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9

10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
11 **COUNTY OF ORANGE**
12

13 WILLIAM WATSON, as an individual on
14 behalf of himself and on behalf of all others
similarly situated,

15 Plaintiff,

16 vs.

17 NOTARIZE, INC. a Delaware corporation;
18 and DOES 1-100, inclusive,

19 Defendants.
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Case No.: 30-2023-01310277-CU-OE-CXC

Assigned for All Purposes to:
Honorable Melissa R. McCormick
Department CX104

DECLARATION OF BRANDON
BROUILLETTE IN SUPPORT OF MOTION
FOR PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT

Date: July 25, 2024

Time: 2:00 p.m.

Dept.: CX104

Reservation ID:74291669

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1. I am an attorney duly licensed to practice in California and before this Court, and I am a partner Crosner Legal, PC, counsel of record for plaintiff. I make this declaration in support of Plaintiff's Motion for Preliminary Approval of Class Action and PAGA Settlement. If called to testify as to the within facts, I would and could competently do so.

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1 adding an additional claim for civil penalties under the Private Attorneys General Act (“PAGA”),
2 Labor Code sections 2698, *et seq.*

3 6. Plaintiff alleges Defendant failed to pay all wages due to the class members
4 primarily because it failed to pay employees for all hours worked due to the nature of their remote
5 positions, and through misclassifying them as exempt even though, per Plaintiff, their job duties
6 and compensation scheme do not satisfy the elements of any overtime exemption available under
7 California law. As a result, Plaintiff alleges Notarize failed to pay for overtime, and further failed
8 to provide all required meal and rest breaks to its employees located in California. Plaintiff further
9 contends Notarize did not properly reimburse class members for costs associated with working
10 from home, such as internet and telephone.

11 7. Notarize has at all times denied Plaintiff’s allegations and maintained its payroll
12 policies and exemption classifications comply with California law, that it paid its employees
13 appropriately consistent with their status as exempt employees, and covered reasonable and
14 necessary expenses. Additionally, Notarize strongly contends the case cannot be maintained as
15 any kind of class or representative action, arguing for example that determining whether
16 employees worked off the clock after working more than eight hours a day or 40 hours per week,
17 would require individualized issues to resolve and thus class treatment would be inappropriate.

18 8. After Plaintiff filed his complaint, the Parties engaged in substantial meet and
19 confer discussions regarding discovery, potential law and motion, and other case management
20 issues, and ultimately agreed to attempt early mediation, and further agreed to explore settlement
21 on a class action basis. Thereafter, the Parties engaged in additional informal discovery to
22 facilitate an exchange of information necessary to engage in a meaningful mediation.
23 Consequently, Plaintiff’s counsel reviewed payroll records, personnel policies/handbooks, meal
24 break policies, personnel files, and a random sampling of paystubs and time records produced by
25 Notarize for several hundred pay periods. Defendant also provided documents and information
26 reflecting the estimated total amount of workweeks and pay periods they worked, number of class
27 members, and average hourly pay rates, among other relevant data.

9. The Parties then engaged Steve Mehta, Esq., a highly respected mediator with extensive wage and hour class action experience and, on November 7, 2023, participated in a mediation with Mr. Mehta. The arms-length negotiations were hard-fought and adversarial as the Parties exchanged extensive information on their legal and factual positions, and made numerous offers and counter-offers. Ultimately, the Parties reached agreement on all major issues to resolve the matter, and thereafter collaboratively drafted the Settlement Agreement setting forth the full and final settlement terms.

THE PROPOSED SETTLEMENT TERMS

10. Under the settlement, Notarize will pay \$182,500.00 into a common fund, the Gross Settlement Amount (“GSA”). Reasonable attorney’s fees of up to one-third of the GSA, or \$60,833.33, actual litigation costs of up to \$15,000, a modest enhancement award of up to \$10,000 for plaintiff, settlement administration costs of no more than \$5,000, and \$20,000 for alleged civil penalties under PAGA, all will be paid from the GSA. The remainder of approximately \$71,667 will be allocated among the Participating Class Members based on their total weeks worked during the Class Period. No portion of the GSA will revert to Notarize.

11. The settlement provides for conditional certification of a settlement class including all persons currently or formerly employed by Defendant, either directly or through any affiliate, staffing agency, or professional employer organization, as non-exempt, hourly paid employees working in the State of California during the Class Period of March 3, 2019 through preliminary approval. The Settlement Class consists of approximately 51 individuals.

12. As noted, the settlement obligates Notarize to pay \$182,500 to resolve the Settlement Class's claims, inclusive of attorney's fees and costs. At least \$71,667 from the GSA will be distributed to the Participating Class Members. This is a cash settlement that does not require Participating Class Members to submit a claim form to receive their settlement share. Participating Class Members will receive their settlement checks automatically via First Class U.S. Mail. Twenty percent of each settlement share will be allocated to wages and the remaining eighty percent will be allocated to expenses, penalties and interest. Notarize will pay any and all applicable employer-side payroll taxes separately and in addition to the GSA. Subject to the

1 Court's approval, any amounts not claimed (because a class member does not cash his or her
2 settlement check) will be forwarded to the California State Controller's Unclaimed Property Fund.

3 13. Each Participating Class Member will receive a share of the Net Settlement
4 Amount based on his or her position held and total weeks worked for Notarize during the Class
5 Period while employed as a non-exempt employee. Thus, each Class Member's Individual
6 Settlement Payment will be calculated using criteria typically used in determining appropriate
7 amounts of alleged unpaid wages, unpaid premium wages for missed meal breaks, unreimbursed
8 expenses, and potential statutory penalties under applicable law. These methods are intended to
9 ensure each Class Member receives a portion of the available settlement funds corresponding to
10 the relative value of his or her potential claims. The proposed allocation provides a reasonable way
11 to compensate Class Members based on the amount of time they worked for Notarize, and the
12 number of instances they lost overtime pay due to the alleged misclassification, or missed a break
13 or were not provided compensation in lieu of such missed breaks. I estimate the average class
14 settlement award will be approximately \$1,405, and the awards will range from about \$37 to over
15 \$9,800 based on about \$37 per work week. There are approximately 16 Aggrieved Employees
16 eligible to receive a share of the PAGA civil penalties, and I estimate their average PAGA award
17 will be about \$312.50.

18 14. Subject to the Court's approval, the Parties have agreed on Phoenix Settlement
19 Administration ("Phoenix") as the Settlement Administrator. Phoenix is qualified and has
20 significant experience administering class action settlements, including numerous wage and hour
21 matters. Phoenix's fees will not exceed \$5,000.00. If the Court approves less than the above
22 amount, the difference will remain in the Net Settlement Amount for distribution to the
23 Participating Class Members.

24 15. The proposed Notice (Exhibit A to the Settlement Agreement) sets out information
25 about this case and explains the basic settlement terms in plain language. The Notice also sets
26 forth the individualized information used to calculate Class Members' Individual Settlement
27 Payments and each Class Member's estimated settlement award. The Notice likewise details the
28 procedures for Class Members to dispute their individual information, the procedure for

1 submitting an objection to the Settlement, and the procedure to request exclusion. In sum, the
2 Notice provides the Class Members with the information necessary to evaluate the Settlement,
3 provides fair opportunity to participate in, opt out of, or object to the proposed Settlement, and
4 otherwise complies with California Rules of Court 3.769(f) and 3.766(d). Further, the Parties
5 have met and conferred and agree the notice does not need to be translated into any other
6 languages. Coupled with the notice procedure, the proposed Notice provides the Class with the
7 best notice practicable.

8 16. Class Members will have sixty days to dispute the information in their Notice used
9 to calculate their settlement award, and also have sixty days to submit any objections to the
10 settlement or to request exclusion. In the event a Class Member disputes their individual
11 information, the Settlement Administrator will review the Class Member's records as well as any
12 additional information submitted, and make a final determination.

13 17. All Participating Class Members will be deemed to release Notarize from all class
14 claims alleged in the operative complaint, or that could have been brought based on the allegations
15 in the operative complaint from March 3, 2019 through preliminary approval, and will release
16 PAGA claims alleged in the operative complaint, or that could have been brought based on the
17 allegations in the operative complaint from March 3, 2022 through preliminary approval. The
18 releases are limited to the claims that were actually pleaded or could have been pleaded based on
19 the alleged facts in the operative complaint.

20 18. The settlement provides Defendant will not oppose a request for reasonable
21 attorney's fees not to exceed one-third of the Gross Settlement Amount, or \$60,833.33, nor will it
22 oppose a request for reimbursement of actual litigation costs and expenses of up to \$15,000.00.
23 Defendant also will not oppose a request for an enhancement award to Plaintiff of not more than
24 \$10,000.00 each in recognition of his time spent on this matter, the risks he undertook on behalf of
25 the class, and the benefit conferred to the class. These payments also will be made pro rata on the
26 same distribution schedule as the distributions to Participating Class Members. Plaintiff's counsel
27 will provide the Court with appropriate summaries and evidence of its efforts and time records in
28 anticipation of the Final Approval Hearing, and Plaintiff has submitted his declaration herewith.

1 If the Court approves less than the above amounts, the difference will remain in the Net Settlement
2 Amount for distribution to the Participating Class Members.

3 19. The Parties allocated \$20,000 to payment of civil penalties under PAGA for such
4 claims against Notarize, as addressed in more detail below. As required by Labor Code section
5 2699(1)(2), my office gave notice of the settlement and preliminary approval hearing to the LWDA
6 via its online portal, and we also served the motion on the LWDA as reflected on the proof of
7 service filed herewith.

8 **The Proposed Settlement Class Should Be Conditionally Certified**

9 20. In the present matter, conditional certification is proper since this matter satisfies
10 all requirements for class certification under Code of Civil Procedure section 382. First, the class
11 is both sufficiently numerous, consisting of approximately 51 individuals, and ascertainable by
12 reference to Defendant's personnel and payroll records.

13 21. Plaintiff is an adequate class representative, as his claims do not conflict with and
14 are not antagonistic to the claims of other class members. Further, his claims are typical given he
15 is a member of the class and his claims arise from the same employment practices and course of
16 conduct giving rise to the claims of the other class members.

17 22. Common questions of law and fact predominate – particularly for purposes of a
18 settlement class. Since the focus of the claims against Notarize concerns the legality of common
19 policies applied uniformly to the entire class, common issues predominate over individualized
20 inquiries concerning liability. Whether Defendant maintained a legally policy and practice to
21 reimburse employees all necessary business expenses incurred as a result of working remotely is a
22 driving issue common to all class members. In addition, whether Defendant failed to pay
23 employees for all hours worked, is also dependent on company-wide practices applied equally and
24 consistently to all class members, and Defendant either had practices that were either compliant
25 with California law or they were not. Regardless of that determination, the lawfulness of
26 Defendant's policies will decide liability for all class members one way or another. Similarly,
27 whether Notarize maintained compliant meal and rest break policy is another issue common to all
28 class members.

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

The Proposed Settlement Meets the Dunk/Kullar/Moniz Factors

24. Prior to mediation, the parties engaged in extensive informal discovery to facilitate settlement discussions. As a result, Plaintiff reviewed documents and information regarding Notarize's payroll practices, pay stubs and time records for a sampling of pay periods, meal and rest break policies, etc., and information from Defendant regarding class size and breakdown of job positions, work weeks, rates of pay, and other information used to formulate a damages model. Plaintiff's counsel is confident they obtained sufficient information to enable them to understand the law and facts of this case and make an informed decision regarding the proposed settlement and whether it is in the best interests of the class.

25. Using that data, Plaintiff ran various calculations and estimated Notarize's likely maximum exposure on the class claims at approximately \$1,094,900 including \$415,450 on the unpaid wage claims, \$185,100 on the meal break claims, \$185,100 on the rest break claims, \$49,450 on the expense reimbursement claim, \$29,400 on the wage statement claims, and \$230,400 on the waiting time penalty claims.

26. We calculated these amounts as follows:

Unpaid Overtime:

3 OT hours/week * \$72/hour avg. OT rate * 1,928 work weeks = \$416,448

Meal Break Violations

2 violations/week * \$48/hour avg. regular rate * 1,928 work weeks = \$185,088

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1 **Rest Break Violations**

2 2 violations/week * \$48/hour avg. regular rate * 1,928 work weeks = \$185,088

3 **Wage Statement Violations**

4 16 initial violations * \$50/violation + 286 subsequent violations * \$100/violation = \$29,400

5 **Expense Reimbursement**

6 1,978 work weeks * \$25/week = \$49,450

7 **Waiting Time Penalties**

8 20 former emp'ees (in limitations period) * (\$48/hr * 240 hours) = \$230,400

9 27. First, on the unpaid wage claims, Plaintiff alleged Notarize failed to pay employees
10 for all hours worked, as a result of requiring employees to work off the clock beyond their scheduled
11 work hours and/or by failing to give employees credit for all hours worked as a result of wrongfully
12 misclassifying class members as exempt employees.

13 28. If Plaintiff and all class members were not paid for all hours worked, as Plaintiff
14 contends, they then were entitled to overtime pay for any hours worked in excess of eight hours a day
15 or forty hours per week. Plaintiff contends he typically worked over 40 hours per week, including
16 attending zoom meetings that began before his typical shift start time of 9 am, and further attending to
17 administrative paperwork after his shift ended at 5 pm. Thus, per Plaintiff, he lost on average 2-3 hours
18 of work per week that should have been paid at an overtime rate. He further claims Notarize did not
19 maintain compliant written break policies and, as a result, he and other class members likewise
20 frequently missed breaks, had meal periods lasting less than 30 minutes or that started late, and he never
21 received any premium wages for those violations.

22 29. Defendant denies Plaintiff's contentions, claiming that it maintains a policy that
23 precludes employees from working off the clock, and that it maintains legally compliant meal and
24 rest break practices. Moreover, Defendant claims it properly classified Plaintiff and the class
25 members as exempt and would prevail on that affirmative defense, and that it otherwise paid all
26 wages due under applicable law. Notarize also argued that the exemption issue was not
27 appropriate for class treatment as determining the amount of time each class member spent on
28 outside sales duties would entail innumerable individualized inquiries. Notarize similarly argued

1 it provided employees with the opportunity to take all required meal and rest breaks, and thus met
2 its obligations under California law. It further argued that Plaintiff's meal and rest break claims
3 are not susceptible to common proof, as the claims would require individualized inquiry, including
4 whether there was an unlawful companywide policy, whether employees had the opportunity to
5 take meal and rest periods, whether they voluntarily chose to forego their meal and rest periods,
6 and whether Defendant ever prevented them from taking meal and rest periods. Accordingly,
7 Defendant contends these claims are vulnerable to a ruling that class treatment is not appropriate.

8 30. On the expense reimbursement claim, Plaintiff alleges that throughout his
9 employment, he and the class members were required to use their personal home offices, internet
10 and cell phones for work purposes. Per Plaintiff, however, Defendant did not fully reimburse class
11 members for these expenses. On the other hand, Defendant argued it either supplied employees
12 with necessary technology and connectivity, or provided any reimbursement needed.

13 31. Plaintiff also alleged derivatively that, as a result of the above alleged violations,
14 Defendant failed to provide accurate wage statements and failed to timely pay all wages that were
15 due and owing upon separation of employment. Thus, should the primary claims fail, Plaintiff's
16 derivative claims would also fail. Defendant also contends it would not be liable for waiting time
17 penalties because a "good faith dispute" exists over the payment of past wages. Further, Defendant
18 contends Plaintiff would have to prove that Defendant "willfully" failed to pay Class Members
19 appropriate wages due upon separation of employment. Defendant contends that any failure to
20 pay wages upon separation was not willful.

21 32. As far as potential PAGA liability, the allegedly aggrieved employees theoretically
22 are entitled to penalties totaling about \$150,000 in civil penalties should Plaintiff prevail on all
23 claims and establish violations of the multiple Labor Code sections at issue. As with the class
24 claims, Plaintiff discounted the potential PAGA penalties based on TWC's various defenses on
25 the merits and also accounted for the Court's wide discretion to reduce such penalties, or to
26 decline to award penalties at all. Labor Code § 2699(e)(2); Carrington v. Starbucks Corp. (2018)
27 30 Cal.App.5th 504 (trial court awarded penalties of \$5 per pay period after a bench trial, which
28 decision was upheld on appeal); In re Taco Bell Wage and Hour Actions (E.D. Cal. Apr. 8, 2016)

1 2016 U.S. Dist. LEXIS 48557 (PAGA penalties denied after trial). Accordingly, the Parties
2 allocated \$5,000 to PAGA penalties, and Plaintiff submits this amount is reasonable under the
3 circumstances and in line with comparable settlements in other wage and hour class actions in
4 California. *E.g.*, Van Kempen v. Matheson Tri-Gas, Inc. (N.D. Cal. Aug. 25, 2017) 2017 U.S.
5 Dist. LEXIS 137182 (granting final approval of \$5,000 PAGA penalty from \$370,000 settlement,
6 or 1.4 percent of total settlement); Slavkov v. First Water Heater Partners I (N.D. Cal. July 25,
7 2017) 2017 U.S. Dist. LEXIS 116303 (finding a \$7,500 PAGA payment reasonable when
8 measured against the overall settlement of \$345,000 and the possible weaknesses in Plaintiffs'
9 case, or 2.2 percent of total settlement). Additionally, the LWDA has been informed of the terms
10 of the PAGA portion of the settlement, and will be able to weigh in as necessary. Jennings v.
11 Open Door Mktg. Inc. (N.D. Cal. Oct. 3, 2018) 2018 U.S. Dist. LEXIS 171356, at *27 (approving
12 settlement with PAGA penalties of 0.6% where "[p]laintiffs [have] submitted the settlement
13 agreement to the LWDA, and the LWDA has not objected to the settlement.

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

23 34. Plaintiff and I discounted the value of the class claims consistent with the risks
24 discussed above, as well as Defendant's exemption, waiver/release, and other affirmative
25 defenses, and carefully weighed the likelihood of the class receiving substantially greater benefit if
26 the litigation continued. We concluded – in light of these very real and substantial risks –
27 settlement on the proposed terms and without prolonged and costly litigation was in the best
28 interests of the class. The overall \$182,500 recovery represents a significant percentage of

1 Defendant's potential exposure. Given these risks, a total recovery for the class of \$182,500,
2 which will result in average award of over \$1,400 per class member, is a significant result well
3 within the range of reasonableness considering all potential outcomes, and it will provide direct
4 monetary awards to all Class Members in short order.

5 35. I am a graduate of Loyola Law School, Los Angeles, from which I received a *juris*
6 *doctorate* degree in 2009. Prior to attending law school, I attended the University of Southern
7 California, from which I received a bachelors of science in Business Administration in 2006.

8 36. I have been a Partner at Crosner Legal since February 1, 2023. Prior to joining
9 Crosner Legal, I was a Senior Associate and Team Director of a Wage and Hour Litigation Team
10 at Capstone Law APC, which I originally joined as an associate attorney in May 2016.

11 37. Since being admitted to the California State Bar in 2010, my entire legal career has
12 been dedicated to protecting employee and consumer rights through the prosecution of class action
13 and representative actions filed on behalf of plaintiffs in class actions and statewide representative
14 actions. Throughout my career I have managed or co-managed more than 100 class action and
15 PAGA representative cases, from initial filing of the complaint through final resolution.

16 38. In particular, I have served as class counsel in several certified class action cases,
17 including:

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

1 39. The following is a representative sample of settlements in wage and hour class
2 action and PAGA representative cases in which I was listed as an attorney of record and either
3 managed, or co-managed with attorneys at my firm and other co-counsel:

- 4 e. *Cruz v. Walmart*, Los Angeles County Super. Ct. Case No. 18STCV03128 (\$15
5 million global PAGA settlement on behalf of hourly employees statewide for alleged
6 Labor Code violations.)
- 7 f. *Vorise v. 24 Hour Fitness USA, Inc.*, Contra Costa County Super. Ct., Case No. C 15-
8 02051 (\$11 million global PAGA settlement on behalf of over 36,000 employees for
9 Labor Code violations.)
- 10 g. *Gross v. Sodexo*, Kern County Super Ct., Case No. BCV-18-101746 Capstone (\$4.75
11 million class and PAGA settlement on behalf of class of non-hourly employees for
12 Labor Code violations.)
- 13 h. *Campbell v. AEG* (\$1.8M class and PAGA settlement on behalf of group of hourly
14 employees who worked at concert venues in California for alleged Labor Code
15 violations)
- 16 i. *Fiebelkorn v. AEG*, et al. Los Angeles Superior Court Case No. BC717337 (\$1.75M
17 class settlement on behalf of group of hourly employees who worked at Oakland
18 Coliseum for alleged Labor Code violations)
- 19 j. *Amaro v. Anaheim Arena Management*, Orange County Superior Court Case No. 30-
20 2017-00917542 (\$2,212,500 class and PAGA settlement on behalf of group of hourly
21 employees who worked at Honda center in Anaheim California for alleged Labor
22 Code violations)
- 23 k. *Espindola v. Panda Express*, San Bernardino Superior Court Case No.
24 CIVDS1931455 (\$3.125M class and PAGA settlement on behalf of hourly
25 employees statewide for alleged Labor Code violations)
- 26 l. *Gold v. Benihana*, San Diego Court Superior Court Case No. 37-2016-00022320-
27 CU-OE-NC (\$2.25M class and PAGA settlement on behalf of hourly employees
28 statewide for alleged Labor Code violations)

- 1 m. *Party City Wage and Hour Cases*, JCCP4781 (\$6.5M class and PAGA settlement on
2 behalf of hourly employees statewide for alleged Labor Code violations)
- 3 n. *Lewis v. Express Messenger Systems*, Los Angeles County Super Court Case No.
4 BC501521 (\$10.5M class and PAGA settlement on behalf of a statewide group of
5 independent contractor last-mile delivery drivers alleged to be misclassified)
- 6 o. *Flores v. Tesla*, Alameda County Superior Court Case No. RG18907072 (\$4M class
7 and PAGA settlement on behalf of statewide group of hourly employees for alleged
8 Labor Code violations)
- 9 p. *Ruiz v. Disney Stores*, San Bernardino Superior Court Case No. CIVDS2016983
10 (\$2M class and PAGA settlement on behalf of statewide group of hourly employees
11 who worked at retail stores in California for alleged Labor Code violations)
- 12 q. *Ramirez v. Yin Management*, Sacramento County Superior Court Case No. 34-2021-
13 00301530 (\$1.8M class and PAGA settlement on behalf of statewide group of hourly
14 employees who worked at Defendant's McDonald's franchises in California for
15 alleged Labor Code violations).
- 16 r. *Suhartono v. RRG Besh*, Los Angeles County Superior Court Case No.
17 19STCV22184 (\$2.25 class and PAGA settlement on behalf of statewide group of
18 hourly employees who worked at Defendant's McDonald's franchises in California
19 for alleged Labor Code violations).
- 20 s. *Gomes v. Kura Sushi*, Los Angeles County Superior Court Case No. 19STCV18977
21 (\$1.75M class and PAGA settlement on behalf of statewide group of hourly
22 employees who worked at Defendant's restaurants in California for alleged Labor
23 Code violations)
- 24 t. *Saldana v. Hydrochem*, Contra Costa Superior Court Case No. CIVMSC19-02624
25 (\$1.38M class and PAGA settlement on behalf of statewide group of hourly
26 employees for alleged Labor Code violations).

27 40. In addition, below are settlements in consumer class action cases in which I was
28 listed as an attorney of record and either managed, or co-managed with attorneys at my firm:

1 u. *Lopez v. Seterus, et al.*, Los Angeles Superior Court Case No. BC484297 (\$3M Class
2 settlement on half of thousands of borrowers in California, Florida, and Texas for
3 UCL violations premised on improper late fee collections)

4 v. *McGill v. Citibank*, Riverside County Superior Court Case No. RIC 1109398 (in
5 landmark case that established the ‘McGill rule’ precluding the waiver of public
6 injunctive relief in pre-dispute arbitration agreements, negotiated confidential
7 settlement on behalf of consumer who sued for damages and class injunctive relief
8 stemming from marketing of credit protector plan)

9 41. Finally, I have been selected by my peers as a Super Lawyers ‘Rising Star’ every
10 year since 2016 through 2022, which is a recognition that is provided to only 2.5% of active lawyers
11 practicing within the State of California

12 42. Zachary Crosner is a 2010 graduate of University of San Diego School of Law. He
13 has some thirteen years of experience as a practicing attorney, all of which have focused on litigation
14 of employment, labor law, consumer, and class action claims. Following graduation, he immediately
15 began working for a nationally recognized plaintiff-side complex litigation firm, CaseyGerry, where
16 he had the fortune of working directly with past presidents of the consumer attorneys and recipients
17 of trial attorneys of the year awards. He also worked for former CAALA and CLAY trial attorney
18 of the year recipient, attorney Conal Doyle, as his sole associate attorney. During his tenure at these
19 firms, he focused on advocating for the rights of consumers and employees in class action litigation,
20 civil rights and employment litigation, catastrophic injuries, insurance bad faith, and appellate
21 litigation.

22 43. In 2013, he founded the law firm of Crosner Legal, P.C., which since its inception
23 has focused almost exclusively on wage and hour class actions and other labor and employment law
24 cases representing plaintiffs. Currently, over ninety percent (90%) of the firm’s practice is dedicated
25 exclusively to the prosecution of wage and hour class actions, and the law firm is currently
26 responsible as lead counsel or co-lead counsel for prosecuting well over fifty (50) wage and hour
27 class actions and/or PAGA representative actions in both federal and state courts throughout
28 California.

1 44. Mr. Crosner currently is an executive board member of the Wage and Hour
2 Committee and the Legislative Committee for the California Employment Lawyers Association; a
3 member of the Grassroots Advocacy Team for the National Employment Lawyers Association;
4 Wage and Hour Committee member and Class Action Committee member for the National Trial
5 Lawyers; a member of the American Association for Justice; and a member of the Pound Civil
6 Justice Institute. He also was selected by Super Lawyers as a “Southern California Rising Star” for
7 employment and labor law for 2018-2020.

8 45. Jamie Serb is a partner with Crosner Legal and is head of the firm’s Wage and Hour
9 practice group. She graduated from the University of California, San Diego in 2004 and graduated
10 from California Western School of Law in 2013, and has been a member of the California Bar since
11 2013. She gained extensive experience in wage and hour litigation, beginning work as a class action
12 attorney in 2015 at the Mara Law Firm, PC (previously Turley & Mara Law Firm, APLC; Turley
13 Law Firm, APLC). She has handled wage and hour class actions and PAGA lawsuits for over eight
14 years and has assisted in obtaining millions of dollars for employees during her years of practice.

15 46. Crosner Legal, P.C. has obtained several multi-million dollar wage and hour class
16 action settlements while serving as lead class counsel in recent years, including but not limited to a
17 \$1.9 million wage and hour class action settlement in 2015 (*Smith v. Lux Retail North America, Inc.*,
18 Case No. 3:13-cv-01579-WHA (N.D. Cal.)); a \$4.1 million wage and hour class action settlement
19 in 2016 (*Aguirre v. Mariani Nut Company, Inc. et al.*, Case No. 34- 2016-00190252 (Sacramento
20 Cty. Super Ct.)); a \$1.35 million wage and hour class action settlement in 2017 (*Montelone v. Ocean*
21 *Cities Pizza, Inc.*, Case No. 56-2014-00458249 (Ventura Cty. Super. Ct.)), a \$1.8 million wage and
22 hour class action settlement in 2018 (*Latham v. K.W.P.H. Enterprises, Inc. dba American*
23 *Ambulance*, Case No. 17C-0162 (Kings Cty. Super Ct.)), a \$1.3 million wage and hour class action
24 settlement in 2019 (*Means, et al. v. AirGas USA, LLC*, Case No. 17-CV-2160 JGB (C.D. Cal.)), a
25 \$1.5 million wage and hour settlement in 2020 (*Babouchian, et al. v. Wyndham Vacation*
26 *Ownership, et al.*, Case No. CV18-14601 (San Diego Cty. Super. Ct.)), a \$1.15 million wage and
27 hour class action settlement in 2020 (*Buford v. Medical Solutions LLC*, Case No. 4:18-CV-04864-
28 YGR (N.D.Cal.)); a \$7.25 million wage and hour class action settlement in 2020 in *Avina, et al. v.*

1 *First Alarm Security & Patrol, Inc.*, Case No. 18CV323753 (Santa Clara Cty. Super Ct.); a \$2.2
2 million wage and hour class action settlement in 2021 (*Ghorchian, et al. v. West Hills Hospital, et*
3 *al.*, Case No. LS029737 (Los Angeles Cty. Super. Ct.)); a \$2.85 million dollar wage and hour
4 settlement in 2021 (*Valencia v. The Original Mowbray's Tree Service, Inc.*, Case No.
5 CIVDS1825518 (San Bernardino Cty. Super. Ct.)); a \$1 million wage and hour class action
6 settlement in 2022 (*Duong v. Loan Factory, Inc.*, Case No. 21CV382467 (Santa Clara Cty. Super.
7 Ct.)), a \$1.4 million wage and hour class action settlement in 2023 in *Correa, et al. v. FedEx Supply*
8 *Chain, Inc.*, Case No. CIVDS2023369 (San Bernardino Cty. Super. Ct.), a \$2.38 million wage and
9 hour class action settlement in 2023 in *Michel, et al. v. Valley Thrift Store, Inc.*, Case No.
10 21STCV00925 (Los Angeles Cty. Super. Ct.); a \$2.5 million wage and hour class action settlement
11 in 2023 in *Jajuga v. Pilot Travel Centers*, Case No. CIVDS1931464 (San Bernardino Cty. Super.
12 Ct.); \$1.015 million wage and hour class action settlement in 2023 in *Gotishan v. Kyo Autism*
13 *Therapy*, Case No. CGC-21-596378 (San Francisco Cty. Super. Ct); and a \$1.15 million wage and
14 hour PAGA settlement in 2023 in *Vaughn v. Public Health Foundation Enters., Inc.*, Case No.
15 21STCV18512 (Los Angeles Cty. Super. Ct.); a \$1.5 million wage and hour class action settlement
16 in *McKinnie v. Iron Mountain*, Case No. 21STCV05707 (Los Angeles Cty. Super. Court); and a
17 \$1.3 million wage and hour class action settlement in *Ellsworth, et al. v. Hallcon*, Case No.
18 20STCV06618 (Los Angeles Cty. Super. Court).

19 47. For all the foregoing reasons, I believe the settlement is fair, reasonable, and in the
20 best interests of the class.

21 I declare under penalty of perjury under the laws of the State of California that the
22 foregoing is true and correct. Executed this 8th day of April 2024, at Los Angeles California.

23
24
25 

26 Declarant

EXHIBIT

1

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12 *and the aggrieved employees*

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21 *Attorneys Defendant Notarize, Inc.*

22 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
23 **COUNTY OF ORANGE**

24 WILLIAM WATSON, as an individual
25 on behalf of himself and on behalf of all
26 others similarly situated,

27 Plaintiff,

28 v.

NOTARIZE, INC., a Delaware corporation;
and DOES 1-100, inclusive,

Defendants.

Case No. 30-2023-01310277-CU-OE-CXC

**JOINT STIPULATION AND
SETTLEMENT OF CLASS ACTION
AND PAGA CLAIMS**

ASSIGNED FOR ALL PURPOSES TO
JUDGE MELISSA R. McCORMICK,
DEPT. CX104

FAC Filed: March 3, 2023
Trial Date: None Set

1 This Joint Stipulation for Class Action Settlement and Release of Claims is made and entered
2 into by and between Plaintiff WILLIAM WATSON (“Plaintiff”), individually and on behalf of the
3 alleged putative class of all other similarly situated individuals, on the one hand, and Defendant
4 NOTARIZE, INC. (“Defendant”), on the other hand, to resolve the class and representative action
5 wage and hour disputes that led to the above-captioned lawsuit.

6 THE PARTIES STIPULATE AND AGREE as follows:

7 **I. DEFINITIONS**

8 1. **“Aggrieved Employees”** shall mean and refer to all Class Members who are
9 currently or were formerly employed by Defendant at any location in California during the PAGA
10 Period.

11 2. **“Agreement,” “Stipulation,” “Settlement” and “Joint Stipulation”** all mean this
12 document.

13 3. **“Class Counsel”** shall mean Brandon Brouillette, Zachary Crosner, and Jamie Serb
14 of Crosner Legal, PC.

15 4. **“Class Counsel Fees and Costs Payment”** means the amount of attorneys’ fees and
16 costs awarded by the Court pursuant to the terms of this Agreement.

17 5. **“Class Member”** shall mean a member of the Class.

18 6. **“Class”** shall mean all persons currently or formerly employed by Defendant, either
19 directly or through any affiliate, staffing agency, or professional employer organization, as non-
20 exempt, hourly paid employees working in the State of California during the Class Period.

21 7. **“Class Period”** means the time period from March 3, 2019 and ending on the End
22 Date.

23 8. **“Class Representative Service Payment”** means the payments to Class
24 Representative William Watson described in Section IV of this Agreement.

25 9. **“Court”** means the Superior Court of California for the County of Orange.

26 10. **“Court’s Final Order and Judgment”** means the Final Order Approving Class
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1 Action Settlement and Judgment in a form to be agreed upon by the Parties and as approved by the
2 Court.

3 11. **“Defendant”** shall mean NOTARIZE, INC. dba PROOF.COM.

4 12. **“Defendant’s Counsel”** shall mean Rebecca Aragon and David S. Maoz of Littler
5 Mendelson.

6 13. **“Effective Date”** shall have the meaning ascribed to it in Paragraph 69 below.

7 14. **“Employee Payroll Taxes”** means the employee portion of all applicable tax
8 withholdings including, but not limited to, FICA, FUTA, and other employment related taxes and
9 withholding of federal, state, and local income taxes.

10 15. **“Employer Payroll Taxes”** means the employer’s share of FICA, FUTA, and all
11 other local, state, and federal payroll taxes and deductions related to the Individual Settlement
12 Payments.

13 16. **“End Date”** means the date upon which preliminary approval is granted and entered
14 by the Court.

15 17. **“Final Approval Hearing”** means the hearing at which the Court shall consider,
16 without limitation, any timely objections to the Settlement from Class Members, testimony from
17 the Parties or their counsel, declarations regarding the settlement process from the Settlement
18 Administrator, and otherwise make a final determination regarding the fairness of the Settlement
19 described herein.

20 18. **“Gross Settlement Amount”** means One-Hundred Eighty-Two Thousand Five-
21 Hundred Dollars and No Cents (\$182,500.00), payable by Defendant as provided by this
22 Agreement and as ordered by the Court. The Gross Settlement Amount is inclusive of the following
23 deductions: all payments to Class Members, the Class Counsel Fees and Costs Payment, the Class
24 Representative’s Service Payment, the Settlement Administration Fees, and the LWDA Payment.

25 19. **“Individual PAGA Payment”** means the payment to be made to Aggrieved
26 Employees from the PAGA Payment.

20. **“Individual Settlement Payment”** means the payment to be made to Participating Class Members from the Net Settlement Fund, pursuant to the terms of this Agreement.

21. **“Individual Settlement Share”** means the gross amount of the Net Settlement Amount that a Class Member is eligible to receive based on the number of Workweeks that he or she worked as a Class Member during the Class Period if he or she does not submit a timely and valid Request for Exclusion.

22. **“Litigation”** means the lawsuit entitled *Watson v. Notarize, Inc.*, Orange County Superior Court, Case No. 30-2023-01310277-CU-OE-CXC.

A. **“LWDA Payment”** means the payment to the LWDA for its seventy-five percent (75%) share of the total amount allocated toward penalties under the PAGA all of which is to be paid from the Gross Settlement Amount. The Parties have agreed that Twenty Thousand Dollars and Zero Cents (\$20,000.00) shall be allocated toward PAGA penalties, of which Fifteen Thousand Dollars and Zero Cents (\$15,000.00) will be paid to the LWDA (*i.e.*, the LWDA Payment) and Five Thousand Dollars and Zero Cents (\$5,000.00) will be paid to Aggrieved Employees on a *pro rata* basis based on the Workweeks worked in the PAGA Period, as further set out herein.

23. **“Net Settlement Fund”** means the remainder of the Gross Settlement Fund after making the deductions described in Paragraph 18. The Net Settlement Fund shall be allocated among the Participating Class Members and Aggrieved Employees according to the formula and other terms described in Section VI of this Agreement.

24. **“Non-Participating Class Member”** means a putative Class Member who submits a timely and valid request to opt-out of the Settlement.

25. **“Notice of Proposed Settlement”** means the Notice of Settlement of Class Action in the form attached hereto as **Exhibit A**, and as approved by the Court.

26. **“Operative Complaint”** means the First Amended Complaint on file in the Litigation.

27. **“Participating Class Member”** means a Class Member who does not timely and

validly opt out of the Settlement.

28. **“PAGA”** means the California Labor Code Private Attorneys General Act, California Labor Code §§ 2698, *et seq.*

29. **“PAGA Payment”** means the Five Thousand Dollar (\$5,000.00) payment payable to Aggrieved Employees, which would be in addition to their Individual Settlement Share so long as they do not opt out of the Settlement.

30. **“PAGA Period”** means the time period from March 3, 2022 through the End Date.

31. **“Parties”** shall refer collectively to Plaintiff and Defendant, each of whom is a “Party.”

32. **“Preliminary Approval of the Settlement”** means the Court’s preliminary approval of the Settlement.

33. **“Released Parties”** collectively means: (a) Defendant; (b) Defendant’s respective past, present, and future parents, subsidiaries, affiliates, divisions, fiduciaries, predecessors, successors, and assigns; and (c) the past, present, and future shareholders, directors, owners, officers, directors, agents, representatives, employees, attorneys, insurers, and the predecessors, successors, and assigns of any of the foregoing.

34. **“Released Claims”** means the following:

- a. **Release as to All Participating Class Members.** Effective only upon the entry of an Order granting Final Approval of the Settlement, entry of Judgment, and payment by Defendant to the Settlement Administrator of the full Gross Settlement Amount and Employers’ Taxes necessary to effectuate the Settlement, CLASS REPRESENTATIVE and all members of the Settlement Class, except those that make a valid and timely request to be excluded from the Class, waive, release, and discharge any and all claims against DEFENDANT, their respective past, present, and future parents, subsidiaries, affiliates, predecessors or successors in interest, or the officers, directors, shareholders,

1 employees, attorneys, agents, assigns, insurers, re-insurers, of any of them, that
2 were alleged in the Litigation or which could have reasonably been alleged based
3 on the facts asserted in the Litigation. These claims include, but are not limited
4 to: (1) recovery of unpaid minimum wages and liquidated damages; (2) recovery
5 of unpaid overtime wages; (3) failure to provide meal periods of compensation
6 in lieu thereof; (4) failure to provide rest periods or compensation in lieu thereof;
7 (5) failure to furnish accurate itemized wage statements; (6) failure to timely pay
8 all wages due upon separation of employment; (7) failure to reimburse business
9 expenses; and, (8) unfair competition, and any other potential claims based on
10 the foregoing facts and claims; and any other applicable provisions of state or
11 federal law, including the applicable IWC wage order. (“Class Released
12 Claims”). As to the PAGA claims, only those Class Members who worked
13 during the time period between March 3, 2022 and the End Date (“PAGA
14 Period”) will release claims for civil penalties under PAGA, and only for the
15 claims that were pled in the action and were alleged in the PAGA Notice, or that
16 could have been plead based on the facts alleged in the Litigation and were also
17 alleged in the PAGA Notice (“PAGA Released Claims” and, collectively with
18 Class Released Claims, “Released Claims”).

19 **b. General Release by Named Plaintiff Only.** In addition to the release made in
20 Paragraph 33(a), Plaintiff makes the additional following general release of all
21 claims, known or unknown. Upon the date that the settlement is considered
22 final as defined in Paragraph 69, Plaintiff releases Defendant and the Released
23 Parties, and each of their respective past, present, and future parents,
24 subsidiaries, affiliates, predecessors or successors in interest, officers,
25 directors, shareholders, employees, attorneys, agents, assigns, insurers, and re-
26 insurers of any of them, from all claims, demands, rights, liabilities and causes
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1 of action of every nature and description whatsoever, known or unknown,
2 asserted or that might have been asserted, whether in tort, contract, or for
3 violation of any state or federal statute, rule or regulation arising out of, relating
4 to, or in connection with any act or omission by or on the part of each of the
5 Defendant.

6 35. “**Settlement**” means the Parties’ agreement to settle the Litigation on the terms
7 described in this Agreement.

8 36. “**Settlement Administrator**” means the third-party administration firm selected by
9 the Parties and approved by the Court. The Parties have agreed to propose Phoenix Class Action
10 as the Settlement Administrator for the Court’s consideration and approval.

11 37. “**Settlement Administration Fees**” means the amount of fees and costs incurred by
12 the Settlement Administrator awarded by the Court pursuant to the terms of this Agreement.

13 **II. THE LITIGATION**

14 38. Procedural History. On March 3, 2023, Plaintiff filed the Class Action Complaint
15 that included causes of action for: (1) recovery of unpaid minimum wages and liquidated damages;
16 (2) recovery of unpaid overtime wages; (3) failure to provide meal periods of compensation in lieu
17 thereof; (4) failure to provide rest periods or compensation in lieu thereof; (5) failure to furnish
18 accurate itemized wage statements; (6) failure to timely pay all wages due upon separation of
19 employment; (7) failure to reimburse business expenses; and, (8) unfair competition. Defendant
20 filed an Answer generally and specifically denying the material allegations of the Complaint and
21 setting forth numerous affirmative defenses thereto. On August 25, 2023, Plaintiff filed a First
22 Amended Complaint containing the same causes of action as the original Complaint and adding an
23 additional claim for civil penalties under the Private Attorneys General Act (“PAGA”), Labor Code
24 sections 2698, *et seq.* Defendant filed an answer generally and specifically denying the material
25 allegations in the Complaint and setting forth numerous affirmative defenses thereto.

26 39. Investigation and Discovery. Class Counsel has conducted a thorough investigation
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1 of the facts in the Litigation and have diligently pursued an investigation of Class Members' claims
2 against Defendant. The parties have engaged in a substantial investigation in connection with the
3 Litigation, including an informal exchange of a large volume of information, including confidential
4 information, regarding the claims asserted in the Litigation, the defenses available to Defendant,
5 and other relevant issues. Defendant has produced, and Class Counsel have reviewed and analyzed,
6 relevant personnel and payroll information for Plaintiff and all Class Members, as well as
7 Defendant's policies and procedures as they relate to Plaintiff and the Class Members' employment
8 with Defendant.

9 40. Mediation. On November 7, 2023, the Parties participated in an all-day mediation
10 with mediator Steven G. Mehta. At the conclusion of the mediation, the Parties agreed to resolve
11 the matter as stated herein and entered into a Memorandum of Understanding memorializing the
12 settlement agreement.

13 41. No Admission of Liability. The Parties have entered into this Settlement in order
14 to reduce the risks and costs of further litigation, and to avoid further business distractions.
15 Defendant denies any liability or wrongdoing of any kind associated with the claims alleged in the
16 Litigation, including all allegations made in the First Amended Complaint filed in the Litigation.
17 Defendant further contends that, for any purpose other than settlement, this Litigation is not
18 appropriate for class treatment. Among other things, Defendant contends that it complied in good
19 faith with California wage and hour laws and the California Business and Professions Code.

20 42. Inadmissibility of Agreement. Whether or not the Court fails to grant Final
21 Approval of the Settlement, neither this Agreement, nor any of its terms, nor any document,
22 statement, proceeding or conduct related to this Agreement, nor any reports or accounts thereof,
23 shall in any event be: (i) construed as, offered or admitted in evidence as, received as, or deemed
24 to be evidence for any purpose adverse to the Released Parties, including, but not limited to,
25 evidence of a presumption, concession, indication or admission by any of the Released Parties of
26 any liability, fault, wrongdoing, omission, concession or damage except for purposes of settling
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1 this Action or enforcing the Released Claims contained herein pursuant to the terms of this
2 Agreement; (ii) disclosed, referred to or offered or received in evidence against any of the Released
3 Parties in any further proceeding in the Litigation or any other civil, criminal or administrative
4 action or proceeding except for purposes of settling this Litigation or enforcing the Released Claims
5 contained herein pursuant to the terms of this Agreement; or (iii) used in any other way or for any
6 other purpose except for purposes of settling this Litigation or enforcing the Released Claims
7 contained herein pursuant to the terms of this Agreement.

8 43. Fair, Reasonable, and Adequate Settlement. Based on the investigation summarized
9 above, Class Counsel are of the opinion that the Settlement on the terms set forth in this Agreement
10 is fair, reasonable, and adequate and is in the best interest of the Class in light of all known facts
11 and circumstances, including the risk of significant delay, defenses asserted by Defendant,
12 unresolved legal issues that could have a material impact on the outcome of the Litigation, and
13 numerous potential appellate issues. The Parties recognize that the issues presented in the Litigation
14 are likely only to be resolved after extensive and costly pretrial proceedings, including a dispute as
15 to whether any of the claims asserted can be certified as a class action, and that further litigation
16 will cause inconvenience, distraction, disruption, delay and expense disproportionate to the
17 potential benefits of continued litigation. The Parties agree that they have taken into account the
18 risk and uncertainty of the outcome inherent in any complex litigation of this nature.

19 **III. SETTLEMENT AMOUNT**

20 44. Consideration. Unless escalated pursuant to the terms of this Agreement, the Gross
21 Settlement Amount that Defendant will be required to pay in connection with the Settlement is
22 One-Hundred Eighty-Two Thousand and Five-Hundred Dollars and Zero Cents (\$182,500.00). The
23 Gross Settlement Amount is inclusive of all payments to Class Members, the Class Counsel Fees
24 and Costs Payment, the Class Representative's Service Payment, the Settlement Administration
25 Fees, the LWDA Payment, the PAGA Payment, and each individual Class Member's share of
26 Employee Payroll Taxes, and any other applicable withholdings required by law. It does not
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1 include Defendant's share of Employer Payroll Taxes.

2 **B. Tax Treatment of Payments to Participating Class Members.** Each Individual
3 Settlement Payment shall be allocated as follows: 20% as wages (to be reported on an IRS Form
4 W2); and 80% as interest and penalties (to be reported on an IRS Form 1099). Each Individual
5 PAGA Payment shall be allocated entirely as penalties. The Parties agree that the Employee Payroll
6 Taxes with respect to the wage-portion of the Individual Settlement Payment will be withheld from
7 the Individual Settlement Payment. The amount of federal income tax withholding will be based
8 upon a flat withholding rate for supplemental wage payments in accordance with Treasury
9 Regulation § 31.3402(g)-1(a)(2) as amended or supplemented. Income tax withholding will also be
10 made pursuant to applicable state and/or local withholding codes or regulations.

11 45. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR
12 PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY
13 TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER
14 PARTY") ACKNOWLEDGES AND AGREES THAT (i) NO PROVISION OF THIS
15 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR
16 AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS
17 INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE
18 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE
19 MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR
20 PART 10, AS AMENDED); (ii) THE ACKNOWLEDGING PARTY (A) HAS RELIED
21 EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX
22 COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS
23 AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE
24 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO
25 ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
26 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY
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1 OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
2 ACKNOWLEDGING PARTY; AND (iii) NO ATTORNEY OR ADVISER TO ANY OTHER
3 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY
4 OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF
5 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
6 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
7 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
8 AGREEMENT.

9 46. Uncashed Checks. This is a "non-reversionary" settlement. Under no circumstances
10 will any of the settlement revert to Defendant. Participating Class Members will not have to make
11 a claim in order to receive a distribution. Distributions, in the form of Individual Settlement
12 Payments, will be made directly to each Participating Class Member and Individual PAGA
13 Payments to each Aggrieved Employee. Any settlement checks remaining uncashed for more than
14 180 days after mailing shall be delivered to the California State Controller Unclaimed Property
15 Division.

16 47. PAGA Penalty Allocation. From the Gross Settlement Amount, Twenty Thousand
17 Dollars and Zero Cents (\$20,000.00) shall be allocated as PAGA penalties. From this amount,
18 seventy-five percent (75%), or \$15,000.00, shall be paid to the LWDA (*i.e.*, the LWDA Payment),
19 and the remaining twenty-five percent (25%), or \$5,000.00, shall be distributed to Aggrieved
20 Employees (*i.e.*, the PAGA Payment).

21 **IV. CLASS REPRESENTATIVE SERVICE PAYMENT**

22 48. As part of the Agreement, Defendant agrees not to oppose Plaintiff's application to
23 the Court for individual Class Representative Service Payments of Ten-Thousand Dollars and Zero
24 Cents (\$10,000.00) to Plaintiff WILLIAM WATSON, who has served as a Class Representative,
25 in addition to any payments he is otherwise entitled to as a Class Member and/or Aggrieved
26 Employees, which is to be paid out of the Gross Settlement Amount.

1 49. Should the Court approve a lesser amount for the Class Representative Service
2 Payment, the difference shall be added back to the Net Settlement Fund to be distributed to the
3 Participating Class Members. Any Court order awarding less than the amount sought by Class
4 Counsel shall not be grounds to rescind the Settlement Agreement or otherwise void the Settlement.

5 50. The Settlement Administrator will issue to Plaintiff an IRS Form 1099 reflecting
6 the Class Representative Service Payment paid to him.

7 **V. ATTORNEYS' FEES AND COSTS**

8 51. As part of the Agreement, Defendant agrees not to oppose an application by Plaintiff
9 to the Court for Class Counsel fees in the amount of up to one-third (33.33%) of the GSA (not to
10 exceed \$60,833.33) plus actual attorneys' costs and expenses not to exceed Fifteen-Thousand
11 Dollars and Zero Cents (\$15,000.00), upon proof provided to the Court.

12 52. Should the Court approve a lesser amount of Class Counsel fees and costs payment
13 than what is sought by Class Counsel, the difference shall be added back to the Net Settlement
14 Fund to be distributed to the Participating Class Members. Any Court order awarding less than the
15 amount sought by Class Counsel shall not be grounds to rescind the Settlement Agreement or
16 otherwise void the Settlement.

17 53. The Settlement Administrator shall issue to Class Counsel an IRS Form 1099
18 reflecting the amount of attorneys' fees and costs awarded by the Court.

19 **VI. CLASS MEMBER DISTRIBUTION FORMULA**

20 54. Individual Settlement Payments will be calculated and distributed to Participating
21 Class Members from the Net Settlement Amount on a *pro rata* basis, based on the Participating
22 Class Members' respective number of Workweeks during the Class Period. Individual PAGA
23 Payments to Aggrieved Employees will be calculated and distributed to Aggrieved Employees from
24 the PAGA Payment on a *pro rata* basis based on Aggrieved Employees' respective number of
25 Workweeks during the PAGA Period. Specific calculations of the Individual Settlement Shares
26 and Individual PAGA Payments to Aggrieved Employees will be made as follows:

1 **A.** The Settlement Administrator will determine the total number of Workweeks
2 worked by each Class Member during the Class Period (“Class Member’s Workweeks”), as well
3 as the aggregate number of Workweeks worked by all Class Members during the Class Period
4 (“Class Workweeks”). Additionally, the Settlement Administrator will determine the total number
5 of Workweeks worked by each Aggrieved Employee during the PAGA Period (“Aggrieved
6 Employee’s Workweeks”), as well as the aggregate number of Workweeks worked by all
7 Aggrieved Employees during the PAGA Period (“PAGA Workweeks”).

8 **B.** To determine each Class Member’s Individual Settlement Share, the Settlement
9 Administrator will use the following formula: Individual Settlement Share = (Settlement Class
10 Member’s Workweeks ÷ Class Workweeks) × Net Settlement Amount.

11 **C.** To determine each Participating Class Member’s Individual Settlement Payment,
12 the Settlement Administrator will determine the aggregate number of Workweeks worked by all
13 Participating Class Members during the Class Period (“Participating Class Workweeks”) and use
14 the following formula: Individual Settlement Payment = (Participating Class Member’s
15 Workweeks ÷ Participating Class Workweeks) × Net Settlement Amount.

16 **E.** To determine each Aggrieved Employee’s Individual PAGA Payment, the
17 Settlement Administrator will use the following formula: Aggrieved Employee’s Individual PAGA
18 Payment = (Aggrieved Employee’s Workweeks ÷ PAGA Workweeks) x \$5,000.00 (the PAGA
19 Payment).

20 **F.** A Settlement Class Member who is also an Aggrieved Employee who submits a
21 valid Request for Exclusion will nevertheless be bound by the release of the PAGA Released
22 Claims and will still receive their Individual PAGA Payment.

23 **G.** Participating Class Members’ Individual Settlement Payments and Aggrieved
24 Employees’ Individual PAGA Payments shall be paid by way of check. In the event that a
25 Participating Class Member is also an Aggrieved Employee, one check may be issued aggregating
26 both amounts payable to the Participating Class Member/Aggrieved Employee.

1 55. Defendant denies any liability or wrongdoing of any kind associated with the claims
2 alleged in the Litigation, including all allegations made in the Operative Complaint. Nothing in the
3 allocation formulas in this section shall be deemed an admission that any Class Member has
4 stronger or weaker claims than any other Class Member.

5 **VII. SETTLEMENT ADMINISTRATION**

6 56. Settlement Administrator. The Parties have agreed to and will request that the Court
7 appoint Phoenix Class Action as Settlement Administrator for this Settlement.

8 57. Class Counsel. The Parties stipulate and agree to propose to the Court that Brandon
9 Brouillette, Zachary Crosner, and Jamie Serb of Crosner Legal, PC be appointed as Class Counsel
10 to carry out the duties described in this Agreement.

11 58. Stipulation to Conditional Certification. The Parties stipulate, for settlement
12 purposes only, that the Court may conditionally certify the Class, as defined in this Joint
13 Stipulation, as an opt-out class (the “**Class Stipulation**”). More specifically, the Parties agree as
14 part of the Joint Stipulation that, for settlement purposes only, the legal requirements for an opt-
15 out class are satisfied. This conditional Class Stipulation is made solely for purposes of the
16 Settlement. The Class Stipulation is in no way an admission that class action certification is proper,
17 and neither this Joint Stipulation nor the Class Stipulation will be admissible in this or any other
18 action or proceeding as evidence either that (i) the claims advanced in the Litigation, or any other
19 class, collective, or representative action claims, should be certified, or that (ii) the Released Parties
20 are liable to Plaintiff or Class Members.

21 59. Provision of Class Data to Settlement Administrator. Within ten (10) calendar days
22 from the date of Preliminary Approval of the Settlement, Defendant will provide to the Settlement
23 Administrator each Class Member’s: (a) name; (b) last known address; (c) hire and termination
24 dates during the Class Period, from which the Settlement Administrator may determine the total
25 number of workweeks worked by Class Members during the Class Period and PAGA Period; and
26 (d) Social Security Number (the “**Class Data**”). The Class Data shall be based on DEFENDANT’s
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1 payroll and available business records in a format acceptable to the Settlement Administrator. The
2 Settlement Administrator will run a check of the Class Members' addresses against those on file
3 with the U.S. Postal Service's National Change of Address List. The Class Data provided to the
4 Settlement Administrator will remain confidential and will not be used or disclosed to anyone,
5 except as required by applicable tax authorities and to Class Counsel upon their request, pursuant
6 to Defendant's express written consent, or by order of the Court.

7 **VIII. NOTICE AND CLASS MEMBER APPROVAL PROCESS**

8 60. Notice to Putative Class Members. Within seven (7) calendar days following the
9 Settlement Administrator's receipt of the Class Data, the Notice of Proposed Settlement ("**Class**
10 **Notice** or "**Notice**") shall be sent by the Settlement Administrator to the Class Members, by first
11 class mail. The Class Notice will include, non-exclusively:

- 12 a. Contact information for Class Counsel;
- 13 b. The address for a website, maintained by the Settlement Administrator
14 or Class Counsel, that has links to the notice, motions for approval and
15 for attorneys' fees, and any other important documents in the case;
- 16 c. Instructions on how to access the case docket online or in person at the
17 court;
- 18 d. The date of the final approval hearing and clearly state that the date may
19 change without further notice to the class;
- 20 e. An advisement to Class Members to check the settlement website or the
21 Court's website to confirm that the hearing date has not been changed;
- 22 f. Information regarding the nature of the Litigation, including a summary
23 of the substance of the Settlement, the Class definitions, and the formula
24 used in calculating the Individual Settlement Payments;
- 25 g. Information about the ability to opt out of the Settlement and the
26 process for doing so;

- 1 h. Information about the ability to object to the Settlement and the process
2 for doing;
- 3 i. The time period during which the Class Member worked during the
4 Class Period; and
- 5 j. The Class Member's estimated Individual Settlement Share and
6 Individual PAGA Payment, if any.

7 If the information listed on the Class Notice is disputed, the Class Member disputing the
8 information may produce information to the Settlement Administrator through the dispute process
9 described in Paragraph 65 below. The Settlement Administrator shall post a copy of the operative
10 complaint, Plaintiff's PAGA notice letter, the class notice form (Exhibit A hereto), and the Order
11 granting preliminary approval on its website during the Response Period. The Settlement
12 Administrator also shall post the Order granting final approval and Judgment thereon on its website
13 for a period of no less than one-hundred eighty (180) days following entry of Judgment.

14 **IX. APPROVAL PROCESS**

15 61. Opt-In Not Required. Class Members are not required to submit any type of claim
16 form in order to receive settlement payments from the Settlement Administrator. However, if a new
17 address is obtained by way of a returned Notice, then the Settlement Administrator shall promptly
18 forward the original Notice to the updated address *via* first-class regular U.S. Mail indicating on
19 the original Notice the date of such re-mailing. Where a Notice is returned as undeliverable, without
20 a forwarding address, the Settlement Administrator will perform a "skiptrace" search using the
21 National Change of Address database to obtain an updated address. The Parties agree to cooperate
22 with the Settlement Administrator to locate a more recent address for Class Members where
23 necessary. Notices will be re-mailed by the Settlement Administrator to any Class Member for
24 whom an updated address is located.

25 62. Opt-Out. Class Members who request exclusion from the Settlement in accordance
26 with the terms set forth in the Class Notice will be deemed timely only if postmarked on or before
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sixty (60) calendar days following the date of initial mailing of the Notice by the Settlement Administrator, or, if the Class Notice was re-mailed to that Class Member, fifteen (15) calendar days after the remailing, whichever is later (“**Response Deadline**”). The date of the postmark on the return mailing envelope shall be the exclusive means used to determine whether a request for exclusion has been timely submitted.

63. Effect of Opt-Out. Class Members who validly and timely opt-out of the Class will not be entitled to any recovery under the Settlement, will not be bound by the Settlement, and will not have any right to object, appeal, or comment thereon, except that the opt-out provision shall not affect their release and participation in the PAGA Settlement if the Class Member is also an Aggrieved Employee. Class Members who do not submit a valid and timely request for exclusion shall be bound by all the terms of this Agreement and any final judgment or order in this Litigation, and shall be deemed to have waived all unstated objections and opposition to the fairness, reasonableness, and adequacy of this Agreement. If 10% or more of the Class Members opt out, Defendant shall have the right to rescind this Stipulation and the parties’ settlement in its sole and absolute discretion. However, in such an event, Defendant shall be solely responsible for payment of the Settlement Administrator’s fees and costs in administration caused by way of this Agreement.

64. Opt-Out List. Upon expiration of the Response Deadline and at any time upon request, the Settlement Administrator shall provide counsel for the Parties with a complete list of all Class Members who have timely requested exclusion from the Class.

65. Disputes Regarding Class Data. If a Class Member disputes the number of workweeks listed on the Notice, the Class Member may produce evidence to the Settlement Administrator indicating the number of workweeks contended to have been worked in the Class Period and/or PAGA Period. Defendant’s records will be presumed determinative, absent evidence to rebut their records, but the Settlement Administrator will evaluate the evidence submitted by the Class Member and provide the evidence submitted to the Parties and their counsel who agree to

1 meet and confer in good faith about the evidence to determine the Class Member's actual number
2 of workweeks worked in the Class Period and/or PAGA Period and estimated Individual Settlement
3 Payment and/or Individual PAGA Payment. If the Parties and their counsel are unable to agree,
4 they agree to submit the dispute to the Settlement Administrator to render a decision, which
5 decision shall be subject to final review by the Court. The deadline to dispute the number of
6 workweeks is the Response Deadline.

7 66. Objection to Settlement. Any Class Member who has not submitted a request for
8 exclusion may object to this Joint Stipulation, or any portion thereof, by filing a written objection
9 with the Court or by appearing at the Final Approval Hearing in person or through counsel of their
10 choice. Any written objection or supporting papers, if any, shall be mailed to the Settlement
11 Administrator at the address that is set forth in the Class Notice, and the Settlement Administrator
12 shall provide the objection to the Parties' counsel within three (3) calendar days of receipt.
13 Moreover, the Settlement Administrator shall attach any written objections to their Declaration
14 referenced above and Class Counsel shall file the same in conjunction with the Motion for Final
15 Approval of the Settlement. To be timely, all objections must be postmarked by the Response
16 Deadline. A written objection must contain the objecting person's full name, current address, and
17 include all objections and the reasons therefore, and include any and all supporting papers
18 (including, without limitation, all briefs, written evidence, and declarations). A Class Member who
19 desires to object but who fails to comply with the objection procedure set forth herein shall be
20 deemed not to have objected. If a Class Member both opts out and objects to the Settlement, the
21 opt-out shall control and the objection shall be deemed moot and thus overruled.

22 67. Appearance at Final Approval Hearing. If a Participating Class Member wishes to
23 appear at the Final Approval Hearing and present his or her objection to the Court orally, he or she
24 may do so whether or not he or she timely objected in writing by the Response Deadline. Any
25 Participating Class Member who files an objection remains eligible to receive monetary
26 compensation from the Settlement. The Parties shall not be responsible for any fees, costs, or
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1 expenses incurred by any Class Member and/or her counsel related to any objections to the
2 Settlement and/or appeals arising therefrom.

3 68. Deadline for Cashing Settlement Checks; Delivery to State Controller's Office
4 Unclaimed Property Division. Participating Class Members shall have 180 days from the date
5 checks are mailed by the Settlement Administrator to cash the checks representing their Individual
6 Settlement Payments and/or Individual PAGA Payments. If any such checks mailed remain
7 uncashed after the expiration of this period, or an envelope mailed to a Participating Class Member
8 is returned and no forwarding address can be located for that individual after reasonable efforts
9 have been made, then any uncashed checks will be promptly delivered to the California State
10 Controller Unclaimed Property Division.

11 69. Effective Date of Settlement. The Settlement shall become effective when the
12 Settlement is considered as "Final." For purposes of this Agreement, "Final" means: (i) in the event
13 that the Settlement has received final approval by the Court and there were no timely objections
14 filed or presented, or that any timely objections have been withdrawn, then the date of the Court's
15 Order granting final approval of the Settlement; or, (ii) in the event that one or more timely
16 objections has/have been filed or presented and not withdrawn at the time of final approval, then
17 upon the passage of the applicable date for an objector to seek appellate review of the trial court's
18 order of final approval of the Settlement, without a timely appeal having been filed; or, (iii) in the
19 event that a timely appeal of the court's order of final approval has been filed, then when the
20 applicable appellate court has rendered a final decision or opinion affirming the Superior Court's
21 final approval without material modification, and the applicable date for seeking further appellate
22 review has passed, or the date that any such Appeal has been either dismissed or withdrawn by the
23 appellant.

24 **X. DELIVERY OF FUNDS TO SETTLEMENT ADMINISTRATOR**

25 70. Within twenty (20) business days after the Settlement is considered "Final" as
26 described in Paragraph 68 above, Defendant shall make a one-time deposit of the Gross Settlement
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Amount (as defined in Paragraph 17) into a qualified settlement account to be established by the Settlement Administrator. The Settlement Administrator shall promptly calculate Defendant's share of applicable Employer Payroll Taxes and notify Defendant of that amount, which shall be remitted by Defendant to the Settlement Administrator within fourteen (14) calendar days after the Settlement is considered "Final", or as soon thereafter as reasonably practicable.

71. The Gross Settlement Amount shall be used to pay the following, in amounts finally approved by the Court:

- a. The Individual Settlement Payments and Individual PAGA Payments to all Participating Class Members and/or Aggrieved Employees, as calculated by the Settlement Administrator;
- b. The Class Representative Service Payment;
- c. The Settlement Administration Fees;
- d. The LWDA Payment; and,
- e. Class Counsel Fees and Costs.

XI. DISTRIBTUION OF FUNDS

72. Within ten (10) calendar days after receipt of Defendant's payment of the Gross Amount to fund the Settlement as provided in this Agreement, the Settlement Administrator shall do the following:

- a. Mail the Individual Settlement Payment and Individual PAGA Payment, if applicable, to each Class Member's last-known address, as determined from the Class Notice process;
- b. Disburse, by such means as Class Counsel may direct, the amount of the Class Representative Service Payments and Class Counsel Fees and Costs Payment;
- c. Calculate, withhold, and remit to applicable governmental agencies each employee's Employee Payroll Taxes, on the wage portion of the settlement payments to Participating Class Members in accordance with this Agreement,

as well as remit the Employer Payroll Taxes on the wage portion of the settlement to applicable government agencies;

- d. Mail the LWDA Payment approved by the Court to the LWDA with the cover letter provided by Class Counsel.
- e. Disburse Settlement Administration Fees.

XII. RELEASE OF CLAIMS

73. Participating Class Members' Release. The Parties desire to fully, finally, and forever settle, compromise, and discharge the Released Claims set forth in Paragraph 33(a). Each and every Participating Class Member, including PLAINTIFF, hereby release and discharge the Released Parties, and each of them, from the Class Released Claims, while, to the extent applicable by law, the State of California and Aggrieved Employees release and discharge the Released Parties from the PAGA Released Claims.

74. Scope of Class Members' Release. The Parties intend that the Settlement described in this Agreement will release, whether by lawsuit, administrative claim (to the extent permitted by law) or action, arbitration, demand, or other action of any kind, by each and all of the Participating Class Members to obtain a recovery based on their assertion of the Released Claims, or any of them. The Class Members shall be so notified in the Class Notice to the Class. This paragraph does not apply to the Class Released Claims in connection with any Class Member who timely and validly opts out of the Settlement.

XIII. RETENTION OF JURISDICTION

75. Jurisdiction. The Parties stipulate that the Court shall retain jurisdiction over any further disputes relating to this Agreement, the implementation of the Agreement, the interpretation of the Agreement or any of its terms, or further issues regarding the claims in the Litigation, until the Settlement Administrator and the Parties notify the Court that all issues have been resolved and the Settlement has been fully effectuated. The Parties shall endeavor to give such notice within 180 days from the Final Approval Order.

XIV. GENERAL PROVISIONS

76. Appointment of Class Counsel. For purposes of this Joint Stipulation and subject to the Court's approval, the Parties hereby stipulate to the appointment of Class Counsel as counsel for the Class and the effectuation of the Settlement pursuant to this Joint Stipulation.

77. Class Workweeks. Defendant represents that there are a total of fifty-one (51) total Class Members in the Class, which includes sixteen (16) Aggrieved Employees covered by PAGA during the PAGA Period. To the extent there is an increase of the Class Members beyond 60 total by the End Date, the GSA shall be increased by a pro rata amount per Class Member, or alternatively, and subject to Defendant's sole discretion, Defendant may decide to shorten the Class Period in order to exclude any such potential Class Member(s) from this settlement in lieu of increasing the GSA.

78. Settlement Administration Fees If Settlement Fails. If for any reason this Settlement is not approved and does not become "Final," any Settlement Administration Fees incurred as a result of administration of the failed Settlement shall be borne equally by the Parties, unless the Settlement Agreement is withdrawn from unilaterally by Defendant pursuant to Paragraphs 63 and/or 80, in which event Defendant shall be solely responsible for payment of the Settlement Administrator's fees and costs arising by virtue of administration of this Settlement.

79. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.

80. Interpretation. The Parties have had a full opportunity to negotiate the terms and conditions of this Agreement, with the assistance of a neutral mediator. Accordingly, the Parties expressly waive the common-law and statutory rule of construction that ambiguities should be construed against the drafter of an agreement. The Parties agree that the language in this Agreement shall not be construed in favor or against any Party. The Parties further agree, covenant, and

1 represent that the language in all parts of this Agreement shall be in all cases construed as a whole,
2 according to its fair meaning. Each term of this Agreement is contractual and not merely a recital.

3 81. Rescission. The Parties agree that if, at any time before the Effective Date, any
4 material portion of the Released Claims or the consideration to be paid for the class action
5 settlement or PAGA settlement is determined to be illegal, invalid, or unenforceable without
6 material change thereto, then the Parties agree to meet and confer in order to attempt to resolve
7 outstanding issue(s) and to seek the help of Mediator Steven G. Mehta to resolve any dispute they
8 are unable to resolve informally. If the Parties cannot resolve such issue(s), this Agreement shall
9 be rescindable at the option of either Party. The rescinding party must rescind by written notice
10 filed with the Court and served on counsel for the opposing party within ten (10) calendar days
11 after any order or written ruling that declares any such portion to be illegal, invalid, or
12 unenforceable. However, the non-rescinding party shall have an opportunity to seek enforcement
13 of the Settlement in such an event on the basis that the change by the Court is not material. Should
14 rescission be unopposed or upheld by the Court, the rescinding party will be responsible for paying
15 any Settlement Administration Fees incurred as a result of administration of the failed Settlement.

16 82. Effect If No Final Approval. If the Court denies final approval of the Settlement
17 without indicating that it would approve the Settlement if non-material changes are made, then this
18 Settlement shall become null and void. If the Settlement is voided through any of the mechanisms
19 described herein, the Parties will have no further obligations under the Settlement, including any
20 obligation by Defendant to pay the Gross Settlement Amount, or any amounts that otherwise would
21 have been owed under this Settlement.

22 83. Cooperation. The Parties agree to fully cooperate with each other to accomplish the
23 terms of this Agreement, including but not limited to, executing such documents and to taking such
24 action as may reasonably be necessary to implement the terms of this Agreement. The Parties shall
25 use their best efforts, including all efforts contemplated by this Agreement and any other efforts
26 that may become necessary by order of the Court, or otherwise, to effectuate the terms of this
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1 Agreement. As soon as practical after execution of this Agreement, Class Counsel shall, with the
2 assistance and cooperation of Defendant and its counsel, take all reasonable and necessary steps to
3 secure the Court's final approval of this Agreement.

4 84. Dispute Resolution; Attorneys' Fees and Costs. Prior to instituting legal action to
5 enforce the provisions of this Agreement or to declare rights and/or obligations under this
6 Agreement, a party shall provide written notice to all parties and an opportunity to cure the alleged
7 deficiencies, and the Parties agree to seek the help of Mediator Steven G. Mehta to resolve any
8 dispute they are unable to resolve informally. During this period, the Parties shall bear their own
9 attorneys' fees and costs. If either of the Parties institute a legal action or other proceeding against
10 any other party to enforce the provisions of this Agreement, move to enforce their rights in the
11 Action, or to declare/enforce rights and/or obligations under this Agreement, the successful party
12 shall be entitled to recover from the unsuccessful party reasonable attorneys' fees and costs at the
13 Court's discretion. This provision shall not apply to any legal action or other proceeding instituted
14 by any person or entity other than the Parties.

15 85. Notice Requirements. Unless otherwise specifically provided herein, all notices,
16 demands, or other communications given hereunder shall be in writing and shall be deemed to have
17 been duly given as of the fifth business day after mailing by United States registered or certified
18 mail, return receipt requested, or after the third calendar day after an e-mail is provided, addressed
19 as follows:

20 To CLASS REPRESENTATIVE and the Class:

21 **CROSNER LEGAL, PC.**
22 Brandon Brouillette (SBN 273156)
23 bbrouillette@crosnerlegal.com
24 Zachary M. Crosner (SBN 272295)
25 zach@crosnerlegal.com
26 Jamie Serb (SBN 289601)
27 jamie@crosnerlegal.com
28 CROSNER LEGAL, PC
9440 Santa Monica Blvd., Suite 301
Beverly Hills, CA 90210

1 Tel: 1-866-276-7637
2 Fax: (310) 510-6429

3 To DEFENDANT:

4 Rebecca Aragon, Bar No. 134496
5 raragon@littler.com
6 LITTLER MENDELSON P.C.
7 633 West 5th Street, 63rd Floor
8 Los Angeles, California 90071
9 Tel: 213.443.4300; Fax: 213.443.4299

10 David S. Maoz, Bar No. 233857
11 dmaoz@littler.com
12 LITTLER MENDELSON P.C.
13 2049 Century Park East, 5th Floor
14 Los Angeles, California 90067.3107
15 Tel: 310.553.0308; Fax: 310.553.5583

16 83. Entire Agreement. This Joint Stipulation constitutes the entire agreement between
17 the Parties and their respective counsel relating to the Settlement, this Joint Stipulation, and the
18 transactions contemplated thereby. All prior or contemporaneous agreements, understandings,
19 representations, and statements, whether oral or written and whether by a Party or such Party's legal
20 counsel, are merged herein. No rights hereunder may be waived except in writing.

21 84. Notice to Class Members. Counsel for the Parties agree that because the members of
22 the Class are so numerous, it is impossible or impractical to have each member of the Class execute
23 this Agreement. The Notice of Proposed Settlement, attached as **Exhibit A** hereto, will advise all
24 Class Members of the binding nature of the release, and the release shall have the same force and
25 effect as if this Agreement were executed by each member of the Class.

26 85. Warranty of No Prior Assignment. The Parties represent, covenant, and warrant that
27 they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
28 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action,
cause of action, or rights herein released and discharged.

86. No Modification by Extrinsic Evidence. With respect to the subject matter hereof,

1 except this Agreement, the Parties acknowledge that no representations, statements, or promises
2 made by the other party, or by their respective agents or attorneys, have been relied upon in entering
3 into this Agreement. The Parties explicitly recognize California Civil Code section 1625 and
4 California Code of Civil Procedure section 1856(a), which provide that a written agreement is to be
5 construed according to its terms, and may not be varied or contradicted by extrinsic evidence, and
6 agree that no such extrinsic oral or written representations or terms shall modify, vary, or contradict
7 the terms of this Agreement.

8 87. Modification in Writing. This Agreement may be modified or amended only if such
9 modification or amendment is agreed to in writing and signed by the duly authorized representatives
10 of the parties hereto, and approved by the Court which writing shall expressly state the intent of the
11 parties to modify this Agreement.

12 88. Enforceability. If the Court finds any material provision of this Agreement to be
13 unenforceable or invalid, then this Agreement shall become voidable. Notwithstanding any other
14 provision of this Agreement, no distributions shall be required until Final Approval.

15 89. Binding Effect. This Agreement shall be binding upon and shall inure to the benefit
16 of the respective heirs, assigns, executors, administrators, successors, subsidiaries, divisions and
17 affiliated corporations and partnerships, past and present, and trustees, directors, officers,
18 shareholders, partners, agents and employees, past and present, of the Parties and the Released
19 Parties.

20 90. Counterparts. This Agreement may be executed in counterparts and/or electronic
21 and/or facsimile signatures, and when each party has signed and delivered at least one such
22 counterpart, electronic and/or facsimile signature, each said signature shall be deemed an original,
23 and, when taken together with other signed counterparts, shall constitute one Joint Stipulation,
24 which shall be binding upon and effective as to all parties.

25 91. Governing Law. This Agreement shall be subject to, governed by, construed,
26 enforced and administered in accordance with the laws of the State of California, both in its
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procedural and substantive aspects.

92. Notice of Judgment. The Settlement Administrator shall provide notice of the Final Judgment entered by posting the same on its website for a period of no less than one (1) year.

THE UNDERSIGNED ACKNOWLEDGE THAT EACH HAS READ THE FOREGOING AGREEMENT AND ACCEPTS AND AGREES TO THE PROVISIONS CONTAINED THEREIN, AND HEREBY EXECUTES IT VOLUNTARILY WITH FULL KNOWLEDGE OF ITS CONSEQUENCES.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date(s) indicated on the lines below.

Dated: 04 / 02 / 2024

William Watson, on behalf of himself and all others similarly situated

By: William Watson
William Watson

Dated: April 30, 2024

By: Renee Hunter /
Renee Hunter (May 7, 2024 12:37 EDT)
For: Notarize, Inc.
By: Renee Hunter
Its: General Counsel

APPROVED AS TO FORM:

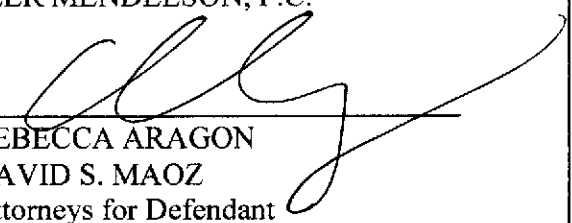
Dated: April 2, 2024

CROSNER LEGAL, PC

By: Brandon Brouillette
BRANDON BROUILLETTE
ZACHARY CROSNER
Attorneys for Plaintiff
WILLIAM WATSON, the Putative Class,
and the Aggrieved Employees

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Dated: ^{5/7/}~~April~~ 9, 2024

LITTLER MENDELSON, P.C.

By: 

REBECCA ARAGON
DAVID S. MAOZ
Attorneys for Defendant
NOTARIZE, INC.

4883-8071-9509.1 / 112221-1010

EXHIBIT

A

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

(case name and number)

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

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

You may be eligible to receive money from an employee class action lawsuit ("Action") against Defendant Notarize, Inc. ("Defendant") for alleged wage and hour violations. The Action was filed by Plaintiff William Watson ("Plaintiff"), a former employee of Defendant and seeks payment of back wages and penalties for a class of current and former non-exempt employees that worked for Defendant in California ("Class Members") at any time during the Class Period (March 3, 2019 to **Date of Preliminary Approval**); and (2) penalties under the California Private Attorney General Act ("PAGA") for all current and former non-exempt employees that worked either directly or via a staffing agency for Defendant at any location in California ("Aggrieved Employees") at any time during the PAGA Period (March 3, 2022 to **Date of Preliminary Approval**).

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

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

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

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

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

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

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement. If you do nothing, you will be a Participating Class Member, eligible for an Individual Settlement Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendant that are covered by this Settlement (Released Claims).

You Can Opt-Out of the Class Settlement but not the PAGA Settlement. The Opt-out Deadline is **DATE**. If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Settlement Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice.

You Cannot Opt-out of the PAGA Portion of the Proposed Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue PAGA Released Claims (defined below).

Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement. Written objections must be submitted by **DATE**. All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff. Other than the PAGA portion of this Settlement, you can object to any aspect of this Settlement. See Section 7 of this Notice.

You Can Participate in the Final Approval Hearing. The Court's Final Approval Hearing is scheduled to take place on **DATE** at 2:00 p.m. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by

telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.

You Can Challenge the Calculation of Your Workweeks/Pay Periods. Written Challenges Must be Submitted by **DATE**. The amount of your Individual Settlement Payment and PAGA Payment (if any) depend on how many workweeks you worked during the Class Period and how many Pay Periods you worked during the PAGA Period, respectively. The number of Workweeks and number of Pay Periods you worked according to Defendant's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by **DATE**. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Defendant. The Action accuses Defendant of violating California labor laws by (1) recovery of unpaid minimum wages and liquidated damages; (2) recovery of unpaid overtime wages; (3) failure to provide meal periods of compensation in lieu thereof; (4) failure to provide rest periods or compensation in lieu thereof; (5) failure to furnish accurate itemized wage statements; (6) failure to timely pay all wages due upon separation of employment; (7) failure to reimburse business expenses; and, (8) unfair competition, and any other potential claims based on the foregoing facts and claims; and any other applicable provisions of state or federal law, including the applicable IWC wage order. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys ("Class Counsel") in the Action.

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

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

The Court has made no determination whether Defendant violated any laws. In the meantime, Plaintiff and Defendant hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an end to the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendant have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendant has agreed to pay a fair, reasonable, and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable, and adequate, authorized this Notice, and scheduled a hearing to determine whether to finally approve the Settlement.

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

Defendant Will Pay One Eighty Two Thousand Five Hundred Dollars (\$182,500.00) as the Gross Settlement Amount (Gross Settlement). Defendant has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Settlement Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement not more than 20 days after the Judgment entered by the Court becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

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

- Up to Sixty Thousand Eight Hundred Thirty Three Dollars and Thirty Three Cents (\$60,833.33) (one-third of the Gross Settlement Amount) to Class Counsel for attorneys' fees and up to Fifteen Thousand Dollars (\$15,000.00) for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
- Up to Ten Thousand Dollars (\$10,000.00) to Plaintiff as a Class Representative Service Payment for filing the Action, working with Class Counsel and representing the Class.
- Up to Five Thousand Five Hundred Dollars (\$5,000) to the Administrator for services administering the Settlement.
- Up to Twenty Thousand Dollars (\$20,000.00) for PAGA Penalties, allocated 75% to the LWDA for the PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

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

Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Settlement Payments to Participating Class Members based on their Class Period Workweeks.

Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of twenty percent (20%) of each Individual Settlement Payment to taxable wages ("Wage Portion") and eighty percent (80%) to penalties and interest ("Non-Wage Portion."). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Settlement Payments on IRS 1099 Forms.

Although Plaintiff and Defendant have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are

responsible for paying all taxes (including penalties and interest on back taxes) on any payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

Need to Promptly Cash Payment Checks. The front of every check issued for Individual Settlement Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name. If the payment represented by your check is sent to the Controller's Unclaimed Property Fund, you should consult the rules of the Fund for instructions on how to retrieve your money.

Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Settlement, unless you notify the Administrator in writing, not later than **DATE**, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the Response Deadline. The Request for Exclusion should be a letter from you or your representative setting forth your name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Settlement Payments, but will preserve their rights to personally pursue wage and hour claims against Defendant.

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

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

Administrator. The Court has appointed a neutral company, Phoenix Settlement Administration (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.

Plaintiff's and the Participating Class Members' Release. After the Judgment is final and Defendant has fully funded the Gross Settlement and separately paid all employer payroll taxes, Plaintiff and the Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant or successors and related entities for wages based on the Class Period facts and PAGA penalties based on the facts, as alleged in the Action and resolved by this Settlement.

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint including, e.g., (1) recovery of unpaid minimum wages and liquidated damages; (2) recovery of unpaid overtime wages; (3) failure to provide meal periods of compensation in lieu thereof; (4) failure to provide rest periods or compensation in lieu thereof; (5) failure to furnish accurate itemized wage statements; (6) failure to timely pay all wages due upon separation of employment; (7) failure to reimburse business expenses; and, (8) unfair competition, and any other potential claims based on the foregoing facts and claims; and any other applicable provisions of state or federal law, including the applicable IWC wage order. (“Class Released Claims”). Except for the PAGA Release, Plaintiff and the Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period.

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

Plaintiff and all Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties, from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notice, including, (1) recovery of unpaid minimum wages and liquidated damages; (2) recovery of unpaid overtime wages; (3) failure to provide meal periods of compensation in lieu thereof; (4) failure to provide rest periods or compensation in lieu thereof; (5) failure to furnish accurate itemized wage statements; (6) failure to timely pay all wages due upon separation of employment; and (7) failure to reimburse business expenses during the PAGA Period (PAGA Released Claims). Plaintiff and the Aggrieved Employees only release these claims for the duration of the PAGA Period.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

Individual Settlement Payments. The Administrator will calculate Individual Settlement Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.

Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing twenty-five percent of the PAGA Penalties (\$5,000.00) by the total number of PAGA

Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of Pay Periods worked by each individual Aggrieved Employee.

Workweek/Pay Period Challenges. The number of Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendant's records, are stated in the first page of this Notice. You have until **DATE** to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

5. You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of Workweeks and/or Pay Periods based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant's Counsel. Although the settlement administrator may make the initial decision regarding disputes pertaining to the calculation of workweeks, the Court may review any decision made by the settlement administrator regarding a dispute pertaining to the calculation of workweeks.

6. HOW WILL I GET PAID?

Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Settlement Payment and the Individual PAGA Payment.

Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

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

You can exclude yourself from the Settlement, or "opt out," by sending the Administrator a written Request for Exclusion. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *William Watson v. Notarize, Inc.*, Orange County Superior Court, Case No. 30-2023-01310277-CU-OE-CXC, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. The

Administrator must be sent your request to be excluded by **DATE**, or it will be invalid. Section 9 of the Notice has the Administrator's contact information.

8. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to approve. At least 16 court days before the Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Payment. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website (**INSERT URL**) or the Court's website (<https://civilwebshopping.occourts.org/Search.do#searchAnchor>).

A Participating Class Member who disagrees with any aspect of the Agreement or the Motion for Final Approval may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. The deadline for sending written objections to the Administrator is **DATE**. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action, *William Watson v. Notarize, Inc.*, Orange County Superior Court, Case No. 30-2023-01310277-CU-OE-CXC, and include your name, current address, telephone number, and approximate dates of employment with Defendant and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

9. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on **DATE** at 2:00 p.m. in Department CX-104 of the Orange County Superior Court, located at 751 West Santa Ana Blvd., Santa Ana, CA 92701. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via Civil Remote Hearings (<https://www.occourts.org/media-relations/aci.html>). Check the Court's website for the most current information.

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

10. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Operative Complaint, PAGA Notice Letter, Settlement Agreement and any Amendments, the Class Notice, Orders Granting Preliminary and Final Approval, the Judgment, or any other Settlement documents is to go to Phoenix Class Action Administration Solutions' website at **INSERT URL**. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below or consult the Superior Court website by going to (<https://civilwebshopping.occourts.org/Search.do#searchAnchor>) and entering the Case Number for the Action, Case No.: 2023-01310277, Year Filed: 2023.

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

Class Counsel:

Zachary Crosner
zach@crosnerlegal.com
Jamie Serb
jamie@crosnerlegal.com
Brandon Brouillette
brandon@crosnerlegal.com
9440 Santa Monica Blvd., Suite 301
Beverly Hills, CA 90210
Tel.: 1-866-CROSNER

Settlement Administrator:

Name of Administrator:
Email Address:
Mailing Address:
Telephone:

11. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds.

12. WHAT IF I CHANGE MY ADDRESS?

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

EXHIBIT

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

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

March 6, 2023

VIA PAGA ONLINE FILING ONLY:

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

VIA U.S. CERTIFIED MAIL:

CSC – Lawyers Incorporating Service
Agent for Service of Process for:
Notarize, Inc.
251 Little Falls Drive
Wilmington, DE 19808

Notarize, Inc.

Attn: CA Registered Agent Authorized Employees: Becky
DeGeorge, Koy Saechao, Lai Saevang, Nicole Stauss,
Jenn Bautista, Trudy Desbiens, Rebecca Vang, Wendy
Harris, Melissa Dekoven, Carolyn Valle, Kaci Ransom,
Kelli Shortte, Annette Kuhlman, Brejet Stephens, Crystal
Chapman, Janette McIntyre, Jerome Suarez, Samantha
Wiltz, and Parid Kurbini
2710 Gateway Oaks Drive,
Sacramento, CA 95833

Notarize, Inc.

Attn: Human Resources/ Legal Department
745 Boylston Street
Boston, MA 02116

NOTICE OF PRIVATE ATTORNEYS GENERAL ACT CLAIM

To: California Labor and Workforce Development Agency; Steven Label, LLC; and
Steven Label Corporation
Date: March 6, 2023
Subject: *William Watson v. Notarize, Inc.*

Introduction

This office represents COMPLAINANT, William Watson (hereinafter “COMPLAINANT”) in connection with COMPLAINANT’s claims under the California Labor Code. COMPLAINANT was, at all relevant times herein mentioned, an employee of the following entities and individual managing agents of said entities: Notarize, Inc. (hereinafter, this entity and its managing agents are collectively referred to as “EMPLOYER”). EMPLOYER may be contacted directly at the addresses listed above.

Pursuant to California Labor Code sections 2699.3 and 2699.5, COMPLAINANT, on behalf of COMPLAINANT, and on behalf of all individuals who are currently or were formerly employed by any one or more of the EMPLOYER entities at any location in California within one year of the date of this notice (“AGGRIEVED EMPLOYEES”), hereby gives written notice (“NOTICE”) of COMPLAINANT’s claims against EMPLOYER. This NOTICE is being provided via online filing to the California Labor and Workforce Development Agency (“LWDA”) and EMPLOYER via certified mail to its Agent(s) for Service of Process and/or entity mailing address as provided to the California Secretary of State.

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

This NOTICE is sent in compliance with the reporting requirements of California Labor Code sections 2699.3 and 2699.5. This NOTICE further reserves any and all rights by COMPLAINANT to amend this notice to include, amend, or add further charges upon discovery of new violations of any of the provisions of the California Labor Code. In addition, to the extent that entities and/or other individuals are named and charged with violations of the Labor Code—making them liable on an individual basis as permitted by numerous Labor Code sections including, but not limited to sections 558.1 and 1197.1—COMPLAINANT reserves any and all rights to add, substitute, or change the name of employer entities and/or individuals responsible for the violations at issue. Any further amendments and changes to this notice shall relate back to the date of this NOTICE. Consequently, EMPLOYER is on notice that COMPLAINANT continues its investigation, with the full intent to amend and/or change this notice, to add any undiscovered violations of *any* of the provisions of the California Labor Code—to the extent that are applicable to this case—and to change and/or add the identities of any entities and/or individuals responsible for the violations

contained herein. For violations that are curable under § 2699.3(c) and that EMPLOYER intends to cure within the statutory time period set forth in §§ 2699 and 2699.3(c), the EMPLOYER shall provide notice including a description of the actions taken to cure. If the alleged violation is not cured within the statutory time period, COMPLAINANT will commence a civil action pursuant to section 2699. For all other violations that are not curable, an action pursuant to section 2699(a) and 2699(f) will commence after the requirements under 2699.3 are fulfilled.

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

COMPLAINANT, on behalf of COMPLAINANT, AGGRIEVED EMPLOYEES, , alleges that the specific provisions of California law that EMPLOYER has violated, requiring this NOTICE, include but are not limited to: California Labor Code sections 201-203, 204, 216, 221-223, 226, 226.2, 226.7, 245-248.6, 432, 432.5, 432.7, 510, 512, 558, 558.1, 976, 1024.5, 1174, 1194, 1197, 1197.1, 1198, 1198.5, 1199, 2751, 2802, 2810.5, and all applicable Wage Orders.

The Named Entities Are Joint Employers of COMPLAINANT and AGGRIEVED EMPLOYEES

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

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

COMPLAINANT believes and hereon asserts that EMPLOYER and unknown entities must be classified as joint employers of COMPLAINANT for purposes of liability for civil penalties under

PAGA, as the aforementioned entities engaged, suffered and permitted COMPLAINANT to perform services from which they benefited, and furthermore that the aforementioned entities had the right to exercise control over the wages, hours and/or working conditions of COMPLAINANT at all relevant times herein, so as to be considered the joint employers of COMPLAINANT and AGGRIEVED EMPLOYEES . By reason of their status as joint employers of COMPLAINANT and AGGRIEVED EMPLOYEES , they are each liable for civil penalties for violations of the California Labor Code and applicable Wage Orders as to COMPLAINANT, AGGRIEVED EMPLOYEES .

Individual Liability Under Labor Code § 558.1

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

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

General Information

EMPLOYER owns, operates or otherwise manages a business that provides remote online notary services, "allow[ing] any person or business to legally notarize a document online, anytime." EMPLOYER describe themselves as a "remote-first company, allowing employees to work from anywhere in the US.¹ Although EMPLOYER may operate a successful business or have a noble mission, EMPLOYER does not comply with California's labor laws.

¹ See <https://www.linkedin.com/company/notarize/>. (Last visited on March 1, 2023).

COMPLAINANT was employed by EMPLOYER. At all relevant times, COMPLAINANT was a non-exempt employee that was misclassified by DEFENDNATS as an employee exempt employee. COMPLAINANT worked for EMPLOYER in various positions including but not limited to, as a salesperson, from in or around October 2021 through on or about September 30, 2022. COMPLAINANT's job was to sell EMPLOYER's products and services, among other assigned job duties. EMPLOYER assigned COMPLAINANT to work, and COMPLAINANT did work from COMPLAINANT's home office, in Anaheim, California. COMPLAINANT regularly worked at least eight (8) hours per day, at least five (5) days per week, and often worked beyond eight (8) hours in a day and/or beyond forty hours in a week. EMPLOYER compensated COMPLAINANT with a set base salary plus commissions pursuant to a sales quota-based commission plan. EMPLOYER misclassified COMPLAINANT and other AGGRIEVED EMPLOYEES as exempt even though COMPLAINANT and other AGGRIEVED EMPLOYEES did/do not customarily or regularly travel outside of or away from their home office and/or EMPLOYER's offices/facilities to make sales much less spend more than fifty percent (50%) of their time away from their home offices and/or EMPLOYER's offices/facilities as most if not all sales activity was conducted via telephone, chat, Zoom and/or other remote platform by the AGGRIEVED EMPLOYEES from their home office or EMPLOYER's offices/facilities.

As such, COMPLAINANT and other AGGRIEVED EMPLOYEES did not qualify as exempt outside sales employees under Wage Order 4.

Wage Order 4 requires that in order for sales employees, who do not qualify under the outside salesperson exemption, to be exempt from overtime (i.e. inside sales employees), more than half of their compensation must be commissions. Additionally, the commission compensation component of the exemption must be satisfied in each workweek and paid in each period for the exemption to apply. See *Peabody v. Time Warner Cable, Inc.*, 59 Cal.4th 662 (2014). This is commonly referred to as the "Inside Salesperson Exemption." Based on information and belief, commission compensation did not make up more than half of COMPLAINANT's and other AGGRIEVED EMPLOYEES' compensation during any and/or all of their pay periods. For example, based on information and belief, COMPLAINANT's commissions did not even amount to 50% of COMPLAINANT's total compensation for entire months and/or years. As such, COMPLAINANT and other AGGRIEVED EMPLOYEES did not qualify for the Inside Salesperson Exemption.

Based on information and belief, EMPLOYER misclassified COMPLAINANT, who was in fact a non-exempt employee, as an exempt salesperson and/or otherwise misclassified COMPLAINANT as exempt, and denied him compensation for all hours worked, overtime compensation, meal and rest periods, reimbursement of work-related expenses, earned commissions and accurate itemized pay stubs. EMPLOYER did not pay COMPLAINANT and other AGGRIEVED EMPLOYEES minimum and overtime wages for including but not limited to regularly working through rest and meal periods, on weekends and/or late into the evenings from home. EMPLOYER further subjected COMPLAINANT and other AGGRIEVED EMPLOYEES to additional violations of California law, including but not limited to, the Labor Code Sections set forth below.

Among other things, EMPLOYER (1) misclassifies AGGRIEVED EMPLOYEES as exempt employees when they are in fact non-exempt employees; (2) failed and continues to fail to keep accurate and complete time records for COMPLAINANT and AGGRIEVED EMPLOYEES; (3) failed and continues to fail to pay COMPLAINANT and AGGRIEVED EMPLOYEES for all hours worked; (4) failed and continues to fail to pay COMPLAINANT and AGGRIEVED EMPLOYEES at least minimum wage for all hours worked and overtime/regular rates for corresponding work; (5) failed and continues to fail to pay proper overtime wages for failure to incorporate all non-discretionary compensation into the overtime premium pay calculations; (6) failed and continues to fail to provide COMPLAINANT and AGGRIEVED EMPLOYEES with proper meal and/or rest breaks, and/or compensate COMPLAINANT and AGGRIEVED EMPLOYEES an additional hour of premium pay at the regular rate of compensation for missed/improper meal and/or rest periods; (7) refused and continues to refuse to make and/or falsely denied the amount of payments due to COMPLAINANT and AGGRIEVED EMPLOYEES, including but not limited to, owed sick pay; (8) failed and continues to fail to place COMPLAINANT and AGGRIEVED EMPLOYEES on proper notice of their workplace rights, including but not limited to owed sick pay; (9) failed and continues to fail to provide legally compliant wage statements to COMPLAINANT and AGGRIEVED EMPLOYEES ; (10) made unlawful deductions from COMPLAINANT's and other AGGRIEVED EMPLOYEES' ' paychecks; (11) failed and continues to fail to timely pay wages to COMPLAINANT and AGGRIEVED EMPLOYEES during employment and/or upon separation of employment; (12) failed and continues to fail to reimburse COMPLAINANT and AGGRIEVED EMPLOYEES for business expenses incurred on behalf of EMPLOYER; (13) conducted and continues to conduct illegal criminal and/or financial background checks as a condition of COMPLAINANT's, AGGRIEVED EMPLOYEES' ' hire and continued employment; (14) required and continues to require COMPLAINANT and AGGRIEVED EMPLOYEES to disclose arrests not resulting in convictions and/or to disclose convictions prior to extending an offer of employment and/or otherwise impermissibly inquired and continues to inquire into COMPLAINANT's, AGGRIEVED EMPLOYEES', and/or EXPEMPT AGGRIEVED EMPLOYEES' criminal history on their employment applications and sign off on same as a condition of employment; and (14) required and continues to require COMPLAINANT, AGGRIEVED EMPLOYEES, AGGRIEVED EMPLOYEES to agree in writing to a term or condition that violates the law as a condition of employment. Further descriptions of the above-mentioned violations and others are explained below.

Labor Code Violations

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

Based on information and belief, EMPLOYER failed, and continues to fail, to keep accurate and complete payroll records as required by law, including but not limited to the following records:

total daily hours worked, applicable rates of pay, time records showing when COMPLAINANT and other AGGRIEVED EMPLOYEES began and ended each work period, time records of meal periods, and accurate itemized wage statements.

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

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

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

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

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

EMPLOYER's failure to keep "accurate and complete" payroll records for COMPLAINANT and AGGRIEVED EMPLOYEES violates Labor Code sections 1174, 1198, 1199, and all applicable IWC Wage Orders, section 7. These violations subject EMPLOYER to civil penalties under Labor Code sections 558.1, 226.6, 1174.5 and 2699. Each violation of each Labor Code section and Wage Order provision, for each AGGRIEVED EMPLOYEE, results in a separate civil penalty.²

Meal Period Violations: California law requires employers to provide employees a duty-free, uninterrupted thirty (30) minute meal period when an employee works more than five (5) hours in a workday, and it must be provided within the first five (5) hours the employee works. Lab. Code section 512 (and all applicable IWC Wage Orders), section 11(A) and (C); *Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004. Employers must also provide employees with a second duty-free, uninterrupted thirty (30) minute meal period when an employee works more than (10) hours in a workday, and it must be provided before the end of the 10th hour of work. *Ibid.* Meal periods can be waived, but only under the following circumstances: (1) if an employee's total work period in a day is over five (5) hours but no more than six (6) hours, the required meal period may be waived by mutual consent of the employer and employee, and (2) if an employee's total work period in a day is over ten (10) hours but no more than twelve (12) hours, the required second meal period may be waived by mutual consent of the employer and employee, but only if

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

the first meal period was not waived. *Ibid.* Upon information and belief, COMPLAINANT did not sign a valid meal period waiver throughout COMPLAINANT's employment by EMPLOYER.

Employers covered by any and all applicable IWC Wage Orders have an obligation to both (1) relieve their employees for at least one meal period for shifts over five hours (see above), and (2) to record having done so. If the employer fails to properly record a valid meal period, it is presumed that no meal period was provided. All applicable IWC Wage Orders, section 7(A)(3) ("Meal periods . . . shall also be recorded"); *Brinker, supra*, 53 Cal.4th 1004, 1052-1053, citing section 7(A)(3) ("If an employer's records show no meal period for a given shift over five hours, a rebuttable presumption arises that the employee was not relieved of duty and no meal period was provided").

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

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

COMPLAINANT and other AGGRIEVED EMPLOYEES would not receive legally compliant thirty (30) minute first meal breaks. Based on information and belief, AGGRIEVED EMPLOYEES were consistently unable to take timely, off duty, thirty-minute, uninterrupted meal periods, often being forced to take late meal periods, interrupted meal periods, and/or work through part or all their meal periods due to understaffing, the nature and constraints of their job duties and/or commentary from supervisors pressuring them to take non-compliant meal breaks or skip meal breaks completely.

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

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

Based on information and belief, EMPLOYER required AGGRIEVED EMPLOYEES to complete off-the-clock work prior to their scheduled shift time which EMPLOYER failed to take into

account when scheduling meal periods for AGGRIEVED EMPLOYEES. Based on information and belief, meal periods were late, in part due to unaccounted pre-shift off-the-clock work.

Based on information and belief, EMPLOYER had actual and/or constructive knowledge that its policies and practices resulted in the denial of uninterrupted meal periods which were free of EMPLOYER's control owed to COMPLAINANT and other AGGRIEVED EMPLOYEES, in violation of California's meal period laws.

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

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

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

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

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

EMPLOYER failed to pay COMPLAINANT and other AGGRIEVED EMPLOYEES, an additional hour of wages at their respective regular rates of compensation for each workday a lawful meal period was not provided. EMPLOYER either failed to pay a meal period premium at

all for each workday a lawful meal period was not provided and/or failed to pay the proper meal period premium for failure to incorporate all non-discretionary remuneration, including but not limited to, bonuses, shift differential pay and/or other non-discretionary compensation into the regular rate or compensation for purposes of calculating the owed meal period premium.

The aforementioned conduct results in violations of Labor Code sections 226.7, 512, and 1198-1199, and all applicable IWC Wage Orders, section 11(A) and (C) along with all applicable IWC Wage Orders. These violations subject EMPLOYER to civil penalties under Labor Code sections 558.1, 558 and 2699, and all applicable IWC Wage Orders, section 20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each AGGRIEVED EMPLOYEE for each pay period during which the referenced statutes and Wage Order provisions were violated.³ EMPLOYER's failure to provide valid meal periods, and the automatic deduction for meal periods that were not provided/valid, ultimately results in further violations, such as violations of Labor Code sections 1174, 1199, 226.6, discussed above, and other violations discussed below.

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

Moreover, under California law rest periods must be a "net" ten minutes in a suitable rest area. *Id.* at 268 (relying on January 3, 1986 and February 22, 2002 DLSE Letters wherein the DLSE ruled that the net ten-minute language for rest periods means ten minutes of time in a rest area and cannot include time it takes to get to and from the rest area). The employer must show that it clearly articulates the right to a net ten minutes, which means it must clearly communicate what "net" ten

³ See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period"); Lab. Code §558 (establishing that the civil penalty is "for each underpaid employee for each pay period for which the employee was underpaid"); All applicable IWC Wage Orders, §20 (establishing that "[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid").

minutes means (i.e., regardless of what happens along the way to and from a rest area, employees are entitled to a full ten minutes of rest in the rest area). *Id.*; see also, *Bufile v. Dollar Fin. Grp., Inc.*, (2008) 162 Cal. App. 4th 1193, 1199 (the “onus is on the employer to clearly communicate the authorization and permission [to take rest periods] to its employees.”).

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

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

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

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

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

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

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

The aforementioned conduct results in violations of Labor Code sections 226.7, and 1198-1199, and all applicable IWC Wage Orders, §12(A). These violations subject EMPLOYER to civil penalties under Labor Code sections 558, 2699, and all applicable IWC Wage Orders, §20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each AGGRIEVED EMPLOYEE for each pay period during which the referenced statutes and Wage Order provisions were violated.⁴

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

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

EMPLOYER failed to compensate COMPLAINANT and other AGGRIEVED EMPLOYEES for all hours worked by virtue of EMPLOYER’s automatic deduction and time rounding policies for shift start and shift end times and meal period start and end times, and failure to relieve employees of all duties/employer control during unpaid meal periods or otherwise unlawful practices for missed or improper meal periods as explained above.

⁴ See Lab. Code §2699(f)(2) (establishing that the civil penalty is “for each aggrieved employee per pay period”); and All applicable IWC Wage Orders, §20 (establishing that “[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid”).

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

Based on information and belief, AGGRIEVED EMPLOYEES were not paid for all hours worked due to EMPLOYER's policy and/or practice of paying according to scheduled hours worked instead of actual time worked, and/or mandated off-the clock work policies and/or practices.

Based on information and belief, at times, EMPLOYER instituted a commission-based/piece-rate-based compensation scheme that resulted in pay periods during which AGGRIEVED EMPLOYEES were denied the minimum wage for all hours worked. For example, on information and belief, at times, EMPLOYER paid AGGRIEVED EMPLOYEES on a strictly commission and/or piece-rate basis at least during some pay periods, during the relevant time period. However, based on information and belief, EMPLOYER failed to separately compensate AGGRIEVED EMPLOYEES for all non-commission/piece rate related/non-sales generating activities/all non-productive time, including but not limited to, all rest breaks and/or time spent preparing for jobs, waiting time, all time spent completing paperwork, and/or performing work duties that otherwise fall outside of the sales/commission-based/ piece-rate pay criteria. EMPLOYER's failure to separately compensate AGGRIEVED EMPLOYEES for their rest periods and/or other non-productive time and/or failure to compensate them at the correct rates for all non-productive time including rest periods resulted in the failure to pay AGGRIEVED EMPLOYEES for all hours worked and violations of California wage and hour laws, including but not limited to, Labor Code sections 226.2 and/or 1197.

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

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

EMPLOYER's failure to pay for all time worked by virtue of its time rounding, auto-deduction policies and practices for unlawful meal periods, failure to provide lawful meal periods, and/or

other off-the-clock work practices and policies, resulted in the underpayment of minimum wages owed to COMPLAINANT and AGGRIEVED EMPLOYEES as well as unpaid overtime wages for those AGGRIEVED EMPLOYEES who worked more than eight (8) hours in a day and/or more than forty (40) hours in a week.

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

These violations subject EMPLOYER, to civil penalties under Labor Code sections 558, 558.1, 1197.1 and all applicable IWC Wage Orders, §20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each AGGRIEVED EMPLOYEE, for each pay period during which the referenced statutes and Wage Order provisions were violated.⁵

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

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

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

⁵ See Lab. Code §1197.1(a) (establishing that the civil penalty is "for each underpaid employee for each pay period for which the employee was underpaid"); All applicable IWC Wage Orders, §20 (establishing that "[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid").

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

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

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

This conduct results in violations of Labor Code sections 218.5, 510, 558, 558.1, 1198-1199, and all applicable IWC Wage Orders, §12(A). These violations subject EMPLOYER to civil penalties under Labor Code sections 558, 558.1, 218.5, and 2699, and all applicable IWC Wage Orders, §20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each AGGRIEVED EMPLOYEE, for each pay period during which the referenced statutes and Wage Order provisions were violated.⁶

Violation of Labor Code Section 226.2: Labor Code section 226.2 requires an employer to pay employees compensated on a piece-rate basis separately for rest periods and nonproductive time, apart from any piece-rate pay. This statute further requires an employer to include on the wage statements for these employees the total hours of compensable rest and recovery period, the total hours for other non-productive time, the rates of compensation for these hours, and the gross wages paid for these hours. In addition, the statute requires that employees shall be compensated for rest periods at a regular hourly rate that is no less than the higher of: (i) an average hourly rate determined by dividing the total compensation for the workweek, exclusive of compensation for rest and recovery periods and any premium compensation for overtime, by the total hours worked during the workweek, exclusive of rest and recovery periods, or (ii) The applicable minimum wage. Per case law, Labor Code section 226.2 also applies to employees compensated on a commission basis.

During the relevant period, EMPLOYER failed to comply with Labor Code section 226.2. Specifically, based on information and belief, EMPLOYER failed to compensate AGGRIEVED EMPLOYEES who were paid on a piece rate and/or commission basis separately for the rest

⁶ See Lab. Code §2699(f)(2) (establishing that the civil penalty is “for each aggrieved employee per pay period”); Lab. Code §558 (establishing that the civil penalty is “for each underpaid employee for each pay period for which the employee was underpaid”); All applicable Wage Orders, §20 (establishing that “[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid”).

periods and nonproductive time, including but not limited to, time spent in work-related meetings, time spent in training, time spent setting up/preparing for sales, time spent reviewing and/or completing EMPLOYER-required paperwork and/or documentation, standby time between sales, and/or all rest breaks, among other non-sales-generating activities and/or failed to pay them for this time at the correct rates. Based on information and belief, EMPLOYER further failed to include the information on these employees' wage statements required by this statute.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

These violations subject EMPLOYER to civil penalties under Labor Code section 225.5. Each violation results in a *separate* civil penalty, for each AGGRIEVED EMPLOYEE , for each pay period during which the statute's provisions were violated.⁷

Unlawful Deductions: Labor Code section 221 prohibits an employer from “collect[ing] or receiv[ing] from an employee any part of wages theretofore paid by said employer to said employee.” Based on information and belief EMPLOYER made unlawful deductions from AGGRIEVED EMPLOYEES’ paychecks, including but not limited to, from paychecks of employees correctly classified as exempt, during the relevant period, including but not limited to deducting costs of uniforms and/or other business costs and/or deducting wages for purported overpayments from previous pay periods and/or unlawfully deducting wages for negligently damaged property and/or deducting costs advanced by EMPLOYER from AGGRIEVED EMPLOYEES’ final paychecks. Such a practice is in violation of including but not limited to, Labor Code Sections 221-222 which subjects EMPLOYER to civil penalties under Labor Code Section 2699.

Each violation results in a *separate* civil penalty, for each AGGRIEVED EMPLOYEE, for each pay period during which the statute provisions were violated. See Lab. Code §225.5 (establishing that “[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who unlawfully withholds wages due any employee in violation of Section 212, 216, 221, 222, or 223 shall be subject to a civil penalty...for each failure to pay each employee”).

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

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

⁷ Labor Code § 225.5 (establishing that “[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who unlawfully withholds wages due any employee in violation of sections 212, 216, 221, 222, or 223 shall be subject to a civil penalty...for each failure to pay each employee”) (emphasis added).

during the pay period and the corresponding number of hours worked at each hourly rate by the employee, in violation of Labor Code section 226(a)(9).

EMPLOYER's wage statements that it provided to COMPLAINANT and all AGGRIEVED EMPLOYEES also failed to indicate the earned gross and net wages earned during the pay period, the correct applicable rates of pay for all hours worked, and the "total hours worked" by COMPLAINANT and all AGGRIEVED EMPLOYEES (by virtue of rounded time entries, automatic deduction for meal periods/failure to relieve AGGRIEVED EMPLOYEES of all duties and employer control during unpaid meal periods, payment according to scheduled hours worked rather than actual hours worked, and/or other off-the-clock work policies and practices described above), which results in a violation of Labor Code section 226(a). Failure to list all hours worked on a wage statement, gives rise to an inference of injury under Labor Code Section 226 (*Maldonado v. Epsilon Plastics, Inc.*, (2018) 22 Cal.App.5th 1308, 1337).

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

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

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

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

Additionally, in violation of Labor Code section 226.2, EMPLOYER failed to issue accurate wage statements in accordance with Labor Code section 226, by issuing wage statements that failed to list the total hours of compensable non-productive time, and the total hours of rest periods, the rate of compensation for the non-productive time and/or rest periods, and the gross wage earned for the non-productive time and for the rest periods during the pay period for which the AGGRIEVED EMPLOYEES were paid on a commission and/or piece rate basis.

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

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

These violations subject EMPLOYER to civil penalties under Labor Code section 226. Each violation results in a *separate* civil penalty, for each AGGRIEVED EMPLOYEE for each pay period during which the statute provisions were violated.⁸

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

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

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

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

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

⁸ See Lab. Code §226.3 (establishing that the civil penalty is "per employee per violation").

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

Failure to Pay Vested Vacation/Paid Time Off:

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

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

Based on information and belief, EMPLOYER failed to timely pay AGGRIEVED EMPLOYEES all wages that were due and owing upon termination or resignation. Based on information and belief, EMPLOYER untimely provides final wages to AGGRIEVED EMPLOYEES, including but not limited to, employees correctly classified as exempt, without regard to the timing requirements of Labor Code sections 201-202.

Upon separation of employment, AGGRIEVED EMPLOYEES' final paychecks were not timely provided and/or were not timely provided with all owed vacation pay and/or paid time off. Moreover, AGGRIEVED EMPLOYEES' final paychecks, once provided, did not include all wages owed as they were devoid of, including but not limited to, all owed minimum wages,

overtime wages, premium wages, vacation pay, all owed sick leave and/or paid time off wages at the properly accrued rates.

These violations subject EMPLOYER to civil penalties under Labor Code sections 203, 210, and/or 256. Each violation results in a *separate* civil penalty, for each AGGRIEVED EMPLOYEE and each AGGRIEVED EMPLOYEE for each pay period during which the statute provisions were violated.⁹

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

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

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

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

Based on information and belief, EMPLOYER shifted its costs of doing business onto AGGRIEVED EMPLOYEES, including but not limited to, employees correctly classified as exempt, AGGRIEVED EMPLOYEES by requiring them to pay for its business expenses,

⁹ (establishing that “[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who fails to pay the wages of each employee as provided in Sections 201.3, 204, 204b, 204.1, 204.2, 205, 205.5, 1197.5, shall be subject to a civil penalty...for each failure to pay each employee”).

including but not limited to, including but not limited to, the use of AGGRIEVED EMPLOYEES' personal mobile phones, computers and data usage for work related purposes to receive and respond to work related messages and/or phone calls. For example, based on further information and belief, EMPLOYER failed to provide reimbursement / full reimbursement for expenses AGGRIEVED EMPLOYEES incurred as a result of working for EMPLOYER remotely and/or from their homes, including but not limited to, cost of internet service, home electricity, among other business expenses associated with remote work as required by EMPLOYER. Based on information and belief, EMPLOYER have a policy and practice of failing to reimburse AGGRIEVED EMPLOYEES for all costs associated with mandated work from home, including but not limited to, home electricity and/or other remote work-related expenses.

Based on information and belief, at times, AGGRIEVED EMPLOYEES were required to use their personal phones to make/receive work-related calls/ text messages, including but not limited to, regarding scheduling and/or other work tasks but were not reimbursed in any way and/or in full by EMPLOYER for this business use of their personal phones/mobile device.

Based on information and belief, AGGRIEVED EMPLOYEES were/are at times required to use their personal vehicles for work purposes without receiving any reimbursement from EMPLOYER and /or full reimbursement from EMPLOYER, including but not limited to, reimbursement at the applicable legally mandated Internal Revenue Service (IRS) per mile compensation rate.

Based on information and belief, AGGRIEVED EMPLOYEES were not reimbursed for the cost of using their personal phone for work related purposes and/or the cost of purchasing and/or maintaining work uniforms/clothing.

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

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

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

Violation of Labor Code section 976: Labor Code section 976 provides that "No person shall publish or cause to be published any advertisement, solicitation or communication in any newspaper, poster, or letter, offering employment as a salesman, broker or agent whether as an

employee or independent contractor, which advertisement, solicitation or communication (a) is willfully designed to mislead any person as to compensation or commissions which may be earned; or (b) falsely represents the compensation or commissions which may be earned.”

Based on information and belief, EMPLOYER has a policy and/or practice of offering prospective employees, including AGGRIEVED EMPLOYEES, a higher compensation and commission that is misleading as it falsely represents the compensation or commission that will be earned during employment, as the actual compensation or commission earned is lower than that which is offered to induce employment or continued employment. Such a practice or policy is in violation of Labor Code section 976.

Failure to Provide Written Commission Agreements:

Labor Code section 2751 requires that all commission contracts "be in writing and . . . set forth the method by which the commissions shall be computed and paid." Cal. Lab. Code section 2751(a) (2012). Under the statute, employers must also "give a signed copy of the contract to every employee who is a party [to the contract] and . . . obtain a signed receipt for the contract from each employee." Id. section 2751(b).

Based on information and belief, some AGGRIEVED EMPLOYEES, including but not limited to, employees correctly classified as exempt, were paid on a commission basis. Based on information and belief, EMPLOYER failed to provide AGGRIEVED EMPLOYEES, including but not limited to, employees correctly classified as exempt, who were compensated on a commission basis with proper written commission agreements, in violation of Labor Code section 2751.

Unlawful Agreements/ Unlawful Criminal History Inquiries:

Unlawful Agreements

Labor Code section 432.5 provides that “no employer...shall require any employee or applicant for employment to agree, in writing, to any term or condition which is known by such employer...to be prohibited by law.” Based on information and belief, EMPLOYER required COMPLAINANT and AGGRIEVED EMPLOYEES, including but not limited to, employees correctly classified as exempt, to agree in writing to unlawful conditions of employment including but not limited to, unlawful non-solicitation agreements, unlawful releases, unlawful commissions agreements, unlawful confidentiality agreements and/or provisions, unlawful waivers of representative actions and/or PAGA actions and/or unlawful criminal and/or financial checks as a condition of obtaining and/or continuing employment in violation of Labor Code section 432.5.

The California Labor Code places certain procedural and substantive limits on employers’ ability to conduct employee background checks and on how employers can use the information they obtain through those background checks. Labor Code section 1024.5 states that employers, except for financial institutions, may order a credit check only if the individual works (or is applying to work) in certain positions (e.g., managerial positions, financially-related positions, and certain government positions). Additionally, the Investigative Consumer Reporting Agencies Act (ICRAA- CA Civil Code section 1786, *et seq.*) and the Fair Credit Reporting Act (FCRA - 15 U.S.C. section 1681, *et seq.*) mandate several requirements prior to and following an employee

background check, including but not limited to identifying an appropriate reason for the background check, a separate consent form with required disclosures and certain formatting requirements, additional forms such as a summary of rights, a way by which to request a copy of the report, as well as proper notice of adverse actions taken, among other statutory requirements.

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

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

Based on information and belief, EMPLOYER required AGGRIEVED EMPLOYEES to agree in writing to a background check which failed to abide by the requirements set forth in CA Civil Code section 1786, *et seq.* and 15 U.S.C. section 1681, *et seq.*, including but not limited to by failing to provide a clear and conspicuous disclosure (and/or failing to provide any disclosure at all), failing to provide disclosures free of extraneous information, failing to provide a lawful purpose for the background check, failing to provide a summary of rights under the ICRAA and/or the FCRA, failing to provide a way by which the individual could request a copy of the report, failing to disclose the name, address, and telephone number of the third party preparing the report, and failing to properly obtain authorization or consent to such a background check, and thus was an unlawful background check.

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

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

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

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

Unlawful Inquires into Criminal History

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

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

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

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

Conclusion

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

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

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

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

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

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

Thank you for your attention to this matter.

Best Regards,

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

Kiara Bramasco, Esq.
CROSNER LEGAL, PC



Manny Martinez <manny@crosnerlegal.com>

Thank you for submission of your PAGA Case.

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

Mon, Mar 6, 2023 at 9:01 AM

3/6/2023

LWDA Case No. LWDA-CM-940130-23
Law Firm : Crosner Legal, PC
Plaintiff Name : William Watson
Employer: Notarize, Inc.
Filing Fee : \$75.00
IFP Claimed : No

Item submitted: Initial PAGA Notice

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

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

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

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

EXHIBIT

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