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Attorneys for Plaintiff Darryl Burrows
and Proposed Class Counsel

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

DARRYL BURROWS, on behalf of
himself and all "aggrieved employees"
pursuant to Labor Code § 2698 *et seq.*,

Plaintiff,

v.

HOSPITALITY SERVICES GROUP LLC,
an Indiana limited liability company, and
DOES 1 through 10, inclusive,

Defendants.

CASE NO: 37-2023-00013910-CU-OE-CTL

Assigned to the Hon. Richard S. Whitney, Dept. C-68

**DECLARATION OF DANIEL F. GAINES IN
SUPPORT OF UNOPPOSED MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT AND LEAVE TO
FILE FIRST AMENDED COMPLAINT**

DATE: January 24, 2025

TIME: 10:30 a.m.

DEPT.: C-68

Reservation # 3145201

Action Filed: April 4, 2023

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

2 1. I am an attorney duly admitted to the practice of law in the State of California. I am
3 a shareholder of Gaines & Gaines, APLC, counsel for Plaintiff Darryl Burrows (“Burrows” or
4 “Plaintiff”) and proposed Class Counsel in this action. I have personal knowledge of the facts set
5 forth herein and if called as a witness to testify to them, I could and would do so competently.

6 **Education and Experience:**

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

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

13 4. Since becoming a member of the Bar, and until his retirement, I practiced law with
14 my father, Kenneth, at Gaines & Gaines, APLC. Our practice specializes in litigation, with an
15 emphasis in employment disputes like this one. A significant portion of my practice is devoted to
16 complex employment litigation similar to the instant action.

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

21 **Factual and Procedural Background:**

22 6. On January 23, 2023, Plaintiff Burrows exhausted the pre-filing requirements of the
23 Labor Code Private Attorneys General Act of 2004 (“PAGA”).

24 7. On April 4, 2023, Plaintiff Burrows initiated his Action in the San Diego County
25 Superior Court by filing a complaint, pursuant to PAGA, on behalf of himself and all other
26 aggrieved employees.

27 8. As set forth in the First Amended Complaint, in the form attached to the Settlement
28 Agreement as Exhibit 3 which the Parties seek to file through this motion, the Action asserts class

1 action claims against Defendant for (1) failure to provide compliant meal periods or correct
2 compensation in lieu thereof (Labor Code §§ 226.7, 512, 1174, 1174.5 and 1198; IWC Wage Order
3 4-2001); (2) failure to provide compliant rest periods or correct compensation in lieu thereof
4 (Labor Code § 226.7; IWC Wage Order 4-2001); (3) failure to comply with itemized employee
5 wage statement provisions (Labor Code § 226(a), (e)); (4) failure to timely pay wages due at the
6 separation of employment (Labor Code §§ 201-203); (5) violation of Business and Professions
7 Code § 17200 for underlying violations of the Labor Code as set forth in the Action; and (6) civil
8 penalties pursuant to PAGA for underlying violations of the Labor Code as set forth in the Action.

9 9. Defendant denies any liability or wrongdoing of any kind associated with the claims
10 alleged in the Action, and further denies that the Action are appropriate for class treatment for any
11 purpose other than the settlement. Defendant contends that it has complied at all times with the
12 California Labor Code. It is Defendant's position that, if this case were to be litigated, class
13 certification would be inappropriate because Plaintiff is not an adequate Class Representative,
14 Plaintiff's claims are not typical of putative class members, and individual issues predominate
15 over class issues, among other defenses. The Action, the negotiation and execution of the
16 Settlement Agreement, and all acts performed or documents executed pursuant to or in furtherance
17 of this Settlement Agreement (i) shall not be used as an admission, or as evidence of wrongdoing
18 by the Defendant, or for any other purpose whatsoever; (ii) shall not be an admission or evidence
19 of fault on behalf of Defendant in any action before a civil court, criminal court, administrative
20 agency of any type, or other tribunal; and (iii) shall not be deemed to be, and may not be used as,
21 an admission or evidence of the appropriateness of these or similar claims for class certification
22 in the Action or with respect to any other proceeding whatsoever.

23 10. The Class Representative contends that Defendant violated the California Labor
24 Code and Industrial Welfare Commission Wage Order(s), and that this case is appropriate for class
25 certification.

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1 **Class Counsel's Assessment of the Fairness of the Settlement and the Risks of Continued**

2 **Litigation:**

3 11. My colleagues and I conducted a thorough investigation into the facts and law
4 during the prosecution of this class action case, including the exchange of extensive formal and
5 informal discovery and the review and verification of statistical data and other facts and
6 information provided by Defendant. We have investigated the applicable law as applied to the
7 facts discovered regarding the alleged claims of Plaintiff and potential defenses thereto, and the
8 damages and other losses claimed by Plaintiff.

9 12. On November 20, 2023 and again on March 18, 2024, following our exchange of
10 information and documents regarding the Settlement Class and the claims and defenses asserted
11 by the Parties, the Parties engaged in arm's-length negotiations with the assistance of an
12 experienced wage and hour mediator, Hon. Francisco Firmat (Retired), where the Parties were
13 able to reach a resolution of the Action.

14 13. Based on our independent investigation and evaluation, my colleagues and I are of
15 the opinion (and hereby represent to the Court) that settlement for the consideration and on the
16 terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best
17 interest of the Settlement Class in light of all known facts and circumstances, including the risk of
18 significant delay, the risk the Settlement Class will not be certified by the Court, and the defenses
19 asserted by Defendant.

20 14. The Parties agree that the Settlement Class described herein may be certified for
21 settlement purposes only and that any motion for approval seeking, *inter alia*, certification of the
22 Settlement Class is for purposes of the settlement only. If for any reason the settlement is not
23 approved, the certification will have no force or effect and will immediately be revoked. The
24 Parties further agree that certification for purposes of the settlement is in no way an admission that
25 class certification is proper under the more stringent standard applied for litigation and that
26 evidence of this limited Settlement Agreement for settlement purposes only will not be admissible
27 for any purpose in this or any other proceeding.
28

1 15. The parties jointly prepared the Settlement Agreement and Release of Claims. A
2 true and correct copy of the Settlement is attached hereto as **Exhibit B**.

3 16. Plaintiff contends that Defendant failed to provide Class Members with legally
4 compliant rest periods, or premium wages of one hour's pay in lieu thereof, as required by Labor
5 Code §§ 226.7 and IWC Wage Order 4-2001. Defendant allegedly maintained two separate
6 unlawful written meal and rest period policies for 2022 and 2023, with no written policies prior
7 thereto. Plaintiff contends that he rarely was able to take a rest period due to the busy nature of
8 his job and the lack of a policy providing rest periods. Plaintiff calculates Defendant's rest period
9 damages at \$306,397 and PAGA civil penalty liability for this claim of up to \$344,600.

10 17. Plaintiff further argues that Defendant failed to permit or authorize Class Members
11 to take timely 30-minute meal periods for shifts greater than 5 hours in length, in violation of
12 Labor Code §§ 226.7, 512, and 558 and IWC Wage Order 4-2001. Labor Code § 512 provides that
13 employers may not employ employees for work periods of more than five (5) hours without
14 providing a 30-minute meal period starting no later than the end of the 5th hour. Class Members
15 were routinely unable to take a proper meal period when they worked shifts in excess of five (5)
16 hours in duration and a second meal period when they worked shifts in excess of ten (10) hours in
17 duration. Additionally, Plaintiff alleges that Defendant does not maintain accurate records
18 indicating the start and end time of each meal period, if one ever occurred, in violation of Labor
19 Code §§ 1174, 1174.5, and 1198 and IWC Wage Order 4-2001.

20 18. The basis for Plaintiff's meal period claim stems from deficient or non-existent
21 written policies. As with rest periods, Plaintiff contends that he was rarely permitted to take a
22 meal period due to the busy nature of his job. Plaintiff further contends that Defendant
23 automatically deducted a thirty-minute meal period from his pay, despite never receiving a meal
24 period. This also results in an underpayment of all minimum and overtime wages due, in violation
25 of Labor Code §§ 510, 1194, and 1194.2.

26 19. The wage and time data provided by Defendant through informal discovery show a
27 meal period violation rate of 97.4% and a remarkable 98.3% of all pay periods during the PAGA
28 Period exhibit some form of meal period violation. 99.4% of shifts between 10 and 12 hours had

1 no second meal period recorded. 64.5% of shifts had an automatically deducted meal break.
2 Significant meal period premiums are owed. Plaintiff calculates Defendant's meal period damages
3 at \$300,717 and PAGA civil penalty liability for this claim of \$342,900.

4 20. Defendant also allegedly failed to issue Class Members accurately itemized wage
5 statements. Class Members were not paid all wages due, as detailed above. As a result, the wage
6 statements issued by Defendant to Class Members fail to accurately state all gross wages earned,
7 in violation of Labor Code § 226(a)(1), total hours worked, in violation of Labor Code § 226(a)(2),
8 net wages earned, in violation of Labor Code § 226(a)(5), and all applicable hourly rates in effect
9 during the pay period and the corresponding number of hours worked at each hourly rate, in
10 violation of Labor Code § 226(a)(9). Plaintiff calculates the damages for this claim at up to
11 \$305,250 in addition to \$349,000 in PAGA civil penalties.

12 21. Defendant also allegedly failed to pay Class Members all wages due upon separation
13 of employment, in violation of Labor Code §§ 201-202. As Defendant failed to pay Class Members
14 all wages due during the course of employment, as discussed above, and these wages remained
15 due and owing upon separation of employment. Plaintiff calculates statutory penalties on this
16 claim at \$728,492, with PAGA civil penalty liability of up to \$15,100.

17 22. Defendant disputes Plaintiff's claims. It contends that it authorized rest periods for
18 all employees in accordance with California laws. It maintains that its meal period practices
19 complied with the law at all times. It argues that any missed meal and rest periods were waived
20 by employees, not affirmatively denied. It believes that Plaintiff is unlikely to be awarded any
21 penalties – PAGA or otherwise – based on its good faith belief that it complied with the laws and
22 its lack of willfulness. Finally, Defendant does not believe Plaintiff will be able to obtain class
23 certification as to any of his claims due to manageability issues, among others.

24 23. Defendant strongly contends that its policies and practices do not violate any laws.
25 It contends that it properly provided for all meal and rest periods and fully compensated its
26 employees for all time worked. It further contends that the wage statements it provides to its
27 employees are fully compliant with California law.
28

1 24. When the costs and risks of non-certification and loss on the merits are considered,
2 my colleagues and I are of the opinion that the settlement reached is clearly a favorable one.

3 25. The settlement for each Class Member is fair, reasonable and adequate, given the
4 inherent risk of litigation, the risk relative to class certification and the costs of pursuing such
5 litigation. The settlement shall finally resolve all claims of the Class Members as alleged in the
6 Action.

7 **Class Certification Requirements:**

8 26. To date, no class has been certified. The Stipulation of Settlement contains a
9 provision pursuant to which we stipulate to the Court's provisional certification of the
10 approximately 209-member Settlement Class, but do so for purposes of this settlement only.

11 27. In this case, the Class Members are identifiable from Defendant's employment and
12 payroll records. Further, the Settlement Class is sufficiently numerous to warrant certification.
13 According to Defendant's records, the Class comprises approximately 209 employees who were
14 employed during the Class Period.

15 28. The Class Members' claims all stem from a common source: members of the
16 Settlement Class allege that Defendant violated the same Labor Code provisions in connection
17 with their employment. All members of the Class seek the same relief under the same California
18 laws (related to meal and rest period premiums, inaccurate or incomplete wage statements, failure
19 to timely pay wages due upon separation, and derivative claims). Under these circumstances, the
20 commonality requirement is satisfied for purposes of certifying the Settlement Class for settlement
21 purposes.

22 29. In this case, the named Plaintiff and proposed Class Representative Darryl Burrows
23 is a former non-exempt employee who worked for Defendant in the State of California during the
24 Class Period. He contends that Defendant failed to provide meal and rest periods, failed to comply
25 with itemized employee wage statement provisions, and failed to timely pay wages at the
26 separation of employment, in violation of Labor Code §§ 201, 202, 203, 226(a), 226.3, 226.7, 512,
27 558, 1174, 1174.5, 1198, 2698, and 2699. He has the same claims as those that the members of
28

1 the Settlement Class would reasonably be expected to bring based on the course of conduct alleged
2 herein.

3 30. Plaintiff has also demonstrated that he will aggressively and competently assert the
4 interests of the proposed Settlement Class; he has taken an active role in this litigation and has no
5 apparent conflicts with other class members.

6 **Settlement of Claims Pursuant to Labor Code § 2699 et seq. (PAGA):**

7 31. Concurrently with the filing of this Motion, my office is transmitting the Settlement
8 Agreement (and these approval documents) to the LWDA, in compliance with Labor Code §
9 2699(1)(2). A true and correct of the confirmation from the LWDA is attached hereto as **Exhibit**
10 **C.**

11 I declare, under penalty of perjury, under the laws of the State of California, that the
12 foregoing is true and correct. Executed this 24th day of June, 2024 at Westlake Village, California.

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16 DANIEL F. GAINES
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EXHIBIT A

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

EXHIBIT B

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

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

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

Plaintiffs,

v.

HOSPITALITY SERVICES GROUP LLC,
an Indiana corporation, and DOES 1
through 10, inclusive,

Defendants.

CASE NO: 37-2023-00013910-CU-OE-CTL

*Assigned to the Hon. Richard S. Whitney
Dept. C-68*

**SETTLEMENT AGREEMENT AND
RELEASE OF CLAIMS**

Complaint filed: April 4, 2023

1 **SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS**

2 This Settlement Agreement and Release of Claims (“Settlement Agreement”) is made and
3 entered into by and between Plaintiff Daryl Burrows (“Burrows,” “Plaintiff,” or “Class
4 Representative”), individually and on behalf of all others similarly situated, and Defendant
5 Hospitality Services Group LLC (“Defendant”), subject to the terms and conditions herein and the
6 Court’s approval.

7 **A. Definitions.**

8 1. Plaintiff, the Settlement Class (as defined below), Aggrieved Employees and
9 Defendant are collectively referred to herein as “the Parties.”

10 2. Daniel F. Gaines and Alex P. Katofsky of Gaines & Gaines, APLC are counsel of
11 record for Plaintiff Daryl Burrows. For purposes of this Settlement Agreement only, Gaines &
12 Gaines, APLC shall be designated as “Class Counsel.”

13 3. The “Action” means *Darryl Burrows v. Hospitality Services Group LLC*, San Diego
14 County Superior Court Case. No. 37-2023-00013910-CU-OE-CTL (the “Action”).

15 4. The “Settlement Class” shall be defined as “all non-exempt employees of Defendant
16 Hospitality Services Group LLC in California at any time between April 4, 2019 and March 18,
17 2024.” Defendant represents that this Class contains no more than approximately 209 Class
18 Members who worked no more than 2607 workweeks during the Class Period (defined below).

19 5. The “Class Period” shall be defined as the time period between April 4, 2019 and
20 March 18, 2024.

21 6. The “Aggrieved Employees” shall be defined as “all non-exempt employees of
22 Defendant Hospitality Services Group LLC in California at any time between January 23, 2022,
23 and March 18, 2024 (the “PAGA Period”).

24 7. Members of the Settlement Class shall collectively be referred to as a “Class
25 Member” or “Class Members.” Any Class Member who files a timely request for exclusion, as
26 detailed below, will be excluded from the final Settlement Class.

27 8. The “Effective Date” is defined as the date the Court signs an order granting final
28 approval of the settlement and entering judgment thereon (the “Effective Date”) If objections to

1 the settlement are filed that are not subsequently withdrawn, the Effective Date of the settlement is
2 the sixty-fifth (65th) day after notice of the final approval order is mailed, unless an appeal is filed,
3 in which case the Effective Date is the day after (1) the settlement is upheld by the Court of Appeals,
4 or (2) all appeals are dismissed.

5 **B. General.**

6 1. On January 23, 2023, Plaintiff Burrows exhausted the pre-filing requirements of the
7 Labor Code Private Attorneys General Act of 2004 (“PAGA”).

8 2. On April 4, 2023, Plaintiff Burrows initiated his Action in the San Diego County
9 Superior Court by filing a complaint, pursuant to PAGA, on behalf of himself and all other
10 aggrieved employees.

11 3. As set forth in the First Amended Complaint, in the form attached hereto as **Exhibit**
12 **3** which the Parties will seek to file as part of the motion for preliminary approval of this Settlement,
13 the Action assert claims against Defendant for (1) failure to provide compliant meal periods or
14 correct compensation in lieu thereof (Labor Code §§ 226.7, 512, 1174, 1174.5 and 1198; IWC
15 Wage Order 4-2001); (2) failure to provide compliant rest periods or correct compensation in lieu
16 thereof (Labor Code § 226.7; IWC Wage Order 4-2001); (3) failure to comply with itemized
17 employee wage statement provisions (Labor Code § 226(a), (e)); (4) failure to timely pay wages
18 due at the separation of employment (Labor Code §§ 201-203); (5) violation of Business and
19 Professions Code § 17200 for underlying violations of the Labor Code as set forth in the Action;
20 and (6) civil penalties pursuant to PAGA for underlying violations of the Labor Code as set forth
21 in the Action.

22 4. Defendant denies any liability or wrongdoing of any kind associated with the claims
23 alleged in the Action, and further denies that the Action are appropriate for class treatment for any
24 purpose other than this settlement. Defendant contends that it has complied at all times with the
25 California Labor Code. It is Defendant’s position that, if this case were to be litigated, class
26 certification would be inappropriate because Plaintiff is not an adequate Class Representative,
27 Plaintiff’s claims are not typical of putative class members, and individual issues predominate over
28 class issues, among other defenses. The Action, the negotiation and execution of this Settlement

1 Agreement, and all acts performed or documents executed pursuant to or in furtherance of this
2 Settlement Agreement (i) shall not be used as an admission, or as evidence of wrongdoing by the
3 Defendant, or for any other purpose whatsoever; (ii) shall not be an admission or evidence of fault
4 on behalf of Defendant in any action before a civil court, criminal court, administrative agency of
5 any type, or other tribunal; and (iii) shall not be deemed to be, and may not be used as, an admission
6 or evidence of the appropriateness of these or similar claims for class certification in the Action or
7 with respect to any other proceeding whatsoever.

8 5. The Class Representative contends that Defendant violated the California Labor
9 Code and Industrial Welfare Commission Wage Order(s), and that this case is appropriate for class
10 certification.

11 6. Class Counsel represent that they have conducted a thorough investigation into the
12 facts and law during the prosecution of this class action case, including the exchange of extensive
13 formal and informal discovery and the review and verification of statistical data and other facts and
14 information provided by Defendant. Counsel for the Parties also represent that they have
15 investigated the applicable law as applied to the facts discovered regarding the alleged claims of
16 Plaintiff and potential defenses thereto, and the damages and other losses claimed by Plaintiff.

17 7. On November 20, 2023 and again on March 18, 2024, following their exchange of
18 information and documents regarding the Settlement Class and the claims and defenses asserted by
19 the Parties, the Parties engaged in arm's-length negotiations with the assistance of an experienced
20 wage and hour mediator, Hon. Francisco Firmat (Retired), where the Parties were able to reach the
21 resolution of the Action set forth herein.

22 8. Based on their own independent investigation and evaluation, Class Counsel are of
23 the opinion (and will so represent to the Court) that settlement for the consideration and on the
24 terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best
25 interest of the Settlement Class in light of all known facts and circumstances, including the risk of
26 significant delay, the risk the Settlement Class will not be certified by the Court, and the defenses
27 asserted by Defendant. Defendant and its counsel also agree (and will so represent to the Court)
28 that this settlement is fair and in the best interest of the Settlement Class.

1 9. The Parties agree that the Settlement Class described herein may be certified for
2 settlement purposes only and that any motion for approval seeking, *inter alia*, certification of the
3 Settlement Class is for purposes of the settlement only. If for any reason the settlement is not
4 approved, the certification will have no force or effect and will immediately be revoked. The
5 Parties further agree that certification for purposes of the settlement is in no way an admission that
6 class certification is proper under the more stringent standard applied for litigation and that
7 evidence of this limited Settlement Agreement for settlement purposes only will not be admissible
8 for any purpose in this or any other proceeding.

9 **C. Terms of Settlement.**

10 1. The financial terms of the Settlement Agreement are as follows:

11 (a) **Gross Settlement Amount:** The Parties agree to settle the Action for a Gross
12 Settlement Amount of **Three Hundred Forty Thousand U.S. Dollars (\$340,000)** (“the Gross
13 Settlement Amount”), subject to any increase based on the escalator provision in paragraph H(16)
14 herein. The Gross Settlement Amount includes the attorneys’ fees of Class Counsel; litigation costs
15 and expenses (which includes, without limitation, all such fees and costs incurred to date, as well
16 as such fees and costs to be incurred in documenting the settlement, providing any notices required
17 as part of the settlement, securing Court approval of the settlement, and obtaining judgment in the
18 Action); the Service Payment to the Class Representative, as approved by the Court; the payment
19 to the California Labor and Workforce Development Agency (“LWDA”); and all costs of
20 administration, including, without limitation, settlement administration fees and expenses. All
21 employer payroll tax obligations due on wage payments made from the Net Settlement Proceeds
22 shall be paid by Defendant separately and apart from, and in addition to, the Gross Settlement
23 Amount.

24 (b) **Net Settlement Proceeds:** “Net Settlement Proceeds” is defined as the
25 Gross Settlement Amount less the amounts approved and awarded by the Court for: attorneys’ fees
26 and documented litigation costs and expenses incurred or advanced by Class Counsel; the Service
27 Payment to the Class Representative; the payment to the LWDA pursuant to PAGA; and the costs
28 of administering the settlement.

1 (c) **Calculation of the Individual Payment Amounts:** “Individual Payment
2 Amount” means the portion of the Net Settlement Proceeds distributable to each Class Member
3 who participates in the Class Settlement (i.e., who does not submit a valid request for exclusion
4 form) and each Aggrieved Employee, whether they participate in the Class Settlement or not. As
5 to participating Class Members, the class portion of the Individual Payment Amount will be
6 determined by dividing the Net Settlement Proceeds, less the \$5,000 PAGA allocation, by the total
7 number of weeks worked by the entire Settlement Class in a non-exempt position in California
8 during the Class Period, net of opt outs, resulting in the class workweek value; and then multiplying
9 the class workweek value by the number of weeks worked by each participating Class Member in
10 a non-exempt position in California during the Class Period. As to the Aggrieved Employees, the
11 PAGA portion of the Individual Payment Amount will be determined by dividing the PAGA
12 settlement amount (\$5,000) by the total number of weeks worked by all Aggrieved Employees in
13 a non-exempt position in California during the PAGA Period, resulting in the PAGA workweek
14 value; and then multiplying the PAGA workweek value by the number of weeks worked by each
15 Aggrieved Employee in a non-exempt position in California during the PAGA Period.

16 (d) For tax purposes, the class portion of each Individual Payment Amount will
17 be apportioned (a) 10% as wages (reported on an IRS Form W-2 and subject to applicable
18 withholdings); and (b) 90% equally as penalties and interest (reported on an IRS Form 1099, if
19 required). The PAGA portion of each Individual Payment Amount will be apportioned 100% as
20 penalties (reported on an IRS Form 1099, if required). All Individual Payment Amounts paid to
21 Class Members and Aggrieved Employees will be subject to any applicable wage garnishments,
22 liens, or other legally mandated treatment as required by law.

23 (e) **PAGA Payments:** The Parties agree that Twenty Thousand Dollars
24 (\$20,000) shall be allocated to settle Plaintiff’ claims brought pursuant to PAGA. Of this amount,
25 Seventy-Five percent (75%), or Fifteen Thousand Dollars (\$15,000), shall be paid to the LWDA,
26 and the remaining Twenty-Five percent (25%), or Five Thousand Dollars (\$5,000), shall be paid to
27 Aggrieved Employees as part of the Net Settlement Proceeds.
28

1 (f) **Service Payment to Class Representative:** The amount awarded to the
2 Class Representative as a Service Payment will be set by the Court in its discretion, not to exceed
3 One Thousand Dollars (\$1,000). This amount will be deducted from the Gross Settlement Amount.
4 An IRS Form 1099 will be issued to the Class Representative for his Service Payment. Defendant
5 agrees not to dispute or otherwise object to the Service Payment if Plaintiff requests \$1,000 or less.

6 (g) **Attorneys' Fees:** An award to Class Counsel of attorneys' fees will be
7 deducted from the Gross Settlement Amount in an amount to be set by the Court taking into account
8 the settlement award that has been made available for the Settlement Class by the efforts of Class
9 Counsel. The amount awarded shall not exceed 35% of the Gross Settlement Amount (i.e., One
10 Hundred Nineteen Thousand Dollars (\$119,000)). An IRS Form 1099 will be issued to Class
11 Counsel with respect to its award of attorneys' fees. Defendant agrees not to dispute or otherwise
12 object to the attorneys' fee award requested by Class Counsel so long as the request does not exceed
13 35% of the Gross Settlement Amount.

14 (h) **Attorneys' Costs and Expenses:** Class Counsel will be reimbursed from
15 the Gross Settlement Amount in an amount to be set by the Court for documented out-of-pocket
16 litigation costs and expenses, not to exceed Fifteen Thousand Dollars (\$15,000). An IRS Form
17 1099 will be issued to Class Counsel with respect to its award of costs and expenses. Defendant
18 agrees not to dispute or otherwise object to the attorneys' cost award requested by Class Counsel
19 so long as the request does not exceed \$15,000.

20 (i) **Settlement Administration Costs:** The fees and other charges of the
21 Settlement Administrator to administer the Settlement are expected to total no more than Twelve
22 Thousand Dollars (\$12,000.00) and will be paid from the Gross Settlement Amount. These fees
23 shall include any costs associated with the required tax reporting on any Individual Payment
24 Amounts, and the issuing of any and all W-2 and 1099 forms. Subject to approval of the Court, the
25 Parties have agreed that Phoenix Settlement Administrator will serve as a neutral third-party
26 claims' administrator ("Settlement Administrator") to perform all acts related to providing notice
27 to the Settlement Class. Settlement Administrator shall be responsible for (a) printing and
28 distributing the Court-approved Notice of Class Action Settlement ("Class Notice") to all Class

1 Members; (b) administering the settlement; (c) processing exclusions, objections, and field
2 inquiries from Class Members; (d) resolving disputes; (e) calculating the Individual Payment
3 Amount each Participating Class Members is eligible to receive; (f) distributing the Gross
4 Settlement Amount as directed by the Court and set forth herein; (g) tax reporting; (h) providing
5 necessary weekly status reports; and (i) other duties and responsibilities set forth herein.

6 (j) **No Warranty by Defendant:** Plaintiff understands and agrees that
7 Defendant is not providing Plaintiff or Class Members with tax or legal advice and that Defendant
8 makes no representations regarding tax obligations or consequences, if any, related to this
9 Settlement Agreement.

10 **D. Release of Claims.**

11 1. Upon the Effective Date, and subject to Defendant's full payment of the Gross
12 Settlement Amount and all associated employer payroll tax obligations, Plaintiff and all Settlement
13 Class Members who do not timely opt-out of the Settlement will be deemed to have fully released
14 and discharged Defendant Hospitality Services Group LLC, and its present and former officers,
15 directors, members, owners, managers, shareholders, agents, operators, partners, joint ventures,
16 subsidiaries, parent companies, related entities, consultants, attorneys, successors or assignees
17 ("Released Parties") from any and all Released Class Claims which arose during their employment
18 in a non-exempt position in California during the Class Period.

19 2. Upon the Effective Date, and subject to Defendant's full payment of the Gross
20 Settlement Amount and all associated employer payroll tax obligations, Plaintiff and all Aggrieved
21 Employees will be deemed to have fully released and discharged the Released Parties from any and
22 all Released PAGA Claims which arose during their employment in a non-exempt position in
23 California during the PAGA Period.

24 3. "Released Class Claims" means any and all claims and/or causes of action which
25 accrued during the Class Period during employment in a non-exempt position in California, that
26 are alleged, or that could have been alleged in the Action based on the facts set forth in the First
27 Amended Complaint (which includes direct class action claims under Labor Code §§ 201, 202,
28 203, 226(a), 226.3, 226.7, 512, 558, 1174, 1174.5, and 1198 and under Business & Professions

1 Code section 17200 *et seq.* predicated on the underlying Labor Code claims alleged). No PAGA
2 claims are encompassed in the Released Class Claims.

3 4. “Released PAGA Claims” means any and all PAGA claims and/or causes of action
4 which accrued during the PAGA Period during employment in a non-exempt position in
5 California, that are alleged in the First Amended Complaint on file in the Action, or that could
6 have been alleged in the Action based on the facts set forth in the First Amended Complaint,
7 including Labor Code §§ 201, 202, 203, 226(a), 226.3, 226.7, 512, 558, 1174, 1174.5, and 1198.
8 No Aggrieved Employee may opt out of the PAGA portion of the Settlement.

9 **E. Notice and Exclusion Process.**

10 1. Within ten (10) calendar days after entry of the order granting preliminary approval
11 of this Settlement, Defendant shall provide to the Settlement Administrator a list of all Class
12 Members, including their last known addresses, telephone numbers, social security numbers, and
13 their dates of employment in a non-exempt position in California during the Class Period and the
14 PAGA Period (“Settlement Class Information”). The names, addresses, telephone numbers, and
15 Social Security numbers will only be disclosed to the Settlement Administrator and not to Plaintiff’s
16 Counsel. All information provided to the Settlement Administrator will be marked
17 CONFIDENTIAL. This information shall be kept confidential and shall not be disclosed, either in
18 writing or orally, by the Settlement Administrator. The Settlement Administrator shall use due care
19 with respect to the storage, custody, use, and/or dissemination of the confidential information. Such
20 information must be stored in a secure fashion and all persons who access the data must agree to
21 keep it confidential.

22 2. A notice of pendency of class action, proposed settlement, and hearing date for
23 Court approval (“Class Notice”) in the form attached hereto as **Exhibit 1**, and as approved by the
24 Court, shall be sent by the Settlement Administrator to the Class Members and Aggrieved
25 Employees, by first class mail, within twenty (20) calendar days after entry of the order granting
26 preliminary approval. Attached to the Class Notice will be a request for exclusion form (“Request
27 for Exclusion Form”) in the form attached hereto as **Exhibit 2**. These forms will be sent in both
28 English and Spanish.

1 3. The Settlement Administrator will make reasonable efforts to ensure that the Class
2 Notice and Request for Exclusion Form are sent to all Class Members and Aggrieved Employees.
3 It will conclusively be presumed that if an envelope has not been returned within thirty (30) days
4 of the mailing that the Class Member or Aggrieved Employee received the Class Notice. In the
5 event of returned or non-deliverable notices, the Settlement Administrator will make reasonable
6 efforts to locate Class Members and Aggrieved Employees and re-send the notices.

7 4. Each Class Member will be fully advised of the settlement, the ability to object to
8 the settlement, and the ability to submit a Request for Exclusion Form. The Class Notice will
9 inform the Class Members of the Court-established deadlines for filing objections and a Request
10 for Exclusion Form. Aggrieved Employees may neither object to, nor exclude themselves from,
11 the PAGA portion of the settlement.

12 5. Each Class Notice will contain personalized information setting forth the number of
13 weeks each Class Member and Aggrieved Employee worked for Defendant in California in a non-
14 exempt position during the PAGA Period and Class Period and their estimated Individual Payment
15 Amount. To the extent a Class Member or Aggrieved Employee disputes any of the information
16 listed on his or her Class Notice, he or she may produce evidence to the Settlement Administrator
17 showing such information the individual contends should be reflected in the Class Notice.
18 Defendant's records will be presumed determinative, however, and the Settlement Administrator's
19 decision on these matters will be final. The Class Notice will also set forth IRS W-9 information
20 if required.

21 6. All Class Members who do not submit a Request for Exclusion Form will be eligible
22 to receive an Individual Payment Amount and all Aggrieved Employees will be eligible to receive
23 a share of the PAGA allocation from the Net Settlement Proceeds, which shall be mailed to them
24 after the Effective Date occurs.

25 7. In order to elect not to participate in the Settlement, a Class Member must submit a
26 Request for Exclusion Form, and mail it to the Settlement Administrator no later than forty-five
27 (45) calendar days after the initial mailing of the Class Notice and Request for Exclusion Form to
28 Class Members, unless the Court requires a longer period, in which case the Court ordered

1 exclusion period will apply. The date of the postmark shall be deemed the date of submission. The
2 timeliness of submitted Request for Exclusion Forms will be determined by valid postmark. If the
3 45th day falls on a Sunday or federal holiday, the time to request exclusion will be extended to the
4 next day on which the U.S. Postal Service is open.

5 8. The deadline for submission of Exclusion Forms shall be extended once by 30 days
6 for those Class Members whose Class Notice and Exclusion Form are returned as “undeliverable.”
7 If the 30th day falls on a Sunday or federal holiday, this deadline will be extended to the next day
8 on which the U.S. Postal Service is open.

9 9. The Settlement Administrator will search for additional addresses on returned mail
10 and will re-mail the Class Notice and Exclusion Form to an updated address (if any) within 15 days
11 of receipt of the returned mail. The 30-day extended time limit will run from the date of the second
12 mailing for those Class Members. To the extent a Class Notice from the initial mailing is not
13 returned within 30 days, it shall be deemed to have been sent to a valid address even if it is thereafter
14 returned. It is the intent of the Parties that reasonable, but not extraordinary, efforts be used to
15 locate Class Members. If the initial Class Notice and Request for Exclusion Form is returned, the
16 Settlement Administrator will search using the social security number for a more current address.
17 If no address is found within 10 days, no further action is required.

18 10. The Settlement Administrator will notify the Parties of the total number of valid
19 Request for Exclusion Forms within ten (10) calendar days after the deadline for receipt of the
20 Request for Exclusion Forms (fifty-five (55) days following the initial mailing of the Class Notice
21 and Request for Exclusion Forms to Class Members and Aggrieved Employees).

22 11. In order to object to the settlement, a Class Member must mail his or her objection
23 to the Settlement Administrator no later than forty-five (45) calendar days after the mailing of the
24 Class Notice and Request for Exclusion Form to Class Members, unless the Court requires a longer
25 period, in which case the Court ordered objection period will apply. If the 45th day falls on a
26 Sunday or federal holiday, the time to object to the settlement will be extended to the next day on
27 which the U.S. Postal Service is open. Under no circumstances shall the objection deadline be
28 extended for any reason.

1 12. The Settlement Administrator shall provide to the Parties, at least twelve (12)
2 calendar days prior to the final approval hearing, or as otherwise ordered by the Court, a declaration
3 of due diligence and proof of mailing with regard to the mailing of the Class Notice and Request
4 for Exclusion Forms. The Settlement Administrator will also provide to the Parties, at least twelve
5 (12) calendar days prior to the final approval hearing, or as otherwise ordered by the Court, a report
6 listing the amount of all payments to be made to each Class Member without names or personal
7 identifying information.

8 13. Defendant shall deposit the Maximum Settlement Amount, plus applicable
9 employer payroll taxes, with the Settlement Administrator as follows:

10 (1) \$120,000, plus pro rata employer payroll taxes due, no later than June 6,
11 2024;

12 (2) \$10,000, plus pro rata employer payroll taxes due, on the fifteenth day of
13 each consecutive month, commencing on July 15, 2024 and ending when the entire
14 Gross Settlement Amount and all employer payroll taxes have been paid (i.e. 22
15 subsequent months).

16 14. The Settlement Administrator shall disburse proportionate shares of the Gross
17 Settlement Amount within fifteen (15) calendar days after its receipt of each installment thereof,
18 subject to the prior occurrence of the Effective Date, except that Individual Payment Amounts shall
19 be mailed to Class Members and Aggrieved Employees in three proportionate installments, the first
20 within thirty (30) days after the Effective Date, the second within thirty (30) days after the fifteenth
21 installment payment has been paid, and the third within thirty (30) days after the twenty-third (i.e.
22 the final) installment payment has been paid. Class Members and Aggrieved Employees must cash
23 each of their Individual Payment Amount checks within one hundred eighty (180) calendar days
24 after they are mailed by the Settlement Administrator. The value of any checks uncashed more than
25 one hundred eighty (180) days after mailing shall be paid to those Class Members and Aggrieved
26 Employees who did timely cash their Individual Payment Amount checks on a pro rata basis,
27 proportionate to each of their Individual Payment Amounts. Such subsequent payments shall be
28 issued no later than sixty (60) days after each check cashing deadline.

1 **F. Duties of the Parties Prior to Court Approval.**

2 1. Promptly after execution of this Settlement Agreement, Plaintiff shall move the
3 Court for preliminary approval of this settlement and entry of an order accomplishing the
4 following:

5 (a) scheduling a fairness hearing on the question of whether the proposed
6 settlement should be finally approved as fair, reasonable and adequate as to the Class Members
7 and Aggrieved Employees;

8 (b) approving as to form and content the proposed Class Notice;

9 (c) approving as to form and content the proposed Request for Exclusion
10 Form;

11 (d) preliminarily certifying the Settlement Class for purposes of approving
12 the Settlement Agreement;

13 (e) preliminarily approving the PAGA payment of \$15,000 to the LWDA;

14 (f) preliminarily setting attorneys' fees and costs payable to Class Counsel;

15 (g) preliminarily setting the Service Payment to the Class Representative;

16 (h) preliminarily approving Phoenix Settlement Administration as the
17 Settlement Administrator and its estimated fees and costs of \$12,000; and

18 (i) authorizing Plaintiff to file the First Amended Complaint (Exhibit 3).

19 2. The Parties shall submit this Settlement Agreement to the Court and the LWDA
20 in support of Plaintiff's unopposed motion for preliminary approval of the settlement.

21 **G. Duties of the Parties in Connection with and Following Final Court Approval.**

22 1. In connection with the hearing on final approval of the settlement, the Parties will
23 submit a proposed final order no later than ten (10) calendar days prior to the scheduled date of
24 the hearing on final approval (unless otherwise ordered by the Court):

25 (a) approving the settlement, adjudging the terms thereof to be fair, reasonable
26 and adequate, and directing consummation of its terms and provisions;

27 (b) approving Class Counsel's application for an award of attorneys' fees and
28 reimbursement of documented litigation costs and expenses, the Service Payment to the Class

Representative, the PAGA Payment to the LWDA, and the costs of administering the settlement, all of which shall be deducted from the Gross Settlement Amount; and

(c) Entering judgment in the Action in accordance with this Settlement Agreement, pursuant to Cal. Rules of Court, Rule 3.769(h).

2. Class Counsel shall file an application for attorneys' fees and reimbursement of costs and expenses to be deducted from the Gross Settlement Amount no later than ten (10) calendar days prior to the scheduled date of the hearing on final approval (unless otherwise ordered by the Court).

H. Miscellaneous Provisions:

1. Voiding the Agreement.

A failure of the Court to approve any material condition of this Settlement Agreement which effects "a fundamental change of the Parties' settlement," or if the settlement is reversed or materially modified on appellate review, shall render the entire Settlement Agreement voidable and unenforceable as to all Parties herein at the option of any Party.

2. Parties' Authority.

The signatories hereto represent that they are fully authorized to enter into this Settlement Agreement and bind the Parties hereto to the terms and conditions hereof.

3. Mutual Full Cooperation.

The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement Agreement, including but not limited to, execution of such documents and such other action as may reasonably be necessary to implement the terms of this Settlement Agreement. The Parties to this Settlement Agreement shall use their best efforts, including all efforts contemplated by this Settlement Agreement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement Agreement and the terms set forth herein. As soon as practicable after execution of this Settlement Agreement, Class Counsel shall, with the assistance and cooperation of Defendant and its counsel, take all necessary steps to secure the Court's preliminary and final approval of the settlement.

1 **4. No Prior Assignments.**

2 The Parties hereto represent, covenant, and warrant that they have not directly or indirectly,
3 assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or
4 entity any portion of any liability, claim, demand, action, cause of action or rights released and
5 discharged by this Settlement Agreement.

6 **5. No Admission.**

7 Nothing contained herein, nor the consummation of this Settlement Agreement, is to be
8 construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part
9 of Defendant or any of the other Released Parties. Each of the Parties hereto has entered into this
10 Settlement Agreement with the intention of avoiding further disputes and litigation with the
11 attendant inconvenience and expenses. This Settlement Agreement is a settlement document and
12 shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408
13 and/or any other similar law, be inadmissible in evidence in any proceeding, except an action or
14 proceeding to approve the settlement, and/or interpret or enforce this Settlement Agreement.

15 **6. Construction.**

16 The Parties hereto agree that the terms and conditions of this Settlement Agreement are the
17 result of lengthy, intensive arms' length negotiations between the Parties and that this Settlement
18 Agreement shall not be construed in favor of or against any Party by reason of the extent to which
19 any Party or its counsel participated in the drafting of this Settlement Agreement.

20 **7. Captions and Interpretations.**

21 Paragraph titles or captions contained herein are inserted as a matter of convenience and for
22 reference, and in no way define, limit, extend, or describe the scope of this Settlement Agreement
23 or any provision hereof. Each term of this Settlement Agreement is contractual and not merely a
24 recital.

25 **8. Modification.**

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

1 the Parties hereto on their attorneys.

2 **9. Integration Clause.**

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

8 **10. Binding on Assigns.**

9 This Settlement Agreement shall be binding upon and inure to the benefit of the Parties
10 hereto and their respective heirs, trustees, executors, administrators, successors, and assigns.

11 **11. Governing Law.**

12 All terms of this Settlement Agreement and its exhibits shall be governed by and interpreted
13 according to the laws of the State of California, without giving effect to any conflict of law
14 principles or choice of law principles.

15 **12. Signatures of All Class Members Unnecessary to be Binding.**

16 It is agreed that, because the members of the Settlement Class are numerous, it is impossible
17 or impractical to have each Class Member execute this Settlement Agreement. The Class Notice,
18 attached hereto as Exhibit 1, will advise all Class Members of the binding nature of the release
19 provided herein and such shall have the same force and effect as if this Settlement Agreement was
20 executed by each Class Member.

21 **13. Counterparts.**

22 This Settlement Agreement may be executed in counterparts, and when each Party has
23 signed and delivered at least one such counterpart, each counterpart shall be deemed an original,
24 and when taken together with other signed counterparts, shall constitute one fully-signed Settlement
25 Agreement, which shall be binding upon and effective as to all Parties.

26 **14. Confidentiality**

27 Until Plaintiff files his motion for preliminary approval of the class action settlement of the
28 Action, the Parties and their Counsel agree to maintain confidentiality as to the Settlement,

1 including the amount and terms of the Settlement, except as to spouses, children, parents, tax or
2 financial advisors, attorneys, taxing agencies, or as otherwise required by law.

3 **15. No Publicity**

4 Plaintiff and his Counsel will not contact the media about the Settlement Agreement or
5 respond to any inquiries by the media regarding the Settlement, other than to state that the matter
6 was amicably settled, and the Court did not find Defendant liable. Plaintiff and his Counsel also
7 will not post any information about the Settlement Agreement on social media or their firm's
8 website.

9 **16. Representation Regarding Class Size; Escalator Provision**

10 Defendant has represented that Class Members worked no more than 2607 workweeks
11 during the Class Period. Should this number increase, the Gross Settlement Amount will increase
12 proportionately. For example, if there are 2868 workweeks, the Gross Settlement Amount shall
13 increase by 10%.

14 **17. Continuing Jurisdiction.**

15 The Parties agree that upon the occurrence of the entry of judgment in this case pursuant to
16 the terms of this Agreement, this Agreement shall be enforceable by the Court pursuant to Code
17 of Civil Procedure Section 664.6 and all other applicable law, and the Court shall retain exclusive
18 and continuing equity jurisdiction of this Action over all Parties and Class Members to interpret
19 and enforce the terms, conditions and obligation of the Agreement.

20 **18. Default; Notice; Cure; Acceleration; Time is of the Essence.**

21 Time is of the essence with respect to all provisions of this Agreement. If Defendant fails
22 to timely make any payment due hereunder, it shall be in default of its obligations. Plaintiff shall
23 thereafter give notice of default and Defendant must cure said default within ten (10) calendar days
24 thereof. In the event of an uncured default, all unpaid amounts shall be due and payable with interest
25 at the legal rate from the date of default. Time is of the essence with respect to all terms of this
26 Settlement.
27
28

1 Dated: 05 / 29 / 2024
2 _____

By: 
DARYL BURROWS
Plaintiff and Class Representative

3
4 Dated: 5/30/2024
5 _____

HOSPITALITY SERVICES GROUP LLC
By: 
Its: Partner

8
9 **APPROVED AS TO FORM AND CONTENT:**

10
11 Dated: 05/29/2024
12 _____

GAINES & GAINES, APLC
By: 
Daniel F. Gaines, Esq.
Alex P. Katofsky, Esq.
Counsel for Plaintiff and Class
Representative Daryl Burrows

13
14
15
16 Dated: 06/18/2024
17 _____

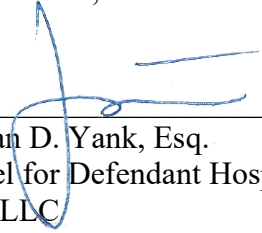
MUCH SHELIST, P.C.
By: 
Jonathan D. Yank, Esq.
Counsel for Defendant Hospitality Services
Group LLC

EXHIBIT 1

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

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

Plaintiffs,

v.

HOSPITALITY SERVICES GROUP LLC, an
Indiana corporation, and DOES 1 through 10,
inclusive,

Defendants.

CASE NO: 37-2023-00013910-CU-OE-CTL

*Assigned to the Hon. Richard S. Whitney, Dept.
C-68*

**NOTICE OF PENDENCY OF PROPOSED
CLASS ACTION SETTLEMENT AND
FINAL HEARING**

**YOU MAY BE ENTITLED TO RECEIVE MONEY FROM A SETTLEMENT
PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS MAY BE AFFECTED.**

A California court authorized this notice. This is not a solicitation from a lawyer.

- A settlement will provide \$340,000 to pay claims to all individuals who worked for Hospitality Services Group LLC (“Defendant”) as non-exempt employees in California at any time between April 4, 2019 and March 18, 2024.
- The settlement resolves a lawsuit alleging that Defendant failed provide compliant meal and rest periods or premium compensation in lieu thereof; timely issue wages during employment and upon separation of employment; and issue accurate and complete itemized wage statements. The Settlement avoids costs and risks of continuing the lawsuit; pays money to employees; and releases Defendant from liability from the claims asserted in this lawsuit.
- Lawyers for the employees will ask the Court to award them up to \$119,000 as attorneys’ fees and \$15,000 as expenses for investigating the facts, litigating the case, and negotiating the settlement. This will be paid from the settlement amount.
- Defendant denies liability and believes all appropriate wages were paid and that it otherwise complied with any Labor Code obligations. The Parties disagree on how much money could have been awarded if employees won at trial.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing	You do not need to take any action if you wish to receive your settlement payment. If the settlement is approved by the Court, you will automatically be mailed a settlement check at the address on file with the Settlement Administrator. If your address has changed, you must notify the Settlement Administrator of your new address. In exchange for the settlement payment, you will release claims against the Defendant, as detailed below.
Exclude Yourself	To exclude yourself, you must send a written Request for Exclusion to the Settlement Administrator by the applicable deadline, as detailed below. If you request exclusion, you may receive no money from the Settlement . This is the only option that allows you to ever be part of any other lawsuit against Hospitality Services Group LLC about the legal claims that were brought in this case. If you exclude yourself from the Settlement, you will still be bound by the release of PAGA claims, as detailed herein.
Object	Write to the Settlement Administrator about why you don't like the settlement by the applicable deadline, as detailed below, and/or appear at the Final Approval Hearing to make an oral objection.
Go to a Hearing	Ask to speak in Court about the fairness of the settlement, as detailed below.

WHY DID YOU RECEIVE THIS NOTICE?

This notice explains a proposed settlement of a class action lawsuit, and informs you of your legal rights under that proposed settlement. You are receiving this notice because you may be a member of the Class on whose behalf this class action lawsuit has been brought.

WHAT IS THIS LAWSUIT ABOUT?

On April 4, 2023, Plaintiff Darryl Burrows ("Plaintiff"), a former employee of Hospitality Services Group LLC, filed this lawsuit in the San Diego County Superior Court. The lawsuit alleges violations of the California Labor Code and California Business and Professions Code. The lawsuit seeks to certify a class of all current and former non-exempt California employees of Defendant at any time between April 4, 2019 and March 18, 2024 ("Class Period"). Specifically, the lawsuit alleges that members of the Class were not provided with compliant meal and rest periods or premium compensation in lieu thereof; were not timely issued wages during employment and wages upon separation of employment; and were not issued accurate and complete itemized wage statements. The Settlement seeks recovery of wages, damages, interest, statutory and civil penalties, restitution, attorneys' fees and costs. Defendant denies all of the material allegations in the lawsuit and denies that it owes Class Members any remedies. The Court has not made a ruling on the merits of the case.

The lawyers for the parties are:

Plaintiff's Attorneys

Daniel F. Gaines, Esq.
Alex P. Katofsky, Esq.
Gaines & Gaines, APLC
4550 E. Thousand Oaks Blvd., Suite 100
Westlake Village, CA 91362
Phone: (866) 550-0855

Defendant's Attorneys

Jonathan D. Yank
Much Shelist, P.C.
660 Newport Center Drive, Suite 900
Newport Beach, CA 92660

SUMMARY OF THE SETTLEMENT

A. Why is there a Settlement?

The Court did not decide in favor of Plaintiff or Defendant. Plaintiff believes he would have prevailed on his claims at a trial. Defendant does not believe that Plaintiff would have won anything from a trial. There has been no trial. Instead, both sides agreed to a settlement, which is memorialized in the Settlement Agreement and Release of Claims ("Settlement" or "Settlement Agreement"), in order to avoid the further costs, risks, and uncertainty of a trial. Plaintiff and Plaintiff's Attorneys believe the settlement is fair, reasonable, adequate, and in the best interests of all Class Members.

B. Who is in the Settlement Class?

The Settlement encompasses a class composed of all non-exempt employees of Defendant Hospitality Services Group LLC in California at any time between April 4, 2019 and March 18, 2024. It also encompasses Aggrieved Employees composed of all non-exempt employees of Defendant Hospitality Services Group LLC in California at any time between January 23, 2022 and March 18, 2024.

C. What does the Settlement provide?

1. Gross Settlement Amount.

The Settlement provides that Defendant will pay \$340,000 (the "Gross Settlement Amount") to settle the lawsuit.

2. Net Settlement Proceeds.

The "Net Settlement Proceeds" is the portion of the Gross Settlement Amount that will be available for distribution to Class Members who do not submit timely and valid requests for exclusion in exchange for the release of their class claims. The Net Settlement Proceeds is the Gross Settlement Amount less the following amounts that will be requested at the Final Approval Hearing and are subject to comment or objection by Participating Class Members. The Court will fix these amounts at the Final Approval Hearing.

- (a) **Class Counsel's Attorneys' Fees** in an amount set by the Court, not to exceed \$119,000;
- (b) **Class Counsel's Documented Litigation Costs/Expenses** in an amount set by the Court, not to exceed \$15,000;
- (c) **Service Payment to the Class Representative** in an amount set by the Court, not to exceed \$1,000 for his service in the lawsuit;
- (d) **Settlement Administration Costs** which are currently estimated to not exceed \$12,000, for administering the settlement; and
- (e) **PAGA Payment** in the total amount of \$20,000 for the settlement of claims arising under the California Private Attorneys General Act ("PAGA"). 75% or \$15,000, shall be paid to the California Labor and Workforce Development Agency. The remaining 25% or \$5,000, shall be included in the Net Settlement Proceeds for payment to Aggrieved Employees.

3. Individual Payment Amount.

Your share of the Net Settlement Proceeds will be determined by the formula detailed in section E below.

D. What Are You Giving Up To Get A Payment Or Stay In The Class?

Class Settlement Release

Upon the Effective Date, and subject to Defendant's full payment of the Gross Settlement Amount and all associated employer payroll tax obligations, Plaintiff and all Settlement Class Members who do not timely opt-out of the Settlement will be deemed to have fully released and discharged Defendant Hospitality Services Group LLC, and its present and former officers, directors, members, owners, managers, shareholders, agents, operators, partners, joint ventures, subsidiaries, parent companies, related entities, consultants, attorneys, successors or assignees ("Released Parties") from any and all Released Class Claims which arose during their employment in a non-exempt position in California during the Class Period.

"Released Class Claims" means any and all claims and/or causes of action which accrued during the Class Period during employment in a non-exempt position in California, that are alleged, or that could have been alleged in the Action based on the facts set forth in the First Amended Complaint (which includes direct class action claims under Labor Code §§ 201, 202, 203, 226(a), 226.3, 226.7, 512, 558, 1174, 1174.5, and 1198 and under Business & Professions Code section 17200 *et seq.* predicated on the underlying Labor Code claims alleged). No PAGA claims are encompassed in the Released Class Claims.

PAGA Settlement Release

Upon the Effective Date, and subject to Defendant's full payment of the Gross Settlement Amount and all associated employer payroll tax obligations, Plaintiff and all Aggrieved Employees will be deemed to have fully released and discharged the Released Parties from any and all Released PAGA Claims which arose during their employment in a non-exempt position in California during the PAGA Period.

"Released PAGA Claims" means any and all PAGA claims and/or causes of action which accrued during the PAGA Period during employment in a non-exempt position in California, that are alleged in the First Amended Complaint on file in the Action, or that could have been alleged in the Action based on the facts set forth in the First Amended Complaint, including Labor Code §§ 201, 202, 203, 226(a),

226.3, 226.7, 512, 558, 1174, 1174.5, and 1198. No Aggrieved Employee may opt out of the PAGA portion of the Settlement.

E. How Is My Share Of The Settlement Calculated?

“Individual Payment Amount” means the portion of the Net Settlement Proceeds distributable to each Class Member who participates in the Class Settlement (i.e., who does not submit a valid request for exclusion form) and each Aggrieved Employee, whether they participate in the Class Settlement or not. As to participating Class Members, the class portion of the Individual Payment Amount will be determined by dividing the Net Settlement Proceeds, less the \$5,000 PAGA allocation, by the total number of weeks worked by the entire Settlement Class in a non-exempt position in California during the Class Period, net of opt outs, resulting in the class workweek value; and then multiplying the class workweek value by the number of weeks worked by each participating Class Member in a non-exempt position in California during the Class Period. As to the Aggrieved Employees, the PAGA portion of the Individual Payment Amount will be determined by dividing the PAGA settlement amount (\$5,000) by the total number of weeks worked by all Aggrieved Employees in a non-exempt position in California during the PAGA Period, resulting in the PAGA workweek value; and then multiplying the PAGA workweek value by the number of weeks worked by each Aggrieved Employee in a non-exempt position in California during the PAGA Period.

For tax purposes, each Individual Payment Amount will be apportioned (a) 10% as wages (reported on an IRS Form W-2 and subject to applicable withholdings); and (b) 90% equally to penalties and interest (reported on an IRS Form 1099). The PAGA portion of each Individual Payment Amount will be apportioned 100% as penalties (reported on an IRS Form 1099, if required). All Individual Payment Amounts paid to Class Members and Aggrieved Employees will be subject to any applicable wage garnishments, liens, or other legally mandated treatment as required by law.

Class Payment: According to the records of Defendant, you worked [REDACTED] weeks while employed as a non-exempt employee in California from April 4, 2019 through March 18, 2024. Based on these weeks worked, you are entitled to a Class Individual Payment Amount of approximately \$[REDACTED]. This amount is subject to change based on the final ruling of the Court.

PAGA Payment: According to the records of Defendant, you worked [REDACTED] weeks while employed as a non-exempt employee in California from January 23, 2022 through March 18, 2024. Based on these weeks worked, you are entitled to a PAGA Payment of approximately \$[REDACTED]. This amount is subject to change based on the final ruling of the Court.

Please be advised that the individual data above is presumed to be correct unless you submit documentation proving otherwise. If you disagree with the data, please submit an explanation and evidence in support of your position to the Settlement Administrator no later than [REDACTED], 2024. In the event of a dispute, the Settlement Administrator will resolve the challenge with input from the Defendant and will make a final and binding determination without a hearing or right of appeal by you.

F. When Will I Be Paid?

After the Court grants approval of the settlement, you will receive your Individual Payment Amount in three installments over approximately two years. If you move, update your address with the Settlement Administrator by contacting them at _____.

THE SETTLEMENT HEARING

The Court will conduct a final fairness hearing regarding the proposed settlement (the “Final Settlement Hearing”) on [REDACTED], at 8:30 a.m., in the Courtroom of Judge Richard S. Whitney of the San Diego County Superior Court, Department C-68, located at [ADDRESS]. The Court will determine: (i) whether the lawsuit should finally be certified as a class action for settlement purposes; (ii) whether the settlement should be given the Court’s final approval as fair, reasonable, adequate and in the best interests of the Settlement Class Members; (iii) whether the Settlement Class Members should be bound by the terms of the settlement; (iv) the amount of the attorneys’ fees and costs to be awarded to Plaintiff’s Attorneys; and (v) the amount that should be awarded to Plaintiff as a service payment. At the Final Settlement Hearing, the Court will hear all properly filed objections, as well as arguments for and against the proposed settlement. You have a right to attend this hearing, but you are not required to do so. You also have the right to hire an attorney to represent you, or to enter an appearance and represent yourself.

WHAT ARE YOUR OPTIONS?

- **OPTION 1 – DO NOTHING AND PARTICIPATE IN THE SETTLEMENT**

IF YOU TAKE NO ACTION IN RESPONSE TO THIS NOTICE, YOU WILL AUTOMATICALLY RECEIVE YOUR SHARE OF THE SETTLEMENT IF IT IS APPROVED BY THE COURT. YOU ARE NEVER REQUIRED TO GO TO COURT OR PAY ANYTHING TO THE LAWYERS IN THIS CASE. If you move, you must update your address with the Settlement Administrator. If you disagree with pre-printed data indicated in section E above, you must submit an explanation and/or documentation to the Settlement Administrator to justify your position, postmarked no later than [REDACTED]. The Settlement Administrator’s address is [Settlement Administrator address].

- **OPTION 2 – OBJECT TO THE SETTLEMENT**

If you wish to remain a Settlement Class Member, but you object to the proposed settlement (or any of its terms) and wish the Court to consider your objection at the Final Settlement Hearing, you may object to the proposed settlement in writing. You may also appear at the Final Approval Hearing, either in person or through an attorney at your own expense. All written objections, supporting papers, and/or notices of intent to appear at the Final Approval Hearing must clearly identify the case name and number and be mailed to the Settlement Administrator at [Settlement Administrator address]. Written objections must be postmarked no later than [REDACTED].

- **OPTION 3 – EXCLUDE YOURSELF FROM THE SETTLEMENT**

You have a right to exclude yourself (“opt out”) from the Settlement Class, but if you choose to do so, you may not receive any benefits from the proposed settlement (except from your share of the PAGA Settlement, if applicable). You will not be bound by a judgment in this case and you will have the right to file your own lawsuit against the Defendant and pursue your own claims in a separate suit. You can opt out of the Class by completely filling out and mailing the enclosed Request for Exclusion Form to the Settlement Administrator at the above-stated address, such that it is postmarked no later than [REDACTED].

ARE THERE MORE DETAILS ABOUT THE SETTLEMENT?

The above is a summary of the basic terms of the settlement. For the precise terms and conditions of the settlement, you should review the detailed “Settlement Agreement and Release of Claims” which is on file with the Clerk of the Court. The pleadings and other records in the Lawsuit may be examined at any time during regular business hours at the Office of the Clerk of the San Diego County Superior Court, located at [ADDRESS].

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact the Settlement Administrator at [address], [telephone number], or Gaines & Gaines, APLC, Counsel for the Class, at (866) 550-0855.

PLEASE DO NOT TELEPHONE THE COURT FOR INFORMATION ABOUT THIS SETTLEMENT OR THE CLAIMS PROCESS.

**BY ORDER OF THE SUPERIOR COURT OF
THE STATE OF CALIFORNIA**

EXHIBIT 2

REQUEST FOR EXCLUSION

ONLY COMPLETE THIS REQUEST FOR EXCLUSION FORM IF YOU WANT TO OPT OUT OF (NOT PARTICIPATE IN) THE SETTLEMENT OF THE ACTION KNOWN AS *Darryl Burrows v. Hospitality Services Group LLC*, San Diego County Superior Court Case. No. 37-2023-00013910-CU-OE-CTL. **IF YOU OPT OUT OF THE SETTLEMENT, YOU WILL NOT RECEIVE ANY PORTION OF THE SETTLEMENT AMOUNT.**

I confirm that I was employed by Defendant Hospitality Services Group LLC as a non-exempt employee in California between April 4, 2019 and March 18, 2024.

I do not wish to receive any payment under the terms of the proposed class action settlement or to otherwise participate in the proposed settlement.

Date: _____

Signature: _____

Print Name: _____

Residence Street Address: _____

City, State and Zip Code: _____

IN ORDER TO BE VALID, THIS REQUEST FOR EXCLUSION FORM MUST BE COMPLETED, SIGNED, MAILED BY FIRST CLASS MAIL, AND POSTMARKED ON OR BEFORE **[45 days after mailing of Notice]**. Send this signed request for exclusion form to the Settlement Administrator:

Hospitality Services Group LLC Claims Administrator
c/o Phoenix Settlement Administration



EXHIBIT 3

DANIEL F. GAINES, ESQ. SBN 251488
daniel@gaineslawfirm.com
ALEX P. KATOFISKY, ESQ. SBN 202754
alex@gaineslawfirm.com
GAINES & GAINES, APLC
4550 E. Thousand Oaks Blvd., Suite 100
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Attorneys for Plaintiff Darryl Burrows, on behalf of himself, all others similarly situated, the general public, and all “aggrieved employees” pursuant to Labor Code § 2698 *et seq.*

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

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

Plaintiff,

v.

HOSPITALITY SERVICES GROUP LLC, an
Indiana limited liability company, and DOES 1
through 10, inclusive,

Defendants.

CASE NO: 37-2023-00013910-CU-OE-CTL

*Assigned to the Hon. Richard S. Whitney,
Dept. C-68*

**FIRST AMENDED CLASS AND
REPRESENTATIVE ACTION
COMPLAINT FOR:**

**1. FAILURE TO PROVIDE REST
PERIODS OR COMPENSATION IN LIEU
THEREOF (LABOR CODE § 226.7; IWC
WAGE ORDER 4-2001)**

**2. FAILURE TO PROVIDE MEAL
PERIODS OR COMPENSATION IN LIEU
THEREOF (LABOR CODE §§ 226.7, 512,
1174, 1174.5, AND 1198; IWC WAGE
ORDER 4-2001)**

**3. KNOWING AND INTENTIONAL
FAILURE TO COMPLY WITH
ITEMIZED EMPLOYEE WAGE
STATEMENT PROVISIONS (LABOR
CODE § 226(a), (e))**

**4. FAILURE TO TIMELY PAY WAGES
DUE AT SEPARATION OF
EMPLOYMENT (LABOR CODE §§ 201-
203)**

**5. VIOLATION OF BUSINESS AND
PROFESSIONS CODE § 17200**

**6. PENALTIES PURSUANT TO LABOR
CODE § 2699(f) FOR VIOLATIONS OF
LABOR CODE §§ 201, 202, 226(a), 226.7,**

**512, 1174, 1174.5, AND 1198, AND
PURSUANT TO LABOR CODE § 2699(a)
FOR VIOLATIONS OF LABOR CODE §§
226.3 AND 558**

DEMAND FOR JURY TRIAL

Complaint Filed: April 4, 2023

Plaintiff DARRYL BURROWS (“Plaintiff”), individually and on behalf of all similarly situated individuals (the “Class” or “Plaintiff Class”), and on behalf of the general public, and as an “aggrieved employee” under the Labor Code Private Attorneys General Act of 2004, complains of HOSPITALITY SERVICES GROUP LLC, an Indiana limited liability company (hereinafter referred to as “Defendants”), as follows:

I.

INTRODUCTION AND FACTUAL BACKGROUND

1. This is a Class Action and Representative Action, pursuant to Code of Civil Procedure § 382 and Labor Code § 2698 *et seq.*, on behalf of Plaintiff and all other non-exempt employees who work or formerly worked for Defendants within the State of California.

2. From four (4) years prior to the filing of this action and continuing to the present (the “liability period”) Defendants have had a consistent policy of failing to provide legally compliant meal and rest periods or compensation in lieu thereof to Class Members (as defined below); provide accurately itemized wage statements to Class Members; and to timely pay wages during employment and upon separation of employment to Class Members.

3. Plaintiff, on behalf of himself and Class Members, brings this action pursuant to Labor Code §§ 201 – 203, 226(a), 226.3, 226.7, 512, 558, 1174, 1174.5, and 1198, seeking compensation for all unpaid premium meal and rest period wages, civil and statutory penalties, injunctive and other equitable relief, and reasonable attorneys’ fees and costs.

4. Plaintiff, on behalf of himself and Class Members, and pursuant to Business & Professions Code §§ 17200-17208, also seeks injunctive relief, restitution, and disgorgement of all benefits Defendants enjoyed from their failure to pay all wages due to Class Members.

5. Plaintiff, on behalf of himself and all Aggrieved Employees pursuant to Labor Code §§ 2698 *et seq.*, seeks penalties and wages for Defendants' various violations of the California Labor Code.

6. Venue is proper in this judicial district, pursuant to Code of Civil Procedure § 395 because Defendants employed Plaintiff and Class Members in San Diego County, California.

II.

PARTIES

A. Plaintiff

7. Plaintiff DARRYL BURROWS was employed by Defendants in 2022 as a non-exempt employee in San Diego County, California.

8. During his work with Defendants, Plaintiff was:

- a. Willfully denied rest periods or compensation in lieu thereof;
- b. Willfully denied meal periods or compensation in lieu thereof;
- c. Willfully denied accurately itemized wage statements; and
- d. Willfully denied the timely payment of wages upon separation of his employment.

B. Defendants

9. Defendant HOSPITALITY SERVICES GROUP LLC is an Indiana limited liability company that employed Plaintiff and Class Members throughout the State of California, including San Diego County, California.

10. The true names and capacities, whether individual, corporate, associate, or otherwise, of Defendants sued herein as DOES 1 to 10, inclusive, are currently unknown to Plaintiff, who therefore sues Defendants by such fictitious names under Code of Civil Procedure § 474. Plaintiff is informed and believes, and based thereon alleges, that each of the Defendants designated herein as a DOE is legally responsible in some manner for the unlawful acts referred to herein. Plaintiff will seek leave of court to amend this Complaint to reflect the true names and capacities of the Defendants designated hereinafter as DOES when such identities become known.

11. Plaintiff is informed and believes, and based thereon alleges, that each Defendant acted in all respects pertinent to this action as the agent of the other Defendants, carried out a joint scheme, business plan or policy in all respects pertinent hereto, and the acts of each Defendant are legally attributable to the other Defendants.

12. The Defendants named herein as DOE 1 through DOE 10 are and were persons acting on behalf of, or acting jointly with, Defendants, who violated, or caused to be violated, one or more provisions of the California Labor Code as alleged herein.

III.

CLASS ACTION ALLEGATIONS

13. Plaintiff brings this action on behalf of himself, and all others similarly situated as a Class Action pursuant to § 382 of the Code of Civil Procedure. Plaintiff seeks to represent the following class composed of and defined as follows:

THE CLASS

All non-exempt employees who currently work or formerly worked for Defendants in the State of California during the period four (4) years prior to the filing of this Action and continuing to the present.

14. Plaintiff reserves the right under Rule 3.765, California Rules of Court, to amend or modify this class description with greater specificity or further division into subclasses or limitation to particular issues.

15. This action has been brought and may properly be maintained as a class action under the provisions of § 382 of the Code of Civil Procedure because there is a well-defined community of interest in the litigation and the proposed Class is easily ascertainable.

A. Numerosity

16. The potential members of the Class as defined are so numerous that joinder of all Class Members is impracticable. While the precise number of members of the Class has not been ascertained at this time, Plaintiff is informed and believes, and based thereon alleges, that Defendants currently employ, and during the relevant time periods employed, over 75 persons in the State of California who fall within the Class definition.

1 17. Accounting for employee turnover during the relevant period necessarily increases this
2 number. Plaintiff alleges Defendants' employment records would provide information as to the
3 number and location of members of the Class. Joinder of members of the Class is not practicable.

4 **B. Commonality**

5 18. There are questions of law and fact common to the Class that predominate over any
6 questions affecting only individual Class Members. These common questions of law and fact include,
7 without limitation:

- 8 a. Whether Defendants failed to properly provide rest periods or compensation in
9 lieu thereof to Plaintiff and Class Members, in violation of Labor Code § 226.7
10 and IWC Wage Order 4-2001;
- 11 b. Whether Defendants failed to properly provide meal periods or compensation
12 in lieu thereof to Plaintiff and Class Members, in violation of Labor Code §§
13 226.7, 512, 1174, 1174.5, and 1198 and IWC Wage Order 4-2001;
- 14 c. Whether Defendants failed to provide Plaintiff and members of the Class with
15 accurately itemized wage statements, in accordance with Labor Code § 226(a)
16 and (e);
- 17 d. Whether Defendants failed to timely pay Plaintiff and Class Members all
18 wages due and owing at the separation of their employment, in violation of
19 Labor Code §§ 201-203; and
- 20 e. Whether Plaintiff and Class Members are entitled to equitable relief pursuant
21 to Business & Professions Code § 17200 *et seq.*

22 **C. Typicality**

23 19. The claims of the named Plaintiff are typical of the claims of Class Members. Plaintiff
24 and Class Members sustained injuries and damages arising out of and caused by Defendants' common
25 course of conduct in violation of laws, regulations that have the force and effect of law, and statutes
26 as alleged herein.

27 ///

28 ///

1 **D. Adequacy of Representation**

2 20. Plaintiff will fairly and adequately represent and protect the interests of Class
3 Members. Counsel who represents Plaintiff are competent and experienced in litigating large
4 employment class actions.

5 **E. Superiority of Class Action**

6 21. A class action is superior to other available means for the fair and efficient adjudication
7 of this controversy. Individual joinder of all proposed Class Members is not practicable, and
8 questions of law and fact common to the proposed Class predominate over any questions affecting
9 only individual members of the proposed Class. Each member of the proposed Class has been
10 damaged and is entitled to recovery by reason of Defendants' illegal policies and/or practices.

11 22. Class action treatment will allow those similarly situated persons to litigate their
12 claims in the manner that is most efficient and economical for the parties and the judicial system.
13 Plaintiff is unaware of any difficulties that are likely to be encountered in the management of this
14 action that would preclude its maintenance as a class action.

15 **IV.**

16 **CAUSES OF ACTION**

17 **FIRST CAUSE OF ACTION**

18 **PLAINTIFF AND THE CLASS AGAINST ALL DEFENDANTS**

19 **FAILURE TO PROVIDE REST PERIODS OR COMPENSATION IN LIEU THEREOF**

20 **(LABOR CODE § 226.7 AND IWC WAGE ORDER 4-2001)**

21 23. Plaintiff incorporates paragraphs 1 through 22 of this Complaint as though fully set
22 forth herein.

23 24. Plaintiff and Class Members are entitled to one hour of pay at the regular rate for each
24 day that Defendants failed to properly provide one or more rest periods as set forth in Labor Code §
25 226.7 and IWC Wage Order 4-2001.

26 25. Defendants failed to pay premium wages to Plaintiff and Class Members who were
27 denied rest periods, in violation of Labor Code § 226.7 and IWC Wage Order 4-2001. Plaintiff and
28 Class Members were routinely not authorized and unable to take an off-duty, 10-minute rest period

1 for every four (4) hours of work or major fraction thereof, but were not paid premium wages of one
2 hour's pay for each missed rest period. When they were able to take a rest period, they were oftentimes
3 late, cut short, or on-duty. This violates Labor Code § 226.7 and IWC Wage Order 4-2001.

4 26. Pursuant to Labor Code § 226.7 and IWC Wage Order 4-2001, Plaintiff seeks the
5 payment of all rest period compensation which he and Class Members are owed for no fewer than
6 four years preceding the filing of this Action, according to proof.

7 Wherefore, Plaintiff and the Class he seeks to represent request relief as described below.

8 **V.**

9 **SECOND CAUSE OF ACTION**

10 **PLAINTIFF AND THE CLASS AGAINST ALL DEFENDANTS**

11 **FAILURE TO PROVIDE MEAL PERIODS OR COMPENSATION IN LIEU THEREOF**
12 **(LABOR CODE §§ 226.7, 512, 1174, 1174.5, AND 1198 AND IWC WAGE ORDER 4-2001)**

13 27. Plaintiff incorporates paragraphs 1 through 26 of this Complaint as though fully set
14 forth herein.

15 28. Plaintiff and Class Members are entitled to one hour of pay at the regular rate for each
16 day that Defendants failed to properly provide one or more meal periods as set forth in Labor Code
17 §§ 226.7 and 512 and IWC Wage Order 4-2001.

18 29. Defendants failed to pay premium wages to Plaintiff and Class Members who were
19 denied meal periods, in violation of Labor Code §§ 226.7 and 512 and IWC Wage Order 4-2001.
20 Plaintiff and Class Members were routinely denied, and not authorized to take, an uninterrupted, 30-
21 minute meal period for every shift worked that exceeded five hours in duration, and a second meal
22 period when they worked shifts greater than ten hours, but were not paid premium wages of one
23 hour's pay for each missed meal period. When they were able to take a meal period, they were cut
24 short, late or on-duty. Defendant also fails to maintain records indicating the start and end time of
25 each meal period. This violates Labor Code §§ 226.7, 512, 558, 1174, 1174.5, and 1198 and IWC
26 Wage Order 4-2001.

30. Pursuant to Labor Code §§ 226.7 and 512 and IWC Wage Order 4-2001, Plaintiff seeks the payment of all meal period compensation which he and Class Members are owed for no fewer than four years preceding the filing of this Action, according to proof.

Wherefore, Plaintiff and the Class he seeks to represent request relief as described below.

VI.

THIRD CAUSE OF ACTION

PLAINTIFF AND THE CLASS AGAINST ALL DEFENDANTS

KNOWING AND INTENTIONAL FAILURE TO COMPLY WITH ITEMIZED

EMPLOYEE WAGE STATEMENT PROVISIONS

(LABOR CODE § 226(a), (e))

31. Plaintiff incorporates paragraphs 1 through 30 of this Complaint as though fully set forth herein.

32. Section 226(a) of the California Labor Code requires Defendants to provide wage statements to employees. In those wage statements, Defendants must provide an accurate itemized statement in writing showing (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 only the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer..., and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. Defendants have knowingly and intentionally failed to comply with Labor Code § 226(a).

33. Defendants failed to issue Plaintiff and members of the Class wage statements that fully and accurately itemized the requirements set forth in Labor Code § 226(a). Plaintiff and Class Members were not paid all wages due, as stated above. As such, the wage statements provided by Defendants failed to accurately state all gross wages earned, in violation of Labor Code § 226(a)(1),

1 total hours worked, in violation of Labor Code § 226(a)(2), net wages earned, in violation of Labor
2 Code § 226(a)(5), and all applicable hourly rates in effect during the pay period and the corresponding
3 number of hours worked, in violation of Labor Code § 226(a)(9).

4 34. As a consequence of Defendants' willful conduct in failing to provide Class Members
5 with accurate itemized wage statements, Plaintiff and Class Members have been injured because they
6 have not been paid all wages due and were issued wage statements which do not reflect, and fail to
7 state, all information required by Labor Code § 226(a). The missing information cannot be discerned
8 at all from the face of the wage statements themselves. As a result, Plaintiff and Class Members are
9 entitled to penalties pursuant to Labor Code § 226(e) to recover the greater of all actual damages or
10 \$50 for the initial pay period in which a violation occurs and \$100 per employee for each violation in
11 a subsequent pay period, not exceeding an aggregate penalty of \$4,000 per employee, and are entitled
12 to an award of costs and reasonable attorneys' fees pursuant to Labor Code § 226(h).

13 Wherefore, Plaintiff and the Class he seeks to represent request relief as described below.

14 **VII.**

15 **FOURTH CAUSE OF ACTION**

16 **PLAINTIFF AND THE CLASS AGAINST ALL DEFENDANTS**

17 **FAILURE TO TIMELY PAY WAGES DUE AT**

18 **SEPARATION OF EMPLOYMENT**

19 **(LABOR CODE §§ 201-203)**

20 35. Plaintiff incorporates paragraphs 1 through 34 of this Complaint as though fully set
21 forth herein.

22 36. California Labor Code § 201 and § 202 require Defendants to pay employees all wages
23 due within 72 hours after resignation of employment or the day of termination of employment. Labor
24 Code § 203 provides that if an employer willfully fails to timely pay such wages, the employer must,
25 as a penalty, continue to pay the subject employee's daily wages until the back wages are paid in full
26 or an action is commenced. The penalty cannot exceed 30 days of wages.

27 37. Defendants paid Plaintiff and Class Members their final wages beyond the time frames
28 set forth in Labor Code §§ 201 and 202, in violation of Labor Code § 203. Plaintiff and Class Members

1 were not paid all wages due and owing throughout the course of their employment, as detailed above.
2 Consequently, at the time of their separation from employment with Defendants, they were not paid
3 all final wages due and owing for the entirety of their employment. Further, when Plaintiff was
4 terminated from his employment, he was paid his final wages many days later. Plaintiff alleges that
5 Defendants maintain a policy to untimely pay final wages to their former Class Members. This
6 violates Labor Code §§ 201-203.

7 38. More than 30 days have passed since Plaintiff and Class Members have left
8 Defendants' employ.

9 39. As a consequence of Defendants' willful conduct in not paying wages owed timely
10 upon separation of employment, Plaintiff and Class Members are entitled to up to 30 days' wages as
11 a penalty under Labor Code § 203 for Defendants' failure to timely pay legal wages at separation of
12 employment.

13 Wherefore, Plaintiff and the Class he seeks to represent request relief as described below.

14 **VIII.**

15 **FIFTH CAUSE OF ACTION**

16 **PLAINTIFF AND THE CLASS AGAINST ALL DEFENDANTS**

17 **UNFAIR COMPETITION PURSUANT TO**

18 **BUSINESS & PROFESSIONS CODE § 17200 ET SEQ.**

19 40. Plaintiff incorporates paragraphs 1 through 39 of this Complaint as though fully set
20 forth herein.

21 41. This is a Class Action for Unfair Business Practices. Plaintiff, on his own behalf and
22 on behalf of the general public, and on behalf of others similarly situated, brings this claim pursuant
23 to Business & Professions Code § 17200 *et seq.* The conduct of all Defendants as alleged in this
24 Complaint has been and continues to be unfair, unlawful, and harmful to Plaintiff, the general public,
25 and members of the Class. Plaintiff seeks to enforce important rights affecting the public interest
26 within the meaning of Code of Civil Procedure § 1021.5.

1 42. Plaintiff is a “person” within the meaning of Business & Professions Code § 17204,
2 and therefore has standing to bring this cause of action for injunctive relief, restitution, and other
3 appropriate equitable relief.

4 43. Business & Professions Code § 17200 *et seq.* prohibits unlawful and unfair business
5 practices.

6 44. Wage and hour laws express fundamental public policies. Properly providing
7 employees with all wages due is a fundamental public policy of this State and of the United States.
8 Labor Code § 90.5(a) articulates the public policies of this State to enforce vigorously minimum labor
9 standards, to ensure that employees are not required or permitted to work under substandard and
10 unlawful conditions, and to protect law-abiding employers and its employees from competitors who
11 lower their costs by failing to comply with minimum labor standards.

12 45. Defendants have violated statutes and public policies. Through the conduct alleged
13 in this Complaint, Defendants, and each of them, have acted contrary to these public policies, have
14 violated specific provisions of the Labor Code, and have engaged in other unlawful and unfair
15 business practices in violation of Business & Professions Code § 17200 *et seq.* depriving Plaintiff,
16 and all persons similarly situated, and all interested persons of rights, benefits, and privileges
17 guaranteed to all employees under law.

18 46. Defendants’ conduct, as alleged herein, constitutes unfair competition in violation of
19 §17200 *et seq.* of the Business & Professions Code.

20 47. Defendants, by engaging in the conduct herein alleged, either knew or in the exercise
21 of reasonable care should have known that the conduct was unlawful. As such, it is a violation of §
22 17200 *et seq.* of the Business & Professions Code.

23 48. As a proximate result of the above-mentioned acts of Defendants, Plaintiff and others
24 similarly situated have been damaged in a sum as may be proven.

25 49. Unless restrained by this Court, Defendants will continue to engage in the unlawful
26 conduct, as alleged above. Pursuant to Business & Professions Code § 17200 *et seq.*, this Court
27 should make such orders or judgments, including the appointment of a receiver, as may be necessary
28 to prevent the use or employment, by Defendants, its agents, or employees, of any unlawful or

1 deceptive practice prohibited by the Business & Professions Code, and/or, including but not limited
2 to, disgorgement of profits which may be necessary to restore Plaintiff and members of the class to
3 the money Defendants have unlawfully failed to pay.

4 **IX.**

5 **SIXTH CAUSE OF ACTION**

6 **PLAINTIFF AND ALL AGGRIEVED EMPLOYEES AGAINST ALL DEFENDANTS**
7 **PENALTIES PURSUANT TO LABOR CODE § 2699(f) FOR VIOLATIONS OF**
8 **LABOR CODE §§ 201, 202, 226(a), 226.7, 512, 1174, 1174.5, AND 1198 AND PURSUANT TO**
9 **LABOR CODE § 2699(a) FOR VIOLATIONS OF**
10 **LABOR CODE §§ 226.3 AND 558**

11 50. Plaintiff incorporates paragraphs 1 through 49 of this Complaint as though fully set
12 forth herein.

13 51. As a result of the acts alleged above, including the Labor Code violations set forth
14 herein, Plaintiff seeks penalties pursuant to Labor Code § 2698 *et seq.*

15 52. For each such violation, Plaintiff and Aggrieved Employees are entitled to penalties
16 in an amount to be shown at the time of trial subject to the following formula:

- 17 a. Pursuant to Labor Code § 2699(f), \$100 for each initial violation and \$200 for
18 each subsequent violation of Labor Code §§ 201, 202, 226(a), 226.7, 512,
19 1174, 1174.5, and 1198; and
20 b. Pursuant to Labor Code § 2699(f), the penalties as authorized by Labor Code
21 §§ 226.3 and 558.

22 53. Penalties recovered will be allocated 75% to the Labor and Workforce Development
23 Agency, and 25% to the affected employees.

24 54. On January 23, 2023, Plaintiff sent a letter, by online submission to the LWDA and
25 by certified mail, return receipt requested, to Defendants setting forth the facts and theories of the
26 violations alleged against Defendants, as prescribed by Labor Code § 2698 *et seq.* Pursuant to Labor
27 Code § 2699.3(a)(2)(A), no notice was received by Plaintiff from the LWDA within sixty-five (65)
28

1 calendar days of January 23, 2023. Plaintiff may therefore commence this action to seek civil
2 penalties pursuant to Labor Code § 2698 *et seq.*

3 Wherefore, Plaintiff and the Aggrieved Employees he seeks to represent request relief as
4 described below.

5 **RELIEF REQUESTED**

6 WHEREFORE, Plaintiff prays for the following relief:

7 1. For compensatory damages in the amount of one hour of wages for each day on which
8 a meal and/or rest period was not properly provided to Plaintiff and Class Members pursuant to Labor
9 Code §§ 226.7 and 512;

10 2. For penalties pursuant to Labor Code § 226(e) for Plaintiff and Class Members;

11 3. For penalties pursuant to Labor Code § 203 for Plaintiff and Class Members;

12 4. An award of prejudgment and post-judgment interest;

13 5. For restitution for unfair competition pursuant to Business & Professions Code §
14 17200 *et seq.* for Plaintiff and Class Members;

15 6. For civil penalties pursuant to Labor Code § 2698 *et seq.* for Plaintiff and Aggrieved
16 Employees;

17 7. An award providing for payment of costs of suit pursuant to Labor Code §§ 226(h),
18 2699(g)(1), and other applicable law;

19 8. An award of attorneys' fees pursuant to Labor Code §§ 226(h), 2699(g)(1), and other
20 applicable law; and

21 9. Such other and further relief as this Court may deem just and proper.

22 Dated: April 25, 2024

Respectfully submitted,

23
24 GAINES & GAINES
A Professional Law Corporation

25
26 By: _____
27 DANIEL F. GAINES
ALEX P. KATOFKY
28 Attorneys for Plaintiff

DEMAND FOR JURY TRIAL

Plaintiff hereby demands a trial of his claims by jury to the extent authorized by law.

Dated: April 25, 2024

Respectfully submitted,

GAINES & GAINES
A Professional Law Corporation

By: _____
DANIEL F. GAINES
ALEX P. KATOFISKY
Attorneys for Plaintiff

EXHIBIT C