file a declaration and/or motion papers and proposed order to incorporate the selected Class Period end date prior to approval motion hearing date.

9. DEFENDANT'S RIGHT TO WITHDRAW

If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 20% of the total of

all Class Members, Defendant may, but are not obligated, elect to withdraw from the Settlement. Defendant agrees that as a material term of this Settlement, Defendant and its respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than seven (7) days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

10. MOTION FOR FINAL APPROVAL.

Not later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code § 2699(*l*), a Proposed Final Approval Order and a proposed Judgment (collectively “Motion for Final Approval”). Plaintiff shall provide drafts of these documents to Defense Counsel not later than five (5) days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

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

10.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court’s concerns by revising the Agreement as necessary to obtain Final Approval.

10.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the

1 Court will retain jurisdiction over the Parties, Action, and the Settlement solely for
2 purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement
3 administration matters, and (iii) addressing such post-Judgment matters as are permitted by
4 law.

5 10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
6 conditions of this Agreement, specifically including the Class Counsel Fees Payment and
7 Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the
8 Parties, their respective counsel, and all Participating Class Members who did not object to
9 the Settlement as provided in this Agreement, waive all rights to appeal from the
10 Judgment, including all rights to post-judgment and appellate proceedings, the right to file
11 motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The
12 waiver of appeal does not include any waiver of the right to oppose such motions, writs or
13 appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this
14 Agreement will be suspended until such time as the appeal is finally resolved and the
15 Judgment becomes final, except as to matters that do not affect the amount of the Net
16 Settlement Amount.

17 10.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
18 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a
19 material modification of this Agreement (including, but not limited to, the scope of release
20 to be granted by Class Members), this Agreement shall be null and void. The Parties shall
21 nevertheless expeditiously work together in good faith to address the appellate court's
22 concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis,
23 any additional Administration Expenses reasonably incurred after remittitur. An appellate
24 decision to vacate, reverse, or modify the Court's award of the Class Representative
25 Service Payment or any payments to Class Counsel shall not constitute a material
26 modification of the Judgment within the meaning of this paragraph, as long as the Gross
27 Settlement Amount remains unchanged.
28

1 **11. AMENDED JUDGMENT.**

2 If any amended judgment is required under Code of Civil Procedure § 384, the Parties will work together
3 in good faith to jointly submit and a proposed amended judgment.

4
5 **12. ADDITIONAL PROVISIONS.**

6 12.1. No Admission of Liability, Class Certification or Representative Manageability for Other
7 Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in
8 this Agreement is intended or should be construed as an admission by Defendant that any of the
9 allegations in the Operative Complaint have merit or that Defendant have any liability for any claims
10 asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in
11 the Action have merit. The Parties agree that class certification and representative treatment is for
12 purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final
13 Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any
14 reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves
15 the right to move for class certification on any grounds available and to contest Defendant's defenses. The
16 Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will
17 not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the
18 Settlement and this Agreement).

19 12.2. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant and
20 Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed,
21 they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to
22 disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or
23 generally, to any person, corporation, association, government agency, or other entity except: (1) to the
24 Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement
25 confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate
26 taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or
27 subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each
28 other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class

Counsel, Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that “the matter was resolved,” or words to that effect. This paragraph does not restrict Class Counsel’s communications with Class Members in accordance with Class Counsel’s ethical obligations owed to Class Members.

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

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

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

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

12.7. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to

any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

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

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

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

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

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

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

12.14. Use and Return of Class Data. Information provided to Class Counsel pursuant to Evidence Code § 1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from Defendant.

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

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

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

To Plaintiff:

Lilit Tunyan
ltunyan@tunyanlaw.com
Artur Tunyan
atunyan@tunyanlaw.com
TUNYAN LAW, APC
535 N Brand Blvd. Suite 285
Glendale, California 91203
Telephone: (323) 410-5050

To Defendant:

Shaun Voigt
svoigt@fisherphillips.com
Melissa Huether
mhuether@fisherphillips.com
FISHER & PHILLIPS LLP
2050 Main Street, Suite 1000
Irvine, California 92614
Telephone: (949) 851-2424

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

12.19. Enforcement of Settlement. The Parties agree that following entry of the Final Approval Order and Judgment, this Agreement shall be enforceable by the Court and the Court shall retain exclusive and continuing jurisdiction of the Action over all parties and the Class Members to interpret and enforce the terms, conditions, and obligations of the Agreement pursuant to California Code of Civil Procedure

1 section 664.6. In the event that one or more of the Parties to this Settlement institutes any legal action or
2 other proceeding against any other party or parties to enforce the provisions of this Settlement or to declare
3 rights and/or obligations under this Settlement, the successful party or parties shall be entitled to recover
4 from the unsuccessful party or parties reasonable attorney's fees and costs, including expert witness fees
5 incurred in connection with any enforcement actions.

6 12.20. Stay of Litigation. The Parties agree that upon the execution of this Agreement the
7 litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that
8 upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case
9 to trial under CCP section 583.310 for the entire period of this settlement process.

10 **Plaintiff & Class Representative:**

11
12 Dated: By: _____
13 **KARINA A. SANTOYO**

14 **Plaintiff's Counsel:**

15 Dated: **TUNYAN LAW, APC**
16
17 By: _____
18 Lilit Tunyan
19 Artur Tunyan
20 Attorneys for Plaintiff KARINA A. SANTOYO

21 **Defendant:**

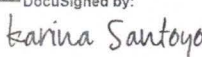
22 Dated: 07/29/2026 **ALLIED HIGH TECH PRODUCTS, INC.**
23 By: **Clayton A. Smith** _____
24 Print Name
25 Clayton A. Smith
26 Clayton A. Smith (Jul 29, 2026 12:28:43 PDT)
27 Signature
28 **CEO** _____
Title

section 664.6. In the event that one or more of the Parties to this Settlement institutes any legal action or other proceeding against any other party or parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful party or parties shall be entitled to recover from the unsuccessful party or parties reasonable attorney's fees and costs, including expert witness fees incurred in connection with any enforcement actions.

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

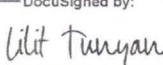
Plaintiff & Class Representative:

Dated: 7/24/2026 | 9:58 PM PDT

DocuSigned by:

 By: A7G4G3647F524EB...
KARINA A. SANTOYO

Plaintiff's Counsel:

Dated: 7/25/2026 | 10:47 AM PDT

TUNYAN LAW, APC
 DocuSigned by:

 By: C1FEE94AA91E49A...
 Lilit Tunyan
 Artur Tunyan
 Attorneys for Plaintiff KARINA A. SANTOYO

Defendant:

Dated: **ALLIED HIGH TECH PRODUCTS, INC.**

By: _____
 Print Name

 Signature

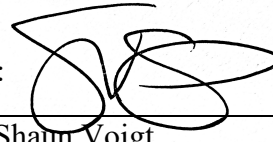
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Defendant's Counsel:

Dated: July 29, 2026

FISHER & PHILLIPS LLP

By:



Shaun Voigt
Melissa Huether

Attorneys for Defendant ALLIED HIGH TECH PRODUCTS, INC.

Exhibit “A”

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

Santoyo v. Allied High Tech Products, Inc.
Los Angeles Superior Court Case No. 25STCV20927

*The Superior Court for the State of California authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.*

You may be eligible to receive money from an employee class action lawsuit (“Action”) against Defendant ALLIED HIGH TECH PRODUCTS, INC. (“Defendant”) for alleged wage and hour violations. The Action was filed by former Defendant’s employee plaintiff Karina A. Santoyo (“Plaintiff”) and seeks payment of back wages, penalties, expense reimbursements for all current and former non-exempt employees of Defendant (“Class Members”) who worked for Defendant in California during the Class Period (from July 15, 2021 to-----); and penalties under the California Private Attorney General Act (“PAGA”) for all current and former non-exempt employees of Defendant who worked for Defendant in California at any time during the PAGA Period (from July 15, 2024 to -----) (“PAGA Group Members”).

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendant to fund Individual Class Payments, and (2) a PAGA Settlement requiring Defendant to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on Defendant’s records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$ [REDACTED] (less withholding) and your Individual PAGA Payment is estimated to be \$ [REDACTED]**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendant’s records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on Defendant’s records showing that **you worked [REDACTED] workweeks** during the Class Period and **you worked [REDACTED] pay periods** during the PAGA Period. If you believe that you worked more workweeks or pay periods during any of the respective periods, you can submit a challenge by the deadline date. See Section 4 of this Notice.

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

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

- (1) **Do Nothing.** You don’t have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendant.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Defendant, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

Defendant will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendant that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is [REDACTED]	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by [REDACTED]	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the [REDACTED] Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [REDACTED]. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by [REDACTED]	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number Class Period Workweeks and number of PAGA Period Pay Periods you worked according to Defendant's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by [REDACTED]. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Defendant. The Action alleges Defendant violated California labor laws by failing to pay all wages and sick pay, wages due upon termination and reimbursable expenses and failing to provide meal periods, rest breaks and accurate itemized wage statements. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys in the Action: Tunyan Law, APC ("Class Counsel.") Defendant strongly denies violating any laws or failing to pay any wages and contend it complied with all applicable laws.

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

So far, the Court has made no determination whether Defendant or Plaintiff is correct on the merits. In the meantime, Plaintiff and Defendant hired an experienced, neutral mediator Kevin Barnes, Esq. 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”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendant 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, Defendant does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendant has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members 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. Defendant Will Pay \$310,000.00 as the Gross Settlement Amount (Gross Settlement). Defendant has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel’s attorney’s fees and expenses, the Administrator’s expenses, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement Amount by transmitting the Gross Settlement Amount to the settlement administrator within fifteen (15) days.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$103,333.33 (33 and 1/3% of the Gross Settlement) to Class Counsel for attorneys’ fees and up to \$18,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$10,000.00 as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive for representing the Class in this Action other than Plaintiff’s Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$6,000.00 to the Administrator for services administering the Settlement (estimated to be \$4,900.00).
 - D. Up to \$30,000.00 for PAGA Penalties, allocated 65% to the LWDA PAGA Payment and 35% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

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

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the “Net Settlement”) by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.
4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of 20 % of each Individual Class Payment to taxable wages (“Wage Portion”) and 80% to interest and penalties (“Non-Wage Portion.”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant will separately pay employer

payroll taxes it owes on the Wage portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

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

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name. If the monies represented by your check is sent to the Controller's Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.
6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [REDACTED], that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the [REDACTED] Response Deadline. The Request for Exclusion should be a signed letter from a Class Member or his/her representative setting forth a Class Member's name, current address, telephone number, and a simple statement advising that they elect to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments but will preserve their rights to personally pursue wage and hour claims against Defendant.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendant based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Class Members will not release any claims against Defendant.
8. Administrator. The Court has appointed a neutral company, Phoenix Class Administration Solutions(the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.
9. Participating Class Members' Release. After the Judgment is final and Defendant has 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 another lawsuit against Defendant or Released Parties for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

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

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Defendant and the Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint in the Action, including claims for: (1) failure to pay all wages and sick pay; (2) failure to provide meal periods; (3) failure to provide rest periods; (4) failure to keep accurate itemized wage statements; (5) failure to pay wages upon termination of employment; (6) failure to reimburse for necessary expenditures; and (7) unfair business practices. (“Released Class Claims”). 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. Aggrieved Employees’ PAGA Release. After the Court’s judgment is final, and Defendant has paid the Gross Settlement (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against Defendant, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendant or Released Parties based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees’ Releases are as follows:

All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint in the Action and the PAGA Notice attached as Exhibit B to the Settlement Agreement, including claims for: (1) failure to pay all wages and sick pay; (2) failure to provide meal periods; (3) failure to provide rest periods; (4) failure to keep accurate itemized wage statements; (5) failure to pay wages upon termination of employment; and (6) failure to reimburse for necessary expenditures.

4.HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$10,500.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendant’s records, are stated in the first page of this Notice. You have until [REDACTED] to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator’s contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of Workweeks and/or Pay Periods based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant's 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. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.
2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

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 Administrator's contact information.

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

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Santoyo v. Allied High Tech Products, Inc.*, Case No. 25STCV20927 pending in Los Angeles Superior Court, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by [REDACTED], 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. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to approve. At least 16 days before the [REDACTED] Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, approval of Counsel's Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website [REDACTED] or the Court's website <http://www.lacourt.org/casesummary/ui/index.aspx>.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is [REDACTED].** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action and

include your name, current address, telephone number, and approximate dates of employment for Defendant and sign the objection. Section 9 of this Notice has the Administrator's contact information.

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. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _____ at _____ in Department 1 of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>). Check the Court's website for the most current information.

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

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to _____'s website at _____. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below or consult the Superior Court website by going to (<http://www.lacourt.org/casesummary/ui/index.aspx>) and entering the Case Number for the Action, Case No. 25STCV20927. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

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

Class Counsel:

Lilit Tunyan

ltunyan@tunyanlaw.com

Artur Tunyan

atunyan@tunyanlaw.com

TUNYAN LAW, APC

535 N Brand Blvd. Suite 285

Glendale, California 91203

Telephone: (323) 410-5050

Settlement Administrator:

Phoenix Class Administration Solutions

Email Address:

Mailing Address:

Telephone:

Fax Number:

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 “B”



535 N BRAND BLVD, SUITE 285
GLENDALE, CA 91203
www.tunyanlaw.com
323-410-5050
ltunyan@tunyanlaw.com

July 15, 2025

VIA ONLINE SUBMISSION

Labor & Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612
PAGAFilings@dir.ca.gov

VIA CERTIFIED MAIL

Return Receipt Requested

CT Corporation System
Agent for Service of Process for
Allied High Tech Products, Inc.
330 N Brand Blvd., Suite 700
Glendale, CA 91203

VIA CERTIFIED MAIL

Return Receipt Requested

Allied High Tech Products, Inc.
16207 Carmentina Road
Cerritos, CA 90703

**NOTICE OF LABOR CODE VIOLATIONS PURSUANT TO
LABOR CODE SECTION § 2698 ET SEQ.**

Re: *Santoyo v. Allied High Tech Products, Inc.*

To Whom It May Concern:

Please be advised that my office has been retained by Karina A. Santoyo (“Plaintiff”) to pursue a Labor Code Private Attorney General Act (PAGA) representative action (Cal. Lab. Code §§ 2699, *et seq.*) against her employer Allied High Tech Products, Inc. (“Defendant”). The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations which Plaintiff alleges Defendant engaged in with respect to Plaintiff and all of Defendant’s aggrieved employees.

Plaintiff wishes to pursue a PAGA representative action on behalf of herself as an aggrieved employee, on behalf of the State of California, and on behalf of all other current and former

aggrieved employees who worked for Defendant in California as a non-exempt employee at any time within the applicable statutory period (hereafter, the “Aggrieved Employees”).

Plaintiff and the Aggrieved Employees of Defendant suffered the Labor Code violations described below.

Factual Background Regarding Plaintiff's Employment with Defendant

Defendant owns and operates an industry, business, and establishment within the State of California. As such, Defendant is subject to the California Labor Code and the Wage Orders issued by the Industrial Welfare Commission (“IWC”).

Plaintiff is employed by Defendant as a customer service representative from February 9, 2024 primarily in Los Angeles County. Defendant classified Plaintiff as non-exempt from overtime and salaried employee. During the time period that Plaintiff was employed by Defendant, Plaintiff typically worked 5 days per week.

Throughout Plaintiff's employment, Defendant committed numerous labor code violations under state law. As discussed below, Plaintiff's experience working for Defendant was typical and illustrative.

Individual Liability Under Labor Code § 558.1

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

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

to Defendant to place those individuals on notice if Defendant voluntarily provides their contact information.

Failure to Pay for All Hours Worked, Including Overtime

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of an employer and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight (8) hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

Labor Code § 515 (d) (1) provides that for the purpose of computing the overtime rate of compensation required to be paid to a nonexempt full-time salaried employee, the employee's regular hourly rate shall be 1/40th of the employee's weekly salary. Additionally, pursuant to Labor Code § 515 (d) (2) payment of a fixed salary to a nonexempt employee shall be deemed to provide compensation only for the employee's regular, nonovertime hours, notwithstanding any private agreement to the contrary.

Labor Code § 1194, subdivision (a) provides that notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney's fees, and costs of suit. Further, pursuant to Labor Code § 1197, payment of less than the minimum wage fixed by the Labor Commission is unlawful.

Labor Code § 1197 provides the California requirement that employees must be paid at least the minimum wage fixed by the IWC, and any payment of less than the minimum wage is unlawful. Furthermore, "in any action under Labor Code §§ 98, 1193 .6, 1194, or 1197.1 to recover wages because of the payment of a wage less than the minimum wage fixed by an order of the commission or by statute, an employee shall be entitled to recover liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon ... " See California Labor Code § 1194.2.

Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the Industrial Welfare Commission is unlawful.

Throughout the statutory time period, Defendant classified Plaintiff and the Aggrieved Employees as non-exempt salaried employees but failed to comply to California overtime, meal and rest period laws. Defendant paid a fixed salary to Plaintiff and the Aggrieved employees even when they worked more than 40 hours per week or 8 hours per day. Defendant failed to pay overtime or double time pay to non-exempt salaried employees as confirmed by Plaintiff's wage statements. Defendant also failed to provide compliant meal and rest periods, reimburse business expenses to Plaintiff and the Aggrieved Employees amongst other violations.

Throughout the statutory time period, Defendant regularly used a system of time rounding in a manner that resulted, over a period of time, in failing to compensate Plaintiff and the Aggrieved Employees properly for all the time they have actually worked, even though the realities of Defendant's operations are such that it is possible, practical, and feasible to count and pay for work time to the minute. Accordingly, Defendant frequently paid Plaintiff and the Aggrieved Employees less than all their work time. Some of this unpaid work also should have been paid at the overtime rate.

Throughout the statutory period, Defendant also maintained a policy and practice of requiring Plaintiff and the Aggrieved Employees to perform work "off-the-clock". Throughout the statutory period, Plaintiff and the Aggrieved Employees were regularly required to clock out at the end of their shifts and continue working off-the-clock, without compensation. Throughout the statutory period, Plaintiff and the Aggrieved Employees would also arrive earlier than their scheduled shifts to have enough time to log in to their ADP account on the computer, to verify their account by getting a code on their personal cell phones and by clocking in to work not later than the scheduled shift start time, all off-the-clock, without compensation. Based on information and belief, Plaintiff and the Aggrieved Employees have not been compensated for that time.

Throughout the statutory period, based on information and belief, Plaintiff and the Aggrieved Employees also received additional remuneration such as bonuses. However, Defendant has not compensated Plaintiff and the Aggrieved Employees at the proper overtime rate as Defendant did not include the additional remuneration paid to the Aggrieved Employees in the regular rate of pay for purposes of calculating overtime rate of pay and sick pay.

Defendant's automatic deduction and time rounding policies and practices for meal periods, off-the clock/unpaid work completed during meal periods and/or time subject to Defendant's control during off-the-clock meal periods (described above), and/or other off-the-clock work resulted in the failure to account for all hours worked and thus the denial of minimum wages as well as overtime wages owed to Plaintiff and the Aggrieved Employees who worked more than eight (8) hours in a day or more than forty (40) hours in a week.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, 1197.1, and 2699(f)(2) for failing to pay for all hours

worked, including overtime. This conduct also results in violations of Labor Code §§ 218.5, 510, 558.1, 1198-1199, and all applicable IWC Wage Orders, section 12(A). These violations subject Defendant to civil penalties under Labor Code §§ 558, 558.1, 218.5, and 2699, and all applicable IWC Wage Orders, section 20. Each violation of each Labor Code Section and Wage Order provision results in a separate civil penalty, for each non-exempt aggrieved employee, for each pay period during which the referenced statutes and Wage Order provisions were violated.

Failure to Provide Meal Periods

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal periods no later than the start of sixth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s).

Despite these legal requirements, Defendant wrongfully failed to provide Plaintiff and the Aggrieved Employees with legally compliant meal periods. Defendant regularly required Plaintiff and the Aggrieved Employees to work in excess of five consecutive hours a day without providing a 30-minute, continuous and uninterrupted, duty-free meal period for every five hours of work, or without compensating Plaintiff and the Aggrieved Employees for meal periods that were not provided by the end of the fifth hour of work or tenth hour of work. Plaintiff and the Aggrieved Employees were not instructed and required to record their meal periods. On information and belief, Defendant has not recorded meal periods as required under California law. Instead, Defendant wrongfully deduced 30-minute meal periods from Plaintiff's and the Aggrieved Employees pay regardless Plaintiff and the Aggrieved Employees took their meal periods or not. Plaintiff and the Aggrieved Employees would regularly miss or take late or interrupted meal periods. Additionally, Plaintiff and the Aggrieved Employees would regularly miss their first and second rest periods. If, however, they had an opportunity to take rest periods, Defendant instructed to combine first and second rest periods with 30-minute meal periods. Accordingly, Defendant's policy and practice was to not provide meal periods to Plaintiff and the Aggrieved Employees in compliance with California law.

Based on information and belief, despite Defendant's failure to provide lawful meal periods, Defendant implemented a policy and/or practice of rounding the start and end times of Plaintiff's and the Aggrieved Employees' meal periods and/or automatically deducting at least thirty minutes per shift for missed and/or otherwise unlawful meal periods, despite having actual and/or constructive knowledge that Plaintiff and the Aggrieved Employees did not receive lawful meal periods.

Moreover, based on information and belief, Defendant failed to keep accurate records of the true start and end times of Plaintiff's and the Aggrieved Employees' meal periods. Based on

information and belief, , to the extent meal period were recorded, Defendant illegally rounded the start and end times of purported meal periods resulting in Plaintiff and the Aggrieved Employees not being paid for all time worked as well as late and/or shortened meal periods. See *Donohue v. AMN Services, LLC* (2021) 11 Cal.5th 58.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not provided with all required meal period(s). Defendant, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for meal periods and that were not provided.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, and 2699(f)(2) for failing to provide meal periods and pay meal period premium wages. The aforementioned conduct also results in violations of Labor Code §§ 226.7, 512, and 1198- 1199, and all applicable IWC Wage Orders, section 11(A) and (C) along with all applicable IWC Wage Orders. These violations subject Defendant to civil penalties under Labor Code §§ 558.1, 558 and 2699, and all applicable IWC Wage Orders, section 20. Each violation of each Labor Code section and Wage Order provision results in a separate civil penalty, for each non-exempt aggrieved employee for each pay period during which the referenced statutes and Wage Order provisions were violated. Defendant's failure to provide valid meal periods, and the automatic deduction for meal periods that were not provided/valid, ultimately results in further violations, such as violations of Labor Code sections 1174, 1199, 226.6, discussed above, and other violations discussed below.

Failure to Authorize and Permit Rest Periods

Employers are required by California law to authorize and permit breaks of 10 uninterrupted minutes for each four hours of work or major fraction of four hours (i.e. more than two hours). Thus, for example, if an employee's work time is 6 hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws.

Defendant, however, wrongfully failed to authorize and permit Plaintiff and the Aggrieved Employees to take timely and duty-free rest periods. Defendant regularly required Plaintiff and the Aggrieved Employees to work in excess of four consecutive hours a day without Defendant authorizing and permitting them to take a 10 minute, continuous and uninterrupted, rest period for every four hours of work (or major fraction of four hours), or without compensating Plaintiff and the Aggrieved Employees for rest periods that were not authorized or permitted. Moreover, Defendant did not have adequate policies or practices permitting or authorizing rest periods for Plaintiff and the Aggrieved Employees, nor did Defendant have adequate policies or practices regarding the timing of rest periods. Plaintiff and the Aggrieved Employees would regularly miss their first and second rest periods. If, however, they had an opportunity to take rest periods, Defendant instructed to combine first and second rest periods with 30-minute meal periods.

Accordingly, Defendant's policy and practice was for Plaintiff and the Aggrieved Employees to work through rest periods and to not authorize or permit them to take any rest periods.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not authorized and permitted to take all required rest period(s). Defendant, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for rest periods and that they were not authorized and permitted to take.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages. The aforementioned conduct also results in violations of Labor Code §§ 226.7, and 1198-1199, and all applicable IWC Wage Orders, §12(A). These violations subject Defendant to civil penalties under Labor Code sections 558, 2699, and all applicable IWC Wage Orders, § 20. Each violation of each Labor Code section and Wage Order provision results in a separate civil penalty, for each non-exempt aggrieved employee for each pay period during which the referenced statutes and Wage Order provisions were violated

Failure to Maintain Accurate Records of Hours Worked

Plaintiff seeks penalties under Labor Code § 1174(d). Pursuant to Labor Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

Defendant, however, failed to maintain records of hours worked and meal periods taken or missed by Plaintiff and the Aggrieved Employees.

Throughout the statutory period, Defendant failed to maintain accurate time records. Defendant's failure to provide and maintain records required by the Labor Code IWC Wage Orders deprived Plaintiff and the Aggrieved Employees the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Defendant's records. Therefore, Plaintiff and the Aggrieved Employees had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Defendant. As a direct result, Plaintiff and the Aggrieved Employees have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorney's fees in seeking to compel Defendant to fully perform their obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Defendant's knowing failure to comply with the Labor Code and applicable IWC Wage

Orders, Plaintiff and the Aggrieved Employees have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 1174.5 for failing to maintain accurate records of hours worked and meal periods. Defendant's failure to keep accurate and complete payroll records for Plaintiff and non-exempt aggrieved employees violates Labor Code sections 1174, 1198, 1199, and all applicable IWC Wage Orders, section 7. These violations subject Defendant to civil penalties under Labor Code §§ 558.1, 226.6, 1174.5 and 2699. Each violation of each Labor Code section and Wage Order provision, for each non-exempt aggrieved employee, results in a separate civil penalty.

Failure to Reimburse and Indemnify Expenses

California Labor Code § 2802 requires employers to reimburse employees for their necessary expenditures and losses incurred in direct consequence of the discharge of their duties or of their obedience to directions of the employer.

Throughout the statutory period, Defendant wrongfully required Plaintiff and the Aggrieved Employees to pay expenses that they incurred in direct discharge of their duties for Defendant without reimbursement. Plaintiff failed to reimburse Plaintiff and the Aggrieved Employees a reasonable portion of their personal cell phone bills as Plaintiff and the Aggrieved Employees were required to use their personal cell phones to receive a code on their cell phones to be able to log in to their ADP accounts and to clock in to work before the start of every shift. Plaintiff and the Aggrieved Employees were also required to wash the uniforms provided by Defendant at their own expense.

Plaintiff and the Aggrieved Employees incurred these substantial expenses as a direct result of performing their job duties for Defendant, and Defendant has failed to indemnify Plaintiff and the Aggrieved Employees for these employment-related expenses.

Failure to Timely Pay All Wages at Termination

Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (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.

Within the applicable statute of limitations, the employment of Plaintiff and many other Aggrieved Employees ended, i.e. was terminated by quitting or discharge, and the employment of others will be. However, during the relevant time period, Defendant failed and continue to

fail to pay Plaintiff and terminated Aggrieved Employees, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Defendant' employ. These unpaid wages include wages for unpaid work time (including minimum and straight time wages), missed meal periods, and missed rest periods.

Defendant's conduct violates Labor Code §§ 201 and 202. Labor Code § 203 provides that if an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, then the wages of the employee shall continue as a penalty wage from the due date, and at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

Accordingly, Plaintiff and the Aggrieved Employees are entitled to recover from Defendant their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to 30 days maximum pursuant to Labor Code § 203.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to timely pay all wages at termination. Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 226.3 for failing to furnish accurate itemized wage statements.

Failure to Furnish Accurate Itemized Wage Statements

Labor Code § 226(a) provides that every employer shall furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. An employee is presumed to suffer an injury if this information is missing. Lab. Code § 226(e)(2)(B)(iii).

The statute further provides: "An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars (\$4,000), and is entitled to an award of costs and reasonable attorney's fees." Lab. Code § 226(e)(1).

Defendant intentionally and willfully failed to provide employees with complete and accurate wage statements. The deficiencies include, among other things, the failure to correctly list gross wages earned, the failure to list the true net wages earned, including wages for meal periods that were not provided in accordance with California law, wages for rest periods that were not authorized and permitted to take in accordance with California law, and correct wages earned for all hours worked.

As a result of Defendant violating Labor Code § 226, Plaintiff and similarly Aggrieved Employees suffered injury and damage to their statutorily protected rights.

Accordingly, Plaintiff and the Aggrieved Employees are entitled to recover from Defendant the greater of their actual damages caused by Defendant's failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding \$4,000 dollars per employee.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 226.3 for failing to furnish accurate itemized wage statements.

Failure to Pay All Earned Wages Twice Per Month

Based on its failure to pay Plaintiff and the Aggrieved Employees for all wages as discussed above, Defendant also violated Labor Code § 204.

Labor Code § 204 requires employers to pay employees all earned wages two times per month on days designated in advance by the employer as the regular paydays. Labor performed between the 1st and 15th days, inclusive, of any calendar month shall be paid for between the 16th and the 26th day of the month during which the labor was performed, and labor performed between the 16th and the last day, inclusive, of any calendar month, shall be paid for between the 1st and 10th day of the following month. Lab. Code § 204(a). The 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. Lab. Code § 204(d).

Throughout the statute of limitations period applicable to this cause of action, employees were also entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for hours worked. However, during all such times, Defendant systematically failed and refused to pay the employees all wages due, and failed to pay those wages twice a month, in that employees were not paid all wages for all meal periods not provided by Defendant, all wages for all rest periods not authorized and permitted by Defendant, and all wages for all hours worked. As a result, Defendant owes employees the legally required wages for unpaid wages, and Plaintiff and the Aggrieved Employees suffered damages in those amounts.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 210 for failing to pay all earned wages twice per month.

Failure to Provide Paid Sick Leave and Written Notice of Available Paid Sick Leave (Violations of Labor Code §§ 245-248.5)

Pursuant to Labor Code § 246 (a) an employee who, on or after July 1, 2015, works in California for the same employer for 30 or more days within a year from the commencement of employment is entitled to paid sick days.

Labor Code § 246 (i) requires employers to provide an employee with written notice that sets forth the amount of paid sick leave available.

Throughout the relevant time period, Defendant improperly calculated the sick leave accrual and the sick leave rate of pay owed to Plaintiff and the Aggrieved Employees by failing to base the accrued sick leave hours on the correct number of hours worked (as a result of the rounding policies and practices for meal periods and/or shift start and end times/other required off-the-clock work including but not limited to work completed during unpaid meal periods).

Based on information and belief, Defendant further failed to provide notice of the correct sick leave amount balance available to Plaintiff and the Aggrieved Employees on their wage statements or other written statements.

In violation of Labor Code § 247.5 Defendant failed to maintain accurate records documenting the hours worked and paid sick days accrued and used by Plaintiff and the Aggrieved Employees, permitting the presumption that Plaintiff and the Aggrieved Employees were entitled to the maximum number of hours accruable under this article.

On information and belief, Plaintiff alleges that all of these practices were experienced and continue to be experienced by the Aggrieved Employees. Plaintiff requests all appropriate relief under the PAGA and these statutes, including but not limited to the restitution of earned paid sick leave that could have been used, but was not due to Defendant's sole failure to institute such a paid sick leave entitlement or paid sick leave bank as required by California law.

Accordingly, Plaintiff and the Aggrieved Employees are entitled to injunctive relief, attorney's fees, declaratory relief, restitution, and penalties as permitted by law. Plaintiff requests all relief pursuant to the aforementioned code provisions, including but not limited to Labor Code §§ 233 and 234, which incorporates the paid sick leave requirements. Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to provide any information on accrued sick leave.

Standard Conditions of Labor Violations

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

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

Action for Civil Penalties Under PAGA

In light of the above, Plaintiff alleges that Defendant violated the following provisions of the Labor Code with respect to the Aggrieved Employees including but not limited to Labor Code §§ 201-203, 204, 226, 226.7, 245-248.5, 510, 512, 515, 558, 558.1, 1174, 1194, 1197, 1197.1, 1198, 1199, 2802 and all applicable Wage Orders.

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

Therefore, on behalf of all Aggrieved Employees, Plaintiff seeks applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties under Labor Code §§ 210, 218.5, 225.5, 226, 226.3, 226.6, 233, 234, 558, 558.1, 1174.5, 1197.1, 1198, 1199, 2802, and 2699(f)(2).

Plaintiff has placed Defendant on notice by mailing a certified copy of this correspondence to its corporate address and address of the agent for service, as indicated on the first page.

The facts and claims contained herein are based on the information available at the time of this writing. Therefore, if through discovery and/or expert review, Plaintiff becomes aware of additional compensation owed or losses incurred by Plaintiff or by any other aggrieved employee of Defendant or any additional facts, Plaintiff expressly reserves the right to revise these facts and/or add any new claims by amending the claim letter or by adding applicable causes of action to the complaint which will relate back to the date of this letter.

Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Sincerely,



Lilit Tunyan, Esq.
TUNYAN LAW, APC