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Attorneys for Plaintiff MARIANA ZUAZO
on behalf of herself and others similarly situated

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

MARIANA ZUAZO, an individual, on behalf
of herself and others similarly situated,

Plaintiff,

vs.

ROMEO & LAYLA WAREHOUSING,
INC., a California corporation; FAIRWAY
STAFFING SERVICES, a California
corporation; ULTRA PERSONNEL, LLC, a
California limited liability company; and
DOES 1 through 50, inclusive,

Defendants.

Case No. CIVSB2307282

CLASS ACTION

Assigned for All Purposes To:
Hon. Joseph T. Ortiz

**DECLARATION OF ENOCH J. KIM IN
SUPPORT OF PLAINTIFF'S MOTION
FOR PRELIMINARY APPROVAL OF
CLASS AND PAGA ACTION
SETTLEMENT**

Date: May 9, 2025
Time: 1:30 p.m.
Dept.: S-17

DECLARATION OF ENOCH J. KIM

I, Enoch J. Kim, declare as follows:

1. I am an attorney licensed and admitted to practice before all courts of the State of California, the United States District Court for the Central, Southern, Eastern, and Northern Districts of California. I am Senior Counsel at D.Law, Inc. and counsel for Plaintiff MARIANA ZUAZO (“Plaintiff”), Defendants ROMEO & LAYLA WAREHOUSING, INC. (“R&L”); FAIRWAY STAFFING SERVICES (“Fairway”); and ULTRA PERSONNEL, LLC. (“Ultra”) (all defendants being collectively referred to as “Defendants”), (collectively, “the Parties”), David Yeremian of David Yeremian and Associates, Inc., and Emil Davtyan, Alvin B. Lindsay, Rose Sorial, Antonia McKee, and I, of D.Law, Inc. are referred to collectively herein as Class Counsel.

2. All of the matters set forth herein are within my personal knowledge. I submit this Declaration in support of the Motion for Preliminary Approval, filed by Plaintiff, of the Parties’ Class and PAGA Action Settlement Agreement and Release (“Settlement Agreement”). A copy of the Settlement Agreement is provided herein as **Exhibit 1**, and the Class Notice is provided at Exhibit A of the Settlement Agreement.

3. For purposes of this motion, the Settlement Agreement defines the “Class” or “Class Members” as all non-exempt, hourly individuals who worked for R&L in California and all non-exempt, hourly individuals who Fairway and Ultra deployed to work for R&L in California during the Class Period, which is March 15, 2019 through August 5, 2024. (Exhibit 1, ¶¶ 5, 6). A “Participating Class Member” or “Settlement Class Member” is defined as “any person who does not submit a timely and valid request for exclusion” to the Settlement Administrator. (*Id.*). I do not believe that I have any conflicts of interest with the Class or with the Class Representative, Mariana Zuazo. I am not related to the Class Representative. I have not previously represented Defendants in any matter. I respectfully submit that Class Counsel and I are well suited to act as Class Counsel in this action, and we have represented and will continue to vigorously represent the interests of the Class Members and Aggrieved Employees.

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PROCEDURAL HISTORY AND BACKGROUND

4. Defendant ROMEO & LAYLA, WAREHOUSING, INC. operates distribution and warehouse facilities in California. Defendants FAIRWAY STAFFING SERVICES and ULTRA PERSONNEL, LLC are temporary staffing companies which deployed workers to perform work at R&L in California during the period relevant to this action. Plaintiff contends that she and other settlement Class members were employed by R&L either directly or through staffing agencies, such as Fairway and Ultra.

5. On March 15, 2023, Plaintiff filed this putative Class Action Complaint against Defendants, alleging the following nine causes of action against Defendants: (1) Failure to Pay Minimum Wages for all hours worked; (2) Failure to Pay Wages and Overtime Under Labor Code § 510; (3) Meal Period Liability Under Labor Code § 226.7; (4) Rest-Break Liability Under Labor Code § 226.7; (5) Violation of Labor Code § 226(a); (6) Violation of Labor Code § 221; (7) Violation of Labor Code § 204; (8) Violation of Labor Code § 203; and (9) Violation of Business & Professions Code § 17200 *et seq.* Plaintiff Mariana Zuazo initiated this wage and hour class and representative action against Defendants Romeo & Layla Warehousing, Inc.; Fairway Staffing Services; and Ultra Personnel, LLC on March 15, 2023. The First Amended Complaint filed May 19, 2023, alleges claims against all Defendants for (1) Failure to Pay Minimum Wages; (2) Failure to Pay Wages and Overtime Under Labor Code § 510; (3) Meal Period Penalties Under Labor Code § 226.7; (4) Rest-Break Liability Under Labor Code § 226.7; (5) Violation of Labor Code § 226(a); (6) Violation of Labor Code § 221; (7) Violation of Labor Code § 204; (8) Violation of Labor Code § 203; and (9) Violation of Business & Professional Code § 17200 *et seq.* On March 14, 2023, Plaintiff submitted a PAGA notice (LWDA-CM-941905-23) to the Labor and Workforce Development Agency (“LWDA”) and Defendants (“PAGA Notice”). On May 19, 2023, Plaintiff filed the First Amended Class Action Complaint adding a tenth cause of action for PAGA penalties under Labor Code §§ 2698 *et seq.*

6. On April 17, 2025, the Parties filed a joint stipulation for leave to file a Second Amended Class Action Complaint (“Operative Complaint”) pursuant to the Settlement. The Settlement and its terms are based on the Second Amended Class Action Complaint.

1 7. In an effort to amicably resolve Plaintiff's claims, the Parties scheduled a mediation
2 with Steven Rottman, Esq. on June 6, 2024, and completed both class-wide and PAGA claims
3 informal discovery leading up to it. Based on data provided by Defendants, Plaintiff estimated that
4 there were approximately 625 Class Members at the time of mediation. The Parties reached a
5 settlement that will resolve this case in its entirety on a class and representative action basis, which
6 the Parties memorialized in a signed Memorandum of Understanding. The Parties' counsel then
7 began the process of drafting their long-form settlement agreement, and Plaintiff's counsel worked
8 with the Court to schedule a hearing on a motion for preliminary approval after the Settlement was
9 signed.

10 8. To facilitate approval of the Settlement as to the PAGA claims, Class Counsel will
11 be submitting the Settlement Agreement to the LWDA concurrently with the filing of this motion
12 pursuant to Labor Code § 2699(1)(2).

13 9. Plaintiff alleges that Defendants required Plaintiff and Class Members to work off
14 the clock, including by requiring them to work through meal periods and rest breaks, requiring them
15 to walk substantial distances to access the time clock before clocking in, and requiring them to wait
16 in lines to clock in. Plaintiff further alleged that shift differentials and bonuses were not factored
17 into the regular rate used to calculate and pay overtime wages to Plaintiff and Class Members. As
18 an initial matter, Defendants contend that Plaintiff and a large majority of the settlement Class
19 signed arbitration agreements with valid class action waivers that would preclude their ability to
20 bring any putative class claims. Defendants further contend that they did not require off the clock
21 work, paid for all reported hours worked, that Class Members were instructed to record all hours
22 worked, and that they paid wages at the proper rates.

23 10. Additionally, Plaintiff contends that Defendants failed to provide compliant meal
24 periods and rest breaks by requiring Plaintiff and Class Members to remain on duty and to respond
25 to job demands during their scheduled meal periods and rest breaks. Defendants denied these
26 allegations and argued that the records established compliance and that they were free to take
27 breaks without interruption. Lastly, Plaintiff contends that Defendants failed to provide all
28 required paid sick days to Plaintiff and the Class members, failed to provide Plaintiff and Class

1 members with basic information material to their employment at the time of hiring and failed to
2 ensure that employees are given written and timely notice of any changes to basic information
3 material to their employment, and failed to reimburse Plaintiff and Class members for necessary
4 business expenses. Defendants denied these allegations and contend that employees were
5 provided with paid sick leave and required information in accordance with all applicable laws.
6 Defendants further contend that there is no private right of action to enforce paid sick leave and
7 that PAGA precludes the recovery of civil penalties for “notice and posting” requirements.
8 Finally, in regard to Plaintiff’s reimbursement claim, Defendants contend that not only do
9 Defendants’ policies properly establish that business-related expenses or costs will be reimbursed,
10 but also that Plaintiff and the Class members did not, and had no reason to, incur business-related
11 expenses or costs to perform their job duties.

12 11. Defendants specifically and generally denied any and all liability or wrongdoing of
13 any sort with regard to the claims alleged. Defendants also made no concessions or admissions of
14 liability of any sort and contended that for any purpose other than Settlement, the Action is not
15 appropriate for class treatment. Nonetheless, Defendants concluded that further conduct of the
16 Action would be protracted, distracting, and expensive and that it is desirable that the Action be
17 fully and finally settled in the manner and upon the terms and conditions set forth in the Settlement.
18 The Parties have also taken into account the uncertainty and risks inherent in any litigation. The
19 Parties have therefore determined that it is desirable and beneficial to settle the Action in the manner
20 and upon the terms and conditions set forth in the Settlement Agreement. (Exhibit 1, ¶ 45).

21 12. Based on their own independent investigations and evaluations, Class Counsel is of
22 the opinion that the Settlement with Defendants for the consideration and terms set forth herein,
23 considering the representative and class claims, and the risk of loss, is fair, reasonable, and adequate
24 in light of all known facts and circumstances, and is in the best interests of the Class. Class Counsel
25 is also of the opinion that the total consideration and payment set forth in this Settlement Agreement
26 is adequate in light of the uncertainties surrounding the risk of further litigation, the possibility of
27 losing class certification, that the PAGA claim could be deemed unmanageable, and the defenses
28 that Defendants has asserted and/or could assert as the substantive merit of the claims. As a result,

1 Class Counsel has determined that the settlement set forth in this Settlement Agreement is in the
2 best interests of the Class. (Exhibit 1, ¶¶ 44, 46).

3 **INVESTIGATION AND DISCOVERY**

4 13. Before filing the lawsuit, Class Counsel investigated and researched the facts and
5 circumstances underlying the pertinent issues and the law applicable thereto. This required thorough
6 discussions and interviews with Plaintiff, as well as preliminary research into the various legal issues
7 involved in the case.

8 14. After filing the lawsuit and in advance of the mediation, Class Counsel conducted a
9 thorough investigation of the facts and claims giving rise to the action, including: (1) conducting
10 informal discovery and meeting and conferring with defense counsel about same; (2) reviewing and
11 analyzing records and data and numbers, as well as employment-related policies; (3) reviewing
12 Plaintiff's personnel file and other documentation; (4) interviewing Plaintiff and regarding potential
13 Class Members; (5) researching the applicable law and potential defenses; (6) constructing damage
14 models based on interpretations of California law and the facts and numbers provided by
15 Defendants; and (7) reviewing information provided by Defendants in response to informal
16 discovery and for mediation.

17 15. Defendants vigorously contested liability, the amount of claimed damages, and the
18 propriety of class certification. (Exhibit 1, ¶ 45). After Class Counsel analyzed the relevant
19 documents and other gathered data and conferred regarding the Class data to perform its statistical
20 review and analysis, Class Counsel believed that this case was appropriate for resolution at
21 mediation. Given the high level of risk present for both sides, the Parties elected to mediate Plaintiff's
22 claims and explore the possibility of settlement and were successful in negotiating a class-wide
23 settlement. (*Id.*, Settlement, ¶ 43).

24 16. Upon agreeing to schedule mediation, and leading up to their agreement, the Parties
25 conducted informal discovery and exchanged details regarding the claims and defenses and the items
26 Plaintiff believed were required to file a motion for class certification or a motion for summary
27 judgment for the PAGA claim and to complete a constructive and meaningful mediation. This data,
28 along with counsel's analysis of it and conclusions drawn from it, also permitted Class counsel to

objectively assess the strengths and weaknesses of the PAGA and class-wide claims and to value them appropriately and realistically. (Exhibit 1, ¶¶ 42, 44, 46).

17. Defendants responded with various documents and data, including (1) a handbook and some policy and training docs; (2) personnel file for Zuazo; (3) files with timekeeping records for Zuazo; and (4) an Excel file with a sampling of time data and pay data for other Class Members. (Exhibit 1, ¶ 42). Defendants also produced summary numbers including the number of Class Members in the liability periods, the total pay periods they worked and estimated work weeks, and other required numbers such as average wage rates and shift duration.

18. The Class enumerated in this action is ascertainable because the Class Members may be readily identified by reference to Defendants' records, and Defendants have agreed to share the information from these records with the Settlement Administrator in order to identify and contact the Class Members during the administration process. At the time of mediation and in the Settlement and in connection with estimating administration expenses, Defendants disclosed approximately **625** current and former hourly non-exempt employees during the Class Period, and there were approximately **11,000** work weeks at issue for them during the relevant period. These numbers will be confirmed following preliminary approval filing when Defendants provide the Class list to the Administrator (i.e. Apex Class Action LLC.). (Exhibit 1, Settlement, ¶ 61). If the work weeks exceed a 10% increase at the time of filing for preliminary approval, there is an escalator clause. (*Id.*) The estimate for the capped Administration costs of \$12,500.00 is based on up to 700 Class members.

19. Through substantial informal discovery, Defendants provided Plaintiff' counsel with necessary information and numbers for the Class Members during the Class Period. The Parties had numerous discussions and negotiations through counsel regarding the claims and defenses in the cases and the data provided for the Class and eventually reached an agreement on settlement. At all times, the Parties' settlement negotiations have been non-collusive, adversarial, and at arm's length. Discussions between counsel for the Parties, informal discovery, as well as the respective investigation and evaluation of Plaintiff' claims by the Parties, have permitted each side to assess the relative merits of the claims and the defenses to those claims. The Parties agree that the above-described investigation and evaluation, as well as discovery and the information exchanged during

1 the settlement negotiations, are sufficient to assess the merits of the respective Parties' positions on
2 a fair and equitable basis. (Exhibit 1, ¶¶ 41-44).

3 20. The Parties attended mediation with an experienced wage and hour mediator Steven
4 Rottman on June 06, 2024, and reached a settlement that will resolve this case in its entirety on a
5 PAGA and class action and representative action basis. (Exhibit 1, ¶ 44). During the mediation, the
6 Parties discussed all aspects of the case, including the risks of litigation and the risks to both Parties
7 as well as the law and how it applied to the facts of this case. After a full day of negotiations, the
8 Parties agreed to the general terms of their Settlement in a signed Memorandum of Understanding
9 which memorialized the general terms of the agreement now before the Court for preliminary
10 approval. (*Id.*)

11 21. From Class Counsel's review of the facts, strengths, and weaknesses of the case, the
12 risks and delays posed by further litigation, and Class Counsel's own prior litigation experience,
13 Class Counsel believes that the recovery for each Class Member is fair and reasonable taking into
14 consideration the amounts received in other wage and hour class actions, the risks inherent in
15 litigation of this genre, and the reasonable tailoring of each Class Member's claim to the settlement
16 award he or she will receive. Further, and based on the settlement negotiations, which were
17 extensive and conducted in good faith and at arm's length between attorneys with substantial
18 experience litigating class actions and wage and hour cases, the Settlement Agreement was the
19 product of a non-collusive settlement process in which the Parties made significant compromises in
20 the interest of reaching a full and complete settlement of the lawsuit. (*See, e.g.,* Exhibit 1, ¶¶ 45-46).

21 **SUMMARY OF SETTLEMENT**

22 22. Defendants have agreed to pay the Gross Settlement Amount of \$440,000.00 on a
23 non-reversionary basis. The Gross Settlement Amount will be used to pay, as approved by the Court,
24 Class Counsel's attorneys' fees and costs, Class Representative Service Payment, Settlement
25 Administration Costs, and the PAGA Payment to the LWDA and Aggrieved Employees, and the
26 Individual Settlement Payment to the Participating Class Members. (Exhibit 1, ¶ 14). In addition to
27 and separate from the Gross Settlement Amount, Defendants shall pay the employers' portion of
28 any payroll taxes on the wage portion of the Individual Settlement Payments to Settlement Class

Members. (*Id.*)

23. The “Net Settlement Amount” is the portion of the Gross Settlement Amount available for distribution to the Participating Class Members, which is the Gross Settlement Amount less PAGA Payment (\$50,000.00), Court-approved attorneys’ fees (up to one-third of the Gross Settlement Amount, i.e. \$146,666.67 and costs (up to \$35,000.00), Settlement Administration Costs (\$12,500.00), and the Court-approved Class Representative Service Payment (\$5,000.00). (Exhibit 1, ¶¶ 7, 20, 58(g), 58(h)).

24. The Settlement Agreement defines the “Class” or “Class Members as all non-exempt, hourly individuals who worked for R&L in California and all non-exempt, hourly individuals who Fairway and Ultra deployed to work for R&L in California during the Settlement Class Period at any time between March 15, 2019, through August 5, 2024. (Exhibit 1, ¶¶ 5-6, 33). “Participating Class Members” are defined as any person who does not submit a timely and valid request for exclusion. (Exhibit 1, ¶ 38). Additionally, “PAGA Aggrieved Employees” means all current and former non-exempt employees who worked for Defendants in California during March 14, 2022, through August 5, 2024 (“PAGA Period”). (Exhibit 1, ¶ 22).

25. An “Individual Settlement Payment” means the amount payable from the Net Settlement Amount to each Settlement Class Member and PAGA Aggrieved Employee, less employee portions of state and federal withholding taxes, including FICA, FUTA, and SDI contributions and any other applicable payroll deductions required by law as a result of the payment of the amount allocated to such Class Members under the terms of this Settlement. (Exhibit 1, ¶¶ 15, 58). To determine the Individual Settlement Payment for each Participating Class Member, the Settlement Administrator will calculate the total Compensable Workweeks for all Settlement Class Members. The respective Compensable Workweeks for each Settlement Class Member will be divided by the total Compensable Workweeks for all Settlement Class Members, resulting in the Payment Ratio for each Settlement Class Member. (*Id.*, at Settlement, ¶ 58(a)). Each Settlement Class Member’s Payment Ratio is then multiplied by the Net Settlement Amount to determine his or her Individual Settlement Payment. Compensable Workweeks shall include only those workweeks a Class Member actually worked for Defendants during the Class Period. Defendants’

1 payroll records shall control, but Class Members will have the right to challenge their number of
2 workweeks. If there are any valid and timely Requests for Exclusion, the Settlement Administrator
3 shall proportionately increase the Individual Settlement Payment for each Participating Class
4 Member according to the number of workweeks worked by Settlement Class Members, so that the
5 amount distributed to the Settlement Class equals 100% of the Net Settlement Amount. All
6 Individual Settlement Payment to Participating Class Members will be allocated as follows for tax
7 purposes: 10% of each Individual Settlement Payment reflects compromise of a claim for alleged
8 unpaid wages; 90% of each Individual Settlement Payment reflects compromise of a claim for
9 alleged interest and penalties. (*Id.* at Settlement, ¶ 58(b)).

10 26. As for the Payment to the LWDA and Aggrieved Employees (“PAGA Payment”),
11 the Parties allocated Fifty Thousand Dollars (\$50,000.00) to PAGA penalties, with 75% of this
12 amount to be paid directly to the LWDA (\$37,500) and the remaining 25% of this amount
13 (\$12,500.00) to be distributed to the PAGA Aggrieved Employees (“PAGA Settlement Payment”)
14 by the Settlement Administrator in connection with the checks for their Individual Settlement
15 Payment. (Exhibit 1, ¶ 20). The PAGA Settlement Payment will be calculated based on the number
16 of pay periods each PAGA Aggrieved Employee worked during the PAGA Period. (*Id.*)

17 27. If the Court approves all requested allocations and awards from the Gross Settlement
18 Amount of \$440,000.00 as addressed above, the Net Settlement Amount is estimated to be
19 **\$190,833.33**. For the approximately **625** estimated Class Members (if no exclusions), the average
20 gross individual settlement payment share, using a straight average, is **\$305.33**. This average is an
21 artificial calculation and each payment will vary based on their actual work weeks worked as
22 compared to those worked by all Class members. (Exhibit 1, ¶ 58(a)). To that end, the workweek
23 value is a more reliable indicator than the average payments of the reasonableness of the Settlement.
24 Specifically, at mediation and in the Parties’ executed MOU, Defendants’ counsel informed
25 Plaintiff’s counsel there were **11,000** workweeks at issue in the relevant period. Therefore, the
26 \$440,000 gross settlement amount is valued at approximately **\$40.00** per workweek. Class Counsel
27 again submits this is an excellent result providing more than reasonable settlement value to the Class
28 members and aggrieved employees. Any amounts not approved by the Court as Class Representative

1 Service Payment, Class Counsel Fees and Costs, or Settlement Administration costs or for the
2 PAGA claim will be added back to the Net Settlement Amount to be distributed to the Participating
3 Class Members. (Exhibit 1, ¶¶ 58(f), 58(g)). The Settlement Administrator will calculate and deduct
4 from the Individual Settlement Payment the employee's share of any applicable taxes and/or other
5 required withholdings and then will pay the resulting amount to the Participating Class Members.

6 28. The Effective Date of the Agreement means the date when all of the following events
7 have occurred: (1) the Stipulation of Settlement has been executed by all Parties, Class Counsel and
8 Defendants' counsel; (2) the Court has given preliminary approval to the Settlement Agreement; (3)
9 the notice of Settlement has been given to the Settlement Class, providing Class Members with an
10 opportunity to object to the terms of the Settlement or to opt out of the Settlement; (4) the Court has
11 held a formal fairness hearing and entered a final order and judgment conditionally certifying the
12 Settlement Class, approving the Settlement Agreement, and entering judgment on the Settlement
13 Agreement; and (5) sixty-five (65) calendar days have passed since the Court has entered a final
14 order and judgment conditionally certifying the Settlement Class, and approving the Settlement; and
15 (6) if any appeal, writ or other appellate proceeding opposing the Court's final order approving the
16 Settlement Agreement has been filed, five (5) business days after any appeal, writ or other appellate
17 proceedings opposing the Settlement Agreement has been finally and conclusively dismissed with
18 no right to pursue further remedies or relief. (Exhibit 1, ¶ 12). A Participating Class Member must
19 cash his or her Individual Settlement Payment check within 180 days after it is mailed to him or her,
20 which will be mailed within ten (10) days of receipt of the Gross Settlement Amount from
21 Defendants. (*Id.* at Exhibit 1, ¶¶ 58, 58(c)). If a check is returned to the Settlement Administrator,
22 the Settlement Administrator will make all reasonable efforts to re-mail it to the Participating Class
23 Member at his or her correct address, as further addressed in the Settlement Agreement. (*Id.* at
24 Exhibit 1, ¶ 56(a)).

25 29. Any settlement checks that are not claimed or not negotiated within one hundred
26 eighty (180) calendar days after the distribution of Individual Settlement Payments to Settlement
27 Class Members shall be void and the funds not disbursed as a result and will instead be paid to the
28 State Controller's Office Unclaimed Property Fund to be held in the name of the Class Member and

1 in accordance with the procedures set forth in CCP §1520. (Settlement, ¶¶ 58(c)).

2 30. Releases by Plaintiff and Class Members. Upon the Effective Date and funding of
3 the Settlement, Participating Class Members will release the Released Parties from the Released
4 Class Claims for the Class Period. (Exhibit 1 ¶ 53). The “Released Class Claims” are defined as: all
5 claims, rights, demands, liabilities, and causes of action alleged or which could have reasonably
6 been alleged based on the facts alleged in the operative Complaint and PAGA notice in this action.
7 The Released Class Claims extend to all Defendants, including Defendants’ respective officers,
8 directors, shareholders, owners, investors, assigns, attorneys, insurers, agents, independent
9 contractors, employees, joint employers, staffing companies, predecessors, successors, parents,
10 subsidiaries, affiliates, related entities or other representatives of any kind. (Exhibit 1, ¶ 31).

11 31. Similarly, upon the Effective Date and funding of the Settlement, the PAGA
12 Aggrieved Employees (including Plaintiff) will release Defendants and the Released Parties from
13 the Released PAGA Claims that accrued during the PAGA Period. (Exhibit 1 ¶ 32). The “Released
14 PAGA Claims” include all claims for PAGA civil penalties that are alleged or reasonably could
15 have been alleged against Defendants based on the facts alleged in the operative Complaint and
16 Plaintiff’s PAGA notice in this action. The Released PAGA Claims extend to all Defendants,
17 including Defendants’ respective officers, directors, shareholders, owners, investors, assigns,
18 attorneys, insurers, agents, independent contractors, employees, joint employers, staffing
19 companies, predecessors, successors, parents, subsidiaries, affiliates, related entities or other
20 representatives of any kind. (Exhibit 1, ¶ 32).

21 32. The “Released Parties” are defined as “all Defendants, including Defendants’
22 respective officers, directors, shareholders, owners, investors, assigns, attorneys, insurers, agents,
23 independent contractors, employees, joint employers, staffing companies, predecessors, successors,
24 parents, subsidiaries, affiliates, related entities or other representatives of any kind.” (Exhibit 1, ¶
25 33).

26 33. The settlement amount was a compromise figure, factoring in the inherent risks
27 related to certification, liability, and damages. However, considering all of the circumstances of the
28 action and the defenses raised by Defendants against certification, liability, and damages, Class

1 Counsel believes that the settlement is fair and reasonable. (Exhibit 1, ¶¶ 45-46). Notice of the
2 Settlement Agreement will be provided to the Class Members in the form of the Class Notice
3 attached to the Settlement Agreement as Exhibit 1. (See Exhibit 1, ¶ 58 and Class Notice at Exhibit
4 A thereto). The Class Notice will be mailed to all Class Members no later than forty-five (45) days
5 following the Preliminary Approval Date. (*Id.* at Exhibit 1, ¶ 4). The Class Notice includes a
6 summary of the case and settlement terms and provides Class Members with instructions on how to
7 exclude themselves, dispute the amount of pay periods, and object to the settlement. Class Members
8 will have forty-five (45) days from the mailing of the Class Notice to opt out of or object to the
9 Settlement (“Response Deadline”). (*Id.* at Exhibit 1, ¶ 34). The Settlement Agreement and Class
10 Notice provide further details on the procedures for objecting to and opting out of the Settlement,
11 and on how to dispute Defendants’ work week and pay period data for the Participating Class
12 Members.

13 **STRENGTH OF PLAINTIFF’S CASE BASED ON THE SETTLEMENT AMOUNT**

14 34. Because the Class consists of numerous employees, it was unlikely that the potential
15 monetary claims of individual Class Members would have proved viable without the class-action
16 mechanism. The Settlement should be approved in light of two California appellate decisions: *Clark*
17 *v. American Residential Services LLC* (2009) 175 Cal.App.4th 785 and *Kullar v. Foot Locker Retail,*
18 *Inc.* (2008) 168 Cal.App.4th 116.

19 35. The strength of the Plaintiff’s case in light of the settlement amount is deemed by
20 courts to be the “most important.” *Clark v. American Residential Services, LLC* (2009) 175
21 Cal.App.4th 785, 799 (citing *Kullar*). Here, Plaintiff alleges that Defendants failed to provide proper
22 meal and rest breaks or provide premium pay in lieu thereof, failed to pay all wages and overtime,
23 failed to provide accurate wage statements, failed to pay minimum wages and overtime, and failed
24 to pay all wages upon termination, all in violation of California law. Plaintiff seeks related violations
25 of California’s Business & Professions Code, and penalties pursuant to Labor Code § 2698 *et seq.*
26 Summary calculations for estimated liability exposure for each of these claims follow.

27 36. However, taking into account the difficulties of proof, the Defendants’ defenses, and
28 other attendant risks, Plaintiff estimates that the total amount of damages, monetary penalties, or

1 other relief that the class could reasonably expect to be awarded at trial is significantly less than the
2 maximum exposure estimated below.

3 **Failure to Pay Regular Wages and Overtime**

4 37. Plaintiff alleged that Defendants failed to pay Plaintiff and Class Members minimum
5 and overtime wages for all hours worked. Specifically, Plaintiff alleges that Defendants required
6 Plaintiff and Class Members to work off the clock, including by requiring them to work through
7 meal periods and rest breaks, requiring them to walk substantial distances to access the time clock
8 before clocking in, and requiring them to wait in lines to clock in. Plaintiff further alleged that shift
9 differentials and bonuses were not factored into the regular rate used to calculate and pay overtime
10 wages to Plaintiff and Class Members. Defendants contended that they did not require off the clock
11 work, paid for all reported hours worked, that Class Members were instructed to record all hours
12 worked, and that they paid wages at the proper rates. Defendants also argued that these claims were
13 not suitable for class treatment given the individualized issues they raise and the manageability
14 difficulties.

15 38. Class Counsel estimated Defendants' exposure on the unpaid wages claims to be
16 approximately \$86,524.50 (based on 5 minutes of off the clock work per shift and assuming 44.3%
17 of off the clock hours attributable to overtime). However, given Defendant's defenses and the
18 potential hurdles facing certification of this claim, Class Counsel applied an 80% discount making
19 for an adjusted realistic exposure of \$17,304.90 for Defendants.

20 **Meal Periods and Rest Breaks**

21 39. Plaintiff argued that Defendants had a common practice and policy of denying
22 compliant meal periods. Specifically, Plaintiff alleged that Class Members were regularly required
23 to perform work ordered by Defendant during their meal periods and were forced to forego or
24 shorten their meal periods based on the pressures they faced when performing their job duties. For
25 each meal period missed, of less than 30 minutes, or taken late for which the employee was not
26 provided a reasonable opportunity to take a complete and timely meal period, an employer must pay
27 the employee an additional one hour of compensation. Labor Code § 226.7. This additional hour of
28 compensation is referred to as "premium pay."

40. Defendants disagreed with Class Counsel's interpretation of the law and facts. Defendants contended that Class Members were given a reasonable opportunity to take their meal periods, and in fact received their meal periods most of the time. Defendants argued it had a high meal period compliance rate and provided premium pay for any non-compliant meal periods. If Defendants' contentions are proven true and prevail in trial, the likely outcome of this claim would be no recovery for Class Members.

41. Class Counsel estimated Defendants' exposure on the meal break claim at approximately **\$453,200.00** (11,000 workweeks x 2 meal break violations per workweek x \$20.60 average hourly pay). However, Class Counsel believes this estimate is high given Defendants' defenses and potential hurdles facing certification of this claim and thus provided an 80% discount making Defendants' adjusted realistic exposure \$90,640.00.

42. As for rest periods, Plaintiff contended that Defendant did not routinely provide Class Members with paid 10-minute rest breaks for every four hours or major fraction thereof. Class Members often worked in excess of consecutive four-hour shifts and were entitled to paid rest breaks of not less than ten minutes for each consecutive four-hour shift which they were denied. Class Members were often required to work through their rest breaks, and through their entire shifts. Defendant maintained that they did provide the reasonable opportunity for Class Members to take duty-free rest breaks. Defendant also pointed out that, unlike meal periods, rest breaks need not be recorded, so any rest break violations would likely be difficult to prove at trial. Class Counsel estimated Defendants' exposure on the rest break claim at approximately **\$453,200.00** (11,000 workweeks x 2 rest break violations per workweek x \$20.60 average hourly pay). However, Class Counsel believes this estimate is high given Defendants' defenses and potential hurdles facing certification of this claim and thus provided an 80% discount making Defendants' adjusted realistic exposure \$90,640.00.

Inaccurate Wage Statement Violations

43. Under Labor Code § 226(a), Plaintiff and the Class are entitled to recover \$50 for initial violations for inaccurate wage statements and \$100 for subsequent violations, up to a Gross of \$4,000 per employee. Plaintiff alleged Defendants issued wage statements to Plaintiff and the

1 Class Members that did not accurately list all hours worked by omitting off-the-clock work and by
2 unlawful rounding and inaccurately listing applicable hourly rates.

3 44. Defendants challenged Plaintiff's claim for Labor Code § 226(e) penalties, including
4 by arguing they were merely derivative of the other claims that lacked merit, and Plaintiff's failure
5 to prove the underlying claims could result in the dismissal of these derivative claims. Defendants
6 also argued that it did not knowingly and intentionally commit these alleged violations. *See, e.g.,*
7 Labor Code § 226(e) (recovery of penalties requires showing there was "a knowing and intentional
8 failure by an employer").

9 45. Class Counsel estimated Defendant's maximum total exposure on the section 226
10 claim at approximately \$376,100.00 (\$50/\$100 x 4,192 pay periods). Class Counsel believes it may
11 be difficult to prevail on this claim because Class Members would need to show that they suffered
12 an injury and that Defendant's noncompliance was knowing and intentional (on top of the challenges
13 described above with the underlying wage and break claims) which are both subject to
14 individualized issues making certification of this claim difficult to achieve. Thus, Class Counsel
15 provided an 80% discount making Defendant's adjusted realistic exposure \$75,220.00

16 **Failure to Pay Final Wages at Termination or Separation**

17 46. In allegedly failing to pay the Class Members their minimum wages, overtime wages,
18 and premium pay for deficiently provided meal periods and rest breaks, all discussed above, Plaintiff
19 alleged that Defendants willfully failed to pay these the California Class Members all wages due
20 and certain at the time of termination or within seventy-two (72) hours of resignation, as required
21 under Labor Code § 203.

22 47. Section 203 further provides that if an employer willfully fails to pay an employee
23 all wages due at termination or within 72 hours of resignation, then that employee's wages will
24 continue as a penalty until paid for a period of up to 30 days from the date they were due. Because
25 Class Members stopped working for Defendants but again, allegedly were not paid their full
26 compensation for the reasons discussed above, Plaintiff alleged that Class Members did not receive
27 all wages due upon termination of employment.

28 ///

48. Defendants challenged this claim under Labor Code § 203 with several arguments, including that under Labor Code § 203, employers are only obligated to pay waiting-time penalties if they “willfully” fail to pay wages due and owing at the time of termination or resignation. As Title 8, California Code of Regulations, § 13520 states: “A willful failure to pay wages within the meaning of Labor Code Section 203 occurs when an employer intentionally fails to pay wages to an employee when those wages are due. However, a good faith dispute that any wages are due will preclude imposition of waiting time penalties under Section 203.” Defendants argued their good faith disputes and lack of willfulness would excuse its violations. Defendants maintained that because they had viable defenses in both law and fact, such penalties were subject to a three-year limitations period under Labor Code § 203(b). Defendants also argued that there is no liability under Labor Code § 203 for violations of meal and rest break requirements alone.

49. Class Counsel estimated Defendants' maximum total exposure on the section 203 claim at approximately \$1,842,138.00 (assuming 483 terminated employees, 30 days per employee at 7.9 hours per day) Class Counsel believes it would be difficult to recover waiting time penalties given that Plaintiff would need to show willfulness on top of proving the underlying wage and break claims which are also potentially subject to individualized issues making certification of this claim difficult to achieve. Thus, Class Counsel provided a 95% discount making Defendants' adjusted realistic exposure \$92,106.90.

PAGA Penalties

50. The Labor Code Private Attorneys General Act, Labor Code § 2698 *et seq.*, allows Plaintiff to obtain civil penalties on behalf of themselves and other aggrieved employees for Defendants' violation of any provision of the Labor Code enumerated under Labor Code § 2699.5. Where civil penalties are provided in the statute, those civil penalties are recoverable; where no civil penalties are recoverable, Labor Code § 2699(f) establishes civil penalties of one (\$100) for each aggrieved employee per pay period for the initial violation and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation. Pursuant to Labor Code § 2699(i), seventy-five (75) percent of the penalties recovered must be allocated to the Labor and Workforce Development Agency (LWDA), with the remaining twenty-five (25) percent allocated to the

1 affected employees. The limitations period as for all penalties is one year prior to the filing of the
2 complaint.

3 51. The provisions of the Labor Code potentially triggering PAGA penalties in this case
4 include but are not limited to Labor Code §§ 203, 226(a), 226.3, 226.7, 510, and 1194. PAGA
5 penalties are not mandatory and are instead permissive. Labor Code § 2699(e)(2) states that “a court
6 may award a lesser amount than the Gross civil penalty amount specified by this part if, based on
7 the facts and circumstances of the particular case, to do otherwise would result in an award that is
8 unjust, arbitrary and oppressive, or confiscatory.” *See Thurman v. Bayshore* (2012) 203 Cal. App.
9 4th 1112 (substantially reducing PAGA penalties by 30% under this provision). Defendants
10 contested Plaintiff’s claim for PAGA penalties.

11 52. PAGA penalties are also derivative of each and every other claim, and Defendants
12 argued the PAGA claims would be subject to the same defenses as the underlying claims, and as
13 well as additional equitable defenses, including substantial compliance. Finally, under *Amaral v.*
14 *Cintas Corp.* (2008) 163 Cal.App.4th 1157, Defendants asserted that penalties under PAGA could,
15 at best, be awarded only at the rates obtainable for initial violations under the applicable statutes,
16 because Defendants had never been notified of the alleged violations. *Id.* at 1208-1209. Class
17 counsel therefore estimated Defendants’ maximum total exposure on the PAGA claim at
18 approximately \$420,400.00 (\$100 x 4,204 pay periods (no stacking)). However, Class Counsel notes
19 that owing to the discretionary nature of PAGA penalties and the foregoing case law it is unlikely
20 the Court would award the full penalty and that it would be substantially reduced to something more
21 like **\$42,040.00** if awarded a violation rate of \$10 per pay period. Class Counsel applied discounts
22 in light of the countervailing arguments with regard to the primary causes of action, and moreover
23 the Court’s power to award “a lesser amount than the maximum civil liability.” The Parties also
24 considered that the purpose of PAGA is to “achieve maximum compliance with state labor laws,”
25 *Iskanian v. CLS Transp. Los Angeles, LLC* (2014) 59 Cal. 4th 348, 379.

26 53. As Class Counsel estimated any PAGA recovery would be substantially reduced, and
27 applied discounts in light of the countervailing arguments with regard to the other causes of action
28 and the Court’s power to award “a lesser amount than the Gross civil liability,” the PAGA allocation

1 agreed upon by the Parties therefore was **\$50,000.00**, subject to the Court's final approval.

2 **Unfair Business Practices**

3 54. Plaintiff pled this cause of action in order to augment their other causes of action and
4 aid in their prosecution. Business & Professions Code § 17208 extends the statute of limitations on
5 Plaintiff's wage claims, which qualify as unfair business practices, to four years rather than the three
6 years provided by statute.

7 55. Plaintiff pled this cause of action to augment his other causes of action and aid in
8 their prosecution. Business & Professions Code § 17208 extends the statute of limitations on
9 Plaintiff's wage claims, which qualify as unfair business practices, to four years rather than the three
10 years provided by statute.

11 **Summary**

12 56. The foregoing discussion establishes the adequacy of the settlement amount in light
13 of the merits of Plaintiff's case. It does so by explaining the legal basis for each of Plaintiff's causes
14 of action, summarizing the evidence that Class Counsel gathered in support of those causes of action,
15 and relating to Defendants' legal and factual arguments that worked to detract from the strength of
16 Plaintiff's case.

17 57. Class Counsel had to apply appropriate discounts in light of the facts and law as
18 discussed above. In addition, Defendants argued that said employees were dissimilarly situated co-
19 workers, making the certification of all Class Members less than a certainty. This Settlement, like
20 most others, was the product of compromise.

21 58. As addressed above, Plaintiff estimated Defendants faced approximately
22 **\$407,951.80** in total realistic exposure on Plaintiff's main claims. The Gross Settlement Amount of
23 **\$440,000.00** therefore represents a recovery for the Class Members greater than the total realistic
24 exposure Plaintiff estimated Defendants could face on these class-wide claims.

25 59. The Net Settlement Amount is estimated to be **\$190,833.33**. For the approximately
26 **625** estimated Class Members as of the mediation (if no exclusions), the average gross individual
27 settlement payment share, using a straight average, is **\$305.33**. The actual individual settlement
28 payments will vary based on their actual work weeks worked as compared to those worked by all

1 Class members. (Exhibit 1, ¶ 58(a)). To that end, the workweek value is a more reliable indicator
2 than the average payments of the reasonableness of the Settlement. Specifically, as of mediation
3 there were **11,000** workweeks at issue in the relevant period. Therefore, the \$440,000 gross
4 settlement amount is valued at approximately **\$40.00** per workweek. Counsel again submits this is
5 an excellent result providing more than reasonable settlement value to the Class members and
6 aggrieved employees. In light of the above-described risks, and those inherent in any contested
7 litigation, a gross recovery of **\$440,000.00** under the Settlement Agreement is an excellent result
8 and is fair and reasonable.

9 60. Settling this action as a Class and PAGA action ensures the Class members will be
10 dividing a Settlement Sum that is much greater than it would have been in a PAGA-only setting.
11 Plaintiff and Class Counsel submit this is an excellent result in the face of uncertainty and the
12 prospects of protracted and contested litigation through class certification, summary judgment, and
13 trial, and this is especially true in light of the operational challenges employers such as Defendants
14 have faced in the past few years.

15 **THE RISK, EXPENSE, AND LIKELY DURATION OF FURTHER LITIGATION.**

16 **RISK OF MAINTAINING CLASS ACTION STATUS THROUGH TRIAL**

17 61. The *Clark/Kullar* factors recognize that settlements take into consideration the risks
18 and expenses posed by further litigation and, in the class-action context, the risk of non-certification.
19 Consequently, it is proper that trial courts should keep these considerations in mind when judging
20 the adequacy of class action settlements.

21 62. Further litigation of this case posed real risks for a number of reasons. First, there
22 were the risks of unfavorable rulings on the merits of the various indeterminate legal issues outlined
23 in the previous section. Each of Plaintiff's causes of action was subject to some unique
24 indeterminacy, and the derivative causes of action were doubly indeterminate on their own and
25 based on the claims from which they derived.

26 63. The Parties disputed the effect of these and other issues on class certification and
27 decertification. Class Counsel maintained that there were several legal and factual questions at issue
28 in the case that could best be decided on a class-wide basis. Plaintiff contended that the same policies

1 and practices applied to all Class Members, and therefore, common questions were likely to
2 predominate over individual inquiries, especially regarding rounding and off-the-clock work and
3 meal and rest break claims founded upon a control argument. Defendants disputed these contentions
4 and argued that individualized issues would predominate in the putative class to preclude
5 certification, as differences from work site to work site gave rise to individualized issues.
6 Defendants also argued their policies were compliant with the law. Plaintiff disputed that argument,
7 asserting that the lawfulness of such policies in practice gave rise to common questions amenable
8 to certification. These disputes weighed in favor of entering into this Settlement.

9 64. Finally, it is always preferable to reach an amicable resolution of a dispute that saves
10 time and money that would otherwise go towards continuing contested litigation. If this case ended
11 up settling after further litigation, the settlement amount would have to account for the additional
12 costs incurred, and there would likely be less amounts available for Class Members when a
13 settlement was finalized. This is not just an abstract contention. The Parties were moving into the
14 phase of this litigation where they would have had to depose managers, supervisors, and employees
15 in order to establish class certification and then liability for trial. Calling to Class Members and
16 gathering of Declarations would have continued in earnest. The Parties were also aware that a class
17 and/or PAGA action trial would be a complicated and expensive proceeding, and faced the
18 likelihood of a long, drawn-out appeal process. The settlement provides real and tangible benefits
19 for Class Members in the immediate future. In fact, the estimated average recovery for the
20 Participating Class Members in this action is almost **\$313.33** and the average value per workweek
21 is **\$40.00**. The benefits of this Settlement are not insignificant for anyone, especially given the
22 current economic climate. Consequently, the risk and expense of further litigation outweighed the
23 potential benefit that might have otherwise been gained.

24 **NOTICE TO AND REACTION OF CLASS MEMBERS**
25 **TO THE PROPOSED SETTLEMENT**

26 65. It is premature to address this factor now, at the preliminary approval stage, but some
27 observations are in order. First, the notification procedure set out in the Settlement Agreement (at
28 Exhibit A) provides the greatest likelihood that each and every Class Member will receive the Class

1 Notice (the “Notice”), attached to the Settlement as Exhibit A. Under the Settlement, the Settlement
2 Administrator (Apex Class Action LLC) will mail the Notice Packets, including the Class Notice to
3 the Class Members no later than forty-five days following preliminary approval. (Exhibit 1, ¶ 56).
4 If any Notice Packets are returned undeliverable, the Settlement Administrator will forward them to
5 any address appearing on the returned envelope within ten (10) days or, if there is no forwarding
6 address, will perform a skip trace before mailing them to any addresses thereby identified. (*Id.* at ¶
7 56(a)). This is the best and most practicable way to ensure the greatest possible number of Class
8 Members will receive the Notice.

9 66. The Class Notice itself fully apprises Class Members of the nature of the lawsuit, the
10 claims involved, the terms of the settlement, and their options thereunder. It provides for a specific
11 procedure to seek exclusion from the Class, disputing payments and Class data, and for lodging
12 objections to the settlement. (Exhibit 1, ¶¶ 56(b)-56(e); Exhibit A thereto, Class Notice). In the Class
13 Notice, Class Members will also receive Class Counsel’s contact information so they can speak to
14 attorneys conversant with the legal and factual issues involved in this case, as well as the contact
15 information for the Settlement Administrator. The efforts taken to ensure that Class Members
16 receive the Class Notice and are well informed about the settlement are reasonable and provide the
17 best notice practicable under the facts.

18 **CONCLUSION AS TO THE CLARK/KULLAR ANALYSIS**

19 67. The foregoing discussion establishes the fairness of the class-action settlement in the
20 instant case, including by analyzing it in light of the *Clark* and *Kullar* decisions. This analysis
21 compels a conclusion that the settlement is fair, reasonable, and adequate. Class Counsel conducted
22 a thorough investigation of the subject wage-and-hour practices and engaged in non-collusive,
23 arm’s-length negotiations in order to reach a settlement after comprehensive informal discovery and
24 contested motion practice. Defendants has agreed to pay fair value to settle Plaintiff’ claims given
25 the existence of legal uncertainty. From Class Counsel’s substantial experience with wage-and-hour
26 class action lawsuits, Class Counsel believes that this case could not have settled on better terms
27 under the circumstances. Request therefore is made that the Settlement be granted preliminary
28 approval so that those persons whom it was intended to benefit will be afforded the opportunity to

determine its adequacy for themselves.

CRITERIA SATISFIED FOR CERTIFICATION OF SETTLEMENT CLASS

68. Plaintiff alleges that the proposed Class satisfies the criteria for certification of a settlement class under California law, as embodied in California Code of Civil Procedure § 382. Defendants have agreed to the conditional certification of the class for settlement purposes only. Defendants does not concede that certification is appropriate outside of this Settlement and preserves all rights to oppose certification if, for any reason, the settlement does not become effective. (Exhibit 1, ¶ 45). In general, courts may take a proposed settlement into account in evaluating the propriety of class certification. *See Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1807 fn. 19. Indeed, a “lesser standard” of scrutiny applies in certifying classes for settlement purposes. *Id.* Therefore, the Court should take into consideration the fact that the Parties have settled their claims and stipulated to certification for settlement purposes when assessing whether the Settlement is fair and reasonable.

69. Numerosity. The putative Class is so numerous that joinder of all members is impractical. Class Members are all current and former non-exempt employees of Defendants and Defendants’ records establish at least 625 Class Members. There are a sufficient number of Class Members to warrant conditionally certifying these proceedings as a class action for settlement purposes.

70. Ascertainability. Plaintiff alleges that the putative Class is defined in a manner that is precise, objective, and ascertainable. Plaintiff has estimated approximately 625 Class Members based on information provided by Defendants at the time of mediation.

71. Typicality. The class representatives’ claims are typical when they arise from the same event, practice, or course of conduct that gives rise to the claims of other putative Class Members, and if their claims rest on the same legal theories. The class representatives’ claims must be “typical” but not necessarily identical to the claims of other Class Members. It is sufficient that the representative is similarly situated so that he or she will have the motive to litigate on behalf of all Class Members. *Classen v. Weller* (1983) 145 Cal.App.3d 27, 47; *B.W.I. Custom Kitchens v. Owens-Illinois, Inc.* (1987) 191 Cal.App.3d 1341, 1347 (“[I]t has never been the law in California

1 that the class representative must have identical interests with the Class Members.”). It is
2 unnecessary that class representative has personally incurred all of the damages suffered by each of
3 the other Class Members. *Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 228.

4 72. Plaintiff alleges that her claims are typical of Class Members’ claims because they
5 arose from the same factual basis and are based on the same legal theories. Plaintiff was employed
6 by Defendants during the Class Period subject to the allegedly unlawful meal and rest policies and
7 pay practices at issue in this litigation. Accordingly, Plaintiff is a member of the Class. The central
8 issues of this litigation (whether Defendants failed to provide meal periods and rest breaks, whether
9 off-the-clock work was required, whether Defendants paid employees for time under its control or
10 paid overtime correctly, etc.), which would arise if this were an individual action brought by
11 Plaintiff, apply to the other Class Members as well, and the answers to these questions would
12 determine Defendants’ liability as to the entire putative Class. Plaintiff alleges her claims are typical
13 of the claims of the putative Class, and that the typicality requirement is satisfied.

14 73. Adequacy. A class representative must possess the same interest and suffer the same
15 injury as the Class Members. “To assure ‘adequate’ representation, the class representative’s
16 personal claim must not be inconsistent with the claims of other members of the class.” *J.P. Morgan*
17 *& Co., Inc. v. Sup.Ct. (Heliotrope General, Inc.)* (2003) 113 Cal.App.4th 195, 212. Thus, the
18 adequacy requirement is satisfied when the class representative’s interests are not antagonistic to
19 those of the class. *McGhee v. Crocker-Citizens Nat. Bank* (1976) 60 Cal.App.3d 442, 451.

20 74. Plaintiff has no conflicts with the Class and her interests are aligned with those of
21 the Class. Plaintiff alleges that her claims are identical to those that would be asserted by the
22 unnamed Class Members. Plaintiff alleges that she has every interest in zealously representing the
23 unnamed Class Members. Plaintiff has not shrunk from this responsibility. Indeed, Plaintiff has
24 devoted a substantial amount of time and energy to litigating this action and effectuating a
25 settlement. Furthermore, as detailed above, Class Counsel are experienced in wage-and-hour
26 litigation, especially class actions, and have zealously represented the interests of the class in
27 litigating this case. (Yeremian Decl., ¶¶ 3-9). Accordingly, the adequacy requirement is satisfied.

28 ///

1 75. Commonality. Plaintiff alleges that common questions of law or fact in this case
2 predominate over individual questions. This action involves, *inter alia*, a determination about
3 Defendants' alleged failure to provide meal and rest periods, failure to pay all wages due to allegedly
4 common and unlawful policies, the resulting failure to pay final wages when required, the failure to
5 provide accurate paystubs, and largely derivative claims under the Business & Professions Code
6 and PAGA. Plaintiff contends these practices, including an alleged practice of failing to provide
7 complete meal and rest periods, related meal and rest period policies applicable to the class, an
8 alleged systemic policy of off-the-clock work, and the alleged failure to provide corresponding
9 premium and overtime payments, that affected Class Members in the same way.

10 76. Predominance. Plaintiff alleges that individualized issues do not predominate over
11 the issues of law and fact that are common to the Class as a whole. Plaintiff alleges that the principal
12 issues in controversy are whether Class Members were paid for all hours worked and provided meal
13 and rest breaks. As explained, *supra*, Plaintiff alleges there are common issues of law and fact given
14 that Plaintiff and all Class Members were subjected to the same policies and pay practices during
15 the relevant time period. Plaintiff and Class Members seek meal and rest premiums, unpaid wages
16 and overtime, and penalties for work performed as non-exempt employees for Defendants. Plaintiff
17 alleges that these issues are suitable for common adjudication because all Class Members were
18 allegedly subject to the same employment policies, and Plaintiff contend the practices applied
19 uniformly to all Class Members.

20 77. Superiority. Plaintiff alleges that class resolution is superior to other available
21 methods for the fair and efficient adjudication of the controversy. Plaintiff alleges that there is little
22 interest or incentive for Class Members to individually control the prosecution of separate actions.
23 Although the alleged injury resulting from Defendants' policies and practices are allegedly real and
24 significant, the cost of individually litigating each such case against Defendants would easily exceed
25 the value of any relief that could be obtained by any one Class Member individually. If Class
26 Members are forced to litigate their claims individually this would result in over 625 individual
27 actions against Defendants. Here, the alternative methods of resolution are individual suits for
28 relatively small amounts. Hence, an individual suit would prove uneconomical for potential Plaintiff

1 because litigation costs would dwarf a potential recovery.

2 78. Except for Plaintiff's case before this Court, Plaintiff is unaware of any other actions
3 by Class Members against Defendants asserting similar claims. San Bernardino County is an
4 appropriate forum for this action given that Defendants employed Class Members here.

5 79. Plaintiff alleges there are no serious manageability difficulties presented by
6 preliminarily approving the case for settlement purposes. As this case will not go to trial if finally
7 approved, all that will remain is claims administration and responding to possible objectors. Class
8 Counsel respectfully submits the Settlement is within the range of reasonableness to justify granting
9 it preliminary approval so the Parties can proceed with sending the Class Notice and administering
10 the Settlement.

11 **QUALIFICATIONS AND ADEQUACY OF CLASS COUNSEL**

12 80. I have practiced employment law for over fifteen years, with a focus on litigating
13 employment wage and hour class actions. I have practiced employment law from the plaintiff's side,
14 defense side, and from an in-house position. I have significant experience specifically working on
15 wage and hour class actions from the plaintiff's side as well as the defense side, with the majority
16 of my experience coming from the plaintiff's side representing employees and obtaining significant
17 settlements on their behalf. I have the requisite knowledge of class and representative proceedings,
18 applicable class action and employment law, and federal and state court procedures, to represent
19 Plaintiff and the putative Class in the action.

20 81. As Senior Counsel at D.Law, I manage the class action and PAGA settlement
21 department. I was admitted to the California Bar in December 2008. I received my J.D. from
22 Pepperdine University School of Law and B.S. from University of Southern California. Since
23 graduating from law school, I have dedicated virtually my entire career on the practice of
24 employment law.

25 82. The collective experience of the D.Law attorneys in litigating employment wage and
26 hour matters has been integral in identifying legal issues, evaluating the strengths and weaknesses
27 of a case, and generally negotiating fair and reasonable class and representative action settlements.
28 Practice in the narrow field of wage and hour litigation requires skill and knowledge concerning the

1 constantly evolving substantive law (state and federal), as well as the procedural law of class and
2 representative action litigation. In this action, the attorneys at D.Law are fully equipped to use the
3 skills and knowledge developed over decades of prosecuting and defending wage and hour class
4 actions to fairly and adequately represent the interests of the class members. Therefore, based on
5 our resources, experience, and knowledge, the attorneys at D.Law are well-qualified to act as class
6 counsel and represent Plaintiff and the putative class members in this action.

7 83. D.Law has litigated and successfully resolved many wage and hour class action cases
8 involving failure to pay wages and derivative Labor Code claims and penalties. See e.g. De La
9 Rosa v. The Coca Cola Company et al. (Superior Court of California in Napa, 17CV000787),
10 Harvey v. Bed Bath & Beyond of California Limited Liability Company (Superior Court of
11 California in Alameda, RG17885153), Paredes v. Bottling Group LLC et. al. (Superior Court of
12 California in Kern), Ramirez v. Harris Ranch Beef Company (Superior Court of California in
13 Fresno, 16CECG04103), Gates v. Gate Gourmet, Inc. et. al. (Southern District of California, 16-
14 cv-01084-L-AGS), Hargrave v. Antelope Valley Hospital (Superior Court of California in Los
15 Angeles, BC663252), Ramirez v. Milton Roy et. al. (Superior Court of California in Los Angeles,
16 BC 632 276), Hawkins v. AvalonBay Communities (Superior Court of California in Santa Clara,
17 17CV316492), Jones Tharpe et al. v. Sprint Corporation et al. (Superior Court of California in Los
18 Angeles, BC644645), Ortega et al. v. Nestle Waters North America, Inc. et al. (Superior Court of
19 California in Los Angeles, BC623610), Schultz v. Jimbo's Natural Family, Inc. (Superior Court of
20 California in San Diego, 37-2017-00022348-CUE-OE-CTL), Ambrose v. Victor Valley Global et
21 al. (Superior Court of California in San Bernardino, CIVDS1709289), Puerta-Gildardo v. Real
22 Time Staffing Services LLC et. al. (Superior Court of California in Los Angeles, BC565445),
23 Vargo v. Pregis Innovative Packaging LLC (Superior Court of California in Tulare, 270836),
24 Conlin v. Aegis Senior Communities LLC (Northern District of California, 17-cv-05534-LHK),
25 Galarza v. Kloeckner Metals Corporation (Central District of California, 2:17-cv-04910-FMO),
26 Estes v. L3 Technologies, Inc. et al. (Southern District of California, 3:17-cv-02356-H-JMA),
27 Rowser v. Trunk Club, Inc. (Central District of California, 2:17-cv-05064-DSF-RAO), Leach v.
28 The Claremont Colleges, Inc. (Superior Court of California in Los Angeles, BC686451), Vaesau

1 v. PCT Enterprises, Inc. dba Precision Cabinets (Superior Court of California, County of Contra
2 Costa MSC18-02404), Terry v. TF Louderback, Inc. dba Bay Area Beverage Company (Superior
3 Court of the State of California, County of Contra Costa, MSC18-00859), Roach v. Westcare
4 California, Inc. (Superior Court of California in Kern County, BCV-17-102367-SDS), Patton v.
5 Church & Dwight Co., Inc. (Central District of California, EDCV 18-903-MWF (KKx)), Juarez v.
6 ISL Employees, Inc. (Superior Court of California in Madera, MCV074787), Ferraro v. USC
7 Verdugo Hill s Hospital, et al. (Superior Court of California in Los Angeles, 18STCV09463), Ford
8 v. Account Control Technology, Inc., et al. (Superior Court of California in Los Angeles,
9 19STCV09369), Ornelas v. iStorage, et al. (Superior Court of California in San Francisco, CGC-
10 18-571421), Martinez v. Ronpak, Inc. (Superior Court of California in Riverside, RIC1901307),
11 Barrera et al. v. Exclusive Wireless, Inc. (Superior Court of California in Stanislaus, 9000687),
12 Barajas v. Mancha Development Company LLC (Superior Court of California in Orange County,
13 30-2018-00974707-CU-OE-CXC), Prado v. IMAX Corporation dba IMAC Worldwide Home
14 (Superior Court of California in San Bernardino, CIVDS1820265), Rodriguez v. ND Industries,
15 Inc. (Superior Court of California in Los Angeles, 19STCV38096), Singletary v. Motel 6
16 Operating LP, et al. (Southern District of California, 3:20-cv-0270-LAB-AHG), Quizon v. CF
17 Watsonville East, LLC, et al. (Superior Court of California in Santa Cruz, 20CV01868),
18 Stephenson v. Bakersfield Dodge, Inc. (Superior Court of California in Kern, BCV-20-102693),
19 Bacerra v. Hugo Boss Retail, Inc. (Superior Court of California in San Diego, 37-2021-00002933-
20 CU-OE-CTL), Walker v. Ariat International, Inc. (Superior Court of California in Alameda,
21 HG19026439), Orr v. Petvet Care Centers (California) Inc. (Superior Court of California in Santa
22 Clara, 19CV354063), Jimenez v. OEC Distribution Services, Inc. (Superior Court of California in
23 San Bernardino, CIVDS1915743), Viridi v. Absolute Security International (Superior Court of
24 California in San Bernardino, CIVDS 1909589), Raj v. First Transit, Inc (Superior Court of
25 California in Sacramento, 34-2021-00295895-CU-OE-GDS), Marchbanks v. Torrid
26 Administration, Inc. (Superior Court of California in San Diego, 37-2020-00008179-CU-OE-NC),
27 among others.

28 ///

1 84. The above matters are not exhaustive but provide samples of the types of class and
2 representative action litigations the attorneys at D.Law and I have successfully resolved. D.Law,
3 Inc. is also presently prosecuting class and representative action litigations in state and federal courts
4 across California.

5 85. I, and our firm, have remained committed to dedicating the resources necessary to
6 represent the Settlement Class and vigorously pursue their claims. Based upon my experience and
7 understanding of the claims and defenses in this action, I believe the settlement is fair, adequate,
8 and reasonable for the Class Members and aggrieved employees and all involved, and that the
9 Settlement is well within the range of reasonableness that would permit it to be finally approved.

10 86. I am not aware of any conflict of interest between myself and Plaintiff or any other
11 Class Member that would interfere with my duties as Class Counsel or impede my representation.

12 **REQUEST FOR ATTORNEYS' FEES**

13 87. Under the Settlement, Class Counsel also requests an award of attorneys' fees and costs
14 and expenses incurred in connection with the prosecution of this action, and all of the work
15 remaining to be performed by Class Counsel in documenting the Settlement, securing Court
16 approval of the Settlement, carrying out their duties to see that the Settlement is fairly administered
17 and implemented, and obtaining dismissal of the Lawsuit, as the Class Counsel Fees Award in an
18 amount of one-third of the Maximum Settlement Amount (i.e., **\$146,666.67**), and for reasonable
19 litigation costs and expenses in an amount not to exceed **\$35,000.00**, subject to approval by the
20 Court. (Exhibit 1, ¶ 58(h)).

21 88. This request is fair, reasonable, and adequate to compensate Class Counsel for the
22 substantial work they have put into this case and the risk they assumed by taking it in the first place.
23 The attorneys' fees award is intended to reimburse Class Counsel for all uncompensated work that
24 they have already done and for all the work they will continue to do in carrying out and overseeing
25 the notification to Class Members, communicating with Class Members regarding their claims, and
26 assisting in the administration of the settlement if it is preliminarily approved.

27 89. D.Law took this case on a contingent-fee basis against a business represented by a
28 reputable defense firm. When we take contingent cases, we must pay careful attention to the

1 economics involved or one bad case can destroy years of work. Accordingly, when we take
2 contingency cases, we anticipate that we will, if successful, receive a fee that exceeds our normal
3 hourly rate; otherwise, the risk is often too great to bear.

4 90. The requested fees are reasonable for the services provided to Class Members and
5 for the benefits they are to receive. Indeed, even with a requested multiplier under the lodestar
6 theory, which may not be required, Class Counsel's fees would remain justified. Class Counsel will
7 more fully brief the Court on its lodestar in the motion for final approval. Our firm attorneys,
8 paralegals, and staff have incurred substantial hours in prosecuting this action. With the additional
9 hours we will incur in taking this action through preliminary approval, claims administration, and
10 final approval, and the time invested by other firm employees, an award of full attorneys' fees
11 requested of **\$146,666.67** is fair and reasonable, subject to further documentation and discussion in
12 connection with final approval.

13 91. Class Counsel's Costs/Expenses reimbursement request at final approval will not
14 exceed **\$35,000.00**. (Exhibit 1, ¶ 58(h)). Counsel will provide a detailed invoice of its costs at final
15 approval and will request only reimbursement of reasonably incurred and documented costs specific
16 to litigating this action. Any amounts not approved by the Court as Attorneys' Fees and Costs will
17 be added back to the Net Settlement Fund to be distributed to the Class Members who do not opt-
18 out. Class Counsel will incur additional costs in taking this action through administration, final
19 approval, disbursement, and post-distribution accounting that will likely approach the requested cost
20 allocation of up to \$35,000.00.

21 **ENHANCEMENT TO PLAINTIFF AS THE CLASS REPRESENTATIVE**

22 92. Plaintiff herein submits she is entitled to a reasonable service payment for her efforts
23 and initiative in bringing and helping to prosecute this action. Plaintiff spent a considerable amount
24 of time better informing herself of her rights, deciding whether remedial action should be taken,
25 how it should be taken, searching for attorneys, and finally contacting Class Counsel, who spent
26 many hours with Plaintiff discussing the case and the law. In the end, Plaintiff decided to vindicate
27 not only her own rights but also those of her co-workers by filing a class action lawsuit.

28 ///

1 93. Subject to Court approval Plaintiff will request in connection with final approval and
2 without opposition from Defendants, a Class Representative Service Award of up to **\$5,000.00**.
3 (Exhibit 1, ¶ 58(f)). Plaintiff has also provided a Declaration in support of preliminary and final
4 approval and the award of her requested Service Award in connection with Plaintiff's present motion
5 and in support of Settlement approval generally. (*See* concurrently filed Declaration of Mariana
6 Zuazo ("Zuazo Decl.")).

7 94. By suing Defendants, Plaintiff increased her risk of retaliation by not only
8 prospective employers but also from Defendants. Plaintiff's lawsuit has now required Defendants
9 to expend considerable resources and has gained notoriety in the community and amongst Plaintiff's
10 co-workers, and Plaintiff justifiably fears the fact that she served as class representative in a wage
11 and hour class action will not be lost on a prospective employer who has to choose between an
12 applicant who has never sued a prior employer and one who has.

13 95. But Plaintiff did not allow her fears of the potential repercussions of being class
14 representative to deter her from acting for the benefit of Class Members. To the contrary, Plaintiff
15 has been intimately involved in this case since its inception. She has devoted a substantial amount
16 of time to helping Class Counsel effectively develop and prosecute this action at every stage of the
17 litigation. Both before and after the filing of this lawsuit, Plaintiff conferred with Class Counsel on
18 numerous occasions to discuss every aspect of this case. Plaintiff provided Class Counsel with
19 information about Defendants and about their policies and practices generally, reviewed documents,
20 consulted Class Counsel throughout the litigation at length, responded to informal discovery
21 inquiries, produced documents, met with counsel and participated in the mediation process,
22 monitored the progress of the litigation with Class Counsel, and reviewed and signed the Settlement
23 Agreement and provided their supporting declaration.

24 96. Class Counsel and Plaintiff submit they have diligently, adequately, and fairly
25 represented the Class Members, and have not placed their interests above any member of the
26 putative Class. The payment to Plaintiff is intended to recognize her time and effort on behalf of the
27 Class. The amount requested is fair and appropriate based on their contribution and involvement.
28 The Parties agree that Plaintiff is entitled to an enhancement for her time and effort in this matter.

1 This sort of payment to a class representative has been a common feature of settlements negotiated
2 by Class Counsel and has been routinely approved by trial courts.

3 97. In light of the foregoing, Plaintiff and Class Counsel believe that the Class Service
4 Award in the amount of **\$5,000.00** is fair and reasonable. Although Class Counsel appreciates the
5 Court's duty to ensure that class representatives are not overcompensated at the expense of the Class,
6 modest incentive awards in employment class actions, such as the one here, are necessary not only
7 to compensate class representatives for the time they spend in the case but also, and more
8 importantly, to encourage aggrieved employees to challenge questionable employment practices
9 notwithstanding the very real consequences they may face.

10 **SETTLEMENT ADMINISTRATION**

11 98. Plaintiff and Class Counsel also request that the Court approve Apex Class Action, LLC.
12 to serve as the Settlement Administrator and approve the requested allocation of \$12,500.00 for
13 administering this Settlement. The Parties finally request that the Court enter the concurrently filed
14 [Proposed] Order authorizing Apex Class Action, LLC to mail Class Notices to the Class Members.

15 **EXHIBIT LIST**

16 99. A true and correct copy of the Class Action and PAGA Settlement Agreement and Class
17 Notice is attached hereto as **Exhibit 1.**

18 100. A true and correct copy of the PAGA Notice and confirmatory email to the LWDA is
19 attached hereto as **Exhibit 2.**

20 101. On April 28, 2025, Plaintiff submitted the Class Action and PAGA Settlement
21 Agreement and Plaintiff's Motion for Preliminary Approval of Class Action and PAGA
22 Settlement and supporting documents to the LWDA. A true and correct copy of the confirmatory
23 email from the LWDA is attached hereto as **Exhibit 3.**

24 I declare under penalty of perjury under the laws of the State of California that the foregoing
25 is true and correct.

26 Executed this April 28, 2025, at Glendale, California

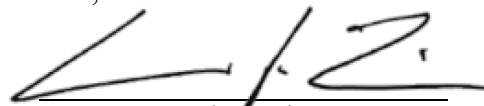
27 
28 Enoch J. Kim

EXHIBIT 1

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Attorneys for Plaintiff MARIANA ZUAZO
on behalf of herself and others similarly situated

Counsel for Defendants on following page:

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN BERNARDINO

MARIANA ZUAZO, an individual, on
behalf of herself and others similarly situated,

Plaintiff,

vs.

ROMEO & LAYLA WAREHOUSING,
INC., a California corporation; FAIRWAY
STAFFING SERVICES, a California
corporation; ULTRA PERSONNEL, LLC, a
California limited liability company; and
DOES 1 through 50, inclusive,

Defendants.

Case No.: CIVSB2307282

CLASS ACTION

Assigned for All Purposes To:

Hon. Joseph T. Ortiz

Dept.: S-17

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

Original Complaint filed: March 15, 2023

First Amended Complaint: May 19, 2023

Second Amended Complaint: TBD

Trial Date: None set.

1 [continued from previous page]:

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20 Attorneys for Defendant,

ULTRA PERSONNEL, LLC

This Class and PAGA Action Settlement Agreement and Release (“Settlement Agreement”) is entered into by and between Plaintiff MARIANA ZUAZO (hereinafter “Plaintiff”), on behalf of herself and all others similarly situated Settlement Class Members, and Defendants ROMEO & LAYLA WAREHOUSING, INC. (“R&L”), FAIRWAY STAFFING SERVICES (“Fairway”), and ULTRA PERSONNEL, LLC (“Ultra”) (R&L, Fairway and Ultra are each a “Defendant” and collectively, “Defendants”) (Plaintiff and Defendants collectively, the “Parties”). Subject to the approval of the Court, this Action is hereby being settled pursuant to the terms and conditions set forth in this Settlement Agreement. Plaintiff will file approval documents asking the Court to make and enter judgment, subject to the continuing jurisdiction of the Court as set forth below, and subject to the definitions, recitals, and terms set forth herein which by this reference become an integral part of this Settlement Agreement. This Settlement Agreement shall be binding and supplant any and all prior versions of agreements entered into by Plaintiff and Defendants.

DEFINITIONS

1. “Action” means the above-captioned action entitled *Mariana Zuazo v. Romeo & Layla Warehousing, Inc. et al.*, San Bernardino County Superior Court Case No: CIVSB2307282, currently pending before Hon. Joseph Ortiz in Department S-17.

2. “Class Counsel” means David Yeremian & Associates, Inc., including David Yeremian, Esq., and D.Law, Inc., including Alvin B Lindsay, Esq. and Tania Fonseca, Esq.

3. “Class Counsel Award” or “Class Counsel Fees and Costs” means attorneys’ fees for Class Counsel’s litigation and resolution of this Action, and Class Counsel’s expenses and costs incurred in connection with this Action. Class Counsel will request and Defendants will not oppose an application to the Court for an award of attorneys’ fees in an amount not to exceed one-third of the Maximum Settlement (i.e., \$146,666.67), as well as actual costs incurred in an amount not to exceed Thirty-Five Thousand Dollars (\$35,000.00) to be confirmed by Plaintiff’s Counsel in connection with final approval. Class Counsel’s attorneys’ fees and costs will be paid out of the Maximum Settlement Amount. To the extent that the Court approves less than the amount of attorneys’ fees or costs that Class Counsel requests, the difference between the requested and awarded amounts will be added to the Net Settlement Fund for distribution to the Settlement Class.

1 The Court's approval of lesser amounts for the Class Counsel Fees and Costs shall not provide a
2 basis for the Parties to revise or rescind this Settlement Agreement.

3 4. "Class Information" means information regarding Class Members that Defendants
4 will in good faith compile from their respective records and provide to the Settlement Administrator.
5 Class Information shall be formatted as Microsoft Excel documents and shall include: each Class
6 Member's full name; last 4 digits of social security number; last known address; and number of
7 Compensable Workweeks or information sufficient to calculate the same. Defendants will diligently
8 and in good faith compile the Class Information lists from their respective records and provide the
9 lists to the Settlement Administrator within thirty (30) calendar days of the Preliminary Approval
10 Date. The Settlement Administrator will then mail the Class Notices to the Class Members by no
11 later than forty-five (45) days following the Preliminary Approval Date.

12 5. "Class Member" or "Class" means all non-exempt, hourly individuals who worked
13 for R&L in California and all non-exempt, hourly individuals who Fairway and Ultra deployed to
14 work for R&L in California during the Class Period.

15 6. "Class Period" means March 15, 2019 through August 5, 2024 (i.e., 60 days after
16 mediation on June 6, 2024).

17 7. "Class Representative Enhancement and Service Award" means the amount that
18 Class Counsel will request, and that the Defendants will not oppose, that this Court approve as an
19 enhancement award for distribution to Plaintiff as the named Class Representative for the Settlement
20 Class. The amount of the enhancement award will not exceed Five Thousand Dollars (\$5,000.00)
21 and will be requested in recognition of Plaintiff's efforts and risks in assisting with the prosecution
22 of the Action.

23 8. "Compensable Workweeks" means a reasonable estimate of weeks worked by Class
24 Members during the Class Period based on Defendants' records and used as a value to calculate
25 Individual Settlement Payments. Compensable workweeks shall include only those workweeks a
26 Class Member actually worked for Defendants during the Class Period.

27 9. "Complaint" means the Second Amended Complaint that Plaintiff will file in this
28 Action to implement the Settlement Agreement. Under this Settlement Agreement, Plaintiff, upon

1 being granted leave, will file a Second Amended Complaint in the Action, in substantially the form
2 attached hereto as **Exhibit B**, which includes all factual allegations discussed during the mediation
3 and alleged in the PAGA notice to the extent those factual allegations are not already included in
4 the First Amended Complaint filed in this Action. This Second Amended Complaint shall become
5 the operative pleading and upon which the Released Class Claims and Released PAGA Claims are
6 based. The Parties will execute and submit a stipulation regarding the filing of the Second Amended
7 Complaint with the Court, or will seek leave to file the Second Amended Complaint by way of the
8 motion for preliminary approval, whichever approach facilitates obtaining preliminary approval the
9 soonest.

10 10. "Court" means the Superior Court for the County of San Bernardino, State of
11 California.

12 11. "Defendants" means the named Defendants Romeo & Layla Warehousing, Inc.
13 ("R&L"); Fairway Staffing Services ("Fairway"); and Ultra Personnel, LLC ("Ultra"), and their
14 past, present and/or future, direct and/or indirect, officers, directors, members, managers,
15 employees, agents, representatives, attorneys, insurers, partners, investors, shareholders,
16 administrators, parent companies divisions, predecessors, successors, assigns, and joint venturers.

17 12. "Effective Date of the Release" means the date when all of the following events have
18 occurred: (1) this Settlement Agreement has been executed by all Parties, Class Counsel and
19 Defendants' counsel; (2) the Court has given preliminary approval to this Settlement Agreement;
20 (3) the notice of Settlement has been given to the Class, providing Class Members with an
21 opportunity to object to the terms of the Settlement or to opt out of the Settlement; and (4) the Court
22 has held a formal fairness hearing and entered a final order and judgment conditionally certifying
23 the Settlement Class, approving this Settlement Agreement, and entering judgment on this
24 Settlement Agreement; and (5) sixty-five (65) calendar days have passed since the Court has entered
25 a final order and judgment conditionally certifying the Settlement Class, and approving the
26 Stipulation of Settlement; and (6) if any appeal, writ or other appellate proceeding opposing the
27 Court's final order approving the Settlement Agreement has been filed, five (5) business days after
28

any appeal, writ or other appellate proceedings opposing the Settlement Agreement has been finally and conclusively dismissed with no right to pursue further remedies or relief.

13. “Final Judgment” means the Court’s Final Judgment to be entered concurrently with the Court’s Order granting final approval to the Settlement.

14. “Maximum Settlement Amount” or “Gross Settlement Amount” or “GSA” means the non-reversionary payment of Four Hundred Forty Thousand Dollars (\$440,000.00) (unless increased pursuant below) in full and complete settlement of this matter, which sum includes all payments to Settlement Class Members, Aggrieved Employees, Class Counsel’s attorneys’ fees and litigation costs, third-party administration costs, payment to the Labor Workforce Development Agency (“LWDA”), and the enhancement awards to Plaintiff. In addition to and separate from the Maximum Settlement Amount, Defendants shall pay the employers’ portion of any payroll taxes on the wage allocation portion of the individual settlement payments to Settlement Class Members. R&L will contribute a total of One-Hundred Eighty-Five Thousand Dollars (\$185,000.00) toward the GSA, Fairway will contribute a total of Two-Hundred Thirty Thousand Dollars (\$230,000.00) toward the GSA, and Ultra will contribute a total of Twenty-Five Thousand Dollars (\$25,000.00) toward the GSA. Defendants are not jointly and severally liable for the GSA. As to that portion of Settlement Class Members’ settlement payments that constitutes wages, any employer taxes (in an amount corresponding to each Defendant’s respective payment towards the GSA), including the employer FICA, FUTA, and SDI contributions, shall be paid separately from the GSA. A separate and additional payment of \$10,000.00 will be provided to Plaintiff for a separate settlement and release of her individual non-wage and hour claims in her separate individual action entitled *Zuazo v. Romeo & Layla Warehousing, Inc. and Fairway Staffing Services*, San Bernardino Superior Court Case No. CIVSB2311164. Under this Settlement Agreement, Plaintiff will release the same class wide and PAGA claims as the Settlement Class Members Release.

15. “Individual Settlement Payment” means the amount payable from the Net Settlement Fund to each Settlement Class Member and PAGA Aggrieved Employee, less employee portions of state and federal withholding taxes, including FICA, FUTA and SDI contributions and any other

1 applicable payroll deductions required by law as a result of the payment of the amount allocated to
2 such Class Members under the terms of this Settlement.

3 16. “LWDA” means the California Labor and Workforce Development Agency, which
4 is empowered to enforce the Labor Code Private Attorneys General Act, California Labor Code
5 section 2698, *et seq.* (“PAGA”), has delegated such authority to Plaintiff with regard to the claims
6 made in this Action through the procedural mechanisms provided for by statute, and which will
7 receive the LWDA portion of the PAGA Allocation.

8 17. “Net Settlement Fund” or “Net Settlement Amount” means the balance after
9 deduction from the Gross Settlement Amount of Class Counsel’s attorneys’ fees and litigation costs,
10 third-party administration costs, the LWDA’s portion of the PAGA Payment, the Aggrieved
11 Employees’ portion of the PAGA Payment, and the enhancement award to Plaintiff. Each Class
12 Member who fails to opt out of the Settlement (“Settlement Class Member”) will be entitled,
13 provisionally, to a share or shares of the Net Settlement Fund, which shall be a fixed proportional
14 amount of the Net Settlement Fund per workweek. Each PAGA Aggrieved Employee will be paid
15 his or her proportionate share of PAGA Settlement Fund without regard to whether he or she opts
16 out of the class settlement.

17 18. “Notice of Class and PAGA Action Settlement” or “Class Notice” means the notice,
18 substantially in the form attached as **Exhibit A**, approved by the Parties and subject to Court
19 approval that the Settlement Administrator will mail to each Class Member explaining the terms of
20 this Settlement Agreement and the settlement process.

21 19. “PAGA” means the California Labor Code Private Attorneys General Act of 2004,
22 Labor Code § 2698 *et seq.*

23 20. “PAGA Payment” refers to the \$50,000 of the Maximum Settlement Amount that
24 will be allocated to the resolution of claims arising under PAGA. In regards to allocation of the
25 PAGA Payment, 75% of amount (or \$37,500.00) will be payable to the Labor Workforce
26 Development Agency (“LWDA”) and the remaining 25% (\$12,500.00) will be payable on a pro rata
27 basis to the Aggrieved Employees.

28 21. “PAGA Period” refers to the time from March 14, 2022 through August 5, 2024.

22. PAGA “Aggrieved Employees” means all Class Members who worked during the PAGA Period.

23. “PAGA Payment Ratio” means the respective pay periods during the PAGA Period for each Aggrieved Employee divided by the sum total of the pay periods for all PAGA Aggrieved Employees during the PAGA Period.

24. “PAGA Settlement Payment” refers to the amount calculated by the Settlement Administrator to distribute to each of the Aggrieved Employees. Any Class Member who opts out of the Settlement Class will nonetheless receive their PAGA Settlement Payment from the \$12,500.00 allocated to Aggrieved Employees from the PAGA Payment and the Aggrieved Employees will be bound, to the extent allowed by law, by the LWDA’s release of its claims to PAGA penalties under this Settlement Agreement. In light of the binding nature of a PAGA judgment on non-party employees pursuant to *Arias v. Sup. Ct. (Angelo Dairy)* (2009) 46 Cal. 4th 969 and *Cardenas v. McLane Foodservice, Inc.* (2011) 796 F. Supp. 2d 1246, individuals otherwise meeting the definition of a Class Member who exclude themselves from the Settlement shall nonetheless receive a payment for the amount of each such individual’s estimated share of the Aggrieved Employees’ portion of the PAGA Payment and shall have released PAGA claims.

25. “Parties” means Plaintiff and Defendants, collectively, and “Party” shall mean either Plaintiff or Defendants, individually.

26. “Payment Ratio” means the respective Compensable Workweeks for each Settlement Class Member divided by the total Compensable Workweeks for all Settlement Class Members.

27. “Plaintiff” refers to Mariana Zuazo, named plaintiff and putative class representative in this Action.

28. “Preliminary Approval Date” means the date, if any, upon which the Court issues an Order granting preliminary approval of the Settlement set forth in this Settlement Agreement.

29. “Request for Exclusion” refers to a timely letter submitted by a Class Member setting forth the individual’s name, present address, telephone number, and a clear statement by the Class Member electing to be excluded from the Settlement. The letter must be signed and submitted by the Class Member or their representative to the Settlement Administrator at the specified address

1 indicated in the Class Notice. A Request for Exclusion must be postmarked on or before the
2 exclusion deadline. The date of the postmark shall be the exclusive means to determine whether a
3 Request for Exclusion has been timely submitted. A Class Member who does not timely request a
4 valid exclusion from the Settlement shall be deemed a Settlement Class Member and will be bound
5 by all terms of the Settlement, when the Settlement is granted final approval by the Court.

6 30. "Released Claims by Plaintiff" refers to the separate individual settlement agreement
7 for Plaintiff's FEHA action, in which Plaintiff will provide the Released Parties with a Complete
8 and General Release which shall become effective as of the date she signs it. Therein Plaintiff will
9 also waive any and all rights she may have under Civil Code section 1542. Plaintiff will receive an
10 additional \$10,000 as consideration in exchange for this Complete and General Release. This
11 individual settlement amount to Plaintiff is separate from and in addition to the GSA.

12 31. "Released Class Claims" by participating Settlement Class Members (including
13 Plaintiff) shall mean and include all claims, rights, demands, liabilities, and causes of action alleged
14 or which could have reasonably been alleged based on the facts alleged in the operative Complaint
15 and PAGA notice in this action. The Released Class Claims extend to all Defendants, including
16 Defendants' respective officers, directors, shareholders, owners, investors, assigns, attorneys,
17 insurers, agents, independent contractors, employees, joint employers, staffing companies,
18 predecessors, successors, parents, subsidiaries, affiliates, related entities or other representatives of
19 any kind. The Released Class Claims are those that accrued during the Settlement Class Period. The
20 effective date of the release will coincide with the Effective Date of the Settlement, which will be
21 based upon entry of Judgment and the Court's Order Granting Final Approval.

22 32. "Released PAGA Claims" means the claims released by Aggrieved Employees
23 (including Plaintiff) and include all claims for PAGA civil penalties that are alleged or reasonably
24 could have been alleged against Defendants based on the facts alleged in the operative Complaint
25 and Plaintiff's PAGA notice in this action. The Released PAGA Claims extend to all Defendants,
26 including Defendants' respective officers, directors, shareholders, owners, investors, assigns,
27 attorneys, insurers, agents, independent contractors, employees, joint employers, staffing
28 companies, predecessors, successors, parents, subsidiaries, affiliates, related entities or other

1 representatives of any kind. The Released PAGA Claims are those that accrued during the PAGA
2 Period. Plaintiff will release all claims for PAGA penalties asserted in the operative Complaint and
3 PAGA notice in this action.

4 33. "Released Parties" means all Defendants, including Defendants' respective past,
5 present and/or future, direct and/or indirect, officers, directors, shareholders, owners, investors,
6 assigns, attorneys, insurers, agents, independent contractors, employees, joint employers, staffing
7 companies, predecessors, successors, members, managers, partners, administrators, divisions, joint
8 venturers, parent companies, subsidiaries, affiliates, related entities or other representatives of any
9 kind.

10 34. "Response Deadline" means forty-five (45) days after the Settlement Administrator
11 mails the Class Notice to Class Members and the last date on which Class Members may: (a) submit
12 a Request for Exclusion; (b) submit an objection to the Settlement; or (c) dispute the information
13 contained in the Class Notice.

14 35. "Settlement" means the disposition of the Action pursuant to this Settlement
15 Agreement.

16 36. "Settlement Administration Costs" means the amount to be paid to the Settlement
17 Administrator from the Maximum Settlement Amount for the Settlement Administrator's
18 reasonable fees and expenses related to the administration of this Settlement. The Settlement
19 Administrator, Apex Class Action, has provided a capped administration quotation of \$12,500.00,
20 and the Settlement Administration Costs will therefore be and will not exceed \$12,500.00.

21 37. "Settlement Administrator" means Apex Class Action Administration. Should a
22 conflict of interest or other issue lead to the disqualification of the selected Settlement
23 Administrator, the Parties will meet and confer as to a suitable replacement.

24 38. "Settlement Class" or "Settlement Class Member" or "Participating Class Member"
25 means any Class Member who does not submit a timely and valid Request for Exclusion.

26 39. "Summary of Workweeks and Estimated Payment" is the information that will be
27 included in the Class Notice that is sent to each Class Member that sets forth the number of
28 Compensable Workweeks that Class Member worked as a non-exempt employee for Defendants in

California during the Class Period, and the estimated payment he or she will receive if they do not submit a timely and valid Request for Exclusion.

RECITALS

40. Plaintiff Mariana Zuazo and the Class worked as hourly, non-exempt warehouse and distribution center workers for Defendants Romeo & Layla Warehousing, Inc., Fairway Staffing Services, and Ultra Personnel, LLC. Plaintiff filed her Class Action Complaint in San Bernardino County on March 15, 2023 alleging claims for: (1) Failure to Pay Minimum Wages and for all Hours Worked; (2) Failure to Pay Wages and Overtime under Labor Code § 510; (3) Meal Period Liability under Labor Code 226.7; (4) Rest-Break Liability under Labor Code § 226.7; (5) Violation of Labor Code § 226(a); (6) Violation of Labor Code § 221; (7) Violation of Labor Code § 204; (8) Violation of Labor Code § 203; and (9) Violation of Business & Professions Code § 17200 *et seq.* On May 19, 2023, Plaintiff filed the First Amended Class Action Complaint adding a tenth cause of action for PAGA penalties under Labor Code §§ 2698 *et seq.*

41. The Parties completed their initial Case Management Conference with the Court on July 19, 2023. In addition to meeting and conferring regarding case management and discovery, the Parties' counsel conferred regarding the existence of an arbitration agreement between Fairway Staffing Services and mediation.

42. Plaintiff's counsel provided Defendants' counsel with a comprehensive listing of informal discovery items required to constructively mediate. Defendants responded with production of various documents and data, including (1) handbooks and policy and training docs; (2) personnel file for Plaintiff; (3) PDF files (not native) with timekeeping records for Plaintiff; and (4) PDF and Excel files with a sampling of time data and pay data for other Class Members. Prior to mediation, Plaintiff obtained sufficient documents and information to sufficiently investigate the claims such that Plaintiff's investigation satisfied the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal. App. 4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal. App. 4th 116, 129-130.

43. The Parties agreed to a class-wide mediation with well-respected wage and hour class action mediator, Steven Rottman and completed it on June 6, 2024. After a full day of negotiation

1 with the assistance of the mediator, the Parties were able to arrive at general terms for settling all
2 the claims in this action and executed a Memorandum of Understanding to that end.

3 44. Benefits of Settlement to Class Members. Plaintiff and Class Counsel recognize the
4 expense and length of continued proceedings necessary to litigate their disputes through trial and
5 through any possible appeals. Plaintiff has also taken into account the uncertainty and risk of the
6 outcome of further litigation and the difficulties and delays inherent in such litigation. Plaintiff and
7 Class Counsel are also aware of the burdens of proof necessary to establish liability for the claims
8 asserted in the Action, both generally and in response to Defendants' defenses thereto, and the
9 difficulties in establishing damages for the Settlement Class Members. Plaintiff and Class Counsel
10 have also taken into account Defendants' agreement to enter into a settlement that confers
11 substantial relief upon the members of the Settlement Class. Based on the foregoing, Plaintiff and
12 Class Counsel have determined that the Settlement set forth in this Settlement Agreement is a fair,
13 adequate, and a reasonable settlement, and is in the best interests of the Settlement Class Members.

14 45. Defendants' Reasons for Settlement. Defendants have concluded that any further
15 defense of this litigation would be protracted and expensive for all Parties. Substantial amounts of
16 Defendants' time, energy, and resources have been and, unless this Settlement is completed, will
17 continue to be devoted to the defense of the claims asserted by Plaintiff. Defendants have also taken
18 into account the risks of further litigation in reaching its decision to enter into this Settlement. Even
19 though Defendants continue to contend they are not liable for any of the claims alleged by Plaintiff
20 in this Action and deny joint and several liability, Defendants have agreed, nonetheless, to settle in
21 the manner and upon the terms set forth in this Settlement Agreement to put to rest the claims in
22 this Action. As to the Released Claims, Defendants deny and continue to deny each of those claims.
23 Defendants have repeatedly asserted and continue to assert defenses thereto and have expressly
24 denied and continue to deny any wrongdoing or legal liability arising out of any of the facts or
25 conduct alleged in the Action. Defendants deny that they have engaged in any unlawful activity,
26 have failed to comply with the law in any respect, have any liability to anyone under the claims
27 asserted in the Action, or that but for the Settlement, the Class could be certified in the Action.
28 Neither the memorandum of understanding nor this Settlement Agreement shall constitute an

1 admission of liability or of the accuracy of any allegation made by Plaintiff or her counsel. This
2 Settlement Agreement is entered into solely for the purpose of compromising highly disputed
3 claims. Nothing in this Settlement Agreement is intended or will be construed as an admission by
4 Defendants of liability or wrongdoing. This Settlement Agreement, and Plaintiff's and Defendants'
5 willingness to settle the Action will have no bearing on, and will not be admissible in connection
6 with, any litigation between the Parties (other than in connection with this Settlement Agreement).

7 46. This Settlement is Fair, Adequate, and Reasonable. The Parties believe this
8 Settlement to be adequate, fair, and reasonable and have arrived at this settlement after extensive
9 arms-length negotiation considering all factors. They participated in a day-long mediation with an
10 experienced mediator and reached this settlement after consideration of all of the relevant factors.

11 **STIPULATION AND AGREEMENT**

12 47. NOW THEREFORE, in consideration of the mutual covenants, promises, and
13 agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

14 48. It is agreed by and among Plaintiff and Defendants that this Settlement shall bind the
15 Plaintiff, Settlement Class Members, Aggrieved Employees, and Defendants, subject to the terms
16 and conditions hereof. Subject to the Court's approval, Plaintiff and Settlement Class Members
17 release Defendants and Released Parties from the Released Class Claims for the Class Period, as of
18 the Effective Date, pursuant to Paragraph 31 of this Settlement Agreement.

19 49. Circular 230 Disclaimer. Each Party to this Settlement Agreement (for purposes of
20 this section, the "acknowledging party" and each Party to this Settlement Agreement other than the
21 acknowledging party, an "other party") acknowledges and agrees that (1) no provision of this
22 Settlement Agreement, and no written communication or disclosure between or among the Parties
23 or their attorneys and other advisers, is or was intended to be, nor shall any such communication or
24 disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United
25 States Treasury Department Circular 230 (31 CFR Part 10, as amended); (2) the acknowledging
26 party (a) has relied exclusively upon his, her, or its own, independent legal and tax counsel for
27 advice (including tax advice) in connection with this Settlement Agreement, (b) has not entered into
28 this Settlement Agreement based upon the recommendation of any other party or any attorney or

1 advisor to any other party, and (c) is not entitled to rely upon any communication or disclosure by
2 any attorney or adviser to any other party to avoid any tax penalty that may be imposed on the
3 acknowledging party; and (3) no attorney or adviser to any other party has imposed any limitation
4 that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of
5 whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax
6 treatment or tax structure of any transaction, including any transaction contemplated by this
7 Settlement Agreement.

8 50. Class Certification. The Parties stipulate to class certification for purposes of
9 settlement only. Defendants contend that the facts do not justify class certification under the
10 governing legal standards. The trial court has not ruled on class certification in the underlying
11 litigation. Consequently, a "Settlement Class" has been established for purposes of administration
12 and resolution of this matter only. It is not, and it should not be construed as, any admission of fact
13 or law in this matter or any other matter that class certification is appropriate. If the Court does not
14 grant either preliminary or final approval of this settlement, then the Parties revert to their previous
15 positions and Defendants will not stipulate to class certification.

16 51. Preliminary Approval of Settlement. Plaintiff will move the Court to grant
17 preliminary approval of this class action Settlement for settlement purposes only, certifying the
18 Settlement Class for settlement purposes only, and setting a date for a final approval hearing. All
19 Parties agree to work diligently and cooperatively to have this matter presented to the Court for
20 preliminary approval as efficiently as possible.

21 52. Release of Claims by Plaintiff. Pursuant to Plaintiff's separate individual settlement
22 agreement in the FEHA action, Plaintiff releases the "Released Claims by Plaintiff" as of completion
23 of that settlement agreement and payment by Defendants.

24 53. Release of Claims by Settlement Class Members. Pursuant to this Settlement
25 Agreement, Settlement Class Members release the Released Parties from the Released Class Claims
26 as of the Effective Date and funding of the Settlement.

27 54. Release of PAGA Claims and the Aggrieved Employees. Upon both the Effective
28 Date and funding of the Settlement, and in exchange for the consideration set forth in this Settlement

1 Agreement, Plaintiff and the LWDA release the Released Parties from the Released PAGA Claims
2 for the PAGA Period. This release is applicable as to the PAGA Aggrieved Employees in the sense
3 that the Released Parties will also be entitled to assert that this Settlement of the PAGA claims in
4 this Action provides claim or issue preclusion if any of the other PAGA Aggrieved Employees
5 besides Plaintiff brings a subsequent claim on behalf of the LWDA concerning the same Released
6 PAGA Claims that were at issue in this litigation. The PAGA Settlement Payments to the Aggrieved
7 Employees will serve as consideration for this preclusion.

8 55. Settlement Administration. Defendants will diligently and in good faith compile the
9 Class Information list from its records and provide it to the Settlement Administrator within thirty
10 (30) calendar days of the Preliminary Approval Date.

11 56. Notice by First Class U.S. Mail. Upon receipt of the Class Information, the
12 Settlement Administrator will perform a search based on the National Change of Address Database
13 to update and correct any known or identifiable address changes. The Settlement Administrator will
14 then mail the Class Notices via regular First-Class U.S. Mail to the Class Members by no later than
15 forty-five (45) days following the Preliminary Approval Date. The Settlement Administrator shall
16 exercise its best judgment to determine the current mailing address for each Class Member. The
17 address identified by the Settlement Administrator as the current mailing address shall be presumed
18 to be the best mailing address for each Class Member.

19 a. Undeliverable Notices. Any Class Notice returned to the Settlement
20 Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the
21 forwarding address affixed thereto within ten (10) calendar days of determining that a Notice was
22 undeliverable. If no forwarding address is provided, the Settlement Administrator shall promptly
23 attempt to determine a correct address by use of skip-tracing, or other search using the name, address
24 and/or last four digits of the Social Security number of the Class Member involved, and shall then
25 perform a re-mailing, if another mailing address is identified by the Settlement Administrator. Class
26 Members who receive a re-mailed Notice of Class Settlement and Summary Sheet shall have their
27 Response Deadline extended ten (10) calendar days from the original Response Deadline.
28

1 b. Disputes Regarding Individual Settlement Payments. Class Members will
2 have the opportunity, should they disagree with Defendants' records regarding the dates of
3 employment or other information on their Summary of Workweeks and Estimated Payment included
4 in the Class Notice, to provide documentation and/or an explanation to show contrary information
5 by the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the
6 Parties to determine whether an adjustment is warranted. The Settlement Administrator shall then
7 determine the eligibility for, and the amounts of, any Individual Settlement Payments under the
8 terms of this Settlement Agreement. The Settlement Administrator's determination of the eligibility
9 for and amount of any Individual Settlement Payment shall be binding upon the Class Member and
10 the Parties. In the absence of circumstances indicating fraud, manipulation or destruction,
11 Defendants' records will be given a rebuttable presumption of accuracy.

12 c. Disputes Regarding Administration of Settlement. Any disputes not resolved
13 by the Settlement Administrator concerning the administration of the Settlement will be resolved by
14 the Court, under the laws of the State of California. Prior to any such involvement of the Court,
15 counsel for the Parties will confer in good faith to resolve the disputes without the necessity of
16 involving the Court.

17 d. Exclusions. The Notice of Class Settlement shall state that Class Members
18 who wish to exclude themselves from the Settlement must mail to the Settlement Administrator a
19 Request for Exclusion by the Response Deadline. The Request for Exclusion: (1) must contain the
20 name, address, and telephone number of the person requesting exclusion, as well as a clear statement
21 by the Class Member electing to be excluded; (2) must be signed by the Class Member; and (3) must
22 be postmarked by the Response Deadline. The date of the postmark on the return mailing envelope
23 on the Request for Exclusion shall be the exclusive means used to determine whether it has been
24 timely submitted. The Request for Exclusion will be deemed invalid if it does not contain the Class
25 Member's name, address, and telephone number, as well as a clear statement by the Class Member
26 electing to be excluded, and the Class Member's signature. Any Class Member who requests to be
27 excluded from the Settlement Class will not be entitled to any recovery under the Settlement and
28 will not be bound by the terms of the Settlement or have any right to object, appeal, or comment

1 thereon. Class Members who receive a Notice of Class Settlement but fail to submit a valid and
2 timely Request for Exclusion on or before the Response Deadline shall be bound by all terms of the
3 Settlement and any Final Judgment entered in this Action. The Settlement Administrator shall
4 provide the Parties with regular updates regarding the status of any requests for exclusion. Any Class
5 Member that submits a timely request for exclusion that is also a member of the Aggrieved
6 Employees Group will still receive their pro rata share of the PAGA Settlement Fund, and in
7 consideration, will be bound by the terms relating to the PAGA Released Claims.

8 e. Objections. The Notice of Class Settlement shall state that Class Members
9 who wish to object to the Settlement must mail to the Settlement Administrator a written statement
10 of objection (“Notice of Objection”) by the Response Deadline. The date of the postmark on the
11 return mailing envelope on the Notice of Objection shall be the exclusive means used to determine
12 whether the Objection has been timely submitted. The Settlement Administrator will notify all
13 Parties of any objection within five (5) business days of receipt of the Objection. Plaintiff will file
14 any such Objection(s) with the Court in advance of the Final Approval Hearing. The Notice of
15 Objection must be signed by the Class Member and state: (1) the full name of the Class Member;
16 (2) the dates of employment of the Class Member; (3) the basis for the objection; (4) if the Class
17 Member intends to appear at the final approval hearing; and (5) any legal briefs, papers, or
18 memoranda the objecting Class Member proposes to submit to the Court. Class Members who fail
19 to make objections in the manner specified above shall be deemed to have waived any objections
20 and shall be foreclosed from making any objections (whether by appeal or otherwise) to the
21 Settlement. Class Members who submit a timely Notice of Objection will have a right to appear at
22 the final approval hearing in order to have their objections heard by the Court. At no time shall any
23 of the Parties or their counsel seek to solicit or otherwise encourage Class Members to file or serve
24 written objections to the Settlement or appeal from the Order granting final approval and/or Final
25 Judgment. Class Counsel shall not represent any Class Members with respect to any such
26 Objections.

1 f. The Parties have the right to monitor and review administration of the
2 Settlement to verify that the monies allocated to the Settlement Class are distributed in a correct
3 amount.

4 g. The Parties agree to use their best efforts to carry out the terms of this
5 Settlement. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage
6 Class Members to submit either written objections to the Settlement or requests for exclusion from
7 the Settlement, or to appeal from the Court's Final Judgment.

8 57. Funding of the Maximum Settlement Amount. Defendants shall fully fund the
9 Maximum Settlement Amount, and also fund the amounts necessary to fully pay Defendants' share
10 of payroll taxes by transmitting the funds to the Administrator no later than twenty (20) calendar
11 days after the Effective Date. R&L will contribute a total of One-Hundred Eight-Five Thousand
12 Dollars (\$185,000.00) toward the Maximum Settlement Amount, Fairway will contribute a total of
13 Two-Hundred Thirty Thousand Dollars (\$230,000.00) toward the Maximum Settlement Amount,
14 and Ultra will contribute a total of Twenty-Five Thousand Dollars (\$25,000.00) toward the
15 Maximum Settlement Amount. Defendants are not jointly and severally liable for the Maximum
16 Settlement Amount. This is a non-reversionary Settlement in which Defendants are required to pay
17 the entire Maximum Settlement Amount. No portion of the Maximum Settlement Amount will
18 revert to Defendants. Defendants are separately and solely responsible for any employer payroll
19 taxes owed as a result of this Settlement Agreement. Within twenty (20) days of the Effective Date,
20 Defendants will deposit money, in an amount equal to the Maximum Settlement Amount, to pay (1)
21 the Settlement Class per the terms of the final settlement agreement, and (2) court approved
22 attorneys' fees and costs, administration costs, and the enhancement payment, and (3) PAGA
23 penalties to be paid to the LWDA and to the Aggrieved Employees into an interest-bearing account,
24 through the Settlement Administrator. Any interest accrued will be distributed to the Settlement
25 Class except that if final approval is reversed on appeal, then Defendants are entitled to prompt
26 return of the principal and all interest accrued.

27 58. Allocation of Settlement. Individual Settlement Payments will be paid from the Net
28 Settlement Fund and shall be paid pursuant to the settlement formula set forth herein. Individual

1 Settlement Payments shall be mailed by the Settlement Administrator by regular First-Class U.S.
2 Mail to Settlement Class Members' last known mailing address within ten (10) days of the receipt
3 of the Maximum Settlement Amount from Defendants. Each Class Member who fails to timely and
4 properly opt out of the Settlement will be entitled, provisionally, to a share or shares of the Net
5 Settlement Fund, which shall be a fixed proportional amount of the Net Settlement Fund based on
6 the number of workweeks each Settlement Class Member worked during the Settlement Class
7 Period.

8 a. The Settlement Administrator will calculate the total Compensable
9 Workweeks for all Settlement Class Members based on the Class Information. The respective
10 Compensable Workweeks for each Settlement Class Member will be divided by the total
11 Compensable Workweeks for all Settlement Class Members, resulting in the Payment Ratio for each
12 Settlement Class Member. Each Settlement Class Member's Payment Ratio is then multiplied by
13 the Net Settlement Amount to determine his or her Individual Settlement Payment. Compensable
14 Workweeks shall include only those workweeks a Class Member actually worked for Defendants
15 during the Class Period. Defendants' payroll records shall control, but Class Members will have the
16 right to challenge their number of workweeks. The Parties will work together in good faith with the
17 Settlement Administrator to resolve any disputes regarding workweeks. If there are any valid and
18 timely Requests for Exclusion, the Settlement Administrator shall proportionately increase the
19 Individual Settlement Payment for each Settlement Class Member according to the number of
20 workweeks worked by Settlement Class Members, so that the amount distributed to the Settlement
21 Class equals 100% of the Net Settlement Amount.

22 b. Individual Settlement Payments to Settlement Class Members will be
23 allocated 10% to wages and 90% to non-wages (i.e., for claims of interest and statutory penalties).
24 The Settlement Administrator will be responsible for issuing to Settlement Class Members a form
25 W-2 for amounts deemed "wages" and an IRS Form 1099 for the portions allocated to statutory
26 penalties and interest. The settlement payment for each Aggrieved Employee shall be allocated
27 100% as penalties. The Settlement Administrator will be responsible for issuing to claimants an IRS
28

1 Form 1099. The recipients of payments pursuant to this Agreement shall be exclusively responsible
2 for all tax obligations other than the employers' share of payroll taxes allocated to unpaid wages.

3 c. Checks issued to Settlement Class Members pursuant to this Settlement
4 Agreement shall remain negotiable for one hundred and eighty (180) calendar days. Any settlement
5 checks that are not claimed or not negotiated within one hundred eighty (180) calendar days after
6 the distribution of Individual Settlement Payments to Settlement Class Members shall be void and
7 the funds not disbursed as a result and will instead be paid to the California Controller's Unclaimed
8 Property Fund to be held in the name of the Settlement Class Member and in accordance with the
9 procedures set forth in CCP §1520. The Parties agree that this disposition results in no "unpaid
10 residue" under California Civil Procedure Code § 384, as the entire Net Settlement Amount will be
11 paid out to Settlement Class Members, whether or not they all cash their checks for their Individual
12 Settlement Payments. Therefore, Defendants will not be required to pay any interest on such
13 amounts. For information on the Unclaimed Property Fund, and instructions on how to search for
14 and claim unclaimed property held by the State Controller in the name of the Class members, Class
15 members can go to the State Controller's web-site at <https://www.sco.ca.gov/index.html> and click
16 on the Unclaimed Property link to be directed to https://www.sco.ca.gov/upd_msg.html. The
17 foregoing information regarding searching for a claiming amounts distributed to the Unclaimed
18 Property Fund will also be included in the mailed Class Notice. The Parties agree that this is the best
19 and most practical method for ensuring the best chance that any unclaimed funds intended for
20 specific individual class members will find them. Given that all funds in the Net Fund will be
21 distributed to the participating Class members and held in their name in the event they are
22 undeliverable, the Parties submit there is no unpaid residue under Cal. Code Civ. Proc. § 384 and
23 that no declaration under Cal. Code Civ. Proc. § 382.4 is required.

24 d. Certification By Settlement Administrator. Upon completion of
25 administration of the distributions, the Settlement Administrator shall provide written certification
26 of such completion to the Court and counsel for all Parties.

27 e. Settlement Awards Do Not Trigger Additional Benefits. All monies received
28 by Settlement Class Members shall be deemed to be income to such Settlement Class Members

1 solely in the year in which such awards actually are received by the Settlement Class Members. It
2 is expressly understood and agreed that the receipt of such Settlement Awards will not entitle any
3 Settlement Class Member to additional compensation or benefits under any company compensation
4 or benefit plan or agreement in place during the period covered by the Settlement, nor will it entitle
5 any Settlement Class Member to any increased pension and/or retirement, or other deferred
6 compensation benefits. It is the intent of this Settlement that any Settlement Awards provided for in
7 this Settlement Agreement are the sole payments to be made by Defendants to the Settlement Class
8 Members in connection with this Settlement, and that the Settlement Class Members are not entitled
9 to any new or additional compensation or benefits as a result of having received the Settlement
10 Awards (notwithstanding any contrary language or agreement in any benefit or compensation plan
11 document that might have been in effect during the period covered by this Settlement).

12 f. Class Representative Enhancement and Service Award. Class Counsel will
13 request and Defendants will not object that the Court approve enhancement awards for distribution
14 to Plaintiff as the named Class Representative for the Settlement Class. The amount of the
15 enhancement award will not exceed Five Thousand Dollars (\$5,000.00). Defendants agree not to
16 oppose or object to the Class Representative Enhancement and Service Award of up to Five
17 Thousand Dollars (\$5,000.00), subject to Court approval. The Class Representative Enhancement
18 and Service Award shall be paid to Plaintiff no later than ten (10) days following the receipt of the
19 Maximum Settlement Amount by the Settlement Administrator from Defendants. The Settlement
20 Administrator shall issue an IRS Form 1099 – MISC to Plaintiff in connection with the Class
21 Representative Enhancement and Service Award. Plaintiff shall be solely and legally responsible to
22 pay any and all applicable taxes on her Class Representative Enhancement and Service Award and
23 shall hold harmless Defendants and Class Counsel from any claim or liability for taxes, penalties,
24 or interest arising as a result of the Class Representative Enhancement and Service Award. Any
25 amount requested by Plaintiff for the Class Representative Enhancement and Service Award not
26 granted by the Court shall return to the Net Settlement Fund and be distributed as provided in this
27 Settlement Agreement.

1 g. Settlement of Plaintiff's FEHA Action. A separate and additional payment
2 of \$10,000.00 will be provided to Plaintiff for a separate settlement and release of her individual
3 non-wage and hour claims in her separate individual action entitled *Zuazo v. Romeo & Layla*
4 *Warehousing, Inc. et al.*, San Bernardino Superior Court Case No. CIVSB2311164. Plaintiff shall
5 be required to execute a general release and 1542 waiver in her separate individual settlement
6 agreement for this FEHA action.

7 h. Class Counsel Award of Attorneys' Fees and Costs. Class Counsel will
8 request and Defendants will not object that the Court approve an award of attorneys' fees in an
9 amount not to exceed one-third of the Maximum Settlement Amount, or One Hundred Forty-Six
10 Thousand Six Hundred Sixty-Six and 67/100 Dollars (\$146,666.67), as well as actual costs incurred
11 in an amount not to exceed Thirty-Five Thousand Dollars (\$35,000.00) to be confirmed by
12 Plaintiff's Counsel in connection with final approval. Class Counsel's attorneys' fees and costs will
13 be paid out of the Maximum Settlement Amount. To the extent that the Court approves less than the
14 amount of attorneys' fees or costs that Class Counsel requests, the difference between the requested
15 and awarded amounts will be added to the Net Settlement Fund for distribution to the Settlement
16 Class. Court approved Attorneys' Fees and Costs shall be paid by the Administrator to Class
17 Counsel no later than ten (10) days following the receipt by the Settlement Administrator of the
18 Maximum Settlement Amount from Defendants. Class Counsel shall be solely and legally
19 responsible to pay all applicable taxes on the payment made pursuant to this paragraph. The
20 Settlement Administrator shall issue an IRS Form 1099 – MISC to Class Counsel for the payments
21 made pursuant to this paragraph. This Settlement is not contingent upon the Court awarding Class
22 Counsel any particular amount in attorneys' fees and costs. The Court's approval of lesser amounts
23 for the Class Counsel Fees and Costs shall not provide a basis for the Parties to revise or rescind
24 this Settlement Agreement.

25 i. Settlement Administration Costs. The Settlement Administrator (Apex Class
26 Action Administration) shall be paid for the costs of administration of the Settlement from the
27 Maximum Settlement Amount no later than ten (10) days following the receipt by the Settlement
28 Administrator of the Maximum Settlement Amount from Defendants. The costs of administration

1 for the disbursement of the Maximum Settlement Amount shall not exceed Twelve Thousand Five
2 Hundred Dollars (\$12,500.00). The Settlement Administrator, on Defendants' behalf, shall have the
3 authority and obligation to make payments, credits, and disbursements, including payments and
4 credits in the manner set forth herein, to Settlement Class Members calculated in accordance with
5 the methodology set out in this Settlement Agreement and orders of the Court. The Parties agree to
6 cooperate in the Settlement Administration process and to make all reasonable efforts to control and
7 minimize the cost and expenses incurred in administration of the Settlement.

8 1. The Parties each represent they do not have any financial interest in
9 the Settlement Administrator or otherwise have a relationship with the Settlement Administrator
10 that could create a conflict of interest.

11 2. The Settlement Administrator shall be responsible for: processing and
12 mailing payments to Plaintiff, Class Counsel, the LWDA, and Settlement Class Members;
13 performing any translations required for the Class Notice, printing, and mailing the Class Notice
14 and tax forms to Class Members if directed by the Court; receiving and reporting the requests for
15 exclusion and objections submitted by Class Members; providing declaration(s) as necessary in
16 support of preliminary and/or final approval of this Settlement; and other tasks as the Parties
17 mutually agree or the Court orders the Settlement Administrator to perform. The Settlement
18 Administrator shall keep the Parties timely apprised of the performance of all Settlement
19 Administrator responsibilities.

20 j. Payment to the LWDA and Aggrieved Employees ("PAGA Allocation").
21 The Parties allocate Fifty Thousand Dollars (\$50,000.00) to the settlement and resolution of the
22 Released PAGA claims under the Labor Code Private Attorneys General Act of 2004, with 75% of
23 this amount to be paid directly to the LWDA (\$37,500.00) and 25% of this amount (\$12,500.00 –
24 the PAGA Settlement Fund) to be paid on a pro rata basis to the Aggrieved Employees. The PAGA
25 Settlement Payments from the PAGA Settlement Fund are made pursuant to Labor Code Section
26 2699(i) and shall also be paid within ten (10) days of the receipt by the Settlement Administrator of
27 the Maximum Settlement Amount. The Settlement Administrator will identify the Aggrieved
28 Employees members employed during the PAGA Claim Period and will calculate their PAGA

1 Settlement Payments from the PAGA Settlement Fund by multiplying each Aggrieved Employee's
2 PAGA Payment Ratio by the PAGA Settlement Fund of \$12,500.00. These payments will be
3 allocated as penalties for payroll purposes and each employee who is a Settlement Class Member
4 and also a member of the Aggrieved Employees will receive both their Individual Settlement
5 Payments and their PAGA Settlement Payments. Any Class member who requests exclusion who
6 is also a member of the Aggrieved Employees will nevertheless receive their PAGA Settlement
7 Payment.

8 k. No person shall have any claim against Defendants, Defendants' Counsel,
9 Plaintiff, Settlement Class Members, Class Counsel, or the Settlement Administrator based on
10 distributions and payments made in accordance with this Settlement Agreement.

11 59. Plaintiff and all Settlement Class Members shall be enjoined from filing or
12 prosecuting any other cases, claims, suits or administrative proceedings (including filing claims with
13 the Division of Labor Standards Enforcement of the California Department of Industrial Relations)
14 regarding claims released by the Settlement unless and until such Class Members have served valid
15 and timely Requests for Exclusion with the Settlement Administrator.

16 60. Final Settlement Approval Hearing and Entry of Final Judgment. Upon expiration
17 of the Response Deadline, with the Court's permission, a final approval hearing shall be conducted
18 to determine final approval of the Settlement along with the amount properly payable for: (i) the
19 Class Counsel Award; (ii) the Class Representative Enhancement and Service Award; (iii) payments
20 to the LWDA and PAGA Aggrieved Employee Group; and (iv) the Settlement Administration
21 Costs.

22 61. Escalator Provision. The GSA was calculated based on the estimate that Settlement
23 Class Members worked a total of approximately 11,000 workweeks during the Class Period as of
24 June 6, 2024. If the total number of workweeks Defendants provide to the Settlement Administrator
25 for Notice Mailing is 10% higher (i.e., 1,100 workweeks higher), then the GSA will be increased
26 proportionally by the workweeks worked in excess of 12,100 workweeks multiplied by the per
27 workweek value or Defendants will have the option to set the Settlement Class Period end date to a
28 date at which the number of workweeks does not increase by more than 10% of the number set forth

1 in this paragraph. If this provision is triggered and the GSA is increased proportionally, the Parties
2 agree that the portion of the GSA allocated to Class Counsel Fees and Costs will increase
3 proportionally such that the total amount of Class Counsel Fees and Costs remains one-third of the
4 GSA after the upward adjustment required by this provision is implemented.

5 62. Nullification of Settlement Agreement. In the event: (i) the Court does not enter the
6 Order for preliminary approval of the Settlement; (ii) the Court does not finally approve the
7 Settlement; (iii) the Court does not enter a Final Judgment as provided herein; or (iv) the Settlement
8 does not become final for any other reason, this Settlement Agreement shall be null and void and
9 any order or judgment entered by the Court in furtherance of this Settlement shall be treated as void
10 from the beginning. Defendants also retain the right, in the exercise of their sole discretion, to nullify
11 the settlement and its stipulation to class certification within thirty (30) days after expiration of the
12 opt out period if five percent (5%) or more of Class Members opt out of this Settlement. All
13 signatories and their counsel must not encourage opt-outs. Counsel for the Class Members and
14 Defendants specifically agree not to solicit opt-outs, directly or indirectly, through any means. The
15 Court's approval of lesser amounts for the Class Counsel Fees and Costs shall not provide a basis
16 for the Parties to revise or rescind this Settlement Agreement.

17 63. Notice of Final Judgment. Notice of final judgment will be given to the Class by
18 posting notice to the case website maintained by the Settlement Administrator.

19 64. No Effect on Employee Benefits. Amounts paid to Plaintiff, other Settlement Class
20 Members, or Aggrieved Employees pursuant to this Settlement Agreement shall be deemed not to
21 be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any of
22 the employee benefits (e.g., vacations, holiday pay, retirement plans, etc.) of Plaintiff, Settlement
23 Class Members, or Aggrieved Employees.

24 65. No Admission by Defendants. Defendants deny any and all claims alleged in this
25 Action and deny all wrongdoing whatsoever. This Settlement Agreement is not a concession or
26 admission and shall not be used against Defendants as an admission or indication with respect to
27 any claim of any fault, concession, or omission by any Defendants.

1 66. Exhibits and Headings. The terms of this Settlement Agreement include the terms
2 set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth
3 herein. Any Exhibits to this Settlement Agreement are an integral part of the Settlement. The
4 descriptive headings of any paragraphs or sections of this Settlement Agreement are inserted for
5 convenience of reference only and do not constitute a part of this Settlement Agreement.

6 67. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Action,
7 except such proceedings necessary to implement and complete the Settlement, in abeyance pending
8 the Final Approval Hearing to be conducted by the Court.

9 68. Confidentiality and Publicity. While the Parties understand that the fact of this
10 settlement will be of public record in the Courts, the Parties also understand that Defendants wish
11 to keep it as confidential as possible. Accordingly, Plaintiff agrees not to publicize this settlement
12 in any way, including but not limited to communications with other class members by text, social
13 media, or otherwise; any representations to the public about this settlement, or her role as Class
14 Representative, or her Class Representative Enhancement and Service Award. Class Counsel also
15 agrees not to publicize this settlement in any way, including but not limited to naming Defendants
16 on their firms' or individual attorneys' websites, or in any firm or attorney promotional materials,
17 notice of settlement periodicals, or social media posts; and communications about this settlement
18 involving Defendants' name with any media outlet or social media platform. Nothing in this
19 provision shall prevent Class Counsel from communicating with Class Members to effectuate the
20 Settlement or from including information about the lawsuit in future applications for attorneys' fees.

21 69. Dispute Resolution. Except as otherwise set forth herein, all disputes concerning the
22 interpretation, calculation or payment of Settlement claims, or other disputes regarding compliance
23 with this Settlement Agreement shall be resolved as follows:

24 a. If Plaintiff or Class Counsel, on behalf of Plaintiff or any Settlement Class
25 Member, or Defendants' Counsel, on behalf of Defendants, at any time believe that the other Party
26 has breached or acted contrary to the Settlement Agreement, that Party shall notify the other Party
27 in writing of the alleged violation.
28

1 b. Upon receiving notice of the alleged violation or dispute, the responding
2 Party shall have ten (10) calendar days to correct the alleged violation and/or respond to the
3 initiating Party with the reasons why the Party disputes all or part of the allegation.

4 c. If the response does not address the alleged violation to the initiating Party's
5 satisfaction, the Parties shall negotiate in good faith for up to ten (10) calendar days to resolve their
6 differences.

7 d. If Class Counsel and Defendants' Counsel are unable to resolve their
8 differences after twenty (20) calendar days, either Party shall first contact the mediator to try to
9 resolve the dispute. If that proves unsuccessful, the party may file an appropriate motion for
10 enforcement with the Court.

11 e. Reasonable attorneys' fees and costs for work done in resolving a dispute
12 under this Section may be recovered by any Party that prevails under the standards set forth within
13 the meaning of applicable law.

14 70. Amendment or Modification. This Settlement Agreement may be amended or
15 modified only by a written instrument signed by counsel for all Parties or their successors-in-
16 interest.

17 71. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute
18 the entire Settlement Agreement among these Parties, and no oral or written representations,
19 warranties, or inducements have been made to any Party concerning this Settlement Agreement or
20 its Exhibits other than the representations, warranties, and covenants contained and memorialized
21 in the Settlement Agreement and its Exhibits.

22 72. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant
23 and represent they are expressly authorized by the Parties whom they represent to negotiate this
24 Settlement Agreement and to take all appropriate actions required or permitted to be taken by such
25 Parties pursuant to this Settlement Agreement to effectuate its terms, and to execute any other
26 documents required to effectuate the terms of this Settlement Agreement. The Parties and their
27 counsel will cooperate with each other and use their best efforts to effect the implementation of the
28 Settlement. In the event the Parties are unable to reach agreement on the form or content of any

document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court or the mediator to resolve such disagreement. The persons signing this Settlement Agreement on behalf of Defendants represents and warrants that they are authorized to sign this Settlement Agreement on behalf of Defendants. Plaintiff represents and warrants that she is authorized to sign this Settlement Agreement and that she has not assigned any claim, or part of a claim, covered by this Settlement to a third-party.

73. Electronic Signatures. Pursuant to Cal. Civ. Code § 1633.7(d), the Parties agree that electronic signatures are satisfactory for purposes of this Settlement Agreement.

74. Binding on Successors and Assigns. This Settlement Agreement shall be fully enforceable and binding upon, and inure to the benefit of, the Parties and the successors or assigns of the Parties hereto, as previously defined.

75. California Law Governs. All terms of this Settlement Agreement and the Exhibits hereto shall be governed by and interpreted according to the laws of the State of California.

76. Counterparts. This Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument.

77. This Settlement is Fair, Adequate and Reasonable. The Parties believe this Settlement is a fair, adequate, and reasonable settlement of this Action and have arrived at this Settlement after extensive arms-length negotiations, taking into account all relevant factors, present and potential.

78. Jurisdiction of the Court. Pursuant to California Code of Civil Procedure section 664.6, the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the settlement embodied in this Settlement Agreement and all orders and judgments entered in connection therewith. All terms of this Settlement Agreement are subject to approval by the Court.

79. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

79. Final Order and Judgment. Upon approval of the Settlement, a Final Order and Judgment shall be entered by the Court which shall, among other things:

(a) Grant final approval to the Settlement as fair, reasonable, adequate, in good faith and in the best interests of the Class and the PAGA Aggrieved Employees, as a whole, and order the Parties to carry out the provisions of the Settlement Agreement.

(b) Award amounts for Plaintiff's Counsels' Attorney' Fees, Litigation Costs and Expenses, the Class Representative Enhancement and Service Award, Settlement Administrative Expenses and the PAGA payment.

(c) Adjudge that the Settlement Class Members and PAGA Aggrieved Employees are upon the Effective Date and funding of the Settlement conclusively deemed to have released the Defendants and Released Parties pursuant to this Settlement Agreement.

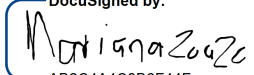
(d) Reserve Continuing Jurisdiction as provided in this Settlement Agreement.

DATED: November 06, 2024

PLAINTIFF

By

Mariana Zuazo

DocuSigned by:

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DATED: _____, 2024

ROMEO & LAYLA WAREHOUSING,
INC.

By

Bruce Fischer

Title: President and authorized
representative

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(c) Adjudge that the Settlement Class Members and PAGA Aggrieved Employees are upon the Effective Date and funding of the Settlement conclusively deemed to have released the Defendants and Released Parties pursuant to this Settlement Agreement.

(d) Reserve Continuing Jurisdiction as provided in this Settlement Agreement.

DATED: _____, 2024

PLAINTIFF

By _____
Mariana Zuazo

DATED: 11/8/2024, 2024

ROMEO & LAYLA WAREHOUSING,
INC.

By  _____
Bruce Fischer
Title: President and authorized
representative

1 DATED: _____, 2024

FAIRWAY STAFFING SERVICES

3 By _____
4 [Name]
5 Title: _____ and authorized
6 representative

7 DATED: _____, 2024

ULTRA PERSONNEL, LLC

8 By _____
9 Daniel Beltran
10 Title: Owner and authorized
11 representative

12 DATED: _____, 2024

D.LAW, INC.
DAVID YEREMIAN & ASSOCIATES, INC.

14 By _____
15 David Yeremian
16 Alvin B. Lindsay
17 Tania Fonseca
Attorneys for Plaintiff Mariana Zuazo and
Settlement Class

18 DATED: 11/7/2024 _____, 2024

DAVIS WRIGHT TREMAINE LLP

19 By  _____
20 Evelyn Wang
21 Frances Choi
22 Attorneys for Defendant Romeo & Layla
Warehousing, Inc.

23 DATED: September __, 2024

LIGHTGABLER LLP

24 By _____
25 Jonathan Fraser Light
26 Chandra A. Beaton
27 Attorneys for Defendant Fairway Staffing
28 Services

1 DATED: 11/25, 2024

FAIRWAY STAFFING SERVICES

By 
[Name]
Title: Risk Manager and authorized
representative

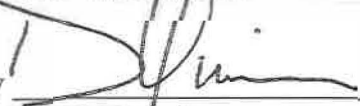
2 DATED: 01 / 25 / 2025, ~~2024~~

ULTRA PERSONNEL, LLC

By 
Daniel Beltran
Title: Owner and authorized
representative

3 DATED: November 07, 2024

D.LAW, INC.
DAVID YEREMIAN & ASSOCIATES, INC.

By 
David Yeremian
Alvin B. Lindsay
Tania Fonseca
Attorneys for Plaintiff Mariana Zuazo and
Settlement Class

4 DATED: _____, 2024

DAVIS WRIGHT TREMAINE LLP

By _____
Evelyn Wang
Frances Choi
Attorneys for Defendant Romeo & Layla
Warehousing, Inc.

5 DATED: November 25, 2024

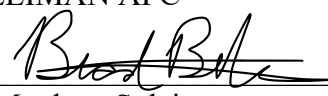
LIGHTGABLER LLP

By 
Jonathan Fraser Light
Chandra A. Beaton
Attorneys for Defendant Fairway Staffing
Services

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DATED: 1/22/25, ~~2024~~

SOLEIMAN APC

By 
Matthew Soleimanpour
Bradley S. Beherns
Attorneys for Defendant Ultra
Personnel, LLC

Title	Class and PAGA Action Settlement Agreement...
File name	Class%20and%20PAG...o-Class%291.1.pdf
Document ID	0bfa473cae55caca4f89fd416288cc6bb4059e66
Audit trail date format	MM / DD / YYYY
Status	● Signed

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Document History



SENT

01 / 22 / 2025

20:16:10 UTC

Sent for signature to Daniel Beltran
(daniel@ultrapersonnel.com) from bradley@soleimanlaw.com
IP: 68.8.33.186



VIEWED

01 / 25 / 2025

20:23:03 UTC

Viewed by Daniel Beltran (daniel@ultrapersonnel.com)
IP: 98.97.140.122



SIGNED

01 / 25 / 2025

20:23:17 UTC

Signed by Daniel Beltran (daniel@ultrapersonnel.com)
IP: 98.97.140.122



COMPLETED

01 / 25 / 2025

20:23:17 UTC

The document has been completed.

EXHIBIT 2

**DAVID YEREMIAN
& ASSOCIATES INC**

2540 Foothill Blvd., Suite 201
La Crescenta, CA 91214
818 230 8380
818 230 0308 FAX

DAVID@YEREMIANLAW.COM; ALVIN@YEREMIANLAW.COM

March 14, 2023

VIA ON-LINE SUBMISSION ONLY TO:

<https://dir.tfaforms.net/128>

Private Attorneys General Act
Attn. PAGA Administrator
455 Golden Gate Avenue, 9th Floor
San Francisco, CA 94102

VIA CERTIFIED MAIL TO:

(by certified mail to Romeo & Layla Warehousing, Inc., Fairway Staffing Services, Ultra Personnel, LLC)

Romeo & Layla Warehousing, Inc.
Gene Sawaya, Designated Agent for Service
1151 South Mildred Street
Ontario, CA 91761
Certified Mail Tracking Number: 7019 2970 0000 5059 5618

Fairway Staffing Services
Nelson Gonzalez, Designated Agent for Service
17777 Center Court Dr. North #150
Cerritos, CA 90703
Certified Mail Tracking Number: 7019 2970 0000 5059 5625

Ultra Personnel, LLC
326 E. Holt Blvd #E
Ontario, CA 91761
Certified Mail Tracking Number: 7019 2970 0000 5059 5649

Incorp Services, Inc.
Designated Agent for Service for Ultra Personnel, LLC
5716 Corsa Ave, Suite 110
Westlake Village, CA 91362
Certified Mail Tracking Number: 7019 2970 0000 5059 5632

**Re: Labor Code §2810.3(d) Worker's Notice to Labor Contractor; and
Labor Code § 2698, et seq. Penalties - PAGA Notice Letter to LWDA
Mariana Zuazo v. Romeo & Layla Warehousing, Inc., et al.
Superior Court for the County of San Bernardino**

Gentlepersons:

This office represents Plaintiff Mariana Zuazo ("Plaintiff") and other similarly aggrieved employees employed as non-exempt, hourly warehouse workers and in related positions at

Defendants' warehouse locations in California during the relevant period (collectively "Aggrieved Employees") for, *inter alia*, violations of California Labor Code §§ 201, 202, 203, 204, 210, 221, 226, 226.7, 246, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2810.5, 2698, and 2699, *et seq.*; provisions of the Industrial Welfare Commission (IWC) Wage Order(s); and California Business & Professions Code § 17200 *et seq.*

The purpose of this letter is two-fold. First, it is to comply with the Private Attorneys General Act of 2004, pursuant to California Labor Code § 2698 *et. seq.* ("the Act"). Plaintiff would like to bring a representative action, pursuant to the Act, on behalf of herself and all other similarly situated Aggrieved Employees, and the State of California, against Defendants Romeo & Layla Warehousing, Inc. ("R&L"), Fairway Staffing Services ("Fairway"), Ultra Personnel, LLC ("Ultra"), and Does 1 through 50 inclusive (all defendants being referred to herein collectively as "Defendants").

Additionally, this correspondence will serve to satisfy the notice requirements under the Act, along with a copy of Plaintiff's Class Action Complaint, which is attached to this Notice letter. The Complaint is being concurrently filed in San Bernardino County Superior Court, and will be assigned a local case number. The Complaint allegations and claims are incorporated into this Notice Letter.

The second purpose of this Notice letter is to provide Remedy Intelligent Staffing, LLC with notice pursuant to Labor Code §2810.3(d) that, upon the running of the 30 day notice period under Section 2810.3 and the running of the PAGA Notice period addressed below, Plaintiff will be adding claims under the Act against Defendants through an appropriate amendment to the attached Class Action Complaint. Plaintiff is asserting against Defendants all claims asserted in the Class Action Complaint, including claims for civil penalties and other relief under the PAGA as articulated in this Notice Letter.

Defendant R&L is a specialty warehousing company with facilities in California. R&L supplements its labor force by using temporary workers supplied by various temporary staffing agencies, such as named defendants Fairway and Ultra. Plaintiff has alleged that these Defendants jointly employ Plaintiff and the putative Class Members and Aggrieved Employees, including those placed by Fairway and Ultra and any other Labor Contractors (collectively "staffing companies") to perform work at R&L's facilities. Plaintiff also asserts that the putative Class Members and Aggrieved Employees encompass both direct hires from R&L and those whom the staffing companies placed to work at R&L's facilities, as they are all subject to uniform policies and practices and share common contentions as to the alleged violations that have arisen from them.

Plaintiff has therefore alleged that Defendant R&L is and has been a client employer within the definition of Labor Code § 2810.3 and shares with Fairway and Ultra and the other staffing companies, i.e. the labor contractors under Labor Code § 2810.3, all civil legal responsibility and civil liability for failure to pay all wages earned and related and derivative claims by Plaintiff and the putative Class Members and Aggrieved Employees.

We therefore set forth herein the facts and theories and the California Labor Code violations which Defendants engaged in with respect to Plaintiff and all of their Aggrieved Employees in California. The attached Class Action Complaint provides the details of Plaintiff's class-wide claims and claims under the Act, and the applicable California law governing them. It, along with this Notice Letter, addresses in detail numerous violations that subject Defendants to civil and statutory penalties under the Act, and provide ample support for the Act's notice requirements and that of Section 2810.3. Additionally, the following details and liability theories summarize Plaintiff's claims and provide notice to Fairway and Ultra and the other staffing companies under Labor Code 2810.3(d) and firmly establish they are and have been joint employers of the Class members and the Aggrieved Employees with R&L.

Relevant Facts

Plaintiff is a resident of California and San Bernardino County, and during the time period relevant to this Complaint, was employed by Defendants as a non-exempt hourly employee within the State of California placed at Defendant Romeo & Layla's warehouse facilities in Ontario, California and within the County of San Bernardino. Defendant Romeo & Layla Warehousing, Inc. ("R&L") operates distribution and warehouse facilities in California and Defendants Fairway Staffing Services ("Fairway") and Ultra Personnel, LLC ("Ultra") are temporary staffing companies which jointly employ Employees they have placed at the R&L facilities. Plaintiff and the other similarly situated Employees of Defendants worked in Defendants' facilities at Defendants' behest and without being paid all wages due and without being provided all their required meal periods and rest breaks.

Upon information and belief, Plaintiff was employed by Defendants and (1) shared similar job duties and responsibilities; (2) was subjected to the same policies and practices; and (3) endured similar violations at the hands of Defendants as the other Aggrieved Employees who served in similar and related positions at the R&L facilities, including both those Employees who were directly hired by R&L and those hired through Fairway and Ultra and placed there.

Defendants required Plaintiff and the Aggrieved Employees to work off the clock and failed to record accurate time worked by these Employees, including by requiring off the clock work and unlawful time shaving and rounding, failed to pay them at the appropriate rates for all hours worked, failed to pay all wages due and owing at termination or resignation, and provided Aggrieved Employees with inaccurate wage statements that prevented them from learning of these unlawful pay practices. Defendants also failed to provide Aggrieved Employees with lawful meal and rest periods, as Employees were required to remain under Defendants' control and take shortened meal periods and were not provided with the opportunity to take full uninterrupted and duty-free rest periods and meal breaks, as required by the Labor Code and the applicable paragraphs of the IWC Wage Orders.

Defendant Romeo & Layla Warehousing, Inc. ("R&L") is a California corporation which lists with the California Secretary of State its principal executive offices in California in Ontario and in San Bernardino County. It is a specialty warehousing entity which is based out of New York State but maintains warehouse facilities in Ontario and in California at which Plaintiff and the Aggrieved Employees (also "Aggrieved Employees") were employed. Upon information and belief, product inventory is transported to a R&L facility where goods are received, stored and

shipped directly to customers, retailers, or distribution centers. Aggrieved Employees were employed by Defendants at these warehouse facilities operated by R&L in San Bernardino County and in California. Defendant R&L, upon information and belief, employs Aggrieved Employees at its California facilities either directly or through temporary staffing agencies, such as named Defendants Fairway and Ultra, and Fairway and Ultra, upon information and belief, employ and placed and place certain Aggrieved Employees, such as Plaintiff, at the R&L facilities in California. Upon information and belief, Fairway and Ultra were listed as the employer on the wage statements issued to Plaintiff during her employment, but they also listed R&L as the location of her placement.

Defendant Fairway Staffing Services (“Fairway”) is a California corporation which lists its principal office and California office in Cerritos California in Orange County, and lists its type of business as “Staffing Company.” Upon information and belief, Fairway also maintains office facilities in Ontario, California and a presence in the R&L warehouse location where Aggrieved Employees were placed. Defendant Fairway was listed as the employer on wage statements Plaintiff received during her employment, and R&L was listed as her placement location.

Defendant Ultra Personnel, LLC (“Ultra”) is a California limited liability company which lists its principal office and California office in Ontario, California, in San Bernardino County, and lists its type of business as “Staffing Service.” Upon information and belief, Ultra also maintains other offices in California, including in Ontario, California where Plaintiff would have to visit in person to pick up her wage statements. Upon information and belief, Defendant Ultra was listed as the employer on any wage statements that were issued to Plaintiff for a portion of the time she was placed at the R&L facilities by Ultra.

Upon information and belief, Defendant R&L hires Employees either directly or through staffing agencies such as Fairway and Ultra. Upon information and belief, R&L also maintains control over key aspects of the employment of Aggrieved Employees, including controlling their scheduled hours and working conditions, controlling when they receive meal periods and rest breaks and when they are authorized to work overtime, and sets the policies and practices which govern their employment. Although Plaintiff was paid by and received wage statements from Fairway and Ultra, they were employers of Plaintiff with R&L, who jointly controlled the hours worked by Aggrieved Employees, including by setting and controlling their wage rates and their daily working conditions and the policies and practices that governed their daily employment, just as R&L did for any Aggrieved Employees it hired directly to work in its warehouse facilities and for Aggrieved Employees hired through other staffing agencies.

Additionally, under California Labor Code § 2810.3, R&L shares with Fairway and Ultra, and any other staffing agency it uses, in civil legal responsibility for all workers supplied to R&L for their collective failure to pay all earned wages. California Labor Code § 2810.3 requires that “A client employer shall share with a labor contractor all civil legal responsibility and civil liability for all workers supplied by that labor contractor for...the payment of wages.” A “labor contractor” (here, e.g., Fairway and Ultra), is defined as “an individual or entity that supplies, either with or without a contract, a client employer with workers to perform labor within the client employer’s usual course of business.” “Client employer” (here R&L) is defined as “a business entity, regardless of its form, that obtains or is provided workers to perform labor within

its usual course of business from a labor contractor.” Upon information and belief, Defendant R&L is and has been a client employer within the definition of Labor Code § 2810.3 and shares with Fairway and Ultra, the labor contractors, all civil legal responsibility and civil liability for failure to pay all wages earned by Aggrieved Employees.

Defendants’ facilities consisted of a large warehousing and distribution facilities which all Employees walked through after clocking in. Employees were expected to be clocked in at the start of their scheduled shift, and there were often lines at the time clocks to clock in. As a result, Plaintiff had to arrive at the facility and time clock several minutes before her scheduled shift start time to ensure she clocked in and walking to her work station at her scheduled shift start time. Upon information and belief, Defendants failed to compensate Aggrieved Employees for the time they were under control of Defendants before their scheduled shift start time.

Plaintiff was generally scheduled to work a shift starting at 6:00 a.m. and ending at 2:30 p.m., including an unpaid 30 minute meal period Defendants presumed they provided. On some occasions when there was light work, managers and team leaders would send Employees home earlier than the scheduled end time. On other occasions, sometimes for relatively extended periods, Aggrieved Employees were required to work 10-11 hour shifts extending to 4:30 or 5:30 p.m. Aggrieved Employees were also scheduled to work on some Saturdays, and Defendants would limit the Saturday shifts to six hours in an effort to attempt to ensure meal periods were not required and based on the presumption there were valid and enforceable first meal waivers in place for everyone. Defendants allegedly scheduled rest breaks and meal periods at ostensibly compliant times throughout regular shifts of 8.5 hours and those going beyond ten hours, but these were not generally complied with by R&L managers and team leaders. Instead they instructed Aggrieved Employees to disregard any alarms or bells supposedly indicating it was time to go to or return from breaks and to leave only when they were authorized to do so by the managers. As a result, schedules were more aspirational than actual, and timekeeping records were often not indicative of actual hours worked. However, R&L managers and team leaders were strict in requiring Employees to complete all work assignments and to comply with required production quotas in order to be deemed suitable to leave for their meal periods and other breaks.

Plaintiff did not receive any training or any orientation when she started working at the R&L facilities, and was expected to hit the ground running as a warehouse employee. Plaintiff was generally responsible for picking and packing, and she and her co-workers were tasked with processing trucks with clothing items and repackaging them for shipment to Defendants’ customers (i.e. generally big store retailers). Plaintiff’s work duties varied depending on the assignment of the day, and her team leader generally told her what they were doing for the day at the start of the shift.

Plaintiff would arrive at the main warehouse entrance sufficiently before her scheduled shift start time, which was generally 6:00 a.m. She would then walk to the time clock and place her finger in a scanner and input her department and a time clock in entry was recorded for her. The staffing company Defendants maintained separate time clocks in most instances from those for the R&L direct hires and other R&L employees. Plaintiff would then have to leave her cellular phone on a supervisor’s desk and walk to her work station, which usually took 2-3 minutes, and

she would then begin her work or await other instructions. When it was time for a meal period or break, a series of bells went off indicating when to go and return, but these were usually not followed and Plaintiff and her similarly situated co-workers were allowed to leave for a break only after their R&L manager or team leader told them they could go. Plaintiff was then required to walk a couple minutes to the break room or else farther to clock out and exit the facility if she wanted to leave the confines of the facility for her lunch break. Time was shaved off the beginning and end of any meal periods when she did clock out and back in as a result, and her meal periods were systematically shorted to less than the required duration.

However, despite having the ability to record meal period beginning and ending time punches in real time, Defendants automatically deducted 30 minutes from each work shift for an uncompensated meal period. At the end of the work shift, Plaintiff would generally be instructed to leave her work station a few minutes before the scheduled shift end time so that she could walk to the time clock and wait in line to clock out and do so by the end of her shift before going past 8.5 hours. Defendants did this, upon information and belief, in connection with other employees in a concerted effort to limit and restrict overtime incurred by Plaintiff and the other Aggrieved Employees. However, given the off the clock work and time shaved off of break times, Plaintiff was past eight hours but not being paid overtime for several minutes at the end of work shifts. As a result of the above described rounding and time shaving and other off the clock work, and failure to pay for overtime hours worked, Defendants also failed to pay that overtime at the required rate. More specifically, Defendants paid Plaintiff and the similarly situated Aggrieved Employees bonuses during their pay periods when appropriate based on various production goals and considerations. However, if and when Defendants paid overtime premium wages, they did so at a rate of 1.5 times Plaintiffs' regular rate of pay without including the bonuses paid in the regular rate used to calculate and pay overtime. Upon information and belief, to the extent Defendants paid any shift differentials or other forms of remuneration for hours worked in a pay period, Defendants also failed to include that in the regular rate of pay used to calculate and pay overtime wages. Similarly, to the extent Defendants failed to provide a meal period or rest break and actually paid a premium under Labor Code § 226.7, Defendants also failed to include bonuses and other forms of remuneration in the regular rate used to pay the premium.

Plaintiff was not paid for all her hours worked at the required minimum, overtime and double time wage rates due to Defendants' policy and practice of requiring her to work off the clock and without pay, including during mandatory security screening procedures and by unlawful rounding and including for all overtime hours. Plaintiff contends that Defendants failed to pay her at the required overtime rate for all hours over eight in a shift, or over forty in a week. Defendants also manipulated the work-day and work schedules to minimize or eliminate altogether paying overtime hours. With work shifts generally being scheduled for eight hours or more, this unpaid off the clock work resulted in Aggrieved Employees working past eight hours on a shift, which required that they be paid at the correct overtime rate of 1.5 times their regular rate. Defendants thus systematically underpaid Aggrieved Employees by failing to pay them at the required overtime rates for all hours over eight in a work shift or over forty in a work week, and all hours over twelve in a day at the required double time rate. Upon information and belief, the Aggrieved Employees were bound by similar scheduling and work policies which Defendants required them to follow, and endured similar violations at Defendants' hands as

Plaintiff.

Defendants have either failed to maintain timekeeping records for Plaintiff that would permit Plaintiff to discover the nature and extent of the off the clock work Defendants' required and the actual hours Plaintiff worked, or have otherwise declined to produce them to Plaintiff in response to a timely and lawful request. By editing time records, or requiring Aggrieved Employees to clock in and out for time periods showing less hours than were actually worked or reflecting compliant meal periods that were never provided, and by failing to pay for all hours worked or pay at the correct rate, Defendants have committed knowing and intentional ongoing violations of the record keeping requirements under the Labor Code, including section 1174.

Defendants had a consistent policy or practice of failing to pay Employees for all hours worked, and failing to pay minimum wages for all time worked, as required by California law. Also, Defendants had a consistent policy or practice of failing to pay Employees overtime compensation at premium overtime rates for all hours worked in excess of eight hours a day and/or forty hours a week, and double-time rates for all hours worked in excess of twelve hours a day, in violation of Labor Code § 510 and the corresponding sections of IWC Wage Orders. As a result of the above described unlawful requirements to work off the clock, the failure to accurately record all hours worked and pay wages at the correct rates, and the other wage violations they endured at Defendants' hands, Aggrieved Employees were not properly paid all wages earned and all wages owed to them by Defendants, including when working more than eight hours in any given day and/or more than forty hours in any given week. As a result of Defendants' unlawful policies and practices, Plaintiff and similarly Aggrieved Employees incurred overtime hours worked for which they were not adequately and completely compensated, in addition to the hours they were required to work off the clock.

Defendants also failed to provide Aggrieved Employees with their required first and second meal periods, and their first, second, and third required rest breaks. The many and different work demands from managers and customers and production requirements Defendants imposed did not permit those working to take their required breaks or complete all required work within the scheduled times. Also, the distribution and warehouse centers are huge facilities covering a large area, and Employees are stationed throughout the facilities such that it usually takes at least a couple to several minutes to walk to the break room for a break or to get to a time clock to clock out, and even more to get to the main facility entrance if they wanted to leave the facilities during a break. The above described off the clock work and failure to pay for all hours worked also contributed to Defendants' common policy of failing to provide lawful meal periods to Aggrieved Employees, as required under the Labor Code and Paragraph 11 of the applicable IWC Wage Order(s). Defendants similarly systematically failed to authorize and permit Plaintiff and the Aggrieved Employees to take all required 10-minute rest breaks, as required under the Labor Code and Paragraph 12 of the IWC Wage Order(s).

Aggrieved Employees generally worked shifts that entitled them to receive at least one meal period and two to three rest breaks. Defendants also allegedly scheduled meal periods and rest breaks and rang bells when they began and ended, but Defendants required Employees to take breaks at different times and Aggrieved Employees often worked past their alleged start times. As a result, Aggrieved Employees were subjected a series of bells and alarms supposedly

indicating when breaks should be taken and when to return. However, Defendants made little effort to free Aggrieved Employees from work demands to take their required duty free breaks as scheduled, and managers and team leaders for R&L would tell them to disregard the bells and alarms and only leave their work stations for a break when they were told to. For example, if there was a truck to unload, they could not take a break until it was completed. Similarly, if production requirements or quotas were not being met, managers would require them to continue working through the alleged scheduled start times. This accordingly often resulted in late meal periods or those that were for less than 30 minutes and not duty free.

Defendants thus consistently provided meal periods that were untimely and for less than the required times or for less than the required number of times in a work shift. Defendants also followed a policy of denying all required timely and duty-free meal periods for 30 minutes in duration by automatically deducting for meal periods which were presumed to have been properly provided while also systematically shortening breaks by requiring Employees to remain under Defendants' control. There was a bell system and alleged set schedule for when Employees were supposed to take meal periods, but R&L managers and team leaders failed to follow it and would only allow breaks when they authorized them.

Therefore, Aggrieved Employees were required to spend as much as five or 10 minutes of any break dedicated to walking to and from the break room or walking to the time clock and clocking out and then returning from break and clocking in then walking back to their work areas. Defendants' policies and practices thus systematically deny and denied Aggrieved Employees full, duty-free ten-minute rest periods and thirty-minute, duty-free meal periods. Additionally, Defendants' enforced a uniform policy that effectively prevented Aggrieved Employees from leaving the warehouse premises during their rest breaks. As for meal periods, to the extent Employees were permitted to leave the premises, they were still impermissibly shortened, as addressed above. To the extent Aggrieved Employees worked shifts that were scheduled to extend past ten hours, Defendants would rely upon presumptively valid alleged waivers to skip the requirement of providing a second meal periods and would ensure shifts did not extend beyond 12 hours to ensure the alleged waiver would still apply. For Saturday work shifts, when they were scheduled, Defendants limited them to six hours to ensure that any alleged first meal period waivers would remain in place and hours worked did not extend past six hours. To the extent the eventual time punch entries reflected more hours that would require a meal period, upon information and belief Defendants edited or rounded them to reflect a shift of less than six hours.

Defendants thus failed to provide all the legally required unpaid, off-duty meal periods and all the legally required paid, off-duty rest periods to Plaintiff and the other Aggrieved Employees, as required by the applicable Wage Orders and Labor Code. Defendants did not have a policy or practice which provided or recorded all the legally required unpaid, off-duty meal periods and all the legally required paid, off-duty rest periods to the Plaintiff and the other Aggrieved Employees. Plaintiff and other Aggrieved Employees were required to perform work as ordered by Defendants or otherwise remain under Defendants' control for more than five hours during a shift, or ten hours in a shift, but were often required to do so without receiving a lawful, timely, and duty-free 30-minute meal break. Additionally, as addressed above, Defendants followed a

practice of requiring off the clock work and unlawful rounding, in a manner that would impact when Employees were to receive meal periods and rest breaks, thus leading to further violations.

As a result, Defendants' failure to provide Aggrieved Employees with all legally required off-duty, unpaid meal periods and all the legally required off-duty, paid rest periods is and will be evidenced by Defendants' business records, or lack thereof. Defendants have either failed to maintain required records of when meal periods were actually provided or failed to produce them in response to Plaintiff's timely and lawful requests, or else maintained inaccurate and incomplete records. Defendants also failed to pay Employees "premium pay," i.e. one hour of wages at each Employee's effective hourly rate of pay, for each meal period or rest break that Defendants failed to provide or deficiently provided.

Defendants also failed to authorize and permit Aggrieved Employees to take duty-free, net ten minute rest breaks for ever four hours of shift work, or major fraction thereof. There were similar issues with the required net-ten minute rest breaks Aggrieved Employees were unable to take as with meal periods. The demands for production and work requirements placed upon Plaintiff, including the long distances Aggrieved Employees were required to walk and the unlawful rounding of their hours worked, also manifested in Defendants' failure to authorize and permit duty-free, net ten minute rest periods. As with meal periods, any alleged rest breaks scheduled during a shift when a bell or alarm sounded was merely aspirational and managers rarely complied with it, and Plaintiff was so confused at determining which bells were for her that she just waited to be told to take a break by her managers and team leaders.

Aggrieved Employees were required to endure shortened rest periods if they wanted to leave the facility premises to go outside during a break because of the facility size. Also, due to the off the clock work addressed above, rest periods were often provided late and were untimely, or Aggrieved Employees were required to work through their breaks or remain under Defendants' control during them. Therefore, the job requirements and duties required of Aggrieved Employees, and the demands from management and policies requiring uncompensated security screenings and unlawful rounding, manifested in a failure to authorize and permit Aggrieved Employees to take all their required rest breaks. Plaintiff and the other similarly situated Aggrieved Employees were either not authorized permitted the opportunity to take a rest break, or were required to remain under Defendants' control during them or otherwise had them impermissibly shortened. Defendants also failed to authorize and permit employees to leave the premises during rest breaks, or else effectively prevented them from doing so, thus further evidencing Defendants' policy and practice of requiring Aggrieved Employees to remain under their control during required off-duty rest breaks.

Defendants' policies and practices thus systematically deny and denied Aggrieved Employees full, duty-free ten-minute rest periods and thirty-minute, duty-free meal periods. Employers must permit and authorizes employees to take off-duty rest periods. That is, during rest periods employers must relieve employees of all duties and relinquish control over how employees spend their time. Aggrieved Employees were and are under Defendants' control when they are working through rest breaks or receiving them late or shortened. To the extent Defendants ever paid a rest break premium for a violation, upon information and belief they failed to include all forms of

remuneration in the regular rate used to calculate and pay the premium, as required under Labor Code § 226.7 and paragraph 12 of the applicable IWC Wage Orders.

Defendants also had a common policy and/or practice of unlawfully collecting or deducting wages from Aggrieved Employees. As discussed above, Defendants required off the clock work, and by unlawfully rounding and not compensating Aggrieved Employees for all hours worked, including not paying at the correct rate and automatically deducting for unprovided meal periods, Defendant unlawfully deducted wages earned by and owed to the Aggrieved Employees, in violation of Labor Code § 221. Defendants' common policy and/or practice of understating the hours worked by Aggrieved Employees has given rise to further ongoing violations of Labor Code § 221.

Defendants failed to provide Employees with timely, accurate, and itemized wage statements, in writing, as required by California wage-and-hour laws, including by the above-described requirement of off the clock work, unlawful rounding, failure to pay all overtime, and failure to pay premium wages for unprovided or otherwise unlawful meal and rest breaks. Defendants have also made it difficult to account with precision for the unlawfully withheld wages and meal and rest period compensation owed to Aggrieved Employees, during the liability period, because they did not implement and preserve a record-keeping method as required for non-exempt employees by California Labor Code §§ 226, 1174(d), and paragraph 7 of the applicable California Wage Orders. Upon information and belief, time clock punches were not maintained or were not accurately maintained for work shifts and meal periods, which were automatically presumed by Defendants to have been lawfully provided when they were not. Defendants also failed to accurately record and pay for all regular and overtime hours worked by Aggrieved Employees.

Defendants have also consistently failed to provide Employees with timely, accurate, and itemized wage statements, in writing, as required by California wage-and-hour laws, including by the above-described requirement of off the clock work, unlawful rounding, failure to pay all overtime or pay it at the correct rate, and failure to pay premium wages for unprovided or otherwise unlawful meal and rest breaks. Defendants have also made it difficult to account with precision for the unlawfully withheld wages and meal and rest period compensation owed to Plaintiff and the Aggrieved Employees, during the liability period, because they did not implement and preserve a record-keeping method as required for non-exempt employees by California Labor Code §§ 226, 1174(d), and paragraph 7 of the applicable California Wage Orders. Upon information and belief, time clock punches were not maintained or were not accurately maintained for work shifts and meal periods, which were automatically presumed by Defendants to have been lawfully provided when they were not.

Defendants also failed to accurately record and pay for all regular and overtime hours worked by Aggrieved Employees. Additionally, Plaintiff was not issued a wage statement by Fairway or Ultra on a weekly basis with her paycheck, which was directly deposited. If she wanted to receive a wage statement from Ultra, she would have to drive to the local office for the staffing company and request it, and she also had to ask her Fairway manager. The staffing agencies thus failed to provide Plaintiff and upon information and belief the Aggrieved Employees with accurate itemized wage statements with each pay check covering that pay period. Plaintiff was

not provided with the opportunity to review her timekeeping records for accuracy and to ensure that she was being paid correctly.

Defendants have thus also failed to comply with Labor Code § 226(a) by failing to issue any wage statements and by issuing wage statements that inaccurately reported total hours worked and total wages earned by Aggrieved Employees, along with the appropriate applicable rates, among other requirements. Plaintiff and Aggrieved Employees are therefore entitled to penalties not to exceed \$4,000.00 for each employee pursuant to Labor Code § 226(b). Defendants have also failed to comply with paragraph 7 of the applicable California IWC Wage Orders by failing to maintain time records showing when the employee begins and ends each work period, meal periods, wages earned pursuant to Labor Code § 226.7, and total daily hours worked by itemizing in wage statements all deductions from payment of wages and accurately reporting total hours worked by the Aggrieved Employees. Upon information and belief, Defendants Fairway and Ultra also failed to provide Employees such as Plaintiff with written notice complying with all the requirements of Labor Code § 2810.5.

Defendants also required Aggrieved Employees to work hours off the clock for which they were not compensated, including unlawfully rounded time or during interrupted or otherwise on-duty meal and rest periods. Defendants also failed to pay all overtime premium wages owed for work conducted on a work shift and a work day, as addressed above. Therefore, Defendants have also followed a uniform and consistent policy of failing to pay all wages owed to Plaintiff and other similarly situated Employees at the time of their termination or within seventy-two hours of their resignation, as required by California wage-and-hour laws. In view of the above addressed violations, Defendants have also failed to pay all wages owed to Aggrieved Employees twice monthly in accordance with the requirements of Labor Code § 204. Additionally, upon information and belief, Defendant R&L is and has been a client employer within the definition of Labor Code § 2810.3. Therefore, Fairway and Ultra, the labor contractors, must share all civil legal responsibility and civil liability for the payment of all wages earned by Aggrieved Employees with R&L.

PAGA Claim Details, Legal Bases for Violations and Penalties:

As addressed above and in further detail in the attached Class Action Complaint, Plaintiff and the Aggrieved Employees complain of the following violations committed by Defendants:

Failure to Pay Minimum Wages

Defendants violated the law by failing to pay Aggrieved Employees minimum wages for all hours worked. California Labor Code § 1197, entitled “Pay of Less Than Minimum Wage” states, “[t]he minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful.” The applicable minimum wages fixed by the commission for work during the relevant period is found in the Wage Orders.

Defendants failed to pay Employees minimum wages they were owed, including by their consistent policy of failing to pay Employees for all hours worked. Employees would work hours and not receive wages, including as alleged above in connection with off the clock work,

including all the time required to remain on duty and under Defendants' control during breaks and due to the work demands placed upon them by Defendants' management and due to unlawful rounding. Defendants, and each of them, have also intentionally and improperly rounded, changed, adjusted and/or modified Employee hours, or required Employees to do so, and imposed difficult to attain job and shift scheduling requirements on Plaintiff and the Aggrieved Employees, which resulted in off the clock work and underpayment of all wages owed to Employees over a period of time, while benefiting Defendants. During the relevant time period, Defendants thus regularly failed to pay minimum wages to Aggrieved Employees, including by requiring systematic off the clock work. Defendants' uniform pattern of unlawful wage and hour practices manifested, without limitation, applicable to the Aggrieved Employees as a whole, as a result of implementing a uniform policy and practice that denied accurate compensation to Plaintiff and the other Aggrieved Employees as to minimum wage pay.

In light of the forgoing, the Aggrieved Employees seek to recover wages and penalties. Aggrieved Employees are entitled to recover the unpaid minimum wages (including double minimum wages), liquidated damages in an amount equal to the minimum wages unlawfully unpaid, interest thereon and reasonable attorney's fees and costs of suit pursuant to California Labor Code § 1194(a). Plaintiff and the other Aggrieved employees further request recovery of all unpaid wages, according to proof, interest, statutory costs, as well as the assessment of any statutory and civil penalties against Defendants, in a sum as provided by the California Labor Code and/or other applicable statutes, including pursuant to Labor Code § 558, and Wage Order provisions. To the extent minimum wage compensation is determined to be owed to the Aggrieved Employees who have terminated their employment, Defendants' conduct also violates Labor Code §§ 201 and/or 202, and therefore these individuals are also be entitled to waiting time penalties under California Labor Code § 203, which penalties are sought herein on behalf of these Aggrieved Employees. Defendants' failure to timely pay all wages owed also violated Labor Code § 204 and resulted in violations of Labor Code § 226 because they resulted in the issuance of inaccurate wage statements. Defendants' conduct as alleged herein was willful, intentional and not in good faith. Further, Plaintiff and other Aggrieved Employees are entitled to seek and recover statutory costs.

Under the PAGA, and following exhaustion of the notice period, Plaintiff is seeking all civil and statutory penalties available and applicable under Labor Code §§ 510, 558, 1194.2, 1197.1, 1199, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Failure to Pay Wages and Overtime in Violation of Labor Code § 510

Defendants violated the law by failing to pay Aggrieved Employees earned wages and overtime. Specifically, Defendants had a consistent policy of not paying Employees wages for all hours worked, including hours at their required regular, overtime, and double-time rates. Defendants, and each of them, have intentionally and improperly rounded, changed, adjusted and/or modified certain employees' hours, including Plaintiff's, or required Aggrieved Employees to do so, or otherwise caused them to work off the clock to avoid paying Aggrieved Employees all earned and owed straight time and overtime wages and other benefits, in violation of the California Labor Code, the California Code of Regulations and the IWC Wage Orders and guidelines set forth by the Division of Labor Standards and Enforcement. Defendants have also violated these

provisions by requiring Plaintiff and other similarly situated non-exempt employees to work through meal periods when they were required to be clocked out or to otherwise work off the clock to complete their daily job duties or to attend and participate in company required activities or remain under Defendant's control. When considered in combination with the unlawful rounding to their detriment, Aggrieved Employees were not properly compensated, nor were they paid overtime rates or the correct overtime rate (addressed above) for hours worked in excess of eight hours in a given day, and/or forty hours in a given week. Based on information and belief, Defendants did not make available to Employees a reasonable protocol for correcting time records when Employees worked overtime hours or to fix incorrect time entries or those that Defendants unlawfully under-recorded to the Employee's detriment. Defendants have also violated these provisions by requiring Plaintiff and other similarly situated Aggrieved Employees to work through meal periods when they were required to be clocked out or to otherwise work off the clock to complete their daily job duties

In light of the forgoing, Aggrieved Employees seek to recover wages and penalties pursuant to the California Labor Code, including Labor Code §§ 204, 510, 558, 1174, 1194, 1198, 1199, and the relevant paragraphs of the IWC Wage Orders, including paragraphs 2(K), 2(S), 3(A), 4, and 20. Defendants are liable to Employees for the full amount of all their unpaid wages and overtime compensation, with interest, plus their reasonable attorneys' fees and costs, as well as the assessment of any statutory penalties against Defendants, and each of them, and any additional sums as provided by the Labor Code and/or other statutes and Wage Order provisions. Under the PAGA, and following exhaustion of the notice period, Plaintiff is seeking all civil and statutory penalties available and applicable under Labor Code §§ 510, 558, 1194.2, 1197.1, 1199, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Meal-Period Liability Under Labor Code § 226.7 and Penalties

Defendants have regularly required Aggrieved Employees to work shifts in excess of five hours without providing them with uninterrupted meal periods of not less than thirty minutes as required under Labor Code §§ 226.7, 512, and paragraph 11 of the applicable Wage Orders. Specifically, Aggrieved Employees were forced to incur shortened meal periods due to the time required to pass through security screenings, were provided with breaks late and well after the fifth hour of work, could not be relieved to take breaks, or were required to remain on-duty at all times and were unable to take off-duty breaks or were otherwise not provided with the opportunity to take required breaks due to Defendants' policies and practices or the distances it took to walk to break rooms or time clocks or security screening areas.

On the occasions when Aggrieved Employees were provided with a meal period, it was often untimely or interrupted by having to respond to work demands or remain under Defendant's control, including during security screenings, in violation of the Labor Code and applicable Wage Orders. On shifts over ten hours, second meal periods were not provided. Defendants also failed to pay Aggrieved Employees "premium pay," i.e. one hour of wages at each Aggrieved Employee's effective regular rate of pay, for each meal period that Defendants failed to provide or deficiently provided. Therefore, pursuant to Labor Code § 226.7 and paragraphs 11 and 20 of the applicable IWC Wage Order, Aggrieved Employees are entitled to damages in an amount equal to one (1) hour of wages at their effective hourly rates of pay for each meal period not

provided or deficiently provided, as well as the assessment of any statutory penalties against the Defendants, and each of them, in a sum as provided by the Labor Code, including Labor Code § 558 and other applicable statutes and Wage Order provisions.

Under the PAGA, and following exhaustion of the notice period, Plaintiff is seeking all civil and statutory penalties and wages as available and applicable under Labor Code §§ 226.7, 512, 558, including sections 558(a)(1)-(3), 1199, 2699(f)(2) and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Rest-Break Liability and Penalties

Defendants have consistently failed to provide Aggrieved Employees with paid rest breaks of not less than ten minutes for every work period of four or more consecutive hours, as required under Labor Code § 226.7. Specifically, Defendants provided rest periods untimely or for shortened durations due to the security screening procedures, and Defendants' policy discouraged and effectively prevented Aggrieved Employees from leaving Defendants' premises. Defendants also failed to pay Aggrieved Employees premium pay for each day on which requisite rest breaks were not provided or were deficiently provided. Therefore, pursuant to Labor Code § 226.7 and paragraphs 12 and 20 of the applicable IWC Wage Order, Aggrieved Employees are entitled to damages in an amount equal to one hour of wages at their effective hourly rates of pay for each meal period not provided or deficiently provided, as well as the assessment of any statutory penalties against the Defendants, and each of them, in a sum as provided by the Labor Code, including Labor Code § 558 and other applicable statutes and Wage Order provisions. Under the PAGA, and following exhaustion of the notice period, Plaintiff is seeking all civil and statutory penalties and wages as available and applicable under Labor Code §§ 226.7, 512, 558, including sections 558(a)(1)-(3), 1199, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Unlawfully Collecting or Receiving Wages in Violation of Labor Code § 221

Labor Code § 221 provides, "It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee." As discussed above, Defendants have consistently violated Labor Code § 221 by unlawfully collecting or deducting the Employees' earned wages, including by the above described off the clock work and unlawful rounding and auto-deductions for unprovided or otherwise unlawful meal periods and overtime miscalculation. By not compensating Employees for all hours worked, Defendant unlawfully deducted wages earned by and owed to Aggrieved Employees, in violation of Labor Code § 221. In light of the forgoing, Plaintiff and Aggrieved Employees seek to recover penalties pursuant to Labor Code § 558. Under the PAGA, and following exhaustion of the notice period, Plaintiff seeking all civil and statutory penalties available and applicable under Labor Code §§ 510, 558, 1194, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Failure to Issue Accurate Wage Statements in Violation of Labor Code § 226

California Labor Code § 226(a) requires an employer to furnish each employee with an accurate, itemized wage statements in writing. These statements must be appended to the detachable part of the check, draft, voucher, or whatever else serves to pay the employee's wages; or, if wages are paid by cash or personal check, these statements may be given to the employee separately

from the payment of wages; in either case the employer must give the employee these statements twice a month or each time wages are paid. As a direct and proximate cause of Defendants' violation of Labor Code § 226(a), Aggrieved Employees suffered injuries, including among other things confusion over whether they received all wages owed them, the difficulty and expense involved in reconstructing pay records, and forcing them to make mathematical computations to analyze whether the wages paid in fact compensated them correctly for all hours worked.

Defendants failed to provide Aggrieved Employees with accurate itemized wage statements in writing, as required by the Labor Code. Specifically, the wage statements given to Aggrieved Employees failed to accurately account for unpaid wages, overtime, premium pay for deficiently provided meal periods and rest breaks, and unlawfully received or collected wages, as discussed above, and failed to list accurate rates of pay due to miscalculations of overtime and premium pay. In light of these violations, and pursuant to Labor Code §§ 226(a) and 226(e) and paragraphs 4(b), 7, and 20 of the applicable IWC Wage Orders, Aggrieved Employees are entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) for each violation in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars (\$4,000). They are also entitled to an award of costs and reasonable attorneys' fees.

Under the PAGA, and following exhaustion of the notice period, Plaintiff asserts PAGA claims for failure to provide Aggrieved Employees with accurate, itemized wage statements and failure to maintain employment records for Plaintiff and Aggrieved Employees under Labor Code §§ 226, 1174, and 1198.5, and Sections 7(A), 7(B), and 7(C) of the applicable IWC Wage Order(s) seeking all civil and statutory penalties and wages available and applicable under Labor Code §§ 226(e), 226.3, 558, 1174.5, 1199, and 2699(f)(2), and paragraph 20 of the applicable IWC Wage Order, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1). More specifically, by providing inaccurate wage statements and failing to maintain records as required under Labor Code § 226(a), Defendants committed ongoing violations giving rise to civil penalties under Labor Code § 226.3, which in addition to other penalties provided by law, subjects Defendants to "a penalty in the amount of two hundred fifty dollars (\$250) per employee per violation in an initial citation and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, ..."

Failure to Issue Semimonthly Payments in Violation of Labor Code § 204

In failing to pay Aggrieved Employees wages, overtime, premium pay, etc., Defendants failed to timely pay Aggrieved Employees wages on a semimonthly basis as required under Labor Code § 204. Defendants failed to maintain records showing accurate hours worked daily and the wages paid to Aggrieved Employees, as well as the meal and rest periods taken by Aggrieved Employees, as required by Labor Code § 1174 and the applicable IWC wage orders. In light of the forgoing, Plaintiff and Aggrieved Employees seek to recover wages and penalties, interest, fees and costs pursuant to Labor Code §§ 210, 218.5, 558, and 1194. In failing to pay Aggrieved Employees minimum wages and overtime, by unlawful rounding and off the clock work, by not providing proper meal and rest periods, failing to provide accurate itemized wage statements, and failing to pay Employees wages upon termination or timely upon resignation, all discussed above, Defendants failed to timely pay Aggrieved Employees wages on a semimonthly basis as required under Labor Code § 204. Defendants also failed to maintain records showing accurate

hours worked daily and the wages paid to Aggrieved Employees, as required by Labor Code § 1174 and paragraph 7 of the applicable IWC Wage Orders, entitling Aggrieved Employees to recover penalties pursuant to paragraph 20 of the applicable IWC Wage Orders.

Under the PAGA, and following exhaustion of the notice period, Plaintiff asserts PAGA claims for failure to timely pay all wages owed, including at least semi-monthly and upon separation or termination, under Labor Code §§ 203, 204, 2926, 2927, and 2699.5 seeking all civil penalties available and applicable under Labor Code §§ 204, 210, 558, 1197, 1198, 1199 and 2699(f)(2), and paragraph 20 of the applicable IWC Wage Orders, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Failure to Keep Records In Accordance With Labor Code § 1174

Labor Code § 1174 requires employers to keep records showing payroll data and the hours worked daily by and the wages paid to employees. By failing to pay Aggrieved Employees proper wages, overtime, premium pay, etc., all discussed herein, Defendants failed to maintain proper employment records in accordance with Section 1174. In light of the forgoing, Plaintiff and Aggrieved Employees seek to recover penalties pursuant to Labor Code §§ 1174.5 and 2699, *et seq.* Defendants have also failed to comply with paragraph 7 of the applicable California IWC Wage Orders by failing to maintain time records showing when the employee begins and ends each work period, meal periods, wages earned pursuant to Labor Code § 226.7, and total daily hours worked by itemizing in wage statements all deductions from payment of wages and accurately reporting total hours worked by the Aggrieved Employees, and they are entitled to recover penalties pursuant to paragraph 20 of the applicable IWC Wage Orders.

Under the PAGA, and following exhaustion of the notice period, Plaintiff asserts PAGA claims for failure to provide Plaintiff and the Aggrieved Employees with accurate, itemized wage statements and failure to maintain employment records for Plaintiff and Aggrieved Employees under Labor Code §§ 226, 1174, 1198, and 1198.5, and Sections 7(A), 7(B), and 7(C) of the applicable IWC Wage Order(s) seeking all civil and statutory penalties and wages available and applicable under Labor Code §§ 558, 1174.5, 1199, and 2699(f)(2), 2699.5, and paragraph 20 of the applicable IWC Wage Order, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Waiting Time Penalties Pursuant to Labor Code § 203

Some Aggrieved Employees no longer work for Defendants; they either resigned or were terminated from Defendants' employ. Based on the forgoing, Defendants have had a consistent policy of failing to pay all wages earned by and owed to Aggrieved Employees at the time of their termination of within seventy-two hours of their resignation, as required by California under Labor Code § 203. In light of the forgoing, Plaintiff and Aggrieved Employees seek to recover wages and penalties pursuant to Labor Code § 558 and further specifically seek penalties and wages under Labor Code § 203, which provides that an employee's wages shall continue until paid for up to thirty (30) days from the date they were due. Under the PAGA, and following exhaustion of the notice period, Plaintiff asserts PAGA claims for failure to timely pay all wages owed, including at least semi-monthly and upon separation or termination, under Labor Code §§ 201, 201, 203, 204, 1197.5, 2926, and 2927 seeking all civil penalties available and applicable under Labor Code §§ 201, 202, 203, 210, 558, 1197, 1198, 1199, 2699(f)(2), 2699.5, and

paragraph 20 of the applicable IWC Wage Orders, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Failure to Provide Paid Sick Days Pursuant to Labor Code § 246:

Labor Code § 246 provides that an Employee who "works in California for the same employer for 30 or more days within a year from the commencement of employment is entitled to paid sick days as specified in this section." Plaintiff alleges that Defendants failed to provide Aggrieved Employees with all their required and earned sick days, in violation of Labor Code § 246. Under the PAGA, and following exhaustion of the notice period, Plaintiff seeks all civil and statutory penalties available and applicable under Labor Code §§ 246, 558, 1194.2, 1197.1, 1198, 1199, and 2699(f)(2), and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Failure to Provide Information Upon Hiring Pursuant to Labor Code § 2810.5:

Labor Code § 2810.5 provides that: "At the time of hiring, an employer shall provide to each employee a written notice, in the language the employer normally uses to communicate employment-related information to the employee, containing" specific required information. Upon information and belief, Defendants failed to provide this information to the Aggrieved Employees as required under Labor Code § 2810.5. Under the PAGA, and following exhaustion of the notice period, Plaintiff seeks all civil and statutory penalties available and applicable under Labor Code §§ 2810.5, 1198, and 2699(f)(2), and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Unfair Competition Under Business and Professions Code § 17200, et seq.

Consequently, Defendants' conduct has been and continues to be unfair, unlawful, and harmful to Aggrieved Employees and the general public in violation of Business & Professions Code § 17200 et seq.

Plaintiff's PAGA Claim under Labor Code § 2698 et seq. and Recovery Bases:

After complying with the notice procedures of Labor Code § 2699.3 and the running of the notice period after the filing of the attached Class Action Complaint, Plaintiff will file an amended Complaint asserting, as a representative action on behalf of the California Attorney General and the other similarly Aggrieved Employees, a PAGA claim for violations of the above addressed underlying claims and seeking penalties as specified by the applicable corresponding provisions.

Plaintiff and the Aggrieved Employees seek penalties under Labor Code §§ 2698 and 2699 for Defendants' violation of Labor Code provisions included under Labor Code § 2699.5, including the penalty provisions, without limitation, based, *inter alia*, on the following California Labor Code sections: 201, 202, 203, 204, 226, 226.7, 246, 510, 512, 558, 1174, 1174.5, 1185, 1194, 1194.1, 1194.2, 1197, 1197.1, 1198, 1199, 2810.5, and 2698 et seq., including as follows:

(a) **Wage Claims:** For failure to provide Plaintiff and the Aggrieved Employees all earned regular pay and minimum wages for regular hours worked and for failure to pay overtime premium wages for overtime hours worked under Labor Code §§ 510, 1194(a), 1197, and 1198, and paragraphs 2(K), 3(A), 4(A), 4(B) and 20 of the applicable IWC Wage Order(s) seeking all civil and statutory penalties available and applicable under Labor Code §§ 510, 558, 1194.2,

1197.1, 1198, 1199, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

(b) Meal and Rest Period Claims: For failure to provide Plaintiff and the Aggrieved Employees off-duty, timely, and unpaid meal periods and failure to authorize and permit them to take off-duty, timely, and paid rest periods, or pay one hour of regular pay in lieu thereof, under Labor Code §§ 512, 1198, and 226.7, and Sections 11, 12(A), and 12(B) of the applicable IWC Wage Order(s) seeking all civil and statutory penalties available and applicable, including under paragraph 20 of the applicable IWC Wage Orders, and wages under Labor Code §§ 226.7, 512, 558, including sections 558(a)(1)-(3), 1199 and 2699(f)(2), and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

(c) Inaccurate Wage Statements and Failure to Maintain Records: For failure to provide Plaintiff and the Aggrieved Employees with accurate, itemized wage statements and failure to maintain employment records for Plaintiff and Aggrieved Employees under Labor Code §§ 226, 1174, and 1198.5, and Sections 7(A), 7(B), and 7(C) of the applicable IWC Wage Order(s) seeking all civil and statutory penalties and wages available and applicable under Labor Code §§ 226(e), 226.3, 558, 1174.5, 1199, and 2699(f)(2), and paragraph 20 of the applicable IWC Wage Order, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1). More specifically, by providing inaccurate wage statements and failing to maintain records as required under Labor Code § 226(a), Defendants committed ongoing violations giving rise to civil penalties under Labor Code § 226.3, which in addition to other penalties provided by law, subjects Defendants to "a penalty in the amount of two hundred fifty dollars (\$250) per employee per violation in an initial citation and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, ...";

(d) Failure to Timely Pay Wages: For failure to timely pay all wages owed, including at least semi-monthly and upon separation or termination, under Labor Code §§ 201, 201, 203, 204, 1197.5, 2926, and 2927 seeking all civil penalties available and applicable under Labor Code §§ 201, 202, 203, 210, 558, 1197, 1198, 1199 and 2699(f)(2), and paragraph 20 of the applicable IWC Wage Orders, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

(e) All Alleged Violations of the IWC Wage Orders: For any above addressed violation of the applicable provisions of the IWC Wage Orders constituting violations of Labor Code § 1198 and Labor Code § 2699.5, and seeking penalties available and applicable under Labor Code § 2699(f)(2) and paragraph 20 of the applicable IWC Wage Orders, and for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

(f) For the remaining violations, including under Labor Code 246 and 2810.5 and paragraph 14 of the applicable IWC Wage Orders, for penalties and relief for violations and fees and costs as addressed above.

We have been constrained to initially move forward with the filing of this Complaint, alleging the causes of action discussed herein, without the PAGA claim. Thus, any action by the LWDA

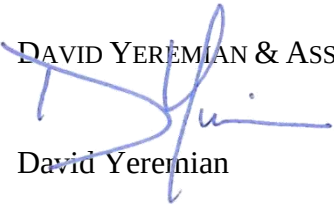
would not resolve the entirety of the case, and the interest of judicial economy will be served by allowing the case to proceed as a cohesive whole.

This letter and the attached Complaint therefore provide the requisite notice under the Act to the LWDA and Defendants by setting forth the specific provisions of the Labor Code and related provisions Plaintiff alleges have been violated, including the facts and relevant theories alleged against Romeo & Layla Warehousing, Inc., Fairway Staffing Services, Ultra Personnel, LLC and any other named Defendants and joint employers. To prevent the violations described in the Complaint and herein from occurring, and to remedy past violations, Plaintiff respectfully requests that the LWDA conduct an investigation into Defendants' employment practices in accordance with the Act.

Wherefore we request that you advise us, by certified mail within sixty days of the postmark on this letter, whether you intend to proceed with these claims or whether Plaintiff and the Aggrieved Employees should include them in an amended Labor Code § 2698 *et seq.* claim under the Act in an amended Complaint.

Regards,

DAVID YEREMIAN & ASSOCIATES, INC.



David Yeremian

Cc: Romeo & Layla Warehousing, Inc., Fairway Staffing Services, Ultra Personnel, LLC by Certified Mail

Natalia Bermudes

From: noreply@salesforce.com on behalf of LWDA DO NOT REPLY <lwdadonotreply@dir.ca.gov>
Sent: Tuesday, March 14, 2023 2:51 PM
To: Natalia Bermudes
Subject: Thank you for submission of your PAGA Case.

3/14/2023

LWDA Case No. LWDA-CM-941905-23

Law Firm : David Yeremian & Associates, Inc.

Plaintiff Name : Mariana Zuazo and others aggrieved employees

Employer: Romeo & Layla Warehousing, Inc., Fairway Staffing Services, Ultra Personnel, LLC 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



State of California

Labor and Workforce Development Agency /
Department of Industrial Relations

Private Attorneys General Act (PAGA) – Filing

New PAGA Claim Notice

Your Information (Person Who is Filing)

Your First Name *

David

Your Last Name *

Yeremian

Firm Name (if any) *

David Yeremian & Associates

(Enter "in pro per" if you are representing yourself)

Your Email Address *

natalia@yeremianlaw.com

Your Street Name, Number and Suite/Apt *

2540 Foothill Blvd, Suite 2

Your Mobile Phone Number

8182308380

Your City *

La Crescenta

Your Work Phone Number

Your State *

California

Your Zip/Postal Code *

91214

Plaintiff Information

Plaintiff/Aggrieved Employee Name *

Mariana Zuazo and others aggrieved employees

Plaintiff/Aggrieved Employee Occupation *

non-exempt hourly employee

[Add Additional Plaintiffs](#)

Employer Information

Employer Entity Type

Corporation

Employer Name *

Romeo & Layla Warehousing, Inc., Fairway St

Maximum 80 Character Limit

Employer Street Name, Number and Suite/Apt *

1151 South Mildred Street

Employer City *

Ontario

Employer State *

California



Employer Zip/Postal Code *

91761

Employer Industry *

Warehouse



Add additional defendants

- ☐ Add any entity other than an individual
- ☐ Add an individual/sole proprietor employer

Notice General Information

Estimated Number of Employees Impacted by Violations *

51

Notice Violations – Check All that Apply *

- ☐ Child Labor
- ☐ Misclassification Employee Classified as Contractor
- ☐ Misclassification NonExempt Classified as Exempt
- ☒ Minimum Wage
- ☒ Overtime
- ☒ Not paid for all hours worked
- ☒ Not paid wages due on termination
- ☒ Other Unpaid Wages
- ☐ Tips or Gratuities
- ☐ Payment or Reimbursement of Employee Expenses
- ☐ Improper Form of Payment Including NSF Checks
- ☐ Kickbacks
- ☒ Meal and Rest Breaks
- ☐ Sick Leave
- ☐ Lactation Accommodation (Labor Code 1030–1033)
- ☐ Not providing required time off, other
- ☐ Pay Discrimination on basis of sex, (Labor Code 1197.5)
- ☒ No Wage Statements
- ☒ Improper or Incomplete Wage Statements
- ☐ Other Notice or Posting or Recordkeeping
- ☐ Public Works (Labor Code 1720 – 1815)
- ☐ Apprenticeship (Labor Code 3070 – 3098)
- ☐ Occupational Safety and Health (Labor Code 6300 et seq)
- ☐ No Workers' Compensation
- ☐ Licensing, Registration, or Permit
- ☐ Unfair Immigration Activities
- ☐ Agricultural Labor Relations
- ☐ Industrial Homework
- ☐ Retaliation for Protected Status or Activity (Specify)
- ☒ Other

Child Labor – Specify Ages

david@yeremianlaw.com

Provide Details of Other Violation *

California Labor Code §§ 201, 202, 203, 204, 210, 221, 226, 226.7, 2

Other(Maybe Multiple)

- ☐ Other Violation

PAGA Claim Type – Check All that Apply *

- ☒ Notice asserts one or more Labor Code violations listed in Labor Code 2699.5– not curable subject to 2699.3(a)
- ☐ Notice asserts one or more OSHA violations subject to requirements of 2699.3(b)
- ☒ Includes one or more violations not listed in Labor Code 2699.5 – curable subject to 2699.3(c)

Filing Fee

A filing fee of \$75 is required to file a new PAGA claim notice.

IFP

- ☐ I wish to claim In Forma Pauperis and am attaching a Confidential Request to Waive Court Fees (Judicial Council Court Form FW-001) or similar form to this submission.

Billing information

Billing First Name *

David

Billing Last Name *

Yeremian

Billing Email *

natalia@yeremianlaw.com

Billing Phone

8182308380

Billing Street Name, Number and Suite/Apt *

2540 Foothill Blvd., Suite 201

Billing City *

La Crescenta

Billing State *

California

Billing Zip/Postal Code *

91214

Credit Card Type *

Visa

Credit Card Number *

4815880010302570

CVV Number *

551

Credit Card Expiration Month *

01

mm

Credit Card Expiration Year *

2028

yyyy

Notice and Other Attachments

PAGA Claim Notice (must be a .pdf) *

Choose File LWDA (Zuazo).pdf

Other Attachment – (if any) (must be a .pdf)

Choose File Complaint (Zuazo).pdf

[Add Another Attachment](#)

Should you have questions regarding this online form, please contact PAGAInfo@dir.ca.gov

IMPORTANT NOTICE OF REDACTION RESPONSIBILITY: All filers must redact: Social Security or taxpayer identification numbers; personal addresses, personal telephone numbers, personal email addresses, dates of birth; names of minor children; & financial account numbers. This requirement applies to all documents, including attachments.

☒ **I understand that, if I file, I must comply with the redaction rules consistent with this notice.**

Previous Page

Submit

EXHIBIT 3