

Danny Yadidsion, Esq., SBN 260282
Noël Harlow, Esq., SBN 256124
LABOR LAW PC
100 Wilshire Blvd., Suite 700
Santa Monica, California 90401
Telephone: (310) 494-6082
Danny@LaborLawPC.com
Noel.Harlow@LaborLawPC.com
Calendar@LaborLawPC.com

Attorneys for Plaintiff
HAYLEY AARSVOLD,
individually and on behalf of the putative class

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF VENTURA**

HAYLEY AARSVOLD, individually and on
behalf of the putative class,

Plaintiff,

v.

ALLIANCE TECHNICAL GROUP, LLC, a
Limited Liability Company; and DOES 1- 50,
Inclusive,

Defendants.

Case No.: 2023CUOE007584

CLASS ACTION

*[Assigned for all purposes to the Honorable
Benjamin Coats, Department 43]*

**PLAINTIFF'S NOTICE OF MOTION AND
MOTION FOR AN ORDER (1)
PRELIMINARILY APPROVING THE
CLASS ACTION SETTLEMENT; (2)
APPROVING NOTICE OF CLASS
ACTION SETTLEMENT; (3) SETTING
HEARING FOR FINAL APPROVAL;
MEMORANDUM OF POINTS AND
AUTHORITIES IN SUPPORT THEREOF**

*[Filed concurrently with the Declaration of
Danny Yadidsion; Declaration of Hayley
Aarsvold; Declaration of Sean Hartranft of
Third-Party Administrator, Apex Class Action
LLC; Joint Stipulation of Class Action and
PAGA Settlement and Release; Class Notice;
and [Proposed] Order]*

Date: March 27, 2025
Time: 8:30 a.m.
Dept: 43

1 **TO THE COURT AND DEFENDANTS AND THEIR ATTORNEYS OF RECORD:**

2 PLEASE TAKE NOTICE that on March 27, 2025 at 8:30 a.m. or as soon thereafter as this matter
3 may be heard, at Department 43, located at Ventura County Superior – Hall of Justice, 800 S. Victoria
4 Ave, Ventura, CA 93009, Plaintiff HAYLEY AARSVOLD (“Plaintiff”), on behalf of herself and all
5 persons similarly situated, will and hereby moves this Court pursuant to California Code of Civil
6 Procedure § 382 and California Rule of Court 3.769, for an order as follows:

- 7 1. Granting preliminary approval of the proposed settlement;
8 2. Appointing Apex Class Action LLC as the Settlement Administrator;
9 3. Conditionally certifying the class for settlement purposes only;
10 4. Approving the proposed Notice of Settlement as to form and content, and directing that it be
11 distributed to the Class Members pursuant to the terms of the Settlement; and
12 5. Scheduling a Final Approval Hearing.

13 This Notice of Motion and Motion is based on the fact that this is a fair and reasonable settlement
14 that benefits the class and was the product of informed, non-collusive negotiations by the parties who were
15 represented by experienced and able counsel. (*See Dunk v. Ford Motor Co.* (1996) 48 Cal. App. 4th 1794,
16 1802; *Manual for Complex Litigation* (2nd Ed. 1985) § 30.44.) The proposed settlement meets the legal
17 standard for preliminary approval and is in the best interests of the class; the proposed Class Notice
18 explains the settlement terms in a clear and straightforward manner; the proposed procedures for notice
19 provide the best practical notice to the class; and class members will have an opportunity to participate in
20 and/or object to the settlement and/or opt-out of the settlement.

21 This Motion is based on this Notice, the attached Memorandum of Points and Authorities; the
22 Declarations of (a) proposed Class Counsel, Danny Yadidsion, (b) Plaintiff, (c) and Apex Class Action
23 LLC Chief Executive Officer, Sean Hartranft, on behalf of the proposed Settlement Administrator and the
24 exhibits attached thereto, the pleadings and other papers filed in this action, and on any further oral or
25 documentary evidence or argument presented at the time of hearing.

26 / / /

27 / / /

28 / / /

DATED: March 5, 2025

Respectfully Submitted,

LABOR LAW PC

By: 

Danny Yadidsion, Esq.

Noël Harlow, Esq.

Attorneys for Plaintiff HAYLEY AARSVOLD on
behalf of herself and others similarly situated

Table of Contents

I.	INTRODUCTION	9
II.	STATEMENT OF RELEVANT FACTS	10
A.	Procedural History	10
B.	Statement of the Claims	13
C.	Discovery and Investigation	13
D.	Mediation	14
III.	SUMMARY OF THE SETTLEMENT	15
A.	The Settlement Class.....	15
B.	The Consideration.....	15
C.	Individual Settlement Calculations	15
D.	Release By Class Members.....	17
E.	Notice Program	21
1.	Mailing of Notice.....	Error! Bookmark not defined.
2.	Dispute Procedure	Error! Bookmark not defined.
3.	Exclusion Procedure	24
4.	Objection Procedure.....	25
IV.	PRELIMINARY SETTLEMENT APPROVAL	26
A.	The Settlement Agreement Resulted from Arm's-Length Negotiations	28
B.	The Strength of Plaintiff' Case and Complexities of Further Litigation	20
1.	<i>Kullar v. Footlocker</i> Analysis.....	30
C.	The Settlement Has No Obvious Deficiencies.....	37
D.	The Class Representative's Payment, Class Counsel Fees Payment, and Class Counsel Litigation Expenses Payment.....	38
1.	The Enhancement Award Requested by Plaintiff Is Reasonable.....	38
2.	The Fees and Costs Requested by Class Counsel Are Reasonable	30
E.	Claims Administration	30
F.	The Proposed Class Notice is Adequate	30

V.	CLASS CERTIFICATION IS APPROPRIATE	31
A.	Standard for Pre-Certification Settlements	42
B.	The Requirements for Class Certification in the Settlement Context Are Satisfied	43
1.	Ascertainability and Numerosity	43
2.	Predominance of Common Questions of Law and Fact	43
3.	Typicality	45
4.	Adequacy	46
VI.	CONCLUSION	46

TABLE OF AUTHORITIES

Cases

<i>Air Line Stewards, Loc. 550 v. American Airlines, Inc.</i> , 455 F.2d 101 (7th Cir.1972)	36
<i>Amchem Prods., Inc. v. Windsor</i> , 521 U.S. 591 (1987)	42
<i>Armenta v. Osmose, Inc.</i> (2005) 135 Cal. App. 4th 314	36
<i>Balderas v. Massage Envy Franchising, LLC</i> , No. 12-CV-06327 NC, 2014 WL 3610945 (N.D. Cal. July 21, 2014)	33
<i>Bartold v. Glendale Fed. Bank</i> (2000) 81 Cal. App. 4th 816	43
<i>Behrens v. Wometco Enters., Inc.</i> , 118 F.R.D. 534 (S.D. Fla. 1988)	32
<i>Boeing Co. v. Van Gemert</i> , 444 U.S. 472 (1980)	40
<i>Brewer v. Premier Golf Properties</i> (2009) 168 Cal. App. 4th 1243	36
<i>Cellphone Fee Termination Cases</i> (2009) 180 Cal. App. 4th 1110	30
<i>City of Detroit v. Grinnell Corp.</i> , 356 F.Supp. 1380 (S.D.N.Y. 1972)	33
<i>Clark v. American Residential Services, LLC</i> (2009) 175 Cal. App. 4th 785	28
<i>Class Plaintiff v. City of Seattle</i> , 955 F.2d 1268 (9th Cir. 1992)	30
<i>Classen v. Weller</i> (1983) 145 Cal. App. 3d 27	45
<i>Collins v. Rocha</i> (1972) 7 Cal.3d 232	44
<i>Dunk v. Ford Motor Co.</i> (1996) 48 Cal. App. 4th 1794	2,28, 30
<i>Gentry v. Superior Court</i> (2007) 64 Cal. Rptr. 3d 773	41
<i>Hanlon v. Chrysler Corp.</i> , 150 F.3d 1011 (9th Cir. 1998)	30
<i>Hensley v. Eckerhart</i> , 461 U.S. 424 (1983)	40
<i>Hernandez v. Chipotle Mexican Grill, Inc.</i> (2012) 146 Cal. Rptr. 3d 424	33
<i>In re Baldwin-United Corp.</i> , 105 F.R.D. 475 (S.D.N.Y. 1984)	42
<i>In re Excess Value Ins. Coverage Litig.</i> , No. M-21-84 (RMB), 2004 U.S. Dist. LEXIS 14822 (S.D.N.Y. July 30, 2004)	28
<i>In re Inter-Op Hip Prosthesis Liab. Litig.</i> (N.D. Ohio 2001) 204 F.R.D. 359	28
<i>In re Lamps Plus Overtime Cases</i> (2012) 209 Cal. App. 4th 35	33
<i>In re Toys R US FACTA Litig.</i> , 295 F.R.D. 438 (C.D. Cal. 2014)	33

1	<i>Ketchum v. Moses</i> (2001) 24 Cal.4th 1122	39
2	<i>Kullar v. Foot Locker Retail, Inc.</i> (2008) 168 Cal. App. 4th 116.....	27, 30
3	<i>Lealao v. Beneficial Cal., Inc.</i> (2000) 82 Cal. App. 4th 19	38
4	<i>Linder v. Thrifty Oil Co.</i> (2000) 23 Cal. 4th 429	45
5	<i>Ma v. Covidien Holding, Inc.</i> , No. SACV 12-02161-DOC, 2014 WL 360196 (C.D. Cal. Jan. 31, 2014)	
6		33
7	<i>Martel v. Valderamma</i> , 2015 U.S. Dist. LEXIS 49830 (C.D. Cal. 2015)	33
8	<i>McGee v. Bank of Am.</i> (1976) 60 Cal. App. 3d 442	46
9	<i>Munoz v. BCI Coca-Cola Bottling Co. of Los Angeles</i> (2010) 186 Cal. App. 4th 399	28
10	<i>North County Contractor's Assn. v. Touchstone Ins. Services.</i> (1994) 27 Cal. App. 4th 1085	27
11	<i>Officers for Justice v. Civil Serv. Commission</i> , 688 F.2d 615 (9th Cir.1982)	26, 36
12	<i>Reyes v. Board of Supervisors of San Diego County</i> (1987) 196 Cal. App. 3d 1263, 1271	43
13	<i>Road Sprinkler Fitters Local 669 v. G & G Fire Sprinklers, Inc.</i> (2002)	
14	102 Cal. App. 4th 765	35
15	<i>Sav-On Drug Stores, Inc. v. Superior Court</i> (2004) 34 Cal.4th 319.....	42, 44
16	<i>Serrano v. Priest</i> (1977) 20 Cal.3d 25	40
17	<i>Tech-Bilt, Inc. v. Woodward-Clyde & Assoc.</i> (1985) 38 Cal.3d 488.....	30
18	<i>Troester v. Starbucks Corp.</i> , 387 F.Supp.3d 1019 (C.D. Cal. 2019).....	35
19	<i>Utility Reform Project v. Bonneville Power Admin.</i> , 869 F.2d 437 (9th Cir. 1989).....	26
20	<i>Vincent v. Hughes Air West, Inc.</i> , 557 F.2d 759 (9th Cir. 1977)	40
21	<i>Washington v. Joe's Crab Shack</i> , 271 F.R.D. 629 (N.D. Cal. 2010)	33
22	<i>Wershba v. Apple Computer, Inc.</i> (2001) 91 Cal. App. 4th 224.....	42
23	<i>Wilkerson v. Martin Marietta Corp.</i> , 171 F.R.D. 273 (D. Colo. 1997)	26
24	<i>Williams v. Vukovich</i> , 720 F.2d 909 (6th Cir.1983).....	28
25	Statutes	
26	8 C.C.R. Section 13520.....	35
27	California Labor Code Section 226(e).....	36
28	California Labor Code Section 1194.2	35

Rules

California Rules of Court, Rule 3.769	27, 38
California Rules of Court, Rule 3.769(b).....	38
California Rules of Court, Rule 3.769(e).....	40
Federal Rules of Civil Procedure, Rule 23.....	28, 42

Treatises

4 William B. Rubenstein, et al., <i>Newberg on Class Actions</i> (5 th Ed. 2016) § 8.32	41
4 William B. Rubenstein, et al., <i>Newberg on Class Actions</i> (5 th Ed. 2016) § 11.26	27, 42
4 William B. Rubenstein, et al., <i>Newberg on Class Actions</i> (5 th Ed. 2016) § 11.41	30
4 William B. Rubenstein et al., <i>Newberg on Class Actions</i> (5th ed. 2016) § 13:15	33
<i>Manual For Complex Litigation</i> (4th Ed. 2004) § 21.612	30
<i>Manual for Complex Litigation</i> (4th Ed. 2004) § 30.41	27
Weil and Brown, <i>California Practice Guide: Civil Procedure Before Trial</i> § 14:145	40

1 **I. INTRODUCTION**

2 Plaintiff Hayley Aarsvold (“Plaintiff”) hereby seeks preliminary approval of the common fund
3 settlement reached in this case between Plaintiff and Defendant Alliance Technical Group, LLC
4 (“Defendant”). The parties reached this Agreement through arm’s-length bargaining and extensive
5 negotiations, after sufficient investigation and an informal exchange of records and information, and with
6 the assistance of an experienced wage-and-hour class action mediator. Subject to the Court’s approval of
7 the Agreement, Plaintiff also seeks provisional certification of the proposed Settlement Classes (as defined
8 below) with respect to the wage and hour claims asserted in the Second Amended Complaint filed on
9 December 2, 2024 (“SAC”).

10 The main elements of the Agreement, as memorialized in the Parties’ Joint Stipulation Re: Class
11 Action and Representative Action Settlement (the “Settlement” or “Agreement” or “Settlement
12 Agreement”) (“Declaration of Danny Yadidsion (hereinafter referred to as “Yadidsion Decl.”), Exhibit
13 1”) are:

14 1. Defendant will pay up to a maximum of \$875,000.00 (“Gross Settlement Amount”
15 or “GSA”), on a non-reversionary common fund basis to resolve the matter;

16 2. The “Settlement Classes” are defined as follows: (a) the “Non-Exempt Class”
17 consisting of all persons employed in a non-exempt position by Defendant in California at any time during
18 the Class Period (as defined below); and (b) the “Project Manager Class” consisting of all persons
19 employed in an exempt Project Manager position in California at any time during the Class Period (as
20 defined below);

21 3. The “Class Period” shall be from April 7, 2019 through the date of preliminary
22 approval;

23 4. The “Aggrieved Employees” are defined as follows: (a) all persons employed in a
24 non-exempt position by Defendant in California at any time during the PAGA Period (as defined below),
25 and (b) all persons employed in an exempt Project Manager position by Defendant in California at any
26 time during the PAGA Period (as defined below);

27 5. The “PAGA Period” shall be from April 21, 2022 through the end of the Class
28 Period;

1 6. The GSA includes, but is not limited to, Individual Settlement Payments to
2 Participating Class Members, Settlement Administration Fees and Costs, Attorney's Fees and Costs,
3 Plaintiff's Service Award, and the PAGA Payment, subject to Court approval and the terms of the
4 Settlement Agreement.

5 7. Subject to Court approval, Settlement Administration Costs, estimated not to
6 exceed \$5,500.00, shall be paid to the Settlement Administrator from the GSA;

7 8. Class Counsel will seek Court approval of an award of attorney's fees in the amount
8 of 35% of the GSA, or up to \$306,250.00, and attorney's costs in an amount not to exceed \$20,000.00,
9 which shall be paid from the GSA;

10 9. Plaintiff will apply to the Court for a Service Award of up to \$25,000.00, which
11 shall be paid from the GSA;

12 10. Subject to Court approval, the sum of \$50,000.00 will be allocated and payable
13 from the GSA to civil penalties under the California Private Attorneys General Act of 2004 ("PAGA")
14 (the "PAGA Payment") 75% of which (\$37,500.00) will be paid to the LWDA and 25% of which
15 (\$12,500.00) will be distributed on a *pro rata* basis to the Aggrieved Employees;

16 11. The portion of the GSA remaining after deduction of the Court-approved
17 Settlement Administration Costs, Attorneys' Fees and Costs, Plaintiff's Service Payment, and PAGA
18 Payment (i.e., the "Net Settlement Amount" or "NSA"), will be distributed to Settlement Class Members
19 who do not exclude themselves (referred to as "Participating Class Members" or separately as
20 "Participating Non-Exempt Class Members" and "Participating Project Manager Class Members");

21 12. The amount each Settlement Class Member will receive is his or her Individual
22 Settlement Payment, which will be calculated by allocating the GSA between the Non-Exempt Class and
23 the Project Manager Class as follows: 87% of the Net Settlement Amount shall be allocated and distributed
24 to those Participating Class Members who are Non-Exempt Class Members on a *pro rata* basis as set forth
25 in Paragraphs 13 to 15 below, and 13% of the Net Settlement Amount shall be allocated and distributed
26 to those Participating Class Members who are Project Manager Class Members on a *pro-rata* basis;

27 13. The Net Settlement Amount allocated to Non-Exempt Class Members shall be
28 calculated as follows: Net Settlement Amount x 0.87 = Non-Exempt Class NSA Allocation. The Net

Settlement Amount allocated to Project Manager Class Members shall be calculated as follows: Net Settlement Amount x 0.13 = Project Manager Class NSA Allocation. Individual Settlement Payments will be calculated and distributed to Participating Class Members from the Non-Exempt Class NSA Allocation and/or Project Manager Class NSA Allocation on a *pro rata* basis, based on the Participating Class Members' respective number of Qualifying Workweeks as a Non-Exempt Class Member and/or Project Manager Class Member during the Class Period;

14. To determine each Non-Exempt Class Member's Individual Class Settlement Share, the Settlement Administrator will determine the aggregate number of Qualifying Workweeks worked by all Participating Non-Exempt Class Members during the Class Period ("Total Participating Non-Exempt Class Member Workweeks") and use the following formula: Individual Settlement Share = (Individual Participating Non-Exempt Class Member's Qualifying Workweeks ÷ Total Participating Non-Exempt Class Member Qualifying Workweeks) × Non-Exempt Class NSA Allocation;

15. To determine each Project Manager Class Member's Individual Class Settlement Share, the Settlement Administrator will determine the aggregate number of Qualifying Workweeks worked by all Participating Project Manager Class Members during the Class Period who are not excluded ("Total Participating Project Manager Class Member Workweeks") and use the following formula: Individual Settlement Share = (Individual Participating Project Manager Class Member's Qualifying Workweeks ÷ Total Participating Project Manager Class Member Qualifying Workweeks) × Project Manager Class NSA Allocation;

16. Individual PAGA Payments to Aggrieved Employees will be calculated and distributed to Aggrieved Employees from the Aggrieved Employee PAGA Payment on a *pro rata* basis based on Aggrieved Employees' respective number of Qualifying Pay Periods during the PAGA Period;

17. Following the Court's granting of preliminary approval of the settlement and prior to final approval, Defendant shall provide Plaintiff's Counsel, under the confidentiality of a protective order, a declaration stating that it adopted revised meal period and rest period policies which comport to the minimum standards under California law;

As discussed more thoroughly below, the proposed Settlement Classes satisfy each of the requirements of Code of Civil Procedure Section 382. Furthermore, the Agreement is fair and reasonable

1 and confers a substantial benefit upon the Class Members. Accordingly, pursuant to California Rule of
2 Court 3.769, Plaintiff requests that the Court grant preliminary approval of the Agreement, certify the
3 Settlement Classes for settlement purposes, set the deadline for filing objections to the Agreement,
4 schedule a final approval hearing, and approve the proposed Class Notice.

5 **II. STATEMENT OF RELEVANT FACTS**

6 **A. Procedural History**

7 On April 7, 2023, Plaintiff Hayley Aarsvold filed a complaint in Ventura County Superior Court
8 alleging causes of action against Defendants for violations of the California Labor Code, including failure
9 to pay overtime wages; failure to provide meal and rest periods; wage statement violations; failure to pay
10 all compensation due upon discharge; and unfair and unlawful business practices, *Hayley Aarsvold v.*
11 *Alliance Technical Group, LLC Services, et al.*, Ventura County Superior Court Case No.
12 2023CUOE007584 (the “Action”).

13 On April 21, 2023, Plaintiff filed a letter with the California Labor Workforce & Development
14 Agency (“LWDA”) requesting that the LWDA either investigate these claims or notify Plaintiff that the
15 LWDA did not intend to investigate the claims and allow Plaintiff to pursue a civil action to recover
16 penalties pursuant the California Private Attorneys General Act, Cal. Labor Code § 2699 et seq.
17 (“PAGA”). On August 30, 2023, Plaintiff filed her First Amended Complaint (“FAC”) adding a cause of
18 action for civil penalties under PAGA.

19 On January 23, 2024, after conducting substantial informal discovery, the Parties attended a full-
20 day mediation before an experienced and well-regarded mediator, Jason C. Marsili, Esq. Although the
21 Parties were unable to reach an agreement at the mediation, the Parties subsequently reached an agreement
22 in principle to settle the Action and seek approval of the settlement in the Action.

23 On September 27, 2024, Plaintiff filed an amended PAGA notice with the LWDA (“Amended
24 PAGA Notice”) which asserted claims for PAGA penalties for potential wage and hour violation
25 allegations discovered during the course of Plaintiff’s investigation and the Parties’ mediation preparation,
26 including, without limitation, for alleged failure to pay minimum wages, failure to pay wages for all hours
27 worked, failure to reimburse employees for necessary expenditures, failure to include all compensation
28 required to be included in the regular rate, and improper deductions from salary of exempt employees for

1 partial day absences.

2 On December 2, 2024, Plaintiff filed her Second Amended Complaint (“SAC”) which conforms
3 with the scope of the Parties’ Settlement, and includes revised class definitions and additional causes of
4 action and factual theories for alleged Labor Code violations which had not been pleaded to date including,
5 without limitation, those set forth in the PAGA Notice and the Amended PAGA Notice. The SAC includes
6 causes of action for: (1) failure to pay overtime wages; (2) failure to pay minimum wages, (3) failure to
7 provide meal periods; (4) failure to provide rest periods; (5) failure to furnish timely and accurate, itemized
8 wage statements; (6) failure to pay all compensation due upon discharge; (7) failure to timely pay wages
9 during employment, (8) failure to indemnify for business expenses, (9) unfair, unlawful, or fraudulent
10 business practices (Bus & Prof. Code §17200, et seq.); and (10) civil penalties under the PAGA (Labor
11 Code §§ 2698-2699.5).

12 **B. Statement of the Claims**

13 Plaintiff contends that during the Class Period, with respect to her and the Settlement Classes,,
14 Defendant violated California wage and hour law by, among other things: misclassifying Plaintiff and
15 employees in Project Manager positions as exempt, failing to pay Plaintiff and the Settlement Classes all
16 overtime and minimum wages, failing to provide them with lawful meal and rest periods, failing to pay
17 them all wages during employment and due upon discharge or quitting, failing to furnish them accurate,
18 itemized wage statements, failing to indemnify them for business expenses, and violating California’s
19 Business and Professions Code Section 17200 based on the underlying Labor Code violations alleged in
20 the SAC. Plaintiff also asserts a representative claim for civil penalties under the PAGA based on the same
21 alleged violations of the Labor Code asserted with respect to the above-described class claims.

22 **C. Discovery and Investigation**

23 Before filing this lawsuit, Class Counsel investigated and researched the facts and circumstances
24 underlying the pertinent issues and the law applicable thereto. (Yadidsion Decl., ¶15.) After conducting
25 this thorough initial investigation, Class Counsel determined that Plaintiff’s claims were well-suited for
26 class action adjudication due to what appeared to be a common course of conduct affecting a similarly
27 situated group of employees. (*Id.*)

28 During the prosecution of this Action, Plaintiff further investigated the claims and sought relevant

1 information and records from Defendant through informal discovery mechanisms. To prepare for
2 mediation, Defendant informally produced records and information to Plaintiff's counsel to evaluate the
3 claims, including, among other things, a sampling of time and payroll records for the Non-Exempt Class
4 Members, Project Manager Class Members, and Aggrieved Employees; data points including the number
5 of Non-Exempt Class Members, Project Manager Class Members, and Aggrieved Employees; the number
6 of separated Non-Exempt Class Members, Project Manager Class Members, and Aggrieved Employees;
7 the number of shifts, workweeks, and pay periods worked, the number of wage statements issued to the
8 Non-Exempt Class Members and Project Manager Class Members; and the average rates of pay for the
9 Non-Exempt and Project Manager Classes; relevant policy and other documents pertaining to Defendant's
10 operations and wage and hour practices; and all personnel records, time records, payroll records and wage
11 statements relating to Plaintiff. (*Id.*) Plaintiff's counsel thoroughly reviewed, investigated, and analyzed
12 this information, which amounted to hundreds of pages of data and information. (*Id.*) Plaintiff's counsel
13 also investigated the law as applied to the discovered facts regarding the alleged claims of Plaintiff and
14 the Settlement Classes, potential defenses thereto, as well as the potential damages claimed by Plaintiff
15 and the Settlement Classes. This informal discovery process occurred over a period of several months and
16 involved significant meet and confer efforts between counsel for the parties. (*Id.*)

17 The Parties' attorneys have engaged in extensive discussions about the strengths and weaknesses
18 of the claims and defenses in the Actions.

19 **D. Mediation**

20 On January 23, 2024, the Parties attended a full-day mediation before an experienced and well-
21 regarded mediator, Jason C. Marsili, Esq. (Yadidsion Decl. ¶21.) The Parties did not resolve the case at
22 mediation. (*Id.*) However, the mediator engaged in extensive follow-up efforts, and the Parties continued
23 settlement discussions post-mediation. In about nine months and after extensive post-mediation
24 negotiations, the Parties reached an agreement regarding the resolution of this Action, which is embodied
25 in the terms of the Agreement. (*Id.*, Exh. 1.) From Class Counsel's review of the facts, strengths, and
26 weaknesses of the case, the risks and delays posed by further litigation, and Class Counsel's own prior
27 class action litigation experience, Class Counsel believes that the recovery for each class member is fair
28 and reasonable. (*Id.*, ¶19.)

1 **III. SUMMARY OF THE AGREEMENT**

2 **A. The Settlement Classes**

3 The Settlement Classes comprised of two separate classes: (a) the “Non-Exempt Class” defined as
4 all persons employed in a non-exempt position by Defendant in California at any time during the period
5 of April 7, 2019 through the date of preliminary approval; and (b) the “Project Manager Class” defined as
6 all persons employed in an exempt Project Manager position in California at any time during the period
7 of April 7, 2019 through the date of preliminary approval. (Yadidsion Decl. ¶23.)

8 **B. The Consideration**

9 Defendant has agreed to pay a maximum settlement amount of \$875,000.00 (“Gross Settlement
10 Amount” or “GSA”). The Settlement provides for the following payments to be made from this common
11 fund:

12	Gross Settlement Amount	\$875,000.00
13	Attorney’s Fees	- \$306,250.00
14	Attorney’s Costs	- \$20,000.00
15	Service Award to Class Representative	- 25,000.00
16	Settlement Administration	- \$5,500.00
	PAGA Penalties	- \$50,000.00
	Net Settlement Amount (“NSA”)	\$468,250.00

17 **C. Individual Settlement Calculations**

18 The NSA will be allocated entirely to the Participating Settlement Class members and includes the
19 employee portion of payroll taxes. The Parties agree that the Settlement Payments will be allocated as
20 follows: twenty percent (20%) to wages, for which an IRS Form W-2s shall be issued, eighty percent
21 (80%) for alleged civil and statutory penalties and alleged interest on unpaid wages and any other non-
22 wage related amount, if any, and will be reported as such to each Settlement Class Member on an IRS
23 Form 1099 (Yadidsion Decl., Exh. 1 at ¶14 (a).)¹

24 The Net Settlement Amount shall be divided among and distributed to individual Participating
25 Non-Exempt and Project Manager Class members. Individual Settlement Payments shall be calculated
26 using the following formula:

27 _____
28 ¹ The employer’s share of payroll taxes shall be paid by Defendant. (Yadidsion Decl., Exh. 1 at ¶14 (a).)

Non-Exempt Class Members: (Individual Participating Non-Exempt Class Member's Qualifying Workweeks ÷ Total Participating Non-Exempt Class Member Qualifying Workweeks) × Non-Exempt Class NSA Allocation.

Project Manager Class Members: (Individual Participating Project Manager Class Member's Qualifying Workweeks ÷ Total Participating Project Manager Class Member Qualifying Workweeks) × Project Manager Class NSA Allocation.

(Yadidsion Decl., Exh. 1 at ¶10 (a), (b).)

The percentage of the NSA allocated to the Non-Exempt and Project Manager Classes was determined by determining the total percentage each class comprised the estimated total 14,448 workweeks as of the date of mediation (13,031 workweeks completed by non-exempt employees and 1,417 workweeks completed by Project Managers). The Individual Settlement Payment will be calculated by allocating the GSA between the Non-Exempt Class and the Project Manager Class as follows: 87% of the Net Settlement Amount shall be allocated and distributed to those Participating Class Members who are Non-Exempt Class Members on a pro rata basis as set forth above and 13% of the Net Settlement Amount shall be allocated and distributed to those Participating Class Members who are Project Manager Class Members on a pro-rata basis.

The Net Settlement Amount allocated to Non-Exempt Class Members shall be calculated as follows: Net Settlement Amount x 0.87 = Non-Exempt Class NSA Allocation. The Net Settlement Amount allocated to Project Manager Class Members shall be calculated as follows: Net Settlement Amount x 0.13 = Project Manager Class NSA Allocation. To determine each Non-Exempt Class Member's Individual Class Settlement Share, the Settlement Administrator will determine the aggregate number of Qualifying Workweeks worked by all Participating Non-Exempt Class Members during the Class Period ("Total Participating Non-Exempt Class Member Workweeks") and use the Non-Exempt Class Member formula: Individual Settlement Share = (Individual Participating Non-Exempt Class Member's Qualifying Workweeks ÷ Total Participating Non-Exempt Class Member Qualifying Workweeks) × Non-Exempt Class NSA Allocation.

To determine each Project Manager Class Member's Individual Class Settlement Share, the

Settlement Administrator will determine the aggregate number of Qualifying Workweeks worked by all Participating Project Manager Class Members during the Class Period who are not excluded (“Total Participating Project Manager Class Member Workweeks”) and use the Project Manager Class formula: Individual Settlement Share = (Individual Participating Project Manager Class Member’s Qualifying Workweeks ÷ Total Participating Project Manager Class Member Qualifying Workweeks) × Project Manager Class NSA Allocation.

Participating Non-Exempt and Project Manager Class Members will receive an Individual Settlement Payment and Aggrieved Employees will receive an Individual PAGA Payment as applicable. Should the actual number of workweeks between April 7, 2019 and January 23, 2024 exceed 15,892 (110% of 14,448), then the Gross Settlement Amount shall be increased by the same number of percentage points (above 10%) by which the actual number of pay periods exceeds 15,892. Individual Settlement Payment and Individual PAGA Payment checks shall remain valid and negotiable for one hundred and eighty (180) calendar days after the date of their issuance. In the event that any checks mailed to Participating Class Members and/or Aggrieved Employees are not cashed, deposited, or otherwise negotiated within the 180-day period, then the checks shall be sent to the California State Controller’s Office Unclaimed Property Fund in the name of the individual, and such Class Members and/or Aggrieved Employees shall nevertheless be bound to the Settlement and the Final Approval Order. Thus, there shall be no “Unpaid Residue” subject to the requirements of California Code of Civil Procedure section 384.

D. Release of Claims

a. Release By Non-Exempt Class Members.

Effective only upon the entry of an Order granting Final Approval of the Settlement, entry of Judgment, and payment by Defendant to the Settlement Administrator of the full Gross Settlement Amount and Employer’s Taxes necessary to effectuate the Settlement, Plaintiff and all Participating Non-Exempt Class Members release the Released Parties of any and all claims that have been or could reasonably have been asserted based on the factual allegations in the Operative Complaint as follows: For the duration of the Class Period, the release includes, for Participating Class Members: all claims for failure to pay overtime wages (including, without limitation, for failure to properly calculate the regular rate and/or overtime rate of pay); all claims for failure to pay minimum or other wages for all hours

1 worked; all claims for failure to provide meal periods or compensation in lieu thereof (including, without
2 limitation, break premiums); all claims for failure to provide rest periods or compensation in lieu thereof
3 (including, without limitation, break premiums); all claims for failure to pay all wages due upon separation
4 from employment; all claims for failure to pay the regular rate; all claims for failure to issue accurate wage
5 statements (including, without limitation, for failure to include and/or accurately itemize the employees'
6 total hours worked, the hours worked at each rate of pay, gross and net wages, meal and/or rest period
7 premiums, overtime rates, and the name of the entity that is the employer); all claims for failure to timely
8 pay wages during employment; all claims asserting a failure to properly reimburse employees for
9 business-related expenses; all claims asserted through California Business & Professions Code section
10 17200, et seq. arising out of the Labor Code violations referenced in the SAC; and all claims for relief,
11 including damages, statutory and/or civil penalties, equitable and/or injunctive relief, attorneys' fees,
12 interest, costs, and any other kind of relief whatsoever that could be sought based on the factual allegations
13 and theories of liability asserted in the SAC (the "Non-Exempt Class Released Claims"). The Parties
14 additionally agree that the Class Released Claims shall include the release of related claims under the
15 federal Fair Labor Standards Act ("FLSA") pursuant to *Rangel v. Check Cashers*, 899 F.3d 1106 (9th Cir.
16 2018).

17 **b. Release by Participating Project Manager Class Members.**

18 Effective only upon the entry of an Order granting Final Approval of the Settlement, entry of
19 Judgment, and payment by Defendant to the Settlement Administrator of the full Gross Settlement
20 Amount and Employer's Taxes necessary to effectuate the Settlement, Plaintiff and all Participating
21 Project Manager Class Members release the Released Parties of any and all claims that have been or could
22 reasonably have been asserted based on the factual allegations in the Operative Complaint as follows: For
23 the duration of the Class Period, the release includes, for Participating Class Members: all claims for
24 alleged misclassification; all claims for improper deductions from salary of exempt employees for partial-
25 day absences; all claims for failure to pay overtime wages (including, without limitation, for failure to
26 properly calculate the regular rate and/or overtime rate of pay); all claims for failure to pay minimum or
27 other wages for all hours worked; all claims for failure to provide meal periods or compensation in lieu
28 thereof (including, without limitation, break premiums); all claims for failure to provide rest periods or

1 compensation in lieu thereof (including, without limitation, break premiums); all claims for failure to pay
2 all wages due upon separation from employment; all claims for failure to pay the regular rate; all claims
3 for failure to issue accurate wage statements (including, without limitation, for failure to include and/or
4 accurately itemize the employees' total hours worked, the hours worked at each rate of pay, gross and net
5 wages, meal and/or rest period premiums, overtime rates, and the name of the entity that is the employer);
6 all claims for failure to timely pay wages during employment; all claims asserting a failure to properly
7 reimburse employees for business-related expenses; all claims asserted through California Business &
8 Professions Code section 17200, *et seq.* arising out of the Labor Code violations referenced in the SAC;
9 and all claims for relief, including damages, statutory and/or civil penalties, equitable and/or injunctive
10 relief, attorneys' fees, interest, costs, and any other kind of relief whatsoever that could be sought based
11 on the factual allegations and theories of liability asserted in the SAC (the "Project Manager Class
12 Released Claims"). The Parties additionally agree that the Project Manager Class Released Claims shall
13 include the release of related claims under the federal Fair Labor Standards Act ("FLSA") pursuant to
14 *Rangel v. Check Cashers*, 899 F.3d 1106 (9th Cir. 2018).

15 The Non-Exempt Class Released Claims and the Project Manager Class Released Claims are
16 collectively referred to herein as the "Class Released Claims."

17 **c. PAGA Release by All Aggrieved Employees**

18 Effective only upon the entry of an Order granting Final Approval of the Settlement, entry of
19 Judgment, and payment by Defendant to the Settlement Administrator of the full Gross Settlement
20 Amount and Employer's Taxes necessary to effectuate the Settlement, Plaintiff, the Aggrieved
21 Employees, and, to the extent permitted by law, the State of California, release the Released Parties for
22 the duration of the PAGA Period from all claims alleged in the SAC for PAGA civil penalties pursuant to
23 Labor Code section 2699 *et seq.* in connection with alleged violations of Labor Code sections 201, 202,
24 203, 204, 218.5, 218.6, 221, 226, 226.2, 226.3, 226.7, 510, 512, 515, 558, 1174, 1174.5, 1194, 1194.2,
25 1194.3, 1197, 1198, and 2802, including for alleged: failure to pay overtime wages (including, without
26 limitation, for failure to properly calculate the regular rate and/or overtime rate of pay); improper
27 deductions from salary of exempt employees for partial-day absences; failure to pay minimum or other
28 wages for all hours worked; regular rate of pay violations (with respect to overtime, and meal and rest

period premiums); failure to provide meal periods or compensation in lieu thereof (including, without limitation, break premiums at the regular rate of pay); failure to provide rest periods or compensation in lieu thereof (including, without limitation, break premiums at the regular rate of pay); failure to pay all wages due upon separation from employment; failure to issue accurate wage statements (including, without limitation, for failure to include and/or accurately itemize the employees' total hours worked, the hours worked at each rate of pay, gross and net wages, meal and/or rest period premiums, rates of pay including overtime rates, and the name of the entity that is the employer); failure to timely pay wages during employment; failure to maintain accurate required records including payroll records; and failure to properly reimburse employees for business-related expenses (the "PAGA Released Claims").

The Class Released Claims and PAGA Released Claims shall be collectively referred to herein as the "Released Claims."

d. Claims Not Released

The Released Claims expressly excludes all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and any other claims outside of the Class Released Claims of Participating Class Members arising during the Class Period and the PAGA Released Claims of Aggrieved Employees (and, to the extent permitted by law, the State of California) arising outside of the PAGA Period.

e. General Release by Plaintiff

Effective only upon the entry of an Order granting Final Approval of the Settlement, entry of Judgment, and payment by Defendant to the Settlement Administrator selected of the full Gross Settlement Amount and Employer's Taxes necessary to effectuate the Settlement, in addition to the Release provided by the Plaintiff in Sections 7.a. through 7.d. of the Agreement, Plaintiff makes the additional following General Release: Plaintiff releases the Released Parties from all claims, demands, rights, liabilities and causes of action of every nature and description whatsoever, known or unknown, asserted or that might have been asserted, whether in tort, contract, or for violation of any state or federal statute, rule, law or regulation arising out of, relating to, or in connection with any act or omission of the Released Parties through the date of final approval of this Agreement in connection with Plaintiff's employment with Defendant or the termination thereof, except for any and all other claims that may not be released as a

1 matter of law through this Agreement. To the extent of the General Release provided herein, Plaintiff
2 stipulates and agrees that, upon entry of an Order granting Final Approval of the Settlement, entry of
3 Judgment, and payment by Defendant to the Settlement Administrator selected of the full Gross Settlement
4 Amount and Employer's Taxes necessary to effectuate the Settlement, they shall have expressly waived
5 and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542
6 of the California Civil Code, or any other similar provision under federal or state law, which provides:

7 A general release does not extend to claims that the creditor or releasing
8 party does not know or suspect to exist in his or her favor at the time of
9 executing the release and that, if known by him or her, would have
 materially affected his or her settlement with the debtor or released party.

10 (Yadidsion Decl., Exh. 1 at ¶7 (e).)

11 The period governing the Released Claims shall be the Class Period and PAGA Period only. The
12 April 7, 2019 start date of the Class Period is four years prior to filing of the Complaint. (Yadidsion Decl.
13 ¶26.) The April 21, 2022 start date of the PAGA Period is one year prior to the Plaintiff's submission of
14 her claims to the LWDA. (*Id.*) The Parties have agreed that the Class Period shall extend through the date
15 of preliminary approval. (*Id.*)

16 Upon entry of the Final Approval Order and Defendant's payment of the Gross Settlement
17 Amount, and except as to such rights or claims as may be created by this Settlement Agreement, on behalf
18 of themselves, and each of their heirs, representatives, successors, assigns, and attorneys, Participating
19 Class members shall be deemed to have, and by operation of the final judgment shall have, fully released
20 and discharged the Defendant from any and all Released Claims.

21 **f. Notice Program**

22 **1. Notice to the Participating Class members**

23 Within thirty (30) days after the Preliminary Approval Date, Counsel for Defendant shall provide
24 the Settlement Administrator with information with respect to each Settlement Class Member and/or
25 Aggrieved Employee, including his or her: (1) name; (2) position(s) held; (3) last known address(es)
26 currently in Defendant's possession, custody, or control; (4) last known telephone number(s) currently in
27 Defendant's possession, custody, or control; (5) last known Social Security Number(s) in Defendant's
28 possession, custody, or control; (6) the dates of employment (*i.e.*, hire dates, and, if applicable, re-hire

1 date(s) and/or separation date(s)); (7) the number of Qualifying Workweeks for each Settlement Class
2 Member for the Class Period, and (8) the number of Qualifying Pay Periods for each Aggrieved Employee
3 for the PAGA Period (hereafter, the “Class List”). The final Class List will be designated as Highly
4 Confidential, Attorneys’ Eyes Only, pursuant to a Court-approved and entered Stipulated Protective Order
5 to be submitted by the Parties in the Action prior to the filing of the motion for preliminary approval, and
6 provided by Defendant after the Settlement Administrator signs and returns to Counsel for Defendant the
7 Acknowledgment and Agreement to be Bound attached as Exhibit A to such Protective Order. The
8 Settlement Administrator shall perform an address search using the United States Postal Service National
9 Change of Address (“NCOA”) database and update the addresses contained on the Class List with the
10 newly-found addresses, if any.

11 Within seven (7) calendar days, or soon thereafter, of receiving the Class List from Defendant, the
12 Settlement Administrator shall mail the Class Notice to the Participating Class Members via first-class
13 regular U.S. Mail using the most current mailing address information available. The Settlement
14 Administrator shall maintain the Class List and digital copies of all the Settlement Administrator’s records
15 evidencing the giving of notice to any Settlement Class Member and/or other records pertaining to its
16 administration of the Settlement (including, without limitation, records pertaining to Class Member
17 queries, requests for exclusions, opt-outs, Workweek disputes, and undeliverable mailing), for at least four
18 (4) years from the Final Approval Date or to the extent any appeals have been filed, (4) years from the
19 date on which they have been resolved or exhausted. (Yadidsion Decl., Exh. 1, at ¶9 (a).)

20 The proposed Class Notice will include verbiage jointly agreed to by the Parties and will set forth:

- 21 (a) the Settlement Class Member’s estimated Individual Settlement Payment and
22 Individual PAGA Payment, as applicable, and the basis for each;
- 23 (b) the information required by California Rule of Court, rule 3.766, subdivision (d);
- 24 (c) the material terms of the Settlement;
- 25 (d) the proposed Settlement Administration Costs;
- 26 (e) the definition of the Settlement Class;
- 27 (f) a statement that the Court has preliminarily approved the Settlement;
- 28 (g) how the Settlement Class Member can obtain additional information, including

1 contact information for Class Counsel;

2 (h) information regarding opt-out, objection and dispute procedures;

3 (i) the date and location of the Final Approval Hearing; and

4 (j) that the Settlement Class Member must notify the Settlement Administrator no later
5 than the Response Deadline if the Settlement Class Member disputes the accuracy of
6 the number of Qualifying Workweeks as set forth on his or her Class Notice
7 (“Qualifying Workweek Dispute”). If a Settlement Class Member fails to timely
8 dispute the number of Qualifying Workweeks attributed to him or her in conformity
9 with the instructions in the Class Notice, then he or she shall be deemed to have waived
10 any objection to its accuracy and any claim to any additional settlement payment based
11 on different data.

12 If a Class Notice from the initial notice mailing is returned as undeliverable, the Settlement
13 Administrator will attempt to obtain a current address for the Settlement Class Member to whom the
14 returned Class Notice had been mailed, within five (5) calendar days of receipt of the returned Class
15 Notice, by: (1) contacting the Settlement Class Member by phone, if possible, and (2) undertaking skip
16 tracing. If the Settlement Administrator is successful in obtaining a new address, it will promptly re-mail
17 the Class Notice to the Settlement Class Member. Further, any Class Notices that are returned to the
18 Settlement Administrator with a forwarding address before the Response Deadline shall be promptly re-
19 mailed to the forwarding address affixed thereto. (3) No later than seven (7) calendar days after the
20 Response Deadline, the Settlement Administrator shall provide counsel for the Parties with a declaration
21 attesting to the completion of the notice process, including the number of attempts to obtain valid mailing
22 addresses for and re-sending of any returned Class Notices, as well as the identities, number of, and copies
23 of all Requests for Exclusion and Objections received by the Settlement Administrator, if any.

24 **2. Objections**

25 Only Participating Class Members may object to the Class Settlement; neither Participating Class
26 Members nor PAGA Aggrieved Employees may object to the PAGA settlement. In order for any
27 Settlement Class Member to object to this Class Settlement in writing, or any term of it, he or she must
28 do so by mailing a written objection to the Settlement Administrator at the address provided on the Class

1 Notice, with such objection postmarked no later than the Response Deadline. The Settlement
2 Administrator shall email a copy of the Objection forthwith to Class Counsel and counsel for Defendant
3 and attach copies of all Objections to the Declaration it provides Class Counsel, which Class Counsel shall
4 file in support of Plaintiff's Motion for Final Approval. To be valid, the Objection must be timely
5 submitted and must set forth the following in writing: (1) the Objector's name; (2) the Objector's address;
6 (3) the last four digits of the Objector's Social Security Number; (4) the Objector's signature; (5) a
7 statement of whether the Objector plans to appear at the Final Approval Hearing; and (6) the reason(s) for
8 the Objection, along with whatever legal authority, if any, the Objector asserts in support of the Objection.
9 If a Settlement Class Member objects to the Class Settlement, the Settlement Class Member will remain
10 a member of the Settlement Class and if the Court approves this Agreement, the Settlement Class Member
11 will be bound by the terms of the Settlement in the same way and to the same extent as a Settlement Class
12 Member who does not object. The date of mailing of the Class Notice to the objecting Settlement Class
13 Member shall be conclusively determined according to the records of the Settlement Administrator.
14 Participating Class members need not object in writing to be heard at the Final Approval Hearing; they
15 may object or comment in person at the hearing at their own expense. Class Counsel and counsel for
16 Defendant may respond to any objection lodged with the Court up to five (5) court days before the Final
17 Approval Hearing. (Yadidsion Decl., Exh. 1, at ¶9 (b).)

18 **3. Requesting Exclusion.**

19 Any Settlement Class Member may request exclusion from (i.e., to "opt out" of) the Class
20 Settlement by mailing a written request to be excluded from the Class Settlement ("Request for
21 Exclusion") to the Settlement Administrator, postmarked on or before the Response Deadline. To be valid,
22 a Request for Exclusion must be timely submitted and must include the following in writing: (1) the Class
23 Member's name; (2) the last four digits of the Class Member's Social Security Number; (3) the Class
24 Member's signature; and (4) a statement that the Class Member seeks to be excluded from the Settlement
25 Class using the same or any other language standing for the proposition the Class Member seeks to be
26 excluded from the Settlement Class: "Please exclude me from the Settlement Class in the Aarsvold v.
27 Alliance Technical Group, LLC, et al. matter. I understand that by requesting exclusion, I will not
28 participate in the class settlement and will not receive any money from the class settlement." The

1 Settlement Administrator shall immediately provide copies of all Requests for Exclusion to Class Counsel
2 and counsel for Defendant and shall report the Requests for Exclusions that it receives, to the Court, in its
3 declaration to be provided in advance of the Final Approval Hearing. Any Settlement Class Member who
4 timely and properly requests exclusion from the Settlement Class using this procedure will not be entitled
5 to receive any Individual Settlement Share from the Settlement and will not be bound by the Settlement
6 Agreement or have any right to object to, appeal, or comment on the Settlement as it relates to the Class
7 Settlement and Class Released Claims. Any Settlement Class Member who does not opt out of the
8 Settlement Class by submitting a timely and valid Request for Exclusion will be bound by all terms of the
9 Settlement, including those pertaining to the Class Released Claims, as well as any Judgment that may be
10 entered by the Court if Final Approval of the Class Settlement is granted. A Settlement Class Member
11 cannot submit both a Request for Exclusion and an objection. If a Settlement Class Member submits an
12 Objection and a Request for Exclusion, the Request for Exclusion will control and the Objection will be
13 overruled. Participating Class members who worked during the PAGA Period as Aggrieved Employees
14 that submit a valid Request for Exclusion from the Settlement Class will still be deemed to be Aggrieved
15 Employees, will still receive their Individual PAGA Payments, and will be bound by the release of the
16 PAGA Released Claims. (Yadidsion Decl., Exh. 1, at ¶9 (c).)

17 **4. Disputes Regarding Participating Class members' Qualifying Workweek**
18 **Data.**

19 Each Settlement Class Member may dispute the number of Qualifying Workweeks attributed to
20 him or her with respect to the Individual Settlement Share on his or her Class Notice ("Workweek
21 Dispute"). Any such disputes must be in writing and mailed to the Settlement Administrator by the
22 Settlement Class Member, postmarked on or before the Response Deadline. To be valid, a Qualifying
23 Workweek Dispute must be timely submitted and must include the following in writing: (1) the Class
24 Member's name, current mailing address, telephone number, the last four digits of his/her social security
25 number, and his/her signature; (2) a statement indicating that the Class Member seeks to dispute the
26 number of Qualifying Workweeks credited to him or her, the time period(s) he or she worked for
27 Defendant during the Class Period, and the number of Qualifying Workweeks that he or she contends
28 should be credited to him or her; and (3) documentation and/or other facts supporting the Class Member's

1 position. The Settlement Administrator shall immediately provide copies of all Qualifying Workweek
2 Disputes (if any) to Class Counsel and counsel for Defendant. In response to any timely Qualifying
3 Workweek Dispute, Defendant will first verify the information contained in the disputing Class Member's
4 personnel file and Defendant's payroll records. Unless the Class Member can establish that the number of
5 Qualifying Workweeks credited to him or her is incorrect, by providing documentation in support thereof
6 or other details to substantiate his or her position, the total number of Qualifying Workweeks established
7 by Defendant's records will control. Class Counsel and counsel for Defendant will then make a good faith
8 effort to resolve the dispute informally before the Final Approval Hearing. If counsel for the Parties cannot
9 agree, the dispute shall be resolved by the Settlement Administrator before the Final Approval Hearing,
10 who shall examine the records provided by Defendant and the Class Member and shall be the final arbiter
11 of disputes relating to a Class Member's Qualifying Workweeks. The Settlement Administrator's
12 determination regarding any such dispute shall be final for purposes of administering notice of the
13 Settlement, subject to final review, determination, and approval by the Court. (Yadidsion Decl., Exh. 1,
14 at ¶9 (d).)

15 **E. Non-Monetary Consideration**

16 As additional non-monetary consideration, Defendant has adopted revised meal and rest period
17 policies which comport to the minimum standards under California law. Following the Court's granting
18 of preliminary approval of the settlement and prior to final approval, Defendant shall provide Plaintiff's
19 Counsel, under the confidentiality of a protective order, a declaration stating that it adopted revised meal
20 period and rest period policies which comport to the minimum standards under California law, which
21 declaration shall be made available to Plaintiff's Counsel and Plaintiff only. The declaration provided by
22 Defendant for these purposes shall not be filed in this Action.

23 **IV. PRELIMINARY SETTLEMENT APPROVAL**

24 As a matter of public policy, settlement is a strongly favored method for resolving disputes. (See
25 *Utility Reform Project v. Bonneville Power Admin.*, 869 F.2d 437, 443 (9th Cir. 1989).) This is especially
26 true in complex class actions such as the one before the Court. (See *Officers for Justice v. Civil Serv.*
27 *Comm'n*, 688 F.2d 615, 625 (9th Cir. 1982); *Wilkerson v. Martin Marietta Corp.*, 171 F.R.D. 273, 284 (D.
28 Colo. 1997).)

1 Any class settlement must be reviewed and approved by the Court. California Rules of Court, Rule
2 3.769; Fed. R. Civ. Proc., Rule 23(e). This is done in two steps: (1) early (preliminary) review by the court
3 and (2) final review after notice has been distributed to the class members for their comments or
4 objections. The *Manual for Complex Litigation* succinctly describes the scope of the preliminary approval
5 inquiry as follows:

6 Approval of class action settlements involves a two-step process. First,
7 counsel submits the proposed terms of settlement and the court makes a
8 preliminary fairness evaluation. If the preliminary evaluation of the
9 proposed settlement does not disclose grounds to doubt its fairness or other
10 obvious deficiencies, such as unduly preferential treatment of Class
11 Representative or of segments of the class, or excessive compensation for
attorneys, and appears to fall within the range of possible approval, the court
should direct that notice...be given to the class members of a formal fairness
hearing, at which arguments and evidence may be presented in support of
and in opposition to the settlement.

12 (*Manual for Complex Litigation* (4th Ed. 2004) § 30.41.)

13 Thus, preliminary approval by the trial court is simply a conditional finding that the settlement
14 appears to be within the range of acceptable settlements. As Professor Newberg comments, “[t]he strength
15 of the findings made by a judge at a preliminary hearing or conference concerning a tentative settlement
16 proposal may vary. The court may find that the settlement proposal contains some merit, is within the
17 range of reasonableness required for a settlement offer or is presumptively valid subject only to any
18 objections that may be raised at a final hearing.” (4 William B. Rubenstein, et al., *Newberg on Class*
19 *Actions* (5th Ed. 2016) § 11.26.)

20 In short, the Court need find only that the settlement falls within the range of possible final
21 approval, also described as the “reasonable range.” (See, e.g., *North County Contractor's Assn. v.*
22 *Touchstone Ins. Services*. (1994) 27 Cal. App. 4th 1085.) Trial courts have broad discretion to determine
23 whether a class action settlement is fair. (See *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th
24 116, 128.) The trial court must exercise its discretion through the application of several well-recognized
25 factors when deciding whether a class action settlement is fair. (See *Clark v. American Residential*
26 *Services, LLC* (2009) 175 Cal. App. 4th 785, 799.) The list of factors, which “is not exhaustive and should
27 be tailored to each case,” includes “the strength of Plaintiff’s case, the risk, expense, complexity and likely
28

duration of further litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the extent of discovery completed and the stage of the proceedings, the experience and views of counsel, the presence of a governmental participant, and the reaction of the class members to the proposed settlement.” (*Nordstrom Com. Cases* (2010) 186 Cal.App.4th 576, 581; *Kullar*, 168 Cal.App.4th at p. 128, quoting *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801.) The most important factor the trial court should consider in determining whether to approve a class action settlement is the strength of the case for plaintiff on the merits, balanced against the amount offered in settlement. (*See, e.g., Munoz v. BCI Coca-Cola Bottling Co. of Los Angeles* (2010) 186 Cal. App. 4th 399, 408; *Kullar*, 168 Cal. App. 4th 116 at p. 130.) In sum, at the preliminary approval stage, the trial court must determine that the settlement was not the product of fraud, overreaching or collusion, and that the settlement is fair, reasonable and adequate. (*Nordstrom*, 186 Cal.App.4th. at p. 581.) In order to elicit the class members’ “reaction ... to the proposed settlement,” they must first receive notice of the proposed resolution. The preliminary approval process allows that to happen.

A. The Settlement Agreement Resulted from Arm’s-Length Negotiations

The presumption is that a proposed settlement is fair and reasonable when it is the result of arm’s-length negotiations. (*See Williams v. Vukovich*, 720 F.2d 909, 922-923 (6th Cir.1983) (“The court should defer to the judgment of experienced counsel who has competently evaluated the strength of his proofs.”); *In re Excess Value Ins. Coverage Litig.*, No. M-21-84 (RMB), 2004 U.S. Dist. LEXIS 14822, at *34 (S.D.N.Y. July 30, 2004) (“Where ‘the Court finds that the settlement is the product of arm's length negotiations conducted by experienced counsel knowledgeable in complex class litigation, the Settlement will enjoy a presumption of fairness’”); *In re Inter-Op Hip Prosthesis Liab. Litig.*, 204 F.R.D. 359, 380 (N.D. Ohio 2001) (granting preliminary settlement approval) (“when a settlement is the result of extensive negotiations by experienced counsel, the Court should presume it is fair”); *see also* 4 Rubenstein, et al., *Newberg on Class Actions* (5th Ed. 2016) §11.41.)

The proposed settlement here is the product of arm's-length negotiations, assisted by a well-respected and independent mediator for which the Parties prepared by exchanging substantial relevant information and documents.

Counsel for the parties have investigated the applicable law, as applied to the facts discovered,

1 regarding the alleged claims of Plaintiff and potential defenses thereto, and the damages claimed by
2 Plaintiff. Armed with this extensive body of knowledge and analysis, the Parties engaged in mediation
3 with a skilled mediator. At all times, the negotiations leading to the Agreement have been adversarial,
4 non-collusive, and at arm's length.

5 **B. The Strength of Plaintiff's Case and Complexities of Further Litigation**

6 Plaintiff believes that the Settlement Class claims in this action are legally meritorious and present
7 a reasonable probability of a favorable determination on behalf of the class. At the same time, there is
8 undeniably significant litigation risk avoided by the proposed Agreement, both at class certification
9 proceedings, at trial, and in the appellate courts.

10 Liability remains highly contested by Defendant, which denies that it engaged in any violations of
11 the law, and further denies any liability or engagement in wrongdoing of any kind associated with the
12 claims alleged in the Action by the Named Plaintiff or any Class Members. Defendant contends that at all
13 times it complied with all wage-and-hour laws in connection with the employment and/or retention of
14 services of Plaintiff and the Class Members.

15 Plaintiff's counsel understood and appreciated the defenses and position of Defendant but believed
16 Plaintiff would ultimately succeed in the action. In light of their strongly divergent views, the Parties, with
17 the assistance of the mediator, were able to negotiate a fair settlement, considering the costs and risks of
18 continued litigation. The negotiations were at all times conducted professionally and at arm's length and
19 have produced a result that the Parties believe to be in their respective best interests.

20 The Parties have also considered the uncertainty and risk of the outcome of further litigation, and
21 the difficulties and delays inherent in such litigation. Plaintiff is also aware of the burdens of proof
22 necessary to establish liability for the claims asserted in the action, the defenses thereto, and the difficulties
23 in establishing damages.

24 In evaluating the settlement, the Court will seek a reasonable estimate of the nature and amount of
25 recovery that each class member could have obtained if the Plaintiff had prevailed in the litigation.
26 Numerous decisions summarize a trial court's task when considering whether to approve the settlement
27 of a putative class action. As one Court stated:

28 The trial court has broad discretion to determine whether the settlement is

1 fair. [Citation.] It should consider relevant factors, such as the strength of
2 Plaintiff’ case, the risk, expense, complexity and likely duration of further
3 litigation, the risk of maintaining class action status through trial, the
4 amount offered in settlement, the extent of discovery completed and the
5 stage of the proceedings, the experience and views of counsel, the presence
6 of a governmental participant, and the reaction of the class members to the
7 proposed settlement.

8 (*Cellphone Fee Termination Cases* (2009) 180 Cal. App. 4th 1110, 1117-18, quoting *Dunk v. Ford Motor*
9 *Co.* (1996) 48 Cal.App.4th 1794, 1801.)

10 The court’s consideration of relevant factors, however, does not transform the settlement approval
11 “into a trial or rehearsal for trial on the merits.” (7-Eleven Owners for Fair Franchising v. Southland Corp.
12 (2000) 85 Cal. App. 4th 1135, 1145, quoting *Class Plaintiff v. City of Seattle*, 955 F.2d 1268, 1276 (9th
13 Cir. 1992).) The record need only provide the trial court with an understanding of the amount that is in
14 controversy and the realistic range of outcomes of the litigation.

15 Because settlements are inherently a compromise, once the parties have provided it with the
16 requisite “basic information,” the trial court must only “satisfy itself that the class settlement is within the
17 ‘ballpark’ of reasonableness.” (*Tech-Bilt, Inc. v. Woodward-Clyde & Assoc.* (1985) 38 Cal.3d 488, 499-
18 500.)

19 Here, in preparation for mediation, Plaintiff calculated Defendant’s liability to Class Members to
20 be in excess of the settlement amount. Plaintiff’ valuation assumed that Plaintiff: (1) prevailed in certifying
21 the case and (2) prevailed in establishing liability on the merits. (Yadidsion Decl. ¶21.)

22 The realistic range of outcomes for this litigation was significantly discounted due to the present
23 state of the law regarding alleged “off-the-clock” work, reimbursement for reasonable business expenses,
24 failure to pay overtime claims, and the other claims brought in the Action, Defendant’s defenses for each
25 claim, and the likelihood of prevailing on a class certification motion as well as trial and any appeals.
26 (Yadidsion Decl. ¶¶45-77.) Where both sides face significant uncertainty, the attendant risks favor
27 settlement. (*See Hanlon v. Chrysler Corp.*, 150 F.3d 1011, 1026 (9th Cir. 1998).)

28 **1. Kullar v. Footlocker Analysis**

To allow this Court to make an informed assessment pursuant to *Kullar v. Foot Locker Retail, Inc.*
(2008) 168 Cal.App.4th 116, Plaintiff’s Counsel provides the following assessment of the case and

1 settlement. Plaintiff's Counsel believes the settlement is a very good one for the class members. In this
2 case, Plaintiff sought unpaid wages and statutory penalties as well as equitable remedies such as
3 restitution. In advance of mediation, Plaintiff reviewed all relevant facts and legal authority, and in
4 collaboration with her expert, prepared a damages model for the claims in this action as follows:

5 **Meal and Rest Break Claims**

6 Plaintiff's expert conducted an analysis of Defendant's records and determined that there were
7 approximately 13 Project Manager Class Members and 229 Non-Exempt Class Members as of December
8 19, 2023. Based on information developed since the Parties' January 2024 mediation, the Parties concur
9 that there are approximately 242 Class Members. (*Id.*, ¶13.)

10 Plaintiff's expert valued the meal and rest break claims at a maximum of approximately
11 \$1,795,7543,591,506.00 (\$1,462,876.00 for Non-Exempt Class Members and \$332,878.00 for Project
12 Manager Class Members) for each type of violation, assuming 50% liability for every meal and rest break.
13 The analysis considered that Class Members, who frequently worked in the field, often found themselves
14 far from traditional rest areas and faced significant pressure to complete projects quickly. Although the
15 liability assumption rate is high, discovery during mediation showed that Defendant's had not records of
16 Class Members clocking in and out at any time. Plaintiff's expert determined this value based on a Class
17 period from April 7, 2019 through the date of preliminary approval. (Yadidsion Decl. ¶¶45-51.)

18 **Unpaid Overtime Wages**

19 After reviewing Defendant's business records, Plaintiff's expert estimated that the total damages
20 for unpaid overtime is approximately \$582,330.00 (\$354,940.00 for Project Manager Class Members
21 based on an assumption of 25 hours of unpaid time per week at the average overtime rate per pay period
22 and a 74.2% violation rate and \$227,390.00 for Non-Exempt Class Members based on an assumption of
23 2 minutes at the average overtime rate per shift. (Yadidsion Decl. ¶¶52-55.)

24 **Expense Reimbursement**

25 Damages for Plaintiff's claim for failure to be indemnified for necessary expenses or losses
26 incurred in direct consequence of the discharge of her and Class Member's duties was estimated to be
27 \$81,301.00, using damages of \$10 per workweek for both the Non-Exempt (\$73,769.00) and Project
28 Manager (\$7,532.00) Class. (Yadidsion Decl. ¶61.)

1 **Late/Termination Pay**

2 Plaintiff's late pay claim is derivative of her claim for unpaid overtime, minimum wages, and
3 meal and rest period violations. Thus, assuming that Plaintiff prevailed on her claims, Plaintiff's expert
4 calculated Defendant's exposure under Labor Code Sections 201 through 203 to be approximately
5 \$895,144.00, assuming 104 terminated Non-Exempt employees (\$806,935.00) and 6 terminated Project
6 Manager employees (\$88,209.00) during the Class Period and that the Court rules that Defendant willfully
7 violated the law as the statute expressly requires. (Yadidsion Decl. ¶¶56-60.)

8 **Waiting Time and Wage Statement Damages**

9 Plaintiff's expert valued Defendant's exposure for alleged wage statement violations, assuming
10 100% liability, to be approximately 374 Project Manager and 3,709 Non-Exempt pay period Class
11 violations, giving rise to approximately \$1,294,644.00 in penalties. (Yadidsion Decl. ¶¶62-67.) Defendant
12 denied Plaintiff's allegations and calculations.

13 **PAGA Penalties**

14 Assuming approximately 176 members of the PAGA Class, Plaintiff's expert valued Defendant's
15 exposure for alleged civil penalties under the PAGA, assuming 100% liability for at least one PAGA
16 violation, to be approximately \$373,000.00. (Yadidsion Decl. ¶¶71-76.)

17 **Total Recoverable Damages**

18 Thus, if Plaintiff were to prevail both on certification and on the merits of each of her claims, total
19 recoverable damages through the date of mediation in January 2024 would be, excluding interest,
20 approximately \$5,022,173.00 for both Non-Exempt and Project Manager Class Members (\$3,354,529.00
21 in damages, \$1,294,644.00 in waiting time and wage statement penalties, and \$373,000.00 in PAGA
22 penalties). (Yadidsion Decl. ¶¶45-78.)

23 The proposed settlement before the Court amounts to approximately 17.43% of Defendant's
24 maximum total damages exposure, excluding interest. (Yadidsion Decl. ¶78.) Courts have determined that
25 settlements are, of course, reasonable even where Plaintiff recover only a portion of her actual losses. (*See*
26 *Behrens v. Wometco Enters., Inc.*, 118 F.R.D. 534, 542 (S.D. Fla. 1988), *aff'd*, 899 F.2d 21 (11th Cir.
27 1990) ("[T]he fact that a proposed settlement amounts to only a fraction of the potential recovery does not
28 mean the settlement is unfair or inadequate.")). Indeed, "[a] settlement can be satisfying even if it amounts

1 to a hundredth or even - a thousandth of a single percent of the potential recovery.” (*Id.*; see also *City of*
2 *Detroit v. Grinnell Corp.*, 356 F. Supp. 1380, 1386 (S.D.N.Y. 1972) (a recovery of 3.2% to 3.7% of the
3 amount sought is “well within the ball park”), *aff’d in part, rev’d on other grounds*, 495 F.2d 448 (2d Cir.
4 1974); *Martel v. Valderamma*, 2015 U.S. Dist. LEXIS 49830, at * 17 (C.D. Cal. 2015) (approving a
5 settlement of \$75,000 when potential damages were \$1.2 million); *In re Toys R US FACTA Litig.*, 295
6 F.R.D. 438, 453 (C.D. Cal. 2014) (approving settlement with vouchers (not cash) potentially worth a
7 maximum of three percent (3%) if all possible claims were actually made, or \$391.5 million aggregate
8 voucher potential where the class could have recovered \$13.05 billion); *Ma v. Covidien Holding, Inc.*, No.
9 SACV 12-02161-DOC, 2014 WL 360196 at *5 (C.D. Cal. Jan. 31, 2014) (finding a settlement worth
10 9.1% of the total value of the action “within the range of reasonableness”); *Balderas v. Massage Envy*
11 *Franchising, LLC*, No. 12-CV-06327 NC, 2014 WL 3610945 at *5 (N.D. Cal. July 21, 2014) (granting
12 preliminary approval of a net settlement amount representing 5% of the projected maximum recovery at
13 trial); 4 William B. Rubenstein *et al.*, *Newberg on Class Actions* (5th ed. 2016) § 13:15 (the range of
14 reasonableness percentage could be as low as 1/100th or 1/1000th of 1%).

15 **Risks of Litigation Which Necessitated Settlement Discounts**

16 In determining the reasonable settlement value of the asserted claims, Plaintiff’s Counsel
17 considered a number of issues necessitating deductions to be taken from the maximum potential value to
18 arrive at the Gross Settlement Amount.

19 **Risks of Certification in General:** The great discretion afforded trial courts in electing to grant
20 or deny class certification, and the resultant possibility that this Court would deny certification of any of
21 the proposed classes, resulting in no recovery whatsoever for those unnamed class members, further
22 weighed in favor of settlement. Going into mediation, Class Counsel were realistic about cases wherein
23 class certification was denied in meal period and rest break cases. (See, e.g., *In re Lamps Plus Overtime*
24 *Cases* (2012) 209 Cal. App. 4th 35; *Washington v. Joe’s Crab Shack*, 271 F.R.D. 629 (N.D. Cal. 2010)
25 (“individualized inquiry will be required to determine whether any single employee failed to take a meal
26 break because he/she was too busy, and also to determine whether a particular employee signed a waiver
27 based on a decision not to take meal breaks”); *Hernandez v. Chipotle Mexican Grill, Inc.* (2012) 146 Cal.
28 Rptr. 3d 424.)

Risk of Non-Certification of Off-The-Clock and Expense Reimbursement Claims: The risk of non-certification of off-the-clock claims is significant, as courts have consistently denied class certification where individualized inquiries predominate over common questions. In *Brinker Rest. Corp. v. Superior Ct.*, the California Supreme Court rejected off-the-clock class certification because liability required individualized proof of who worked off the clock, the duration of such work, and the employer's knowledge or constructive knowledge of the practice. (*Brinker Rest. Corp. v. Superior Ct.*, (2012), 53 Cal. 4th 1004, 1052)(class certification denied where " proof of off-the-clock liability would have had to continue in an employee-by-employee fashion, demonstrating who worked off-the-clock, how long they worked, and whether [employer] knew or should have known of their work.") Here, the challenge is compounded by the fact that different Class Members worked at a variety of environmental field-testing locations, which may have had unique operational demands, staffing constraints, or site-specific requirements that affected whether and how often off-the-clock work occurred, necessitating case-by-case determinations.

Similarly, class certification of expense reimbursement claims is vulnerable to denial due to the necessity of individualized determinations regarding whether expenses were "necessary" under Labor Code § 2802. In *Grissom v. Vons Companies, Inc.*, the court denied certification of a class seeking cell phone expense reimbursements, finding that individualized inquiries regarding the necessity of each employee's phone usage predominated over common issues. (*Grissom v. Vons Companies, Inc.*, (1991) 1 Cal.App.4th 52). Here, Class Members' reimbursement claims present similar concerns, as different Class Members were required to use different tools and equipment, depending on the nature of their specific assignments. Whether a particular expense was necessary and whether the employer had a reimbursement policy applicable to all Class Members would require individualized fact-finding.

Risk of No Certification of Exempt Project Managers: Furthermore, the certification of claims related to Project Managers poses additional challenges due to the variability in their responsibilities, duties, and expertise. Courts have repeatedly denied certification in cases involving employees with differing job duties and levels of discretion, where the applicability of exemptions required individualized assessment. (*See Soderstedt v. CBIZ S. California, LLC*, (2011) 197 Cal. App. 4th 133, 149) (denying certification for a class of exempt accountants because the administrative exemption inquiry required

individualized assessments.) Likewise, the *Mekhitarian v. Deloitte & Touche (ICS)*, LLC, 2009 WL 6057248, court found that putative class members had varying duties based on their experience and supervisors, precluding common proof of exemption status. Similar outcomes were reached in *Rix v. Lockheed Martin Corp.*, (2011) WL 890744, and *Perry v. U.S. Bank* (2001) WL 34920473, where individualized inquiries into job duties and exemption status prevented certification. Given that Project Managers not only had varying levels of expertise and responsibilities but also worked at different locations with unique operational conditions and had differing tools and equipment reimbursement needs, class-wide adjudication of these claims would be unmanageable. These cases underscore the challenges in establishing commonality and predominance, making class certification for Project Managers particularly vulnerable to denial.

Defenses to Claims of Willful Violations: Defendant has asserted a number of defenses to Plaintiff's claims for willful violations of the Labor Code. Initially, waiting time penalties under Labor Code Section 203 may not be recoverable in this instance in light of the fact that an employer's good faith mistaken belief that no wages are owed may negate a finding of willfulness. A good faith dispute that *any* wages are due "will preclude imposition of waiting time penalties under Section 203," and an employer's good faith mistaken belief that wages are owed may negate a finding of willfulness. (8 C.C.R. § 13520; *Road Sprinkler Fitters Local 669 v. G & G Fire Sprinklers, Inc.* (2002) 102 Cal. App. 4th 765, 782.) Accordingly, on remand from the Supreme Court's decision in *Troester v. Starbucks Corp.*, the district court granted summary judgment for Starbucks on the waiting time penalty claim, finding that a good faith dispute existed based on Starbucks' defense to the unpaid wage claim in reliance on the *de minimis* doctrine that had not previously been addressed by the California courts. (*See Troester v. Starbucks Corp.*, 387 F.Supp.3d 1019, 1030 (C.D. Cal. 2019).)

Plaintiff also alleges that Labor Code Section 1194.2 entitles the class to double the amount of overtime as liquidated damages. But that Section provides that:

(b) Notwithstanding subdivision (a), if the employer demonstrates to the satisfaction of the court or the Labor Commissioner that the act or omission giving rise to the action was in good faith and that the employer had reasonable grounds for believing that the act or omission was not a violation of any provision of the Labor Code relating to minimum wage, or an order of the commission, the court or the Labor Commissioner may, as a matter of discretion, refuse to award liquidated damages or award any amount of liquidated damages not exceeding the amount specified in subdivision (a).

1 The courts have held that pursuant to Labor Code Section 1194.2, an employee who has not
2 received the overtime is entitled to recover the amounts unlawfully withheld plus additional amounts as
3 penalties and liquidated damages only where *culpable conduct* is shown. (*See Brewer v. Premier Golf*
4 *Properties* (2009) 168 Cal. App. 4th 1243, fn. 8 (citing *Armenta v. Osmose, Inc.* (2005) 135 Cal.App.4th
5 314, 325–326).) As with the waiting time penalty claim discussed above, Plaintiff may be unable to prove
6 willfulness in this instance.

7 Finally, Plaintiff has a claim under Labor Code Section 226(e), which provides that an employee
8 suffering injury as the result of a knowing and intentional failure to comply with section 226 is subject to
9 a penalty of up to \$100.00 per pay period up to \$4,000.00 per employee. Similar defenses exist in response
10 to this claim, however, because Plaintiff may not be able to establish that Defendant’s alleged violation
11 was “knowing and intentional” as the statute requires. In *Naranjo v. Spectrum Sec. Servs., Inc.*, 15 Cal.5th
12 1056, 1087 (2024), the California Supreme Court held that an employer’s good faith belief that it is in
13 compliance with Section 226 precludes liability for the statutory penalty provided by Section 226(e).

14 **Trial and Manageability Issues:** While Plaintiff was confident in the strength of her claims, as
15 is always the case with a trial, Plaintiff needed to accept that there was a possibility that they would not
16 prevail at trial. (Yadidsion Decl. ¶66.)

17 Compromise is inherent and necessary in the settlement process. Thus, even if “the relief afforded
18 by the proposed settlement is substantially narrower than it would be if the suits were to be successfully
19 litigated,” this is no bar to a class settlement because “the public interest may indeed be served by a
20 voluntary settlement in which each side gives ground in the interest of avoiding litigation.” (*Wershba*, 91
21 Cal. App. 4th at 241 (quoting *Air Line Stewards, Loc. 550 v. American Airlines, Inc.*, 455 F.2d 101, 109
22 (7th Cir. 1972).) The Ninth Circuit observed “the very essence of a settlement is compromise, ‘a yielding
23 of absolutes and an abandoning of highest hopes.’” (*Officers for Justice v. Civil Serv. Commission*, 688
24 F.2d 615, 624 (9th Cir.1982) (citation omitted).) Thus, when analyzing the amount offered in settlement,
25 the Court should examine “the complete package taken as a whole,” and the amount is “not to be judged
26 against a hypothetical or speculative measure of what might have been achieved by the negotiators.” (*Id.*
27 at 625, 628.)

28 Given the difficulties Plaintiff and the Class faced, both in terms of certification and in adjudicating

1 their claims on the merits, the litigation discounts afforded by Plaintiff are reasonable and the proposed
2 Agreement is fair, reasonable, and adequate.

3 In the present case, it is clear that the proposed Agreement before this Court is the best course of
4 action as it ensures fair, reasonable, and adequate redress and recovery for the members of the class. Thus,
5 it was clearly reasonable for Plaintiff to negotiate a smaller certain award rather than seek the full recovery
6 but risk recovering nothing.

7 **C. The Agreement Has No Obvious Deficiencies**

8 The proposed Agreement has no obvious deficiencies. The settlement provides no preferential
9 treatment for the Plaintiff or other Participating Class Members. The Plaintiff will receive distributions
10 from the settlement proceeds calculated in the same manner as the distributions to all other Participating
11 Class Members, plus any service payment award approved by the Court.

12 The proposed Agreement does not place the named Plaintiff's interests ahead of the class as a
13 whole. Apart from a reasonable incentive payment for her efforts on behalf of the class, typical in class
14 action litigation (and subject to Court approval after notice to the Settlement Class), the named Plaintiff's
15 personal recovery in this action and settlement will be the same as those with whom they share a common
16 set of facts among the Settlement Class. The named Plaintiff has not in any way tried to leverage a class
17 action for personal agenda or gain.

18 Plaintiff contends that the proposed Agreement does not place Class Counsel's interests ahead of
19 Class Members' interests. Further, the Agreement provides only for a maximum permissible amount of
20 the request for any award of attorneys' fees and litigation expenses. Any award of fees and expenses
21 remains to be determined by the Court at the time of the Final Approval Hearing and must necessarily be
22 found to be fair and reasonable to the Settlement Class based on applicable law.

23 Each Settlement Class Member has the right to object and be heard regarding the amount of fees
24 and expenses requested. Any amounts not awarded by the Court as fees and expenses will remain in the
25 Net Settlement Amount to be distributed to the Class. Counsel will file a separate motion for approval of
26 the fee award sought herein, at the time of and in conjunction with the filing of the Motion for Final
27 Approval, should Preliminary Approval be granted, and a Final Approval Hearing be scheduled by the
28 Court.

1 **D. The Class Representative’s Payment, Class Counsel Fees Payment, and Class**
2 **Counsel Litigation Expenses Payment**

3 **1. The Enhancement Award Requested by Plaintiff Is Reasonable**

4 Plaintiff will seek a class representative service payment award of \$25,000.00 in addition to her
5 share of the Net Settlement Amount, which Defendant will not oppose.

6 Plaintiff was formerly employed by Defendant. (Declaration of Hayley Aarsvold (“Aarsvold
7 Decl.”), ¶3.) Plaintiff has taken an extraordinary step to challenge her former employer’s actions by
8 bringing this lawsuit. She did so in the belief that they, and the members of the Settlement Classes, were,
9 in fact, entitled to the relief sought in this case. Plaintiff’s actions have resulted in a substantial recovery
10 for the members of the Class, and the enhancement award she seeks is reasonable.

11 Plaintiff fully participated in the analysis and planning of this action throughout the pendency of
12 the litigation. (Aarsvold Decl., ¶¶6, 10-17.) She was kept well informed of the nature and extent of
13 settlement discussions and attended over a dozen meetings with Plaintiff’s counsel prior to the mediation.
14 (*Id.*) Additionally, she attended the entire day long mediation and was instrumental in providing critical
15 factual support for the class claims during the mediation settlement discussions. (*Id.*) Plaintiff was also
16 instrumental in advocating for Defendant to adopt revised meal and rest period policies which comport to
17 the minimum standards under California law which will apply to Defendant’s employees moving forward.
18 . (Aarsvold Decl., ¶ 13)

19 The service payment award sought for Plaintiff is entirely reasonable, consistent with awards in
20 this Court, and represents a mere two point nine percent (2.9%) of the Gross Settlement Fund. Absent the
21 actions taken by Plaintiff, none of the Class Members would have reaped the rewards of this action.

22 **2. The Fees and Costs Requested by Class Counsel Are Reasonable**

23 As for the fees to be awarded to Class Counsel, California Rules of Court, Rule 3.769 (b) provides,
24 in pertinent part:

25 Any agreement, express or implied, that has been entered into with respect to the
26 payment of attorney’s fees ... must be set forth in full in any application for of the ...
settlement of an action that has been certified as a class action.

27 The proposed Class Notice provides Class Members with information as to the amount of
28

1 attorneys' fees and litigation-expense reimbursement that will be sought in this matter. Although Class
2 Counsel will provide further argument when they file their motion for the award of fees and expenses in
3 connection with the Final Approval Hearing, the following is a brief statement of the law concerning the
4 same.

5 As noted, *supra*, the Agreement provides for Class Counsel to apply to the Court for an award of
6 fees in the maximum amount of 35% of the Gross Settlement Fund, plus reimbursement of their litigation
7 expenses in an amount not to exceed \$20,000.00. This percentage award is commensurate with (1) the
8 risk Class Counsel took in commencing this action, (2) the time, effort and expense dedicated to the case,
9 (3) the skill and determination they have shown, (4) the results they have achieved throughout the
10 litigation, (5) the value of the Agreement which they have achieved for Class Members, and (6) the other
11 cases they have turned down in order to devote their time and efforts to this matter.

12 California encourages attorneys to take the risks of time and money necessary to vindicate the
13 public interest. To fulfill this policy, California law provides that attorneys' fees awards should be
14 equivalent to fees paid in the legal marketplace to compensate for the result achieved and risk incurred.
15 (*See Lealao v. Beneficial Cal., Inc.* (2000) 82 Cal.App.4th 19.) Accordingly, Class Counsel's request is
16 based on marketplace standards. In *Lealao*, the First Appellate District held that when an action leads to
17 a recovery that can be "monetized" with a reasonable degree of certainty, the trial court should "ensure
18 that the fee awarded is within the range of fees freely negotiated in the legal marketplace in comparable
19 litigation." (*Id.* at 50.)

20 The governing principles, as well as a survey of attorneys' fees jurisprudence (both in California
21 and throughout the country), are set out in *Lealao*. As *Lealao* notes, trial courts have "wide latitude" in
22 assessing the value of attorneys' fees and their decisions will "not be disturbed on appeal absent a manifest
23 abuse of discretion." (82 Cal. App. 4th at 41.) Indeed, it is long settled that the "experienced trial judge
24 is the best judge of the value of professional services rendered in his court" (*Ketchum v. Moses* (2001)
25 24 Cal.4th 1122, 1132.) As the court in *Lealao* explained, in determining an attorney fee request, courts
26 should strive to award fees equivalent to those "freely negotiated in the legal marketplace in comparable
27 litigation." (82 Cal.App.4th at 50.) "If courts were to ask what fee structure an informed, sophisticated
28 client would use to compensate his attorney when close monitoring is not feasible, they would at least

1 have focused on the correct question.” (*Id.* at 48.) As *Lealao* recognizes, fee awards that are too small
2 will “chill the private enforcement essential to the vindication of many legal rights and obstruct the
3 representative actions that often relieve the courts of the need to separately adjudicate numerous claims.”
4 (*Id.* at 53.) Finally, an attorneys’ fees motion should not turn into “a second major litigation.” (*Id.* at 31
5 (citing *Hensley v. Eckerhart*, 461 U.S. 424, 437 (1983).)

6 As in many cases of this type, Class Counsel seek a fee award for their successful prosecution and
7 resolution of this action, calculated as a percentage of the total value of benefits afforded the Class
8 Members by the Agreement. (See *Serrano v. Priest* (1977) 20 Cal.3d 25, 49 (*Serrano III*); *Boeing Co. v.*
9 *Van Gemert*, 444 U.S. 472, 478 (1980); see also *Vincent v. Hughes Air West, Inc.*, 557 F.2d 759, 769 (9th
10 Cir. 1977).) The purpose of this equitable doctrine is not only to avoid unjust enrichment of counsel, but
11 also to spread litigation costs proportionally among all the beneficiaries so that the active beneficiary does
12 not bear the entire burden alone. (See *Vincent*, 557 F.2d at 769.) Where the amount of a settlement is a
13 “certain easily calculable sum of money,” California courts may calculate attorney fees as a reasonable
14 percentage of the settlement created. (Weil and Brown, *California Practice Guide: Civil Procedure*
15 *Before Trial* § 14:145; see also *Dunk*, 48 Cal.App.4th at 1808.)

16 **E. Claims Administration**

17 Plaintiff seeks the appointment of Apex Class Action LLC (“Apex”) as the Settlement
18 Administrator. Apex is a well-established class action administration company that has served as
19 administrator in hundreds of wage and hour cases throughout the country. (See Declaration of Sean
20 Hartranft (“Hartranft Decl.”), ¶ 7-9.) The Settlement Administrator has estimated the cost for
21 administering the settlement will not exceed \$5,500.00.

22 **F. The Proposed Class Notice is Adequate**

23 Rule 3.769(e) of the California Rules of Court provides:

24 If the court grants preliminary approval, its order must include the time,
25 date, and place of the final approval hearing; the notice to be given to the
26 class; and any other matters deemed necessary for the proper conduct of a
settlement hearing.

27 Here, the parties have negotiated the form of a notice (the “Class Notice,” attached as Exhibit B to
28 the Settlement Agreement, which is attached as Exhibit B to the Yadidsion Declaration). The Class Notice

1 will be disseminated to all Class Members and will be provided in English. Class Notices returned as
2 undeliverable will be subjected to a further follow-up and re-mailing procedure. (Yadidsion Decl. ¶¶84,
3 87.)

4 The content of the proposed Class Notice meets all requirements for appropriately providing full
5 disclosure and information to the Class Members. “Notice is satisfactory if it generally describes the terms
6 of the settlement in sufficient detail to alert those with adverse viewpoints to investigate and to come
7 forward and be heard.” (4 *Newberg on Class Actions* § 8.32.)

8 In light of the foregoing, the Class Notice is proper and affords the best possible notice under the
9 circumstances presented in this case.

10 **V. CLASS CERTIFICATION IS APPROPRIATE**

11 As part of their negotiations, the Parties have stipulated to class certification for the purposes of
12 settlement only. Should this Court decline to approve the Parties’ settlement, Defendant reserves all rights
13 to challenge class certification, and nothing contained in this motion or the documents submitted in
14 connection with the settlement shall be a waiver by Defendant of any argument as to why the class should
15 not be certified. Additionally, in the event approval of the proposed Agreement is denied, this Motion and
16 the documents submitted for settlement may not be used as evidence against Defendant’s argument that
17 the class should not be certified.

18 California has a very strong public policy favoring the use of class actions to resolve claims
19 asserting violations of its strict wage and hour laws. In *Gentry v. Superior Court* (2007) 64 Cal. Rptr. 3d
20 773, the California Supreme Court addressed the issue of a class arbitration waiver clause in an
21 employment agreement in relation to a Plaintiff seeking overtime compensation, and observed that:

22 Given these risks and economic realities, class actions play an important
23 function in enforcing overtime laws by permitting employees who are
24 subject to the same unlawful payment practices a relatively inexpensive way
25 to resolve their disputes. We have acknowledged as much in a case
26 involving overtime litigation similar to that at issue in the present case. “By
27 establishing a technique whereby the claims of many individuals can be
28 resolved at the same time, the class suit both eliminates the possibility of
repetitious litigation and provides small claimants with a method of
obtaining redress for claims which would otherwise be too small to warrant
individual litigation.”

1 *Id.* at 784 (quoting *Sav-On Drug Stores, Inc. v. Superior Court* (2004) 34 Cal. 4th 319, 340.) In light of
2 this well-settled California public policy, the conditional certification of the proposed Class for purposes
3 of settlement only is appropriate.

4 **A. Standard for Pre-Certification Settlements**

5 “[P]re-certification settlements are routinely approved if found to be fair and reasonable.”
6 (*Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 244; accord *Dunk*, 48 Cal.App.4th at 1803
7 (although the settlement was reached before any “adversary certification,” the court was satisfied that it
8 was “fair, adequate and reasonable”); see also *In re Baldwin-United Corp.*, 105 F.R.D. 475, 478 (S.D.N.Y.
9 1984) (“many courts have employed this practice in the name of judicial efficiency in order to facilitate
10 apparently beneficial settlement proposals”).)

11 “The strength of the findings made by a judge at a preliminary hearing or conference concerning
12 a tentative settlement proposal... may be set out in conditional orders granting tentative approval to the
13 various items submitted to the court. Three basic rulings are often conditionally entered at this preliminary
14 hearing. These conditional rulings may approve a temporary Settlement Class, the proposed settlement,
15 and the class counsel’s application for fees and expenses.” (4 *Newberg on Class Actions* § 11.26.)

16 The standard for class certification in the settlement context is a significantly lower threshold than
17 in a contested proceeding or a trial context:

18 The two basic purposes for the Rule 23 certification requirements, as they
19 relate to questions of a nationwide class are: (1) to keep the lawsuit
20 manageable for trial; and (2) to protect the interests of the nonrepresentative
21 members. The first purpose is inapposite in the settlement context, and the
22 second, as it relates to commonality of issues, only makes a difference if the
nonrepresentative class members would do much better by litigating on
their own or in their own jurisdiction. The second category concerns are
protected by the trial court's fairness review of the settlement.”

23 (*Dunk*, 48 Cal.App.4th at 1807, fn. 19 (*emphasis added*).) The reason for this is that no trial is anticipated
24 in the settlement context, so any case management issues inherent in determining if the class should be
25 certified need not be confronted. (See *Amchem Prods., Inc. v. Windsor*, 521 U.S. 591, 620 (1987).)

26 The very liberal standard expressed in *Dunk* is plainly satisfied here. The requirements for class
27 certification in the settlement context – ascertainability, numerosity, predominance of common questions
28 of law and fact, typicality, and adequacy – all are met. It certainly cannot be said that the class members

would do “much better by litigating on their own.” (*Dunk*, 48 Cal.App.4th at 1807, fn. 19.) The Settlement Class should be conditionally certified as requested.

B. The Requirements for Class Certification in the Settlement Context Are Satisfied

1. Ascertainability and Numerosity

The proposed Settlement Class is ascertainable and sufficiently numerous. A “class is ascertainable if it identifies a group of unnamed Plaintiff by describing a set of common characteristics sufficient to allow a member of that group to identify herself or herself as having a right to recover based on the description.” (*Bartold v. Glendale Fed. Bank* (2000) 81 Cal.App.4th 816, 828.) The class definition, the size of the class and the means for identifying the members of the class determine whether the class is ascertainable. (*Reyes v. Board of Supervisors of San Diego County* (1987) 196 Cal. App. 3d 1263, 1274.)

Whether a class is ascertainable is determined by examining the class definition, the size of the class and the means available for identifying class members. *See Vasquez*. Class members are “ascertainable” where they may be readily identified without unreasonable expense or time. Plaintiff contends that the requirements of numerosity and ascertainable class membership are met here, and for settlement purposes only, Defendant does not dispute that both of these requirements are met. The Class Period is defined as the period from April 7, 2019 through the date of preliminary approval. (Yadidsion Decl., Exh. 1 at ¶1 (e).) “Participating Class Members” means all Participating Class members who do not submit a timely and valid Request for Exclusion. Participating Class members who are not Participating Class Members will still be eligible to receive an Individual PAGA Payment if such individual(s) qualify as an “Aggrieved Employee” within the meaning of this Settlement Agreement. (*Id.*, Exh. 1 at ¶¶4, 21, 56 (d).)

In this case, the members of the proposed Settlement Class are identifiable from Defendant’s own records. (Yadidsion Decl., ¶17.) The Participating Class members are also sufficiently numerous to justify class certification. Defendant has preliminarily identified at least 242 employees comprising the Settlement Class.

2. Predominance of Common Questions of Law and Fact

The interrelated commonality and predominance requirements are satisfied if common issues predominate. At its heart, this is a procedural inquiry asking “whether... the issues which may be jointly

1 tried, when compared with those requiring separate adjudication, are so numerous or substantial that the
2 maintenance of a class action would be advantageous to the judicial process and to the litigants.” (*Sav-On*
3 *Drug Stores, Inc. v. Superior Court* (2004) 34 Cal.4th 319, 326 (citing *Collins v. Rocha* (1972) 7 Cal.3d
4 232, 238).) Under the lower threshold applicable in the settlement context, “commonality of issues only
5 makes a difference if the non-representative class members would do much better by litigating on their
6 own.” (*Dunk*, 48 Cal.App.4th at 1807, fn. 19.)

7 The Participating Class members’ claims here all stem from a common set of facts, circumstances
8 and occurrences. Common questions of law and fact relevant to adjudication of the Class Members’ claims
9 include the following:

10 • Whether the Project Manager Class Members are non-exempt employees, entitled to at
11 least minimum wage for all hours worked, entitled to overtime premium pay, entitled to paid off-duty
12 rest and meal breaks, and/or entitled to separate and hourly premium pay for their time spent working on
13 meal and rest breaks;

14 • Whether Defendant violated Labor Code §§ 226.2 and 1194 and Wage Order No. 4 2001,
15 § 4 by failing to pay Plaintiff and the Class overtime premium pay for their overtime work as defined by
16 the Labor Code during the Class Period;

17 • Whether Defendant is liable for liquidated damages to Plaintiff and the Class under Labor
18 Code § 1194.2 for its failure to pay overtime premium pay during the Class Period;

19 • Whether Defendant violated Labor Code § 226.7 and Wage Order No. 4-2001 § 12 by
20 failing to pay one hour of premium pay to each member of the Class for each day that a paid rest and meal
21 period was not provided during the Class Period;

22 • Whether Defendant violated Labor Code § 226(a) and 226.2 by failing to issue accurate
23 itemized wage statements to Wage Statement Subclass Members;

24 • Whether Defendant’s violation of Labor Code § 226(a) was knowing and intentional;

25 • Whether Wage Statement Subclass Members suffered injury for the purposes of Labor
26 Code § 226(e);

27 • Whether Defendant violated Labor Code § 2802 by failing to fully reimburse each member
28 of the Class for all necessary and reasonable business expenses incurred while performing duties for the

benefit of Defendant;

- Whether Defendant violated Labor Code § 203 by failing to pay Waiting Time Penalty Subclass for all of their wages due to them upon separation of their employment, including the wages owed to them for their time spent on rest periods;

- Whether these violations constitute unfair, unlawful, and fraudulent business practices, in violation of UCL;

- Whether Plaintiff and Class Members are entitled to restitution under Bus. & Prof. Code § 17200 et seq. for uncompensated wages, unpaid premium pay, and unreimbursed Cell Phone Business Expenses.

The complex common questions implicated by the facts and law in this case strongly suggest that Participating Class members could not do substantially better than this Agreement by litigating individually. (*See Dunk*, 48 Cal.App.4th at 1807, fn. 19.) Commonality and predominance requirements for certification, particularly in the less intensive context of a Settlement Class, are therefore satisfied.

3. Typicality

Typicality means merely that the class representative is similarly situated to the members of the class, not that her claims are identical. (*See Classen v. Weller* (1983) 145 Cal. App. 3d 27, 45-46.) The typicality requirement is satisfied if the class representative's claims arise from the same events or course of conduct that gives rise to the class claims, and are premised upon the same legal theories. (*Id.*)

The Class Representative has claims or defenses typical of the class and can adequately represent the class. (*See Linder v. Thrifty Oil Co.* (2000) 23 Cal. 4th 429.) Section 382 of the Code of Civil Procedure authorizes class suits in California when "the question is one of a common or general interest, of many persons, or when the parties are numerous, and it is impracticable to bring them all before the court." To obtain certification, a party must establish the existence of both an ascertainable class and a well-defined community of interest among the class members, which involves three factors: predominant common questions of law or fact, a Class Representative with claims or defenses typical of the class, and a Class Representative who can adequately represent the class." (*Id.* at 435.)

In this case, Plaintiff's claims are typical of the members of the Class. (Aarsvold Decl., ¶¶3, 8; Yadidsion Decl., ¶98.) Plaintiff, who during her employment was employed both in a non-exempt position

1 during part of the Class Period, and then as an exempt Project Manager later in the Class Period, worked
2 for Defendant in California and was subjected to Defendant's policies and practices. Her experiences were
3 typical of members of both the Non-Exempt and Project Manager Class. Plaintiff maintains that she and
4 other employees were not being paid for all hours worked, for overtime and were not provided with legally
5 compliant meal and rest periods. (Aarsvold Decl., ¶¶3-6, 8.) Apart from seeking a moderate incentive,
6 common in class litigation, Plaintiff seeks to gain nothing personally from this litigation or settlement
7 which is not made available to the Participating Class members. Plaintiff has at all times been willing and
8 able to aggressively and competently assert the interests of the Participating Class members, and, but for
9 this Agreement, would continue to do so. (*Id.*, ¶¶3-6, 8-10.)

10 **4. Adequacy**

11 "Adequacy of representation depends on whether the plaintiff's attorney is qualified to conduct the
12 proposed litigation and the plaintiff's interests are not antagonistic to the interests of the class." (*McGee*
13 *v. Bank of Am.* (1976) 60 Cal.App.3d 442, 487.) Plaintiff's counsel are experienced class action litigators,
14 with particular experience in litigating similar wage and hour class cases. (Yadidsion Decl., ¶¶3-8.) In
15 addition, the proposed Class Representative has at all times been willing and able to aggressively and
16 competently assert the interests of the Participating Class members. (Aarsvold Decl., ¶¶3-6, 8-13.)
17 Adequacy of representation exists here.

18 **VI. CONCLUSION**

19 Based upon the foregoing, Plaintiff respectfully requests that this Court issue an Order:

- 20 1. Granting preliminary approval to the class action Agreement achieved in this matter;
- 21 2. Certifying the Settlement Class for settlement purposes, pending final approval of the
22 Agreement;
- 23 3. Preliminarily approving Plaintiff Hayley Aarsvold as the Class Representative of the
24 Settlement Class;
- 25 4. Preliminarily approving Plaintiff's counsel as Class Counsel for the Settlement Class;
- 26 5. Preliminarily approving Apex Class Action LLC as the Settlement Administrator and
27 preliminarily approving the costs of the settlement administration;
- 28 6. Setting this matter for hearing on the issues of final approval, approval of the service

1 payment award, and approval of Class Counsel's application for attorney's fees and
2 expenses; and,

3 7. Granting such other and further relief as the Court deems just and proper.
4

5 Respectfully Submitted,

6 DATED: March 5, 2025

LABOR LAW PC

7 
8

By: _____

9 Danny Yadidsion, Esq.

Noël Harlow, Esq.

10 Attorneys for Plaintiff HAYLEY AARSVOLD, on
11 behalf of herself and the putative class
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

EXHIBIT 1

Danny Yadidsion, Esq., SBN 260282
Noël Harlow, Esq., SBN 256124
LABOR LAW PC
100 Wilshire Blvd., Suite 700
Santa Monica, California 90401
Telephone: (310) 494-6082
Danny@LaborLawPC.com
Noel.Harlow@LaborLawPC.com

Attorneys for Plaintiff
HAYLEY AARSVOLD

MCGUIREWOODS LLP
Sabrina A. Beldner (SBN 221918)
Email: sbeldner@mcguirewoods.com
David Szwarczstejn (SBN 272371)
Email: dszwarczstejn@mcguirewoods.com
Natalie M. Lagunas (SBN 318634)
Email: nlagunas@mcguirewoods.com
1800 Century Park East, 7th Floor
Los Angeles, CA 90067
Telephone: (310) 315-8200
Facsimile: (310) 315-8210

Attorneys for Defendant
ALLIANCE TECHNICAL GROUP, LLC

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF VENTURA**

HAYLEY AARSVOLD, individually and on
behalf of the putative class,

Plaintiff,

v.

ALLIANCE TECHNICAL GROUP, LLC, a
Limited Liability Company; and DOES 1- 50,
Inclusive,

Defendants.

CASE NO.: 2023CUOE007584

**JOINT STIPULATION RE: CLASS
ACTION AND REPRESENTATIVE
ACTION SETTLEMENT**

1 This Joint Stipulation re: Class Action and Representative Action Settlement (“Settlement”
2 or “Agreement” or “Settlement Agreement”) is made by and between plaintiff HAYLEY
3 AARSVOLD (“Plaintiff”) individually and on behalf of the Settlement Classes, on the one hand;
4 and defendant ALLIANCE TECHNICAL GROUP, LLC (“ATG” or “Defendant”), on the other
5 hand, in the current lawsuit entitled *Hayley Aarsvold v. Alliance Technical Group, LLC*, filed in
6 Ventura County Superior Court, Case No. 2023CUOE007584 (the “Action”). Plaintiff and ATG
7 shall be, at times, collectively referred to as the “Parties.” This Agreement is intended by the
8 Parties to fully, finally, and forever resolve the claims pled in the Action and as otherwise set forth
9 herein, based upon and subject to the terms and conditions of this Agreement.

10
11 **1. DEFINITIONS**

12 **A. “Action”** means *Hayley Aarsvold v. Alliance Technical Group, LLC*, filed in
13 Ventura County Superior Court, bearing Case No. 2023CUOE007584.

14 **B. “Aggrieved Employees”** means (a) all persons employed in a non-exempt position
15 by Defendant in California at any time during the PAGA Period, and (b) all persons employed in
16 an exempt Project Manager position by Defendant in California at any time during the PAGA
17 Period.

18 **C. “Aggrieved Employees PAGA Payment”** is the twenty-five percent (25%) share
19 of the PAGA Payment, equivalent to Twelve Thousand Five Hundred Dollars and Zero Cents
20 (\$12,500.00), that will be distributed to Aggrieved Employees on a *pro rata* basis based on the
21 Pay Periods in which an Aggrieved Employee was paid wages for hours worked as a non-exempt
22 employee or exempt Project Manager in California during the PAGA Period. Any Aggrieved
23 Employee PAGA Payment to an Aggrieved Employee shall be in addition to his or her Individual
24 Settlement Payment if he or she is also a Participating Class Member.

25 **D. “Class Counsel”** means: Danny Yadidsion and Noël Harlow of Labor Law PC.
26 The term “Class Counsel” shall be used synonymously with the term “Plaintiff’s Counsel.”
27
28

1 **E. “Class Period”** means the period from April 7, 2019 through the date of
2 preliminary approval.

3 **F. “Class Notice”** means and refers to the notice sent to Class Members after
4 preliminary approval of the Settlement in the manner described in Paragraph 9 of this Agreement.

5 **G. “Court”** means the Superior Court of the State of California for the County of
6 Ventura.

7 **H. “Final Approval Date”** means the later of: (1) the date the Court signs an Order
8 granting final approval of this Settlement (“Final Approval”) and Judgment; (2) if there is an
9 objector, 60 days from the date the Final Approval and Judgment; or (3) to the extent any appeals
10 have been filed, the date on which they have been resolved or exhausted.

11 **I. “Defendant”** means Alliance Technical Group, LLC.

12 **J. “Effective Date”** is the date on which this Settlement Agreement shall become
13 effective, and when the settlement is considered to be Final. For purposes of this Settlement
14 Agreement, “Effective Date” and “Final” mean: (i) in the event that the Settlement has received
15 Final Approval by the Court, then sixty-five (65) calendar days after the Court’s issuance of the
16 Final Approval Order without a timely appeal being filed, regardless of whether any timely
17 objections to the Settlement were filed or withdrawn; or, (ii) in the event that a timely appeal of
18 the Court’s Final Approval Order has been filed, then the Settlement Agreement shall be “Final”
19 when the applicable appellate court has rendered a final decision or opinion affirming the Court’s
20 Final Approval Order without material modification, and the applicable date for seeking further
21 appellate review has passed without further appellate review being sought. In the event that the
22 Court fails to approve the Settlement, or if the appropriate appellate court fails to approve the
23 Settlement: (1) this Settlement Agreement shall have no force and effect and the Parties shall be
24 restored to their respective positions prior to entering into it, and no Party shall be bound by any
25 of the terms of the Settlement Agreement; (2) Defendants shall have no obligation to make any
26 payments to the LWDA, Class Members, Plaintiff or Plaintiff’s Counsel; and (3) any preliminary
27
28

1 approval order and/or Final Approval Order shall be vacated.

2 **K. “Employer Taxes”** means employer-funded taxes and contributions imposed on
3 the wage portions of the Individual Settlement Payments under the Federal Insurance
4 Contributions Act, the Federal Unemployment Tax Act, and any similar state and federal taxes
5 and contributions required to be paid to federal and state tax authorities as a result of this
6 Settlement.

7 **L. “General Release”** means the broader release of claims by Plaintiff, which is in
8 addition to Plaintiff’s limited release of claims as a Participating Class Member.

9 **M. “Gross Settlement Amount”** means a non-reversionary fund in the sum of Eight
10 Hundred and Seventy Five Thousand Dollars and Zero Cents (\$875,000.00),¹ which shall be paid
11 by Defendant and from which all payments for the Individual Settlement Payments to Participating
12 Class Members, the Court-approved amounts for attorneys’ fees and reimbursement of litigation
13 costs and expenses to Class Counsel, Settlement Administration Costs, the Service Award, the
14 PAGA Payment, and the LWDA Payment shall be paid. It expressly excludes Employer Taxes,
15 which shall be paid by Defendant separate, apart, and in addition to the Gross Settlement Amount.
16 Defendant shall not be obligated to pay any other sums in conjunction with this Settlement except
17 as set forth herein.

18 **N. “Individual PAGA Payment”** means a payment made to an Aggrieved Employee
19 for his or her share of the Aggrieved Employee PAGA Payment, which may be in addition to his
20 or her Individual Settlement Share if he or she is also a Participating Class Member.

21 **O. “Individual Settlement Payment”** means a payment to a Participating Class
22 Member of his or her net share of the Net Settlement Amount.

23 **P. “Individual Settlement Share”** means the gross amount of the Net Settlement
24 Amount that a Participating Class Member is projected to receive based on the number of
25 Qualifying Workweeks that he or she worked as a Settlement Class Member during the Class
26
27

28

¹ This amount may be increased in accordance with Paragraph 17, below.

Period, which shall be reflected in his or her Class Notice.

Q. “LWDA Payment” means the payment to the State of California Labor and Workforce Development Agency (“LWDA”) for its seventy-five percent (75%) share of the PAGA Payment, equivalent to Thirty-Seven Thousand Five Hundred Dollars and Zero Cents (\$37,500.00)

R. “Net Settlement Amount” means the portion of the Gross Settlement Amount that is available for distribution to the Participating Class Members after deductions for the Court-approved allocations for Settlement Administration Costs, a Service Award to Plaintiff, an award of attorneys’ fees, reimbursement of litigation costs and expenses to Class Counsel, and the PAGA Payment. The Net Settlement Amount shall be allocated between the Non-Exempt Class and the Project Manager Class as follows: 87% of the Net Settlement Amount shall be allocated and distributed to those Participating Class Members who are Non-Exempt Class Members on a *pro-rata* basis as set forth in Paragraph 10 below, and 13% of the Net Settlement Amount shall be allocated and distributed to those Participating Class Members who are Project Manager Class Members on a *pro-rata* basis as set forth in Paragraph 10 below.

S. “Operative Complaint” or “Complaint” means the Second Amended Complaint to be filed with the Court in *Hayley Aarsvold v. Alliance Technical Group, LLC*, filed in Ventura County Superior Court, Case No. 2023CUOE007584, pursuant to the terms of the Parties’ Agreement.

T. “PAGA Payment” is the gross amount of Fifty Thousand Dollars and Zero Cents (\$50,000.00) that is allocated toward PAGA penalties under this Agreement, all of which is payable from the Gross Settlement Amount. Out of the PAGA Payment, seventy-five percent (75%), equivalent to Thirty-Seven Thousand Five Hundred Dollars and Zero Cents (\$37,500.00), will be paid to the LWDA (*i.e.*, the LWDA Payment), and twenty-five percent (25%), equivalent to Twelve Thousand Five Hundred Dollars and Zero Cents (\$12,500.00), will be paid to Aggrieved Employees on a *pro rata* basis based on the number of Qualifying Pay Periods worked for

1 Defendant in the PAGA Period (*i.e.* the Aggrieved Employee PAGA Payment).

2 U. **“PAGA Period”** means the period from April 21, 2022 through the end of the Class
3 Period.

4 V. **“Participating Class Members”** means all Settlement Class Members who do not
5 submit a timely and valid Request for Exclusion. Settlement Class Members who are not
6 Participating Class Members will still be eligible to receive an Individual PAGA Payment if such
7 individual(s) qualify as an “Aggrieved Employee” within the meaning of this Settlement
8 Agreement.

9 W. **“Participating Individual Settlement Share”** means the gross amount of the Net
10 Settlement Amount that a Participating Class Member is eligible to receive based on the number
11 of Qualifying Workweeks in which he or she received wages for hours worked as a Settlement
12 Class Member during the Class Period, after allocation of the Net Settlement Amount between the
13 Non-Exempt Class and the Project Manager Class, and once opt-outs have been factored in. A
14 Participating Class Member’s Participating Individual Settlement Share excludes any Individual
15 PAGA Payment to which he or she may be entitled if he or she is also an Aggrieved Employee.
16

17 X. **“Plaintiff,” “Named Plaintiff,” or “Class Representative”** shall refer to plaintiff
18 Hayley Aarsvold.

19 Y. **“Preliminary Approval Date”** means the date on which the Court enters an Order
20 granting preliminary approval of the Settlement.

21 Z. **“Qualifying Workweek”** means a workweek during which a Settlement Class
22 Member or Aggrieved Employee (as applicable) was employed by Defendant and was paid wages
23 for hours worked as a non-exempt employee or as an exempt Project Manager during the Class
24 Period or PAGA Period (as applicable).

25 AA. **“Qualifying Pay Period”** is any pay period during the Class Period or PAGA
26 Period in which a Settlement Class Member or Aggrieved Employee (as applicable) had a
27 Qualifying Workweek.
28

1 **BB. “Released Parties”** shall mean Defendant Alliance Technical Group, LLC and
2 each of its past, present, and future respective subsidiaries, dba’s, affiliates, parents, insurers and
3 reinsurers, and company-sponsored employee benefit plans of any nature and their successors and
4 predecessors in interest (including without limitation, Alliance Source Testing, LLC and Horizon
5 Air Measurement Services, Inc.), including all of their officers, directors, shareholders, employees,
6 agents, principals, heirs, representatives, accountants, auditors, consultants, attorneys,
7 administrators, fiduciaries, trustees, and agents.

8 **CC. “Response Deadline”** means the deadline for Settlement Class Members to mail
9 any Requests for Exclusion, Objections, or Qualifying Workweek Disputes to the Settlement
10 Administrator, which is forty-five (45) calendar days from the date that the Class Notice is first
11 mailed by the Settlement Administrator, unless a Class Member’s notice is re-mailed. In such an
12 instance, the Response Deadline shall be fifteen (15) calendar days from the re-mailing, or forty-
13 five (45) calendar days from the date of the initial mailing, whichever is later, in which to postmark
14 a Request for Exclusion, Qualifying Workweek Dispute or Objection. The date of the postmark
15 shall be the exclusive means for determining whether a Request for Exclusion, Objection, or
16 Qualifying Workweek Dispute was submitted by the Response Deadline.

17 **DD. “Request for Exclusion”** means a written request to be excluded from the
18 Settlement Class pursuant to Paragraph 9 below.

19 **EE. “Service Award”** means monetary amounts to be paid to Plaintiff of up to Twenty-
20 Five Thousand Dollars and Zero Cents (\$25,000.00), which subject to Court approval, will be paid
21 out of the Gross Settlement Amount.

22 **FF. “Settlement Administration Costs”** means all costs incurred by the Settlement
23 Administrator in administration of the Settlement, including, but not limited to, the distribution of
24 the Settlement Class Notice, calculating Individual Settlement Shares, Individual Settlement
25 Payments, Individual PAGA Payments, and Participating Individual Settlement Shares, as well as
26 processing associated taxes and withholdings, providing declarations, generating Individual
27
28

1 Settlement Payment checks and related tax reporting forms, doing administrative work related to
2 unclaimed checks, transmitting payment to Class Counsel for the Court-approved amounts for
3 attorneys' fees and reimbursement of litigation costs and expenses, to Plaintiff for his Service
4 Award, and to the LWDA for the LWDA Payment, providing weekly reports of opt-outs,
5 objections and related information, and any other actions of the Settlement Administrator as set
6 forth in this Agreement, all pursuant to the terms of this Agreement. The Settlement
7 Administration Costs are estimated not to exceed \$5,500.00. If the actual amount of the Settlement
8 Administration Costs is less than \$5,500.00, the difference between \$5,500.00 and the actual
9 Settlement Administration Costs shall be a part of the Net Settlement Amount. If the Settlement
10 Administration Costs exceed \$5,500.00 then such excess will be paid solely from the Gross
11 Settlement Amount and Defendants will not be responsible for paying any additional funds in order
12 to pay these additional costs.

13
14 **GG. "Settlement Administrator"** means the Third-Party Administrator mutually
15 agreed upon by the Parties that will be responsible for the administration of the Settlement
16 including, without limitation, the distribution of the Individual Settlement Payments to be made
17 by Defendant from the Gross Settlement Amount and related matters under this Agreement.

18 **HH. "Settlement Classes" and "Settlement Class Members"** means, for purposes of
19 this settlement, all persons employed in a non-exempt position or in an exempt Project Manager
20 position by Defendant in California at any time during the Class Period. The Settlement Classes
21 are comprised of two separate classes: the **"Non-Exempt Class"** means all persons employed in a
22 non-exempt position by Defendant in California at any time during the Class Period; and the
23 **"Project Manager Class"** means all persons employed in an exempt Project Manager position in
24 California at any time during the Class Period.

25 **2. BACKGROUND**

26 **A.** On April 7, 2023, Plaintiff filed this Action, styled as a putative class action and
27 alleging claims against Defendant for purported violations of California wage-and-hour law during
28

1 the Class Period as follows: (1) failure to pay overtime wages, (2) failure to provide meal periods,
2 (3) failure to provide rest periods, (4) failure to furnish timely and accurate itemized wage
3 statements, (5) failure to pay all compensation due upon discharge, and (6) unfair, unlawful, or
4 fraudulent business practices.

5 **B.** On April 21, 2023, Plaintiff filed with the LWDA and served on Defendant a notice
6 under Labor Code section 2699.3 stating Plaintiff intended to serve as a proxy of the LWDA to
7 recover civil penalties on behalf of the Aggrieved Employees for various Labor Code violations
8 (the “PAGA Notice”). Plaintiff mailed the PAGA Notice letter to Defendant on April 26, 2023.

9 **C.** On August 30, 2023, Plaintiff filed the operative First Amended Complaint
10 (“FAC”) in this action which alleges causes of action for: (1) failure to pay overtime wages,
11 (2) failure to provide meal periods, (3) failure to provide rest periods, (4) failure to furnish timely
12 and accurate itemized wage statements, (5) failure to pay all compensation due upon discharge,
13 (6) unfair, unlawful, or fraudulent business practices, and (7) civil penalties under PAGA.

14 **D.** Shortly thereafter, the Parties agreed to exchange informal discovery and attend a
15 mediation, in advance of which Class Counsel was provided with, among other things: (1) a
16 sampling of time and payroll records for the Non-Exempt Class Members, Project Manager Class
17 Members, and Aggrieved Employees; (2) data points including the number of Non-Exempt Class
18 Members, Project Manager Class Members, and Aggrieved Employees, number of separated Non-
19 Exempt Class Members, Project Manager Class Members, and Aggrieved Employees, the number
20 of shifts, workweeks, and pay periods worked, the number of wage statements issued to the Non-
21 Exempt Class Members and Project Manager Class Members, and the average rates of pay for the
22 Non-Exempt and Project Manager Classes; (3) relevant policy and other documents pertaining to
23 Defendant’s operations and wage and hour practices; and (4) all personnel records, time records,
24 payroll records and wage statements relating to Plaintiff.

25 **E.** On January 23, 2024, the Parties participated in a full-day mediation before Jason
26 Marsili, Esquire, a well-regarded mediator experienced in mediating complex labor and
27
28

1 employment matters. Although the Parties were unable to reach an agreement at the mediation,
2 the Parties subsequently reached the Settlement to resolve the Action on the terms set forth in this
3 Agreement. As part and parcel to the Settlement, the Parties have agreed that Plaintiff shall: (1) file
4 with the LWDA and serve on Defendant an amended PAGA notice letter which asserts claims for
5 PAGA penalties for potential wage and hour violation allegations discovered by Plaintiff during
6 the course of Plaintiff's investigation and during the Parties' mediation preparation (the "Amended
7 PAGA Notice"); and (2) be afforded leave to file a Second Amended Complaint ("SAC") in the
8 Action which includes revised class definitions that are ascertainable and conform with the scope
9 of the Parties' Settlement, and assert, all claims, causes of action, factual theories, and alleged
10 Labor Code violations asserted by Plaintiff which have not been pleaded to date including, without
11 limitation, those set forth in the PAGA Notice and the Amended PAGA Notice.

12
13 **F.** Further, as additional non-monetary consideration, Defendant has adopted revised
14 meal and rest period policies which comport to the minimum standards under California law.
15 Following the Court's granting of preliminary approval of the settlement and prior to final
16 approval, Defendant shall provide Plaintiff's Counsel, under the confidentiality of a protective
17 order, a declaration stating that it adopted revised meal period and rest period policies which
18 comport to the minimum standards under California law, which declaration shall be made available
19 to Plaintiff's Counsel and Plaintiff only. The declaration provided by Defendant for these purposes
20 shall not be filed in this Action.

21 **G.** Class Counsel has conducted significant investigation of the law and facts relating
22 to the claims asserted in the Action, the PAGA Notice, and the Amended PAGA Notice, and have
23 concluded that that the Settlement set forth herein is fair, reasonable, adequate, and in the best
24 interests of the Settlement Classes, taking into account the sharply contested issues involved, the
25 expense and time necessary to litigate the Action through trial and any appeals, the risks and costs
26 of further litigation of the Action, the risk of an adverse outcome, the uncertainties of complex
27 litigation, the information learned through informal discovery regarding Plaintiff's allegations, and
28

1 the substantial benefits to be received by Settlement Class Members.

2 **H.** Defendant has concluded that, because of the substantial expense of defending
3 against the Action, the length of time necessary to resolve the issues presented herein, the
4 inconvenience involved, and the concomitant disruption to its business operations, it is in its best
5 interest to accept the terms of this Agreement. Defendant denies each of the allegations and claims
6 asserted against it in the Action, the PAGA Notice, and the Amended PAGA Notice. However,
7 Defendant nevertheless desires to settle the Action for the purpose of avoiding the burden, expense
8 and uncertainty of continuing litigation and for the purpose of putting to rest the controversies
9 engendered by the Action.

10 **I.** This Agreement is intended to and does effectuate the full, final, and complete
11 resolution of all Class Released Claims of Plaintiff and Participating Class Members, and all
12 PAGA Released Claims of Plaintiff and, to the extent permitted by law, of the State of California
13 and Aggrieved Employees. The Plaintiff identified herein is also providing a General Release, as
14 that term is defined herein and set forth in Paragraph 7 of this Settlement Agreement.

15
16 **3. JURISDICTION**

17 The Court has jurisdiction over the Parties and the subject matter of the Action. The Action
18 includes claims that, if proven, would authorize the Court to grant relief pursuant to the applicable
19 statutes. After the Court has granted Final Approval of the Settlement and entered judgment, the
20 Court shall retain jurisdiction over the Parties to enforce the terms of the judgment pursuant to
21 California Rule of Court, rule 3.769, subdivision (h).

22 **4. STIPULATION OF CLASS CERTIFICATION**

23 The Parties stipulate to the certification of the Settlement Classes under this Agreement for
24 purposes of settlement only.

25 **5. AMENDMENT OF PLEADING AND MOTIONS FOR APPROVAL OF**
26 **SETTLEMENT**

27 The Parties hereby stipulate, and leave will be requested to file a SAC in the Action (a
28 copy of which is attached hereto as **Exhibit “A”**), which adds the PAGA claims asserted by

1 Plaintiff in her Amended PAGA Notice and any other claims, causes of action, factual theories,
2 and alleged Labor Code violations asserted by Plaintiff which have not been pleaded to date. Upon
3 the SAC being filed, Defendant shall be deemed to have generally denied all of the allegations set
4 forth in the SAC pending final approval of this settlement, without any need to file a separate
5 answer to the SAC.

6
7 After full execution of this Agreement, Plaintiff will move for an order granting
8 preliminary approval of the Settlement, approving the filing of the SAC, approving and directing
9 the mailing of the proposed Notice of Class Action Settlement (“Class Notice”) attached hereto as
10 **Exhibit “B”**, conditionally certifying the Settlement Classes for settlement purposes only, and
11 approving the deadlines proposed by the Parties for the submission of Requests for Exclusion,
12 Qualifying Workweek Disputes, and Objections. If and when the Court preliminarily approves
13 the Settlement, and after administration of the Class Notice in a manner consistent with the Court’s
14 Preliminary Approval Order, Plaintiff will move for an order finally approving the Settlement and
15 seek entry of a Judgment in line with this Settlement. The Parties may both respond to any
16 Objections lodged to final approval of the Settlement up to five (5) court days before the Final
17 Approval Hearing.
18

19 Not later than five (5) business days prior to the submission of the motion for preliminary
20 approval to the Court, Plaintiff’s counsel will submit near-final drafts thereof (including all
21 supporting papers, declarations, and proposed order) to counsel for Defendant for their review and
22 comment. Plaintiff shall file the motion for preliminary approval no later than 45 days after the
23 execution of the long form agreement. Plaintiff’s counsel will also prepare Plaintiff’s motion for
24 final approval of the settlement (including all supporting papers, declarations, and proposed order)
25 and provide them to counsel for Defendant for review and comment no less than five (5) business
26 days prior to its filing. Defendant will provide its comments to the draft motions for preliminary
27
28

1 approval and final approval (and all supporting papers, declarations, and proposed order) as soon
2 as practicable after receipt and prior to any motion filing deadline.

3 For purposes of settlement only, the Parties agree that all statutes of limitations shall be
4 waived with respect to the claims asserted in the SAC to be filed as a condition of preliminary
5 approval, with all such limitations to run from the earliest possible date based on the filing of the
6 Action and the sending of the PAGA Notice. In the event the Court does not grant final approval
7 of the settlement, then the SAC will be deemed withdrawn *ab initio* and the original limitations
8 periods shall apply.

9
10 **6. STATEMENT OF NO ADMISSION**

11 Defendant denies any wrongdoing of any sort and further denies any liability to Plaintiff
12 and the Settlement Classes and/or Aggrieved Employees with respect to any claims or allegations
13 asserted in the Action, the PAGA Notice, and Amended PAGA Notice. This Agreement shall not
14 be deemed an admission by Defendant of any claims or allegations asserted in the Action, the
15 PAGA Notice, and/or the Amended PAGA Notice. Except as set forth elsewhere herein, in the
16 event that this Agreement is not approved by the Court, or any appellate court, is terminated, or
17 otherwise fails to be enforceable, Plaintiff will not be deemed to have waived, limited or affected
18 in any way any claims, rights or remedies, or defenses in the Action, the PAGA Notice, and/or the
19 Amended PAGA Notice, and Defendant will not be deemed to have waived, limited, or affected
20 in any way any of its objections or defenses in the Action, the PAGA Notice, and/or the Amended
21 PAGA Notice. The Parties shall be restored to their respective positions in the Action prior to the
22 entry of this Settlement.

23 **7. RELEASE OF CLAIMS**

24 **a. Release by Non-Exempt Class Members.**

25 Effective only upon the entry of an Order granting Final Approval of the Settlement, entry
26 of Judgment, and payment by Defendant to the Settlement Administrator of the full Gross
27 Settlement Amount and Employer's Taxes necessary to effectuate the Settlement, Plaintiff and all
28

1 Participating Non-Exempt Class Members release the Released Parties of any and all claims that
2 have been or could reasonably have been asserted based on the factual allegations in the Operative
3 Complaint as follows: For the duration of the Class Period, the release includes, for Participating
4 Class Members: all claims for failure to pay overtime wages (including, without limitation, for
5 failure to properly calculate the regular rate and/or overtime rate of pay); all claims for failure to
6 pay minimum or other wages for all hours worked; all claims for failure to provide meal periods
7 or compensation in lieu thereof (including, without limitation, break premiums); all claims for
8 failure to provide rest periods or compensation in lieu thereof (including, without limitation, break
9 premiums); all claims for failure to pay all wages due upon separation from employment; all claims
10 for failure to issue accurate wage statements (including, without limitation, for failure to include
11 and/or accurately itemize the employees' total hours worked, the hours worked at each rate of pay,
12 gross and net wages, meal and/or rest period premiums, overtime rates, and the name of the entity
13 that is the employer); all claims for failure to timely pay wages during employment; all claims
14 asserting a failure to properly reimburse employees for business-related expenses; all claims
15 asserted through California Business & Professions Code section 17200, *et seq.* arising out of the
16 Labor Code violations referenced in the SAC; and all claims for relief, including damages,
17 statutory and/or civil penalties, equitable and/or injunctive relief, attorneys' fees, interest, costs,
18 and any other kind of relief whatsoever that could be sought based on the factual allegations and
19 theories of liability asserted in the SAC (the "Non-Exempt Class Released Claims"). The Parties
20 additionally agree that the Class Released Claims shall include the release of related claims under
21 the federal Fair Labor Standards Act ("FLSA") pursuant to *Rangel v. Check Cashers*, 899 F.3d
22 1106 (9th Cir. 2018).

24 **b. Release by Participating Project Manager Class Members.**

25 Effective only upon the entry of an Order granting Final Approval of the Settlement, entry
26 of Judgment, and payment by Defendant to the Settlement Administrator of the full Gross
27 Settlement Amount and Employer's Taxes necessary to effectuate the Settlement, Plaintiff and all
28

1 Participating Project Manager Class Members release the Released Parties of any and all claims
2 that have been or could reasonably have been asserted based on the factual allegations in the
3 Operative Complaint as follows: For the duration of the Class Period, the release includes, for
4 Participating Class Members: all claims for alleged misclassification; all claims for improper
5 deductions from salary of exempt employees for partial-day absences; all claims for failure to pay
6 overtime wages (including, without limitation, for failure to properly calculate the regular rate
7 and/or overtime rate of pay); all claims for failure to pay minimum or other wages for all hours
8 worked; all claims for failure to provide meal periods or compensation in lieu thereof (including,
9 without limitation, break premiums); all claims for failure to provide rest periods or compensation
10 in lieu thereof (including, without limitation, break premiums); all claims for failure to pay all
11 wages due upon separation from employment; all claims for failure to issue accurate wage
12 statements (including, without limitation, for failure to include and/or accurately itemize the
13 employees' total hours worked, the hours worked at each rate of pay, gross and net wages, meal
14 and/or rest period premiums, overtime rates, and the name of the entity that is the employer); all
15 claims for failure to timely pay wages during employment; all claims asserting a failure to properly
16 reimburse employees for business-related expenses; all claims asserted through California
17 Business & Professions Code section 17200, *et seq.* arising out of the Labor Code violations
18 referenced in the SAC; and all claims for relief, including damages, statutory and/or civil penalties,
19 equitable and/or injunctive relief, attorneys' fees, interest, costs, and any other kind of relief
20 whatsoever that could be sought based on the factual allegations and theories of liability asserted
21 in the SAC (the "Project Manager Class Released Claims"). The Parties additionally agree that the
22 Project Manager Class Released Claims shall include the release of related claims under the federal
23 Fair Labor Standards Act ("FLSA") pursuant to *Rangel v. Check Cashers*, 899 F.3d 1106 (9th Cir.
24 2018).

26 The Non-Exempt Class Released Claims and the Project Manager Class Released Claims
27 are collectively referred to herein as the "Class Released Claims."
28

1 **c. PAGA Release by All Aggrieved Employees**

2 Effective only upon the entry of an Order granting Final Approval of the Settlement, entry
3 of Judgment, and payment by Defendant to the Settlement Administrator of the full Gross
4 Settlement Amount and Employer's Taxes necessary to effectuate the Settlement, Plaintiff, the
5 Aggrieved Employees, and, to the extent permitted by law, the State of California, release the
6 Released Parties for the duration of the PAGA Period from all claims alleged in the SAC for PAGA
7 civil penalties pursuant to Labor Code section 2699 *et seq.* in connection with alleged violations
8 of Labor Code sections 201, 202, 203, 204, 218.5, 218.6, 221, 226, 226.2, 226.3, 226.7, 510, 512,
9 515, 558, 1174, 1174.5, 1194, 1194.2, 1194.3, 1197, 1198, and 2802, including for alleged: failure
10 to pay overtime wages (including, without limitation, for failure to properly calculate the regular
11 rate and/or overtime rate of pay); improper deductions from salary of exempt employees for
12 partial-day absences; failure to pay minimum or other wages for all hours worked; regular rate of
13 pay violations (with respect to overtime, and meal and rest period premiums); failure to provide
14 meal periods or compensation in lieu thereof (including, without limitation, break premiums at the
15 regular rate of pay); failure to provide rest periods or compensation in lieu thereof (including,
16 without limitation, break premiums at the regular rate of pay); failure to pay all wages due upon
17 separation from employment; failure to issue accurate wage statements (including, without
18 limitation, for failure to include and/or accurately itemize the employees' total hours worked, the
19 hours worked at each rate of pay, gross and net wages, meal and/or rest period premiums, rates of
20 pay including overtime rates, and the name of the entity that is the employer); failure to timely pay
21 wages during employment; failure to maintain accurate required records including payroll records;
22 and failure to properly reimburse employees for business-related expenses (the "PAGA Released
23 Claims").
24

25 The Class Released Claims and PAGA Released Claims shall be collectively referred to
26 herein as the "Released Claims."

27 **d. Claims Not Released**
28

1 The Released Claims expressly excludes all other claims, including claims for vested
2 benefits, wrongful termination, unemployment insurance, disability, social security, workers'
3 compensation, and any other claims outside of the Class Released Claims of Participating Class
4 Members arising during the Class Period and the PAGA Released Claims of Aggrieved Employees
5 (and, to the extent permitted by law, the State of California) arising outside of the PAGA Period.

6 **e. General Release by Plaintiff**

7 Effective only upon the entry of an Order granting Final Approval of the Settlement, entry
8 of Judgment, and payment by Defendant to the Settlement Administrator selected of the full Gross
9 Settlement Amount and Employer's Taxes necessary to effectuate the Settlement, in addition to
10 the Release provided by the Plaintiff in Sections 7.a. through 7.d. of this Agreement, Plaintiff
11 makes the additional following General Release: Plaintiff releases the Released Parties from all
12 claims, demands, rights, liabilities and causes of action of every nature and description whatsoever,
13 known or unknown, asserted or that might have been asserted, whether in tort, contract, or for
14 violation of any state or federal statute, rule, law or regulation arising out of, relating to, or in
15 connection with any act or omission of the Released Parties through the date of final approval of
16 this Agreement in connection with Plaintiff's employment with Defendant or the termination
17 thereof, except for any and all other claims that may not be released as a matter of law through this
18 Agreement. To the extent of the General Release provided herein, Plaintiff stipulates and agrees
19 that, upon entry of an Order granting Final Approval of the Settlement, entry of Judgment, and
20 payment by Defendant to the Settlement Administrator selected of the full Gross Settlement
21 Amount and Employer's Taxes necessary to effectuate the Settlement, they shall have expressly
22 waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits
23 of Section 1542 of the California Civil Code, or any other similar provision under federal or state
24 law, which provides:
25

26 A general release does not extend to claims that the creditor or
27 releasing party does not know or suspect to exist in his or her favor
28 at the time of executing the release and that, if known by him or her,

would have materially affected his or her settlement with the debtor or released party.

8. SETTLEMENT ADMINISTRATOR

A. Plaintiff and Defendant, through their respective counsel, have selected Apex Class Action Administration to administer the Settlement, which includes but is not limited to distributing the Class Notice, distributing and responding to inquiries about the Class Notice and calculating all amounts to be paid from the Gross Settlement Amount. Charges and expenses of the Settlement Administrator, currently estimated to be \$5,500.00 will be paid from the Gross Settlement Amount. If the actual amount of the Settlement Administration Costs is less than \$5,500.00, the difference between \$5,500.00 and the actual Settlement Administration Costs shall be a part of the Net Settlement Amount. If the Settlement Administration Costs exceed \$5,500.00, then such excess will be paid solely from the Gross Settlement Amount and Defendants will not be responsible for paying any additional funds in order to pay these additional costs.

9. NOTICE, WORKWEEK DISPUTE, OBJECTION, AND EXCLUSION PROCESS

A. Notice to the Settlement Class Members

A. Within thirty (30) days after the Preliminary Approval Date, Counsel for Defendant shall provide the Settlement Administrator with information with respect to each Settlement Class Member and/or Aggrieved Employee, including his or her: (1) name; (2) position(s) held; (3) last known address(es) currently in Defendant's possession, custody, or control; (4) last known telephone number(s) currently in Defendant's possession, custody, or control; (5) last known Social Security Number(s) in Defendant's possession, custody, or control; (6) the dates of employment (*i.e.*, hire dates, and, if applicable, re-hire date(s) and/or separation date(s)); (7) the number of Qualifying Workweeks for each Settlement Class Member for the Class Period, and (8) the number of Qualifying Pay Periods for each Aggrieved Employee for the PAGA Period (hereafter, the "Class List"). The final Class List will be designated as Highly Confidential, Attorneys' Eyes Only, pursuant to a Court-approved and entered Stipulated Protective Order to be

submitted by the Parties in the Action prior to the filing of the motion for preliminary approval, and provided by Defendant after the Settlement Administrator signs and returns to Counsel for Defendant the Acknowledgment and Agreement to be Bound attached as Exhibit A to such Protective Order. The final Class List shall be used only by the Settlement Administrator and only for purposes of administering the Settlement and shall not be provided to Class Counsel, and nothing in this Settlement Agreement limits the use of the Class List by the Settlement Administrator for that purpose. The Settlement Administrator shall perform an address search using the United States Postal Service National Change of Address (“NCOA”) database and update the addresses contained on the Class List with the newly-found addresses, if any. Within seven (7) calendar days, or soon thereafter, of receiving the Class List from Defendant, the Settlement Administrator shall mail the Class Notice to the Settlement Class Members via first-class regular U.S. Mail using the most current mailing address information available. The Settlement Administrator shall maintain the Class List and digital copies of all the Settlement Administrator’s records evidencing the giving of notice to any Settlement Class Member and/or other records pertaining to its administration of the Settlement (including, without limitation, records pertaining to Class Member queries, requests for exclusions, opt-outs, Workweek disputes, and undeliverable mailing), for at least four (4) years from the Final Approval Date or to the extent any appeals have been filed, (4) years from the date on which they have been resolved or exhausted.

(1) The proposed Class Notice will include verbiage jointly agreed to by the Parties and will set forth:

- (a) the Settlement Class Member’s estimated Individual Settlement Payment and Individual PAGA Payment, as applicable, and the basis for each;
- (b) the information required by California Rule of Court, rule 3.766, subdivision (d);
- (c) the material terms of the Settlement;

- 1 (d) the proposed Settlement Administration Costs;
- 2 (e) the definition of the Settlement Class;
- 3 (f) a statement that the Court has preliminarily approved the
- 4 Settlement;
- 5 (g) how the Settlement Class Member can obtain additional
- 6 information, including contact information for Class Counsel;
- 7 (h) information regarding opt-out, objection and dispute procedures;
- 8 (i) the date and location of the Final Approval Hearing; and
- 9 (j) that the Settlement Class Member must notify the Settlement
- 10 Administrator no later than the Response Deadline if the Settlement
- 11 Class Member disputes the accuracy of the number of Qualifying
- 12 Workweeks as set forth on his or her Class Notice (“Qualifying
- 13 Workweek Dispute”). If a Settlement Class Member fails to timely
- 14 dispute the number of Qualifying Workweeks attributed to him or
- 15 her in conformity with the instructions in the Class Notice, then he
- 16 or she shall be deemed to have waived any objection to its accuracy
- 17 and any claim to any additional settlement payment based on
- 18 different data.
- 19

20 (2) If a Class Notice from the initial notice mailing is returned as undeliverable,

21 the Settlement Administrator will attempt to obtain a current address for the Settlement Class

22 Member to whom the returned Class Notice had been mailed, within five (5) calendar days of

23 receipt of the returned Class Notice, by: (1) contacting the Settlement Class Member by phone, if

24 possible, and (2) undertaking skip tracing. If the Settlement Administrator is successful in

25 obtaining a new address, it will promptly re-mail the Class Notice to the Settlement Class Member.

26 Further, any Class Notices that are returned to the Settlement Administrator with a forwarding

27

28

1 address before the Response Deadline shall be promptly re-mailed to the forwarding address
2 affixed thereto.

3 (3) No later than seven (7) calendar days after the Response Deadline, the
4 Settlement Administrator shall provide counsel for the Parties with a declaration attesting to the
5 completion of the notice process, including the number of attempts to obtain valid mailing
6 addresses for and re-sending of any returned Class Notices, as well as the identities, number of,
7 and copies of all Requests for Exclusion and Objections received by the Settlement Administrator,
8 if any.

9 **B. Objections.**

10 Only Participating Class Members may object to the Class Settlement; neither Participating
11 Class Members nor PAGA Aggrieved Employees may object to the PAGA settlement. In order
12 for any Settlement Class Member to object to this Class Settlement in writing, or any term of it,
13 he or she must do so by mailing a written objection to the Settlement Administrator at the address
14 provided on the Class Notice, with such objection postmarked no later than the Response Deadline.
15 The Settlement Administrator shall email a copy of the Objection forthwith to Class Counsel and
16 counsel for Defendant and attach copies of all Objections to the Declaration it provides Class
17 Counsel, which Class Counsel shall file in support of Plaintiff's Motion for Final Approval. To
18 be valid, the Objection must be timely submitted and must set forth the following in writing: (1)
19 the Objector's name; (2) the Objector's address; (3) the last four digits of the Objector's Social
20 Security Number; (4) the Objector's signature; (5) a statement of whether the Objector plans to
21 appear at the Final Approval Hearing; and (6) the reason(s) for the Objection, along with whatever
22 legal authority, if any, the Objector asserts in support of the Objection. If a Settlement Class
23 Member objects to the Class Settlement, the Settlement Class Member will remain a member of
24 the Settlement Class and if the Court approves this Agreement, the Settlement Class Member will
25 be bound by the terms of the Settlement in the same way and to the same extent as a Settlement
26 Class Member who does not object. The date of mailing of the Class Notice to the objecting
27
28

1 Settlement Class Member shall be conclusively determined according to the records of the
2 Settlement Administrator. Settlement Class Members need not object in writing to be heard at the
3 Final Approval Hearing; they may object or comment in person at the hearing at their own expense.
4 Class Counsel and counsel for Defendant may respond to any objection lodged with the Court up
5 to five (5) court days before the Final Approval Hearing.

6 **C. Requesting Exclusion.**

7 Any Settlement Class Member may request exclusion from (*i.e.*, to “opt out” of) the Class
8 Settlement by mailing a written request to be excluded from the Class Settlement (“Request for
9 Exclusion”) to the Settlement Administrator, postmarked on or before the Response Deadline. To
10 be valid, a Request for Exclusion must be timely submitted and must include the following in
11 writing: (1) the Class Member’s name; (2) the last four digits of the Class Member’s Social
12 Security Number; (3) the Class Member’s signature; and (4) a statement that the Class Member
13 seeks to be excluded from the Settlement Class using the same or any other language standing for
14 the proposition the Class Member seeks to be excluded from the Settlement Class: “Please exclude
15 me from the Settlement Class in the *Aarsvold v. Alliance Technical Group, LLC, et al.* matter. I
16 understand that by requesting exclusion, I will not participate in the class settlement and will not
17 receive any money from the class settlement.” The Settlement Administrator shall immediately
18 provide copies of all Requests for Exclusion to Class Counsel and counsel for Defendant and shall
19 report the Requests for Exclusions that it receives, to the Court, in its declaration to be provided in
20 advance of the Final Approval Hearing. Any Settlement Class Member who timely and properly
21 requests exclusion from the Settlement Class using this procedure will not be entitled to receive
22 any Individual Settlement Share from the Settlement and will not be bound by the Settlement
23 Agreement or have any right to object to, appeal, or comment on the Settlement as it relates to the
24 Class Settlement and Class Released Claims. Any Settlement Class Member who does not opt out
25 of the Settlement Class by submitting a timely and valid Request for Exclusion will be bound by
26 all terms of the Settlement, including those pertaining to the Class Released Claims, as well as any
27
28

Judgment that may be entered by the Court if Final Approval of the Class Settlement is granted. A Settlement Class Member cannot submit both a Request for Exclusion and an objection. If a Settlement Class Member submits an Objection and a Request for Exclusion, the Request for Exclusion will control and the Objection will be overruled. Settlement Class Members who worked during the PAGA Period as Aggrieved Employees that submit a valid Request for Exclusion from the Settlement Class will still be deemed to be Aggrieved Employees, will still receive their Individual PAGA Payments, and will be bound by the release of the PAGA Released Claims.

D. Disputes Regarding Settlement Class Members' Qualifying Workweek Data.

Each Settlement Class Member may dispute the number of Qualifying Workweeks attributed to him or her with respect to the Individual Settlement Share on his or her Class Notice ("Workweek Dispute"). Any such disputes must be in writing and mailed to the Settlement Administrator by the Settlement Class Member, postmarked on or before the Response Deadline. To be valid, a Qualifying Workweek Dispute must be timely submitted and must include the following in writing: (1) the Class Member's name, current mailing address, telephone number, the last four digits of his/her social security number, and his/her signature; (2) a statement indicating that the Class Member seeks to dispute the number of Qualifying Workweeks credited to him or her, the time period(s) he or she worked for Defendant during the Class Period, and the number of Qualifying Workweeks that he or she contends should be credited to him or her; and (3) documentation and/or other facts supporting the Class Member's position. The Settlement Administrator shall immediately provide copies of all Qualifying Workweek Disputes (if any) to Class Counsel and counsel for Defendant. In response to any timely Qualifying Workweek Dispute, Defendant will first verify the information contained in the disputing Class Member's personnel file and Defendant's payroll records. Unless the Class Member can establish that the number of Qualifying Workweeks credited to him or her is incorrect, by providing documentation in support thereof or other details to substantiate his or her position, the total number of Qualifying Workweeks established by Defendant's records will control. Class Counsel and counsel for

Defendant will then make a good faith effort to resolve the dispute informally before the Final Approval Hearing. If counsel for the Parties cannot agree, the dispute shall be resolved by the Settlement Administrator before the Final Approval Hearing, who shall examine the records provided by Defendant and the Class Member and shall be the final arbiter of disputes relating to a Class Member's Qualifying Workweeks. The Settlement Administrator's determination regarding any such dispute shall be final for purposes of administering notice of the Settlement, subject to final review, determination, and approval by the Court.

10. INDIVIDUAL SETTLEMENT PAYMENTS AND INDIVIDUAL PAGA PAYMENTS

The Net Settlement Amount shall be allocated between the Non-Exempt Class and the Project Manager Class as follows: 87% of the Net Settlement Amount shall be allocated for and distributed to those Participating Class Members who are Non-Exempt Class Members ("Participating Non-Exempt Class Members"), and 13% of the Net Settlement Amount shall be allocated for and distributed to those Participating Class Members who are Project Manager Class Members ("Participating Project Manager Class Members"). The 87% of the Net Settlement Amount allocated to Participating Non-Exempt Class Members ("Non-Exempt Class NSA Allocation") shall be calculated as follows: $\text{Net Settlement Amount} \times 0.87 = \text{Non-Exempt Class NSA Allocation}$. The 13% of the Net Settlement Amount allocated to Participating Project Manager Class Members ("Project Manager Class NSA Allocation") shall be calculated as follows: $\text{Net Settlement Amount} \times 0.13 = \text{Project Manager Class NSA Allocation}$. Individual Settlement Payments will be calculated and distributed to Participating Class Members from the Non-Exempt Class NSA Allocation and/or Project Manager Class NSA Allocation on a *pro rata* basis, based on the Participating Class Members' respective number of Qualifying Workweeks as a Non-Exempt Class Member and/or Project Manager Class Member during the Class Period, applicable. Individual PAGA Payments to Aggrieved Employees will be calculated and distributed to Aggrieved Employees from the Aggrieved Employee PAGA Payment on a *pro*

1 *rata* basis based on Aggrieved Employees' respective number of Qualifying Pay Periods during
2 the PAGA Period. Specific calculations of the Individual Settlement Shares and Individual
3 PAGA Payments to Aggrieved Employees will be made as follows:

4 **A. Individual Settlement Shares to Participating Non-Exempt Class Members.**

5 The Total Number of Qualifying Workweeks worked during the Class Period by each
6 Settlement Class Member in the Non-Exempt Class ("Class Member's Workweeks"), as well as
7 the aggregate number of Qualifying Workweeks worked by all Settlement Class Members in the
8 Non-Exempt Class during the Class Period ("Class Workweeks"), shall be determined from
9 Defendant's records and shall be provided on the Class List provided by Defendant. To
10 determine each Participating Non-Exempt Class Member's Participating Individual Class
11 Settlement Share, the Settlement Administrator will determine the aggregate number of
12 Qualifying Workweeks worked by all Participating Non-Exempt Class Members during the
13 Class Period ("Total Participating Non-Exempt Class Member Workweeks") and use the
14 following formula: Individual Settlement Share = (Individual Participating Non-Exempt Class
15 Member's Qualifying Workweeks ÷ Total Participating Non-Exempt Class Member Qualifying
16 Workweeks) × Non-Exempt Class NSA Allocation.

17
18 **B. Individual Settlement Shares to Participating Project Manager Class**
19 **Members.**

20 The Total Number of Qualifying Workweeks worked during the Class Period by each
21 Settlement Class Member in the Project Manager Class ("Class Member's Workweeks"), as well
22 as the aggregate number of Qualifying Workweeks worked by all Settlement Class Members in
23 the Project Manager Class during the Class Period ("Class Workweeks"), shall be determined
24 from Defendant's records and shall be provided on the Class List provided by Defendant. To
25 determine each Participating Project Manager Class Member's Participating Individual Class
26 Settlement Share, the Settlement Administrator will determine the aggregate number of
27 Qualifying Workweeks worked by all Participating Project Manager Class Members during the
28

Class Period (“Total Participating Project Manager Class Member Workweeks”) and use the following formula: Individual Settlement Share = (Individual Participating Project Manager Class Member’s Qualifying Workweeks ÷ Total Participating Project Manager Class Member Qualifying Workweeks) × Project Manager Class NSA Allocation.

C. Individual PAGA Payments to Aggrieved Employees.

Additionally, the total number of Qualifying Pay Periods worked by each Aggrieved Employee during the PAGA Period (“Aggrieved Employee’s Pay Periods”), as well as the aggregate number of Qualifying Pay Periods worked by all Aggrieved Employees during the PAGA Period (“PAGA Pay Periods”), shall be determined from Defendant’s records and shall be provided on the Class List provided by Defendant. To determine each Aggrieved Employee’s Individual PAGA Payment, the Settlement Administrator will use the following formula: Aggrieved Employee’s Individual PAGA Payment = (Aggrieved Employee’s Qualifying Pay Periods ÷ Total Aggrieved Employee PAGA Qualifying Pay Periods) x Aggrieved Employee PAGA Payment.

D. Individual Settlement Payments and Individual PAGA Payments shall be paid to Participating Class Members and/or Aggrieved Employees by way of check. When a Participating Class Member is also an Aggrieved Employee, one check may be issued that aggregates both the Individual Settlement Payment and the Individual PAGA Payment.

11. DISTRIBUTION OF PAYMENTS

A. Distribution of Individual Settlement Payments.

Participating Class Members will receive an Individual Settlement Payment and Aggrieved Employees will receive an Individual PAGA Payment as applicable. Individual Settlement Payment and Individual PAGA Payment checks shall remain valid and negotiable for one hundred and eighty (180) calendar days after the date of their issuance. In the event that any checks mailed to Participating Class Members and/or Aggrieved Employees are not cashed, deposited, or otherwise negotiated within the 180-day period, then the checks shall be sent to the

1 California State Controller's Office Unclaimed Property Fund in the name of the individual, and
2 such Class Members and/or Aggrieved Employees shall nevertheless be bound to the Settlement
3 and the Final Approval Order. Thus, there shall be no "Unpaid Residue" subject to the
4 requirements of California Code of Civil Procedure section 384.

5 **B. Funding of Settlement.**

6 Within thirty (30) business days following the occurrence of the Effective Date of the
7 Settlement as defined above, Defendant shall remit payment of the Gross Settlement Amount (as
8 the same may be escalated pursuant to Paragraph 17 of this Agreement) and Employer Taxes (as
9 that term is defined herein) to the Settlement Administrator pursuant to Internal Revenue Code
10 section 1.468B-1 for deposit in an interest-bearing qualified settlement account ("QSA") with an
11 FDIC insured banking institution, for distribution in accordance with this Agreement and the
12 Court's Orders and subject to the conditions described herein.

13 **C. Time for Distribution.**

14 Within fifteen (15) calendar days after payment of the full Gross Settlement Amount and
15 Employer Taxes by Defendant, or as soon thereafter as practicable, the Settlement Administrator
16 shall distribute Payments from the QSA for: (1) the Service Award to Plaintiff as approved by the
17 Court; (2) the Attorneys' Fees and Cost Award to be paid to Class Counsel, as approved by the
18 Court; (3) the Settlement Administrator Costs, as approved the Court; (4) the LWDA Payment, as
19 approved by the Court; and (5) Individual PAGA Payments as approved by the Court. The balance
20 remaining shall constitute the Net Settlement Amount from which Individual Settlement Payments
21 shall be made to Participating Class Members, less applicable taxes and withholdings.

22 **12. ATTORNEYS' FEES AND LITIGATION COSTS**

23 Class Counsel shall apply for, and Defendant shall not oppose, an award of attorneys' fees
24 of up to 35% of the Gross Settlement Amount, which, unless the Gross Settlement Amount is
25 escalated pursuant to Paragraph 17 of this Agreement, amounts to Three Hundred and Six
26 Thousand Two Hundred and Fifty Dollars and Zero Cents (\$306,250.00). Class Counsel shall
27
28

1 further apply for, and Defendant shall not oppose, an application or motion by Class Counsel for
2 reimbursement of actual costs associated with Class Counsel's prosecution of this matter as set
3 forth by declaration testimony in an amount up to Twenty Thousand Dollars and Zero Cents
4 (\$20,000.00). Awards of attorneys' fees and costs shall be paid out of the Gross Settlement
5 Amount, for all past and future attorneys' fees and costs necessary to prosecute, settle, and obtain
6 Final Approval of the settlement in Action. The "future" aspect of the amounts stated herein
7 includes, without limitation, all time and expenses expended by Class Counsel (including any
8 appeals therein). There will be no additional charge of any kind to either the Settlement Class
9 Members or request for additional consideration from Defendants for such work unless, Defendant
10 materially breaches this Agreement, including any term regarding funding, and further efforts are
11 necessary from Class Counsel to remedy said breach, including, without limitation, moving the
12 Court to enforce the Agreement. Should the Court approve attorneys' fees and/or litigation costs
13 and expenses in amounts that are less than the amounts provided for herein, then the unapproved
14 portion(s) shall become a part of the Net Settlement Amount for distribution to Participating Class
15 Members, and any such lesser award shall not be grounds for Plaintiff and/or Class Counsel to
16 terminate the Settlement.
17

18 **13. SERVICE AWARD TO PLAINTIFF**

19 Named Plaintiff shall seek, and Defendant shall not oppose, a Service Award in an amount
20 not to exceed Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) payable to Plaintiff for
21 participation in and assistance with the Action. Any Service Award awarded to Plaintiff shall be
22 paid from the Gross Settlement Amount and shall be reported to Plaintiff on an IRS Form 1099.
23 If the Court approves the Service Award to Plaintiff in less than the amounts sought herein, then
24 the unapproved portion(s) shall become a part of the Net Settlement Amount for distribution to
25 Participating Class Members, and any such lesser award shall not be grounds for Plaintiff and/or
26 Class Counsel to terminate the Settlement.
27
28

1 **14. TAXATION AND ALLOCATION**

2 **a.** Each Individual Settlement Share shall be allocated as follows: 20% as wages (to
3 be reported on an IRS Form W-2) and 80% for civil or statutory penalties and interest, with such
4 non-wage portions to be reported on an IRS Form 1099. Each Individual PAGA Payment shall be
5 allocated entirely as penalties. The Parties agree that prior to distribution, each Individual
6 Settlement Share due to a Participating Class Member will be subject to reduction for required
7 employee-side payroll taxes, contributions and withholdings with respect to the wage portion of
8 the Individual Settlement Share, which shall yield each Participating Class Member's "Individual
9 Settlement Payment." The amount of federal income tax withholding will be based upon a flat
10 withholding rate for supplemental wage payments in accordance with Treasury Regulation
11 § 31.3402(g)-1(a)(2) as amended or supplemented. Income tax withholding will also be made
12 pursuant to applicable state and/or local withholding codes or regulations.
13

14 **b.** Forms W-2 and/or Forms 1099 will be timely and correctly prepared and
15 distributed by the Settlement Administrator at times and in the manner required by the Internal
16 Revenue Code of 1986 (the "Code") and consistent with this Agreement. If the Code, the
17 regulations promulgated thereunder, or other applicable tax law, is changed after the date of this
18 Agreement, the processes set forth in this Paragraph 14 may be modified in a manner to bring
19 Defendant into compliance with any such changes.

20 **c.** Neither Counsel for Plaintiff nor counsel for Defendant intend anything contained
21 in this Agreement to constitute advice regarding taxes or taxability, nor shall anything in this
22 Agreement be relied upon as such within the meaning of United States Treasury Department
23 Circular 230 (31 C.F.R. Part 10, as amended) or otherwise. Settlement Class Members and
24 Aggrieved Employees will be responsible for correctly characterizing the compensation that they
25 receive pursuant to the Form 1099 and for payment of any taxes owing on said amount(s).

26 **15. PRIVATE ATTORNEYS' GENERAL ACT ALLOCATION AND**
27 **NOTIFICATION TO THE LWDA**
28

1 The Parties agree to allocate Fifty Thousand Dollars and Zero Cents (\$50,000.00) of the
2 Gross Settlement Amount toward PAGA penalties. Pursuant to the PAGA, seventy-five percent
3 (75%) of the amount allocated toward PAGA (\$37,500.00) will be paid to the LWDA and twenty-
4 five percent (25%) (\$12,500.00) will be distributed to Aggrieved Employees on a *pro rata* basis
5 based upon their respective Qualifying Pay Periods worked as Aggrieved Employees during the
6 PAGA Period.

7 Concurrently with the filing of the motion for preliminary approval of the settlement under
8 this Agreement, Plaintiff and his counsel will comply with all requirements under PAGA to give
9 notice and make submissions regarding the proposed settlement to the LWDA, and promptly
10 provide written evidence thereof to counsel for Defendant.

11 **16. COURT APPROVAL**

12 This Agreement is contingent upon an order by the Court granting Final Approval of the
13 Settlement, and that the LWDA does not intervene and object to the Settlement. In the event it
14 becomes impossible to secure approval of the Settlement by the Court and the LWDA, the Parties
15 shall be restored to their respective positions in the Action prior to entry of this Settlement, except
16 as otherwise set forth herein. If this Settlement Agreement is voided, not approved by the Court
17 or approval is reversed on appeal, it shall have no force or effect and no Party shall be bound by
18 its terms except to the extent: (a) the Court reserves any authority to issue any appropriate orders
19 when denying approval; and/or (b) there are any terms and conditions in this Settlement Agreement
20 specifically stated to survive the Settlement Agreement being voided or not approved, and which
21 control in such an event.

22 **17. INCREASE IN QUALIFYING WORKWEEKS**

23 Defendant represents that the Settlement Classes worked approximately 14,448
24 Qualifying Workweeks (13,031 workweeks completed by non-exempt employees and 1,417
25 workweeks completed by Project Managers) between April 7, 2019 and January 23, 2024.
26 Should the actual number of workweeks between April 7, 2019 and January 23, 2024 exceed
27
28

1 15,892 (110% of 14,448), then the Gross Settlement Amount shall be increased by the same
2 number of percentage points (above 10%) by which the actual number of pay periods exceeds
3 15,892. For instance, if the actual number of workweeks between April 7, 2019 and January 23,
4 2024 is determined to be 2% higher than 15,892, the Gross Settlement Amount would be
5 increased by \$17,500.

6 **18. NOTICE OF JUDGMENT**

7 In addition to any duties set out herein, the Settlement Administrator shall provide notice
8 of the Final Judgment entered in the Action by posting the same on its website for a period of no
9 less than four (4) years.

10 **19. WITHDRAWAL FROM SETTLEMENT BASED ON REQUESTS**
11 **FOR EXCLUSION**

12 Defendant shall retain the right to nullify the Agreement in the event that more than ten
13 percent (10%) of Class Members submit timely and valid Requests for Exclusion. Should the
14 10% threshold for opt outs be exceeded, the Settlement Administrator shall notify lead counsel
15 for all Parties via email immediately, and Defendant must provide written notice to Class
16 Counsel of its withdrawal within ten (10) calendar days of receiving sufficient information to
17 determine that the opt out rate exceeds 10%. If Defendant exercises this right, it shall be solely
18 responsible for the costs incurred for settlement administration up to the date of nullification.

19 **20. CONFIDENTIALITY**

20 Except as otherwise agreed in writing between the Parties, both before and following the
21 execution of this Settlement Agreement by the Parties and their counsel, there will be no direct
22 or indirect comment or publication by Plaintiff and Class Counsel of the settlement in terms of
23 affirmative or responsive media statements/comments, press releases or conferences, website
24 postings or content, social media postings or content, other Internet postings or content,
25 subscribed email messages, newsletters, disseminated updates, mass mailings, or any other
26 comment or publication to the press, media or public at large. This shall not apply to or limit the
27
28

1 public filing of motions or other case materials by Class Counsel in the Action related to seeking
2 and obtaining Court approval of the proposed settlement and the related awards of attorneys fees
3 and costs, enhancements and the other relief set forth in this Settlement Agreement, or to
4 communications between Class Counsel and Plaintiff or Settlement Class Members. Class
5 Counsel may otherwise state only that the Action has been settled on terms mutually agreeable
6 to the Parties. The Parties understand and agree that there may be media coverage of the
7 settlement of the Action not initiated by Plaintiff or Class Counsel, directly or indirectly. It is
8 also agreed and understood that the Parties may disclose the settlement to their families, plus
9 their legal, tax, or accounting advisors, insurance companies, or as required by law, regulatory
10 rules or regulatory requirements. Class Counsel may disclose the names of the Parties in the
11 Action, the venues/case numbers, and settlement details available in the public record, for the
12 limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions
13 or for purposes of seeking approval of an unrelated settlement.
14

15 **21. SETTLEMENT WEBSITE**

16 The Parties agree that the Settlement Administrator may use U.S. mail and its own
17 website to provide notice and information about the Settlement to Settlement Class Members.
18 Reference to this Settlement on the Settlement Administrator's website must be taken down
19 within 45 days after the date the Settlement Administrator must remit any unclaimed funds to
20 the State, as set forth in Paragraph 11.A of this Agreement. No information about the Action or
21 the settlement may be posted on Class Counsel's websites or their social media without
22 Defendant's prior written consent, except as expressly set forth in this Agreement.

23 **22. MISCELLANEOUS PROVISIONS**

24 **A. Interpretation of the Agreement, Governing Law.**

25 This Agreement constitutes the entire agreement between the Parties with respect to its
26 subject matter. Except as expressly provided herein, this Agreement has not been executed in
27 reliance upon any other written or oral representations or terms, and no such extrinsic oral or
28

1 written representations or terms shall modify, vary or contradict its terms. In entering into this
2 Agreement, the Parties agree that this Agreement is to be construed according to its terms and may
3 not be varied or contradicted by extrinsic evidence. The Agreement will be interpreted and
4 enforced under the laws of the State of California, both in its procedural and substantive aspects,
5 without regard to its conflict of law provisions. Any claim arising out of or relating to the
6 Agreement, or the subject matter hereof, will be resolved solely and exclusively in the Superior
7 Court of the State of California for the County of Ventura, and Plaintiff and Defendant hereby
8 consent to the personal jurisdiction of the Court in the Action over it solely in connection therewith.
9 The foregoing is only limited to disputes concerning this Agreement. The Parties, and each of
10 them, participated in the negotiation and drafting of this Agreement and had available to them the
11 advice and assistance of independent counsel. As such, neither Plaintiff nor Defendant may claim
12 that any ambiguity in this Agreement should be construed against the other. The Agreement may
13 be modified only by a writing signed by counsel for the Parties and approved by the Court.
14

15 **B. Further Cooperation.**

16 The Parties and their respective attorneys shall proceed diligently to prepare and execute
17 all documents, to seek the necessary approvals from the Court, and to do all things reasonably
18 necessary to consummate the Settlement as expeditiously as possible. The Parties agree that they
19 will not take any action inconsistent with this Agreement, including, without limitation,
20 encouraging Class Members to opt out of the Settlement. In the event the Court finds that any
21 Party has taken actions inconsistent with the Settlement, including, without limitation, encouraging
22 Class Members to opt out of the Settlement, the Court may take any corrective actions, including
23 enjoining any Party from communicating regarding the Settlement on an *ex parte* basis, issuing (a)
24 corrective notice(s), awarding monetary, issue, evidentiary and/or terminating sanctions against
25 that Party, and/or enforcing this Agreement despite the presence of opt-outs and/or objections.
26

27 **C. Counterparts.**

28 The Agreement may be executed in one or more actual or non-original counterparts,

1 including via DocuSign, all of which will be considered one and the same instrument and all of
2 which will be considered duplicate originals.

3 **D. Authority to Enter into Agreement.**

4 Each individual signing below warrants that he or she has the authority to execute this
5 Agreement on behalf of the Party for whom or which that individual signs. Counsel for all Parties
6 warrant and represent they are expressly authorized by the Parties whom they represent to negotiate
7 this Agreement and to take all appropriate actions required or permitted to be taken by the Parties
8 pursuant to this Agreement to effectuate its terms and to execute any other documents required to
9 effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each
10 other and use their best and good-faith efforts to effect the implementation of the Settlement. If the
11 Parties are unable to reach agreement on the form or content of any document needed to implement
12 the Settlement, or on any supplemental provisions that may become necessary to effectuate the
13 terms of this Settlement, the Parties may seek the assistance of the Court to resolve such
14 disagreement.
15

16 **E. Binding On Assigns.**

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

19 **F. Deadlines Falling on Weekends or Holidays.**

20 To the extent that any deadline set forth in this Agreement falls on a Saturday, Sunday, or
21 legal holiday, that deadline shall be continued until the following business day.

22 **G. Jurisdiction of the Court.**

23 Pursuant to California Code of Civil Procedure section 664.6, the Court shall retain
24 jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this
25 Settlement Agreement and all orders and judgments entered in connection therewith, and the
26 Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting,
27 implementing, and enforcing the settlement embodied in this Settlement Agreement and all orders
28

and judgments entered in connection therewith.

H. Severability.

In the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way effect any other provision if Defendant's counsel and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

IT IS SO AGREED:

DATED: 11 / 18 / 2024, 2024



Plaintiff Hayley Aarsvold

DATED: November 20, 2024



Jim Herr, Chief Administrative Officer
Alliance Technical Group, LLC

APPROVED AS TO FORM:

DATED: November 15, 2024

LABOR LAW PC

By: 

Danny Yadidsion, Esq.
Noël Harlow, Esq.
Attorneys for Plaintiff
HAYLEY AARSVOLD

DATED: November 15, 2024

MCGUIREWOODS LLP

By: 

Sabrina A. Beldner, Esq.
David Swarczstejn, Esq.
Attorneys for Defendant
ALLIANCE TECHNICAL GROUP, LLC

Danny Yadidsion, Esq., SBN 260282
 Noël Harlow, Esq., SBN 256124
 LABOR LAW PC
 100 Wilshire Blvd., Suite 700
 Santa Monica, California 90401
 Telephone: (310) 494-6082
 Danny@LaborLawPC.com
 Noel.Harlow @LaborLawPC.com

Attorneys for Plaintiff
 HAYLEY AARSVOLD

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
 FOR THE COUNTY OF VENTURA**

HAYLEY AARSVOLD, individually and on
 behalf of the putative class,

Plaintiff,

v.

ALLIANCE TECHNICAL GROUP, LLC, a
 Limited Liability Company; and DOES 1- 50,
 Inclusive,

Defendants.

CASE NO.: 2023CUOE007584

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

1. **Failure to Pay Overtime Wages;**
2. **Failure to Pay Minimum Wages;**
3. **Failure to Provide Meal Periods;**
4. **Failure to Provide Rest Periods;**
5. **Failure to Furnish Timely and
 Accurate Itemized Wage Statements;**
6. **Failure to Pay All Compensation Due
 Upon Discharge;**
7. **Failure to Timely Pay Wages During
 Employment;**
8. **Failure to Indemnify for Business
 Expenses;**
9. **Unfair, Unlawful, or Fraudulent
 Business Practices (Cal. Bus. & Prof.
 Code § 17200 *et seq.*); and**
10. **Civil Penalties under the Private
 Attorneys General Act (PAGA)**

DEMAND FOR JURY TRIAL

1. Plaintiff Hayley Aarsvold (“Plaintiff”), on behalf of herself and all others similarly
 situated, hereby submits this Complaint against Defendant Alliance Technical Group, LLC, a

Tennessee Limited Liability Company doing business in California, and DOES 1 through 50, inclusive (collectively, “Defendants”), and each of them, and alleges as follows:

INTRODUCTION

2. This is a class action under California Code of Civil Procedure § 382 seeking damages for unpaid wages, unpaid overtime wages, failure to provide meal and rest breaks, failure to pay minimum wages, failure to timely pay wages during employment, unpaid meal and rest breaks, failure to provide accurate itemized wage statements, unreimbursed business expenses, penalties, interest, and other equitable relief, and reasonable attorneys’ fees and costs under Cal. Labor Code (“Labor Code”) §§ 201-203, 204, 210, 226(e), 226.2, 226.7, 510, 512, 558, 1194, 1194.2, 2802, and IWC Wage Order (“Wage Order”) No. 4-2001 §§ 4 and 12, No. 5, Cal. Civ. Proc. Code § 1021.5, and restitution under California’s Unfair Competition Law (“UCL”), Business & Professions Code §§ 17200 *et seq.*

3. This is also a representative action brought by Plaintiff, as a representative of the State of California and the LWDA, and on behalf of Plaintiff and other aggrieved employees, to collect civil penalties for Defendant’s Labor Code violations.

4. Plaintiff brings this action on behalf of herself and all other similarly situated individuals as part of two settlement classes— *(a) the “Non-Exempt Class” consisting of all persons employed in a non-exempt position by Alliance Technical Group, LLC* (“Alliance” or “Defendant”) *in California at any time during the Class Period, and (b) the “Project Manager Class” consisting of all persons employed in an exempt Project Manager position by Alliance Technical Group, LLC in California at any time during the Class Period* (collectively the “Class” or “Class Members”) – in the State of California from April 7, 2019 through the date of preliminary approval of settlement (“Class Period”). Defendant’s violations of California’s wage and hours laws and unfair competition laws, as described more fully below, have been ongoing for at least the past four years, and are continuing at present.

5. During the Class Period, Plaintiff and Class Members were employed as non-exempt employees and misclassified exempt Project Managers by Alliance in California, as defined under the Labor Code and were entitled to hourly pay, payment of minimum wages and

1 all hours worked during their employment, along with premium pay for all overtime worked in
2 accordance with the Labor Code, and they were entitled to either regular meal and rest breaks or
3 premium pay for time worked during meal and rest breaks. Plaintiff and Class Members were also
4 entitled to receive regular, accurate itemized wage statements reflecting the total amount of money
5 which they were owed, meal/rest break premiums, total hours worked, hours worked at each rate
6 of pay, gross and net wages, all wages earned including wages due for all hours worked including
7 work after the finish of the workday, rates of pay including overtime rates, and the accurate name
8 of the company employing them.

9 6. However, Defendant impermissibly classified Plaintiff and the Project Manager
10 Class as exempt employees, and thus refused to pay Plaintiff and other non-exempt Class Members
11 any overtime pay, refused to afford them any meal or rest breaks, and refused to pay them premium
12 pay for denied meal and rest breaks. Indeed, contrary to its claims otherwise, Alliance continued
13 to pay Plaintiff and Project Managers an hourly wage instead of a salary, reflecting their continued
14 treatment as non-exempt hourly employees. Yet Alliance continued to deny overtime pay, meal
15 and rest breaks, and premium pay for denied meal and rest breaks to all Class Members.

16 7. Moreover, Defendant regularly furnished to Plaintiff and all Class Members
17 inaccurate itemized wage statements which failed to include an accurate itemization of the Class
18 Members' meal/rest break premiums, total hours worked, hours worked at each rate of pay, gross
19 and net wages, all wages earned including wages due for all hours worked including work after
20 the finish of the workday, and rates of pay including overtime rates. In addition, these wage
21 statements included the wrong name of the company on each and every statement. Although
22 "Alliance Technical Group, LLC" is the registered name of the company employing Plaintiff and
23 Class Members, the wage statements provided the name "Alliance Source Testing" as the
24 employer, an inaccurate name that is not registered with the California Secretary of State.

25 8. In particular, during the one-year period prior to the filing of this Complaint through
26 to the trial date ("Wage Statement Class Period"), Defendant knowingly and intentionally failed
27 to provide Class Members with accurate itemized wage statements ("Wage Statement Subclass"),
28 in violation of Labor Code § 226(a) and 226.2. Defendant did so by: 1) incorrectly listing the name

1 of Class Members' employer as "Alliance Source Testing" on wage statements, which is not the
2 name of the company nor is it the name of any company registered with the California Secretary
3 of State; and 2) providing wage statements which failed to include an accurate itemization of the
4 Class Members' meal/rest break premiums, total hours worked, hours worked at each rate of pay,
5 gross and net wages, all wages earned including wages due for all hours worked including work
6 after the finish of the workday, and rates of pay including overtime rates.

7 9. In addition, this action is brought on behalf of a subclass comprised of Plaintiff and
8 Class Members formerly employed by Defendant ("Waiting Time Penalty Subclass Class
9 Members"). During the "Waiting Time Penalty Subclass Period" – designated as three years prior
10 to the filing of the Complaint through to the trial date – Defendant failed to pay all compensation
11 due and owing to Waiting Time Penalty Subclass Class Members for their overtime and meal and
12 rest break premium pay upon discharge from employment in violation of Labor Code §§ 201-203.

13 10. As a result of the above Labor Code violations, Defendant committed unfair,
14 unlawful, and fraudulent business practices, in violation of the UCL.

15 THE PARTIES

16 11. Plaintiff is and at all times relevant hereto was a resident of the State of California,
17 County of Ventura.

18 12. Defendant Alliance Technical Group, LLC ("Alliance") is a limited liability
19 company founded in Tennessee with corporate headquarters in Decatur, Alabama. At all times
20 relevant hereto, Defendant Alliance does business and employs individuals in the County of
21 Ventura, State of California.

22 13. Defendant Alliance is Plaintiff's employer within the meaning of the Labor Code
23 and is therefore subject to the jurisdiction of this Court.

24 14. The true names and capacities, whether individual, corporate, associate, or
25 otherwise of the Defendants named herein as DOES 1-50, inclusive, are unknown to Plaintiff at
26 this time and therefore said Defendants are sued by such fictitious names. Plaintiff will seek leave
27 to amend this Complaint to insert the true names and capacities of said Defendants when the same
28 become known to Plaintiff. Plaintiff is informed and believes and thereupon alleges that each of

1 the fictitiously-named Defendants is responsible for the wrongful acts alleged herein and is
2 therefore liable to Plaintiff as alleged hereinafter.

3 15. Plaintiff is informed and believes, and based thereupon alleges, that at all times
4 relevant hereto, Defendants, and each of them, were the agents, employees, managing agents,
5 supervisors, conspirators, parent corporation, joint employers, alter ego, and/or joint ventures of
6 the other Defendants, and each of them, and in doing the things alleged herein, were acting at least
7 in part within the course and scope of said agency, employment, conspiracy, joint employment,
8 alter ego status, and/or joint venture and with the permission and consent of each of the other
9 Defendants.

10 16. Plaintiff is informed and believes, and based thereupon alleges, that Defendants,
11 and each of them, including those Defendants named DOES 1-50, acted in concert with one
12 another to commit the wrongful acts alleged therein, and aided, abetted, incited, compelled, and/or
13 coerced one another in the wrongful acts alleged herein, and/or attempted to do so. Plaintiff is
14 further informed and believes, and based thereupon alleges, that the Defendants, and each of them,
15 including those Defendants named as DOES 1-50, formed and executed a conspiracy or common
16 plan pursuant to which they would commit the unlawful acts alleged herein, with all such acts
17 alleged herein done as part of and pursuant to said conspiracy, intended to and actually causing
18 Plaintiff harm.

19 17. Whenever and wherever reference is made in this Complaint to any act or failure
20 to act by a Defendant or co-Defendant, such allegations and references shall also be deemed to
21 mean the acts and/or failures to act by each Defendant acting individually, jointly and severally.

22 JURISDICTION

23 18. This Court has jurisdiction over Plaintiff's and Class Members' claims under Labor
24 Code §§ 201-203, 226, 510, 512, 558, 1194, 2802, Wage Order Nos. 4 and 5, and the UCL, Bus.
25 & Prof. Code §§ 17203 and 17204.

26 19. The amount in controversy for Plaintiff, including claims for civil penalties and pro
27 rata share of attorneys' fees, is less than seventy-five thousand dollars (\$75,000).

28 VENUE

20. Venue is proper in the County of Ventura pursuant to Cal. Civ. Proc. Code § 395(a) and 395.5. Defendant is a Tennessee limited liability company with its headquarters in Decatur, Alabama. Defendant does, however, maintain places of business in California, including in Camarillo, County of Ventura, California. Many of the actions complained of giving rise to this action took place in Ventura County.

ALTER EGO, AGENCY, AND JOINT EMPLOYER

21. Plaintiff is informed and believes, and based thereon alleges, that there exists such a unity of interest and ownership between Defendants and DOES 1-50 that the individuality and separateness of Defendants have ceased to exist.

22. Plaintiff is informed and believes, and based thereon alleges, that despite the formation of purported corporate existence, DOES 1-50 are, in reality, one and the same as Defendants, including, but not limited to because:

a. Defendants are completely dominated and controlled by DOES 1-50, who personally violated the laws as set forth in this complaint, and who have hidden and currently hid behind Defendants to circumvent statutes or accomplish some other wrongful or inequitable purpose.

b. DOES 1-50 derive actual and significant monetary benefits by and through Defendants' unlawful conduct, and by using Defendants as the funding source for their own personal expenditures.

c. Plaintiff is informed and believes that Defendants and DOES 1-50, while really one and the same, were segregated to appear as though separate and distinct for purposes of circumventing a statute or accomplishing some other wrongful or inequitable purpose.

d. Plaintiff is informed and believes that Defendants do not comply with all requisite corporate formalities to maintain a legal and separate corporate existence.

e. Plaintiff is informed and believes, and based thereon alleges, that the business affairs of Defendants and DOES 1-50 are, and at all times relevant were, so mixed and intermingled that the same cannot reasonably be segregated, and the same are in inextricable confusion. Defendants are, and at all times relevant hereto were, used by DOES 1-50 as a mere

1 shell and conduit for the conduct of certain of Defendants' affairs, and are, and were, the alter ego
2 of DOES 1-50. The recognition of the separate existence of Defendants would not promote
3 justice, in that it would permit Defendants to insulate themselves from liability to Plaintiff for
4 violations of the Government Code, Labor Code, and other statutory violations. The corporate
5 existence of Defendants and DOES 1-50 should be disregarded in equity and for the ends of
6 justice because such disregard is necessary to avoid fraud and injustice to Plaintiff herein.

7 23. Accordingly, Defendants constitute the alter ego of DOES 1-50, and the fiction of
8 their separate corporate existence must be disregarded.

9 24. As a result of the aforementioned facts, Plaintiff is informed and believes, and based
10 thereon alleges that Defendant and DOES 1-50 are Plaintiff's joint employers by virtue of a joint
11 enterprise, and that Plaintiff was an employee of Defendants and DOES 1-50. Plaintiff performed
12 services for each and every one of Defendants, and to the mutual benefit of all Defendants, and all
13 Defendants shared control of Plaintiff as an employee, either directly or indirectly, in the manner
14 in which Defendants' business was and is conducted.

15 **FACTUAL ALLEGATIONS COMMON TO ALL CLAIMS**

16 25. Alliance is headquartered in Decatur, Alabama and was founded in 2000.
17 According to its website, Alliance "is a strategic and trusted partner providing premier technical
18 solutions that support the full spectrum of customers' environmental needs. Alliance addresses our
19 customers' needs across multiple service lines – Stack Testing, Leak Detection & Repair,
20 Continuous Emission Monitoring Systems, Mechanical Field Services, Analytical Laboratory
21 Services, Ambient Air Monitoring, Software and Technology and Environmental Consulting while
22 providing innovative technological solutions that reduce risk and help ensure compliance."
23 Alliance boasted over 950 skilled workforce "technical professionals" across more than 35
24 national locations, including in Camarillo, CA, Cypress, CA, Signal Hill, CA, and two locations
25 in Bakersfield, CA.

26 26. During her employment with Alliance, and within the relevant time period, Plaintiff
27 was initially employed as a non-exempt Project Manager I and was subsequently promoted to
28

1 Project Manager II and Project Manager III positions in which she was classified as an exempt,
2 salaried employee.

3 ***The Non-Exempt Class***

4 27. Throughout the Class Period, Alliance employed the Non-Exempt Class in various
5 non-exempt positions within the state of California.

6 28. Throughout the Class Period, Plaintiff and the Non-Exempt Class Members were
7 not paid minimum wages during some portions of their employment because Defendant failed to
8 pay Class Members for all hours worked, resulting in total compensation being reduced below
9 minimum wages.

10 29. Throughout the Class Period, Plaintiff and the Non-Exempt Class Members
11 regularly worked overtime by working more than 8 hours in a day and/or more than 40 hours in a
12 week, but were not paid (or paid correctly) overtime or double time for all overtime hours worked,
13 including because they were not paid for all work performed and because Alliance failed to include
14 all required forms of compensation in the calculation of the regular rate of pay for purposes of the
15 overtime and/or doubletime rates of pay.

16 30. Throughout the Class Period, Plaintiff and the Non-Exempt Class Members were
17 also not afforded legally compliant meal or rest breaks. Alliance also did not provide premium pay
18 for missed meal and rest breaks.

19 31. Throughout the Class Period, Plaintiff and the Non-Exempt Class Members were
20 not paid for all wages during their employment including but limited to payment for all hours
21 worked and overtime for hours over eight hours in a given shift.

22 32. Throughout the Class Period, Plaintiff and the Non-Exempt Class Members
23 incurred, at times, necessary expenditures or losses during the course of their employment with
24 Alliance, and at the directions of Defendant that included mileage and/or gas costs incurred in
25 driving personal vehicles for work-related purposes and using cellular phones for work-related
26 purposes.

27 33. Throughout the Class Period, Alliance failed to include an accurate itemization of
28 the Non-Exempt Class Members' meal/rest break premiums, total hours worked, hours worked at

each rate of pay, gross and net wages, all wages earned including wages due for all hours worked including work after the finish of the workday, and rates of pay including overtime rates. In addition, on each and every wage statement provided to Plaintiff and Non-Exempt Class Members, the employer name listed was “Alliance Source Testing.” But this is not the accurate name of the company employing Plaintiff and the Class. In fact, the name “Alliance Source Testing” is not registered with the California Secretary of State at all. The correct name of the employer is Alliance Technical Group, LLC.

34. Throughout the Class Period, Plaintiff and Non-Exempt Class Members who separated from their employment with Alliance were not paid all wages due and owing to them immediately upon discharge or within seventy-two hours of their resignation of employment.

The Project Manager Class

35. Throughout the Class Period, Plaintiff and Project Manager Class Members were employed as Project Managers, a non-managerial, non-supervisory role wherein they conducted onsite environmental testing for clients, provided laboratory analysis of samples, completed technical reports, or supported these efforts at one of Alliance’s five California locations.

36. Despite being given a title of “Project Manager”, Plaintiff and the Project Manager Class Members did not have managerial or supervisory responsibilities. As “Project Managers,” their job was to conduct environmental testing in teams of 2-4 in the field at various client sites. In this role, Project Managers communicated and coordinated site visits with the clients, prepared equipment before mobilizing to the job site, coordinated with laboratories for sample drop and delivery, and ensured that all data in the field was collected correctly and completely. Following site work, Project Managers reviewed the data collected and worked with technical writers to complete a report that was completed.

37. Plaintiff and the Project Manager Class Members did not have discretion over their projects or the amount of time it took to complete the projects, but Alliance regularly required Plaintiff and the Project Manager Class Members to work 40-65 hour weeks to complete these technically challenging projects, recording time as directed by Alliance and working on jobs assigned to them for as long as Alliance deemed was necessary to complete the onsite work.

38. Plaintiff and the Project Manager Class did not schedule jobs, help with billing, hire or fire anyone, or directly supervise anyone.

39. Yet Alliance unilaterally and improperly classified Plaintiff and the Project Manager Class Members as “salaried” employees exempt from overtime laws and meal and rest break laws.

40. Plaintiff and the Project Manager Class Members regularly worked overtime by working more than 8 hours in a day (often more than 12 hours in a day), and more than 40 hours in a week. They were not paid overtime or double time.

41. Plaintiff and the Project Manager Class Members were also not afforded legally compliant meal or rest breaks. Alliance also did not provide premium pay for missed meal and rest breaks.

42. In Plaintiff’s case, which in her experience was typical of other employees, Alliance unilaterally declared Plaintiff a salaried employee who would not be paid overtime or afforded meal or rest breaks. When Plaintiff complained to Regional Manager Shamit Nakura, and eventually President Ryan O’Dea, both individuals refused to change the way Plaintiff was classified, paid, or treated. On information and belief, this experience is typical of the way Alliance treated all Project Manager Class Members.

43. Despite Alliance’s claims that Plaintiff and Project Manager Class Members were exempt employees paid a salary, their paystubs tell a different story. For example, Plaintiff’s and the Project Manager Class Members’ wage statements clearly show that they paid an hourly rate and paid only for the hours worked, resulting in fluctuations in their paychecks from week to week, like an hourly non-exempt employee rather than an exempt salaried employee. However, these wage statements also reflect routine, repeated, and deliberate violations of California labor laws:

44. Failure to Pay Overtime: Plaintiff and the Project Manager Class Members were not compensated (or properly compensated) for overtime worked. Plaintiff and other Project Manager Class Members were not paid for all hours worked, including overtime hours. Plaintiff’s and the Project Manager Class Members’ wage statements clearly show individual days in which they worked far in excess of eight hours, sometimes in excess of 12 hours. But every day was paid

1 at the “regular pay” rate with no overtime paid at all. In addition, many pay periods included
2 workweeks worked well in excess of 40 hours per week, including many weeks as high as 65
3 hours. But no overtime or doubletime was ever paid to salaried, exempt Project Managers. Further,
4 such overtime and/or doubletime hours should have been paid at an appropriate overtime and/or
5 doubletime rate that included all required forms of compensation in the calculation of the regular
6 rate of pay for purposes of the overtime and/or doubletime rates of pay.

7 45. Failure to Pay Premiums for Missed Meal and Rest Breaks: Nowhere on Plaintiff’s
8 or the Project Manager Class Members’ wage statements is there any reflection of premium pay
9 for missed meal and rest breaks, despite Alliance denying Project Manager Class Members the
10 opportunity to take such meal and rest breaks as required by California law.

11 46. Failure to Pay Minimum Wages: Project Manager Class Members were not paid
12 minimum wages during some portions of their employment because Defendant failed to pay Class
13 Members for all hours worked, resulting in total compensation being reduced below minimum
14 wages.

15 47. Failure to Pay Wages During Employment: Project Manager Class Members were
16 not paid for all wages during their employment including but limited to payment for all hours
17 worked and overtime for hours over eight hours in a given shift.

18 48. Failure to Indemnify for Business Expenses: Project Manager Class Members
19 incurred, at times, necessary expenditures or losses during the course of their employment with
20 Alliance, and at the directions of Defendant that included mileage and/or gas costs incurred in
21 driving personal vehicles for work-related purposes and using cellular phones for work-related
22 purposes.

23 49. Inaccurate Wage Statements: Throughout the Class Period, Alliance failed to
24 include an accurate itemization of the Project Manager Class Members’ meal/rest break premiums,
25 total hours worked, hours worked at each rate of pay, the correct salary and/or hourly rate of pay,
26 gross and net wages, all wages earned including wages due for all hours worked including work
27 after the finish of the workday, and rates of pay including overtime rates. In addition, on each and
28 every wage statement provided to Plaintiff and Project Manager Class Members, the employer

1 name listed was “Alliance Source Testing.” But this is not the accurate name of the company
2 employing Plaintiff and the Class. In fact, the name “Alliance Source Testing” is not registered
3 with the California Secretary of State at all. The correct name of the employer is Alliance Technical
4 Group, LLC.

5 50. Failure to Pay Wages Upon Separation: Throughout the Class Period, Plaintiff and
6 Project Manager Class Members who separated from their employment with Alliance were not
7 paid all wages due and owing to them immediately upon discharge or within seventy-two hours of
8 their resignation of employment.

9 **CLASS ACTION ALLEGATIONS**

10 51. Plaintiff brings this class action pursuant to Cal. Civ. Proc. Code § 382 on behalf
11 of the Class and Waiting Time Penalty Subclass. Upon information and belief, the members of the
12 Class and Waiting Time Penalty Subclass are so numerous that joinder of all members is
13 impractical.

14 52. Plaintiff’s claims are typical of the claims of the members of the Class and Waiting
15 Time Penalty Subclass because she was an employee of Defendant who was (a) not paid any
16 premium overtime pay for the duration of her employment at Alliance; (b) was not authorized to
17 take meal or rest breaks for the duration of her employment at Alliance; (c) was not paid a premium
18 rate for denied meal and rest breaks for the duration of her employment at Alliance; (d) was
19 provided with inaccurate wage statements that incorrectly listed her employer as “Alliance Source
20 Testing” and which provided inaccurate sums of money to be paid to Plaintiff; and (e) was not
21 paid all wages due at termination. Further, Plaintiff is a member of the Non-Exempt Class with
22 respect to the period of time within the Class Period that she was employed as a non-exempt
23 employee, and is also a member of the Project Manager Class with respect to the period of time
24 within the Class Period that was employed as an exempt Project Manager.

25 53. Plaintiff will fairly and adequately represent the interests of the Class and Waiting
26 Time Penalty Subclass. Plaintiff has no conflict of interest with any member of the Class and
27 Waiting Time Penalty Subclass. Plaintiff has retained competent and experienced counsel in
28

1 complex class action litigation. Plaintiff's counsel has the expertise and financial resources to
2 adequately represent the interests of the Class and Waiting Time Penalty Subclass.

3 54. Common questions of law and fact exist as to all members of the Class and the
4 Waiting Time Penalty Subclass and predominate over any questions solely affecting individual
5 members of the Class and Subclass. Among the questions of law and fact common to the Plaintiff
6 and the Class and Subclass are the following:

- 7 a. Whether the Project Manager Class Members are non-exempt employees,
8 entitled to at least minimum wage for all hours worked, entitled to overtime
9 premium pay, entitled to paid off-duty rest and meal breaks, and/or entitled to
10 separate and hourly premium pay for their time spent working on meal and rest
11 breaks;
- 12 b. Whether Defendant violated Labor Code §§ 226.2 and 1194 and Wage Order
13 No. 4 2001, § 4 by failing to pay Plaintiff and the Class overtime premium pay
14 (or to properly pay overtime premium pay) for their overtime work as defined
15 by the Labor Code during the Class Period;
- 16 c. Whether Defendant is liable for liquidated damages to Plaintiff and the Class
17 under Labor Code § 1194.2 for its failure to pay overtime premium pay during
18 the Class Period;
- 19 d. Whether Defendant violated Wage Order No. 4-2001 § 12 and maintained
20 policies and practices that prevented or impeded Class Members from being
21 provided lawful meal periods during the Class Period;
- 22 e. Whether Defendant violated Labor Code § 226.7 and Wage Order No. 4-2001
23 § 12 by failing to pay (or failing to properly pay) one hour of premium pay to
24 each member of the Class for each day that a lawful meal period was not
25 provided during the Class Period;
- 26 f. Whether Defendant violated Wage Order No. 4-2001 § 12 and maintained
27 policies and practices that prevented or impeded Class Members from being
28 authorized and permitted to take paid rest periods during the Class Period;

- 1 g. Whether Defendant violated Labor Code § 226.7 and Wage Order No. 4-2001
2 § 12 by failing to pay (or failing to properly pay) one hour of premium pay to
3 each member of the Class for each day that a paid rest period was not provided
4 during the Class Period;
- 5 h. Whether Defendant violated Labor Code § 226(a) and 226.2 by failing to issue
6 accurate itemized wage statements to Wage Statement Subclass Class
7 Members;
- 8 i. Whether Defendant's violation of Labor Code § 226(a) was knowing and
9 intentional;
- 10 j. Whether Wage Statement Subclass Class Members suffered injury for the
11 purposes of Labor Code § 226(e);
- 12 k. Whether Defendant violated Labor Code § 203 by failing to pay Waiting Time
13 Penalty Subclass for all of their wages due to them upon separation of their
14 employment, including the wages owed to them for their time spent on rest
15 periods;
- 16 l. Whether Defendant failed to timely pay to Class Members all wages during
17 employment in violation of Labor Code § 204;
- 18 m. Whether Defendant failed to reimburse Class Members for all necessary
19 business expenses and expenditures, including mileage and gas expenses for the
20 use of their personal vehicles in violation of Labor Code § 2802;
- 21 n. Whether these violations constitute unfair, unlawful, and fraudulent business
22 practices, in violation of UCL;
- 23 o. Whether Plaintiff and Class Members are entitled to restitution under Bus. &
24 Prof. Code § 17200 et seq. for uncompensated wages, unpaid premium pay, and
25 unreimbursed Cell Phone Business Expenses;
- 26 p. The proper formula(s) for calculating damages, interest, and restitution owed to
27 Plaintiff and the Class and Subclass Members; and
- 28 q. Whether the Class is entitled to declaratory relief.

55. Class action treatment is superior to any alternative to ensure the fair and efficient adjudication of the controversy alleged herein. Such treatment will permit a large number of similarly situated persons to prosecute their common claims in a single forum simultaneously, efficiently, and without duplication of effort and expense that numerous individual actions would entail. No difficulties are likely to be encountered in the management of this class action that would preclude its maintenance as a class action, and no superior alternative exists for the fair and efficient adjudication of this controversy. Class Members are readily identifiable from Defendant's employee rosters and/or payroll records.

56. Defendant's actions are generally applicable to the entire Class. Prosecution of separate actions by individual members of each Class creates the risk of inconsistent or varying adjudications of the issues presented herein, which, in turn, would establish incompatible standards of conduct for Defendant.

57. Because joinder of all members is impractical, a class action is superior to other available methods for the fair and efficient adjudication of this controversy. Furthermore, the amounts at stake for many members of each Class, while substantial, may not be sufficient to enable them to maintain separate suits against Defendant.

PAGA ALLEGATIONS

58. This action is brought on behalf of Plaintiff and similarly-situated employees at all of Defendants' California locations to recover penalties for Defendants' failure to pay (or properly pay) overtime, failure to pay minimum wages, failure to provide meal and rest breaks and/or pay (or properly pay) meal and rest break premiums, failure to provide timely and accurate wage statements, failure to pay wages during employment, misclassification of the Project Manager Class as exempt, failure to pay all compensation owing upon discharge, failure to pay wages for all hours worked, failure to reimburse employees for necessary expenditures, and improper deductions from salary of exempt employees for partial day absences, Plaintiff seeks to stand in as a representative pursuant to the California Private Attorneys General Act and recover civil penalties for these violations.

FIRST CAUSE OF ACTION AGAINST ALL DEFENDANTS

Failure to Pay Overtime Wages

(California Labor Code §§ 510, 558 and Wage Order 5)

59. Plaintiff re-alleges, on behalf of herself and Class Members, each and every paragraph of this Complaint as though fully set forth.

60. California Labor Code §§ 510, 558, and Wage Order 5 entitle non-exempt employees to overtime premiums for hours worked in excess of eight (8) in a given day, forty (40) in a given workweek, or on the seventh day worked in a single workweek. All hours must be paid at the statutory or agreed rate and no part of this rate may be used as a credit against a minimum wage obligation.

61. Plaintiff and members of the Class Members worked in excess of eight hours per day and in excess of forty hours per week, and Defendant unlawfully failed to pay Plaintiff and Class Members the proper overtime compensation.

62. As a result of these violations, Defendant is liable for unpaid overtime wages, interest thereon, and attorneys' fees and costs.

63. Plaintiff, on behalf of herself and Class Members, also requests relief as described below.

SECOND CAUSE OF ACTION AGAINST ALL DEFENDANTS

Failure to Pay Minimum Wages

(California Labor Code §§ 1197, 1199 and Wage Order 5)

64. Plaintiff re-alleges, on behalf of herself and Class Members, each and every paragraph of this Complaint as though fully set forth.

65. Pursuant to Labor Code section 1197 and applicable Wage Orders, Plaintiffs and Class Members were entitled to receive minimum wages for all hours worked or otherwise under Defendants' control.

66. Defendant unlawfully failed to pay Plaintiff and Class Members for all hours worked at their regular rate of pay that is above the minimum wage to the detriment of Plaintiff and Class Members.

67. As a result of these violations, Defendant is liable for unpaid minimum wages, interest thereon, and attorneys' fees and costs.

68. Pursuant to Labor Code sections 218.6, 1194, 1194.2, Code of Civil Procedure sections 1021.5 and 1032, and Civil Code section 3287, Plaintiffs and Class Members are entitled to recover the full amount of unpaid minimum wages, interest and penalties thereon, liquidated damages, reasonable attorneys' fees and costs of suit.

69. Plaintiff, on behalf of herself and Class Members, also requests relief as described below.

THIRD CAUSE OF ACTION AGAINST ALL DEFENDANTS

Failure to Provide Meal Periods

(California Labor Code §§ 226.7, 512, and Wage Order 5)

70. Plaintiff re-alleges, on behalf of herself and Class Members, each paragraph of this Complaint as though fully set forth.

71. Defendant failed to provide meal periods as required by Labor Code §§ 226.7, 512 and Wage Order 5.

72. Plaintiff and Class Members worked in excess of five hours a day without being provided at least half hour meal periods in which they were relieved of their duties, as required by Labor Code §§ 226.7 and 512 and Wage Order 5. See Brinker Restaurant Corp., et al. v. Superior Court (2012) 53 Cal. 4th 1004, 1040-41 ("The employer satisfies this obligation if it relieves its employees of all duty, relinquishes control over their activities and permits them a reasonable opportunity to take an uninterrupted 30-minute period, and does not impede or discourage them from doing so . . . [A] first meal period [is required] no later than the end of an employee's fifth hour of work, and a second meal period [is required] no later than the end of an employee's 10th hour of work.").

73. Because Defendant failed to provide proper meal periods, it is liable to Plaintiff and Class Members for one hour of additional pay at the regular rate of compensation for each work day that the proper meal periods were not provided, pursuant to Labor Code §§ 226.7 and 512 and Wage Order 5, as well as interest thereon, plus reasonable attorneys' fees and costs of suit pursuant

1 to Civil Procedure Code § 1021.5.

2 74. Plaintiff, on behalf of herself and Class Members, also requests further relief as
3 described below.

4 **FOURTH CAUSE OF ACTION AGAINST ALL DEFENDANTS**

5 Failure to Provide Rest Periods

6 (California Labor Code § 226.7 and Wage Order 5)

7 75. Plaintiff re-alleges, on behalf of herself and Class Members, each paragraph of this
8 Complaint as though fully set forth.

9 76. Defendant failed to provide the rest periods that are required by Wage Order 5. See
10 Brinker, 53 Cal. 4th 1004 at 1029 (“Employees are entitled to 10 minutes rest for shifts from three
11 and one-half to six hours in length, 20 minutes for shifts of more than six hours up to 10 hours, 30
12 minutes for shifts of more than 10 hours up to 14 hours, and so on.”).

13 77. Because Defendant failed to provide proper rest periods, it is liable to Plaintiff and
14 Class Members for one hour of additional pay at the regular rate of compensation for each workday
15 that the proper rest periods were not provided, pursuant to Labor Code § 226.7 and Wage Order 5,
16 as well as interest thereon, plus reasonable attorneys’ fees and costs of suit pursuant to Civil
17 Procedure Code § 1021.5.

18 78. Plaintiff, on behalf of herself and Class Members, also requests relief as described
19 below.

20 **FIFTH CAUSE OF ACTION AGAINST ALL DEFENDANTS**

21 Failure to Furnish Timely and Accurate Itemized Wage Statements

22 (California Labor Code § 226.7 and Wage Order 5)

23 79. Plaintiff re-alleges, on behalf of herself and Class Members, each paragraph of this
24 Complaint as though fully set forth.

25 80. In violation of Labor Code § 226(a), Defendant did not provide Plaintiff or Class
26 Members with accurate itemized wage statements in writing showing: (1) all applicable hourly
27 rates in effect during each respective pay period and the corresponding number of hours worked
28 by each respective individual; (2) number of hours worked; (3) gross wages earned; (4) net wages

1 earned; (5) all deductions; (6) inclusive dates of the period for which the employee is paid; (7) the
 2 employee identification or social security number; and, (8) the name and address of the legal entity
 3 that is the employer.

4 81. In particular, Defendant failed to include an accurate itemization of the Class
 5 Members' meal/rest break premiums, total hours worked, hours worked at each rate of pay, gross
 6 and net wages, all wages earned including wages due for all hours worked including work after
 7 the finish of the workday, and rates of pay including overtime rates. In addition, Defendant
 8 included the wrong name of the business entity on the wage statements, including the name
 9 "Alliance Source Testing" instead of the accurate name Alliance Technical Group, LLC.

10 82. As a result of Defendant's failure to provide accurate itemized wages statements,
 11 Plaintiff and Class Members suffered actual damages and harm by being unable to determine their
 12 applicable hourly rate for each pay period, which prevented them from becoming aware of these
 13 violations and asserting their statutory protections under California law.

14 83. Defendant knowingly and intentionally failed to comply with Labor Code § 226(a)
 15 on each and every wage statement provided to Plaintiff and Class Members.

16 84. Pursuant to Labor Code § 226(e), Plaintiff and Class Members are entitled to
 17 recover the greater of all actual damages or fifty dollars (\$50.00) for the initial pay period in which
 18 a violation occurs and one hundred dollars (\$100.00) per employee for each violation in a
 19 subsequent pay period, not exceeding an aggregate penalty of four thousand dollars (\$4,000.00).

20 85. Plaintiff and Class Members are entitled to an award of costs and reasonable
 21 attorneys' fees under Labor Code § 226(h).

22 86. Plaintiff, on behalf of herself and Class Members, also requests relief as described
 23 below.

24 **SIXTH CAUSE OF ACTION AGAINST ALL DEFENDANTS**

25 Failure to Pay All Compensation Due Upon Discharge

26 (California Labor Code §§ 201-203)

27 87. Plaintiff re-alleges, on behalf of herself and Class Members, each paragraph of this
 28 Complaint as though fully set forth.

88. California Labor Code §§ 201 and 202 require Defendant to pay all compensation due and owing to former employees immediately upon discharge or within seventy-two hours of their termination of employment. California Labor Code § 203 provides that if an employer willfully fails to pay compensation promptly upon discharge or resignation, as required by Sections 201 and 202, then the employer is liable for such “waiting time” penalties in the form of continued compensation up to thirty workdays.

89. Defendant willfully failed to pay Plaintiff and Waiting Time Penalty Subclass Class Members who are no longer employed by Defendant compensation due upon termination as required by California Labor Code §§ 201 and 202. As a result, Defendant is liable to Plaintiff and Waiting Time Penalty Subclass Class Members waiting time penalties provided under California Labor Code § 203, plus reasonable attorneys’ fees and costs of suit.

90. Plaintiff, on behalf of herself and Class Members, also requests relief as described below.

SEVENTH CAUSE OF ACTION AGAINST ALL DEFENDANTS

Failure to Timely Pay Wages During Employment

(California Labor Code §§ 204, 210)

91. Labor Code § 204 requires that all wages are due and payable twice in each calendar month. The wages required by Labor Code §§ 226.7, 510, 1194, 1197 and other sections became due and payable to Plaintiff and Class Members in each month that he or she was not paid all lawful wages owed or provided with lawful meal period or rest period premiums to which he or she was entitled. Defendants violated Lab. Code § 204 by failing to pay said wages when they were due and payable.

92. Labor Code section 210 (a) provides that “In addition to, and entirely independent and apart from, any other penalty provided in this article, every person who fails to pay the wages of each employee as provided in Sections 201.3, 204, 204b, 204.1, 204.2, 204.11, 205, 205.5, and 1197.5, shall be subject to a penalty as follow: (1) For any initial violation, one hundred dollars (\$100) for each failure to pay each employee. (2) For each subsequent violation, or any willful or

1 intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25
2 percent of the amount unlawfully withheld.”

3 93. As a result of the unlawful acts of Defendants alleged herein, Plaintiffs and the
4 Class they seek to represent have been deprived of wages in amounts to be determined at trial, and
5 are entitled to recovery of such amounts, plus interest and penalties.

6 94. Plaintiffs and Class Members are entitled to recover the full amount of unpaid
7 wages, interest and penalties thereon, reasonable attorneys’ fees and costs of suit.

8 95. Plaintiff, on behalf of herself and Class Members, also requests relief as described
9 below.

10 **EIGHTH CAUSE OF ACTION AGAINST ALL DEFENDANTS**

11 Failure to Indemnify For Business Expenses

12 (California Labor Code § 2802)

13 96. Plaintiff re-alleges, on behalf of herself and Class Members, each paragraph of this
14 Complaint as though fully set forth.

15 97. Labor Code section 2802, subdivision (a) provides that “an employer shall
16 indemnify his or her employee for all necessary expenditures or losses incurred by the employee
17 in direct consequence of the discharge of his or her duties . . .”.

18 98. For three (3) years prior to the filing of the Complaint in this Action through the
19 present, Defendant required Plaintiff and Class Members, or some of them, to incur, at times,
20 necessary expenditures or losses in direct consequence of the discharge of their duties or at the
21 obedience to the directions of Defendant that included, without limitation: mileage and/or gas costs
22 incurred in driving personal vehicles for work-related purposes, and using cellular phones for
23 work-related purposes.

24 99. During that time period, Plaintiff are informed and believe, and based thereon
25 allege that Defendant failed and refused, and still fail and refuse, at times, to reimburse Plaintiff
26 and Class Members for those losses and/or expenditures.

27 100. As a result of Defendant’s unlawful conduct, Plaintiff and Class Members have
28 suffered damages in an amount subject to proof, to the extent they were not reimbursed for the

herein-described losses and/or expenditures.

101. Pursuant to Labor Code sections 2802 and 2804, Plaintiff and Class Members are entitled to recover reimbursement for their losses and/or expenditures, reasonable attorneys' fees and costs of suit.

NINTH CAUSE OF ACTION AGAINST ALL DEFENDANTS

Unfair Business Practices in Violation of California

(Bus. & Prof. Code §§ 17200 *et seq.*)

102. Plaintiff re-alleges, on behalf of herself and Class Members, each paragraph of this Complaint as though fully set forth.

103. Plaintiff brings this cause of action individually and as a representative of all others subject to Defendant's unlawful acts and practices.

104. Business and Professions Code § 17200 prohibits unfair competition in the form of any unlawful, unfair, or fraudulent business act or practice. Business and Professions Code § 17204 allows "any person who has suffered injury in fact and has lost money or property" to prosecute a civil action for violation of the Unfair Competition Law.

105. Defendant committed unlawful, unfair, and/or fraudulent business acts and practices as defined by Business and Professions Code § 17200 by failing to pay overtime wages and failing to pay wages for missed meal and rest periods.

106. The above-described unlawful actions of Defendant constitute false, unfair, fraudulent and/or deceptive business practices, within the meaning of Business and Professions Code § 17200, *et seq.*

107. As a result of its unlawful acts, Defendant reaped unfair benefits and illegal profits at the expense of Plaintiff, and the Class she seeks to represent. Defendant should be enjoined from this activity, caused to specifically perform its obligations, and made to disgorge these ill-gotten gains and pay restitution to Plaintiff and the members of the Class including, but not limited to, restitution of all unpaid wages, plus interest, as well as attorneys' fees and costs.

108. Plaintiff, on behalf of herself and Class Members, also request relief as described below.

TENTH CAUSE OF ACTION AGAINST ALL DEFENDANTS

Civil Penalties Under the Private Attorneys General Act,

Labor Code Section 2699 et seq., For Violations of the Labor Code

109. Plaintiff incorporates herein by specific reference, as though fully set forth, the allegations in all preceding paragraphs.

110. Plaintiff sent notice to Defendant and the Labor Workforce Development Agency (hereinafter referred to as “LWDA”) on or about April 21, 2023, detailing Defendant’s Labor Code violations. Over 65 days have passed since the postmark date of the notice and Plaintiff has not been in receipt of any communication from the LWDA indicating an intent to pursue this matter. Further, on April 15, 2024, Plaintiff sent an amended notice to Defendant and the LWDA, to include additional claims of Plaintiff and other aggrieved employees against Defendant. Therefore, Plaintiff now acts as a private attorney general to collect civil penalties for Defendants’ Labor Code violations. California Labor Code §§2698-2699.5, in relevant part provides, “any provision of this code that provides for a civil penalty to be assessed and collected by the Labor and Workforce Development Agency...for a violation of this code, may, as an alternative, be recovered through a civil action brought by an aggrieved employee on behalf of himself or herself and other current or former employees pursuant to the procedures specified in Section 2699.3.”

111. As an aggrieved employee, Plaintiff brings this civil action on behalf of herself and other aggrieved employees including (a) all persons employed in a non-exempt position by Alliance in California at any time from April 21, 2022 through the date of preliminary approval of settlement (the “PAGA Period”), and (b) all persons employed as Project Managers by Alliance in California at any time during the PAGA Period. The aggrieved employees seek to recover penalties for failure to pay (or properly pay) overtime, failure to provide meal and rest breaks and/or pay (or properly pay) meal and rest break premiums, failure to pay wages for all hours worked including minimum wages, failure to reimburse employees for necessary expenditures, improper deductions from salary of exempt employees for partial day absences, failure to furnish timely and accurate wage statements/payroll records (including, without limitation, including the incorrect employer/entity name), failure to maintain required records, unlawfully withheld wages for meal

1 and rest period violations, unlawfully withheld wages for overtime work, failure to timely pay
2 wages during employment and/or at separation, miscalculation of regular rate of pay for overtime
3 and break premiums, and violation of other California laws, as well as other statutory penalties
4 and damages owed to Plaintiff by Respondents.

5 112. Defendants violated California Minimum Wage Order (MW-2014), Labor Code
6 sections 1194, 201, 202, 203, 204, 226.2 by not paying Plaintiffs' and other aggrieved employees'
7 agreed upon wage and minimum wage for hours worked after the finish time of the workday. Labor
8 Code section 1194 states that any employee receiving less than the legal minimum wage is entitled
9 to recover in a civil action the full amount of this minimum wage, including interest thereon,
10 reasonable attorney's fees, and costs of suits. Labor Code section 1194.2 states that in any action
11 under section 1194 to recover wages because of the payment of a wage less than the minimum
12 wage an employee shall be entitled to recover liquidated damages in an amount equal to the wages
13 unlawfully paid and interest thereon. All of the above violations were suffered by Plaintiff and
14 Class Members at all of Defendants' locations in California during the PAGA Period.

15 113. Defendants violated California Labor Code § 221, in relation to §§ 201, 202, 203,
16 226 and 515, for improper or unauthorized deductions from the salary of exempt employees for
17 partial day absences. California Labor Code § 221 provides that "It shall be unlawful for any
18 employer to collect or receive from an employee any part of wages theretofore paid by said
19 employer to said employee." Defendants are prohibited from making deductions from an
20 employee's wages, except as permitted by law. Since exempt employees are generally entitled to
21 receive their full salary for any week in which they perform work, deductions for partial day
22 absences may be unlawful unless specifically authorized by law or by the employee. Any
23 unauthorized deduction from an employee's salary for partial day absences may be a violation of
24 California Labor Code §§ 201 to 203, governs the payment of wages to employees, especially if it
25 results in the employee receiving less than the minimum wage for all hours worked. California
26 Labor Code §226 requires employers to provide employees with accurate itemized wage
27 statements showing all deductions made from their pay. Deductions for partial day absences must
28 be clearly documented on these statements. Defendants violated the said Labor Code provisions

1 for deducting wages from the salary of Plaintiff and other aggrieved employees for partial day
2 absences, without the exempt employees' consent. All of the above violations were suffered by
3 Plaintiff and other aggrieved employees at all of Respondents' locations in California on a daily
4 basis during the PAGA Period.

5 114. Defendant violated Labor Code section 204, which provides that all wages earned
6 by an employee are due and payable twice during a calendar month on days designated in advance
7 as regular paydays by the employer.

8 115. Defendant did not pay Plaintiff and all similarly-situated employees' all wages due
9 to them during employment. Defendant willfully failed and refused, and continue to willfully
10 refuse, to timely pay compensation and wages, including overtime pay; and payments for meal
11 and rest periods not provided. As a result, Defendants are liable for the amount of wages due,
12 interest, any other statutory penalties, other damages, together with attorneys' fees and costs. All
13 of the above violations were suffered by Plaintiff and similarly-situated employees at all of
14 Defendants' locations in California on a daily basis during the PAGA Period.

15 116. Defendant violated Labor Code sections 201, 202, and 203 and is subject to sections
16 218.5, and 218.6. Labor Code section 201 provides that if an employer discharges an employee,
17 the employee's wages that have been earned and are unpaid at the time of discharge shall be paid
18 immediately. Labor Code section 202 provides that if an employee quits, his or her wages become
19 due not later than 72 hours thereafter or if an employee gives 72 hours previous notice of his or
20 her intention to quit the employee's wages are due at the time of quitting. Labor Code section 203
21 provides that if the employer willfully fails to pay any wages of an employee who is discharged or
22 who quits, the employee's wages shall continue as a penalty from the due date of the payment of
23 the wages, at the same rate, until such wages paid or an action commenced, but not more than 30
24 days. Labor Code section 218.5 provides that the court shall award attorneys' fees and costs to the
25 prevailing party in an action for nonpayment of wages. Labor Code section 218.6 provides that in
26 an action for nonpayment of wages, court shall award interest on all due and unpaid wages.

27 117. Defendant did not pay Plaintiff and all similarly-situated employees' wages due
28 when Defendant terminated their employment or within 72 hours of when the similarly-situated

1 employees resigned. Defendant willfully failed and refused, and continue to willfully refuse, to
2 timely pay compensation and wages, including overtime pay; and payments for meal and rest
3 periods not provided. As a result, Defendants are liable for the amount of wages due, interest, and
4 waiting time penalties, any other statutory penalties, other damages, together with attorneys' fees
5 and costs. All of the above violations were suffered by Plaintiff and similarly-situated employees
6 at all of Defendants' locations in California on a daily basis during the PAGA Period.

7 118. Defendants have violated Labor Code section 510 and are subject to Labor Code
8 sections 1194 and other relevant Labor Code sections such as 226.7, 1194, 1194.2, 1194.3, 1197,
9 1198, and other pertinent sections of the Labor Code. Labor Code section 510 provides that any
10 work in excess of eight hours in one workday and any work in excess of 40 hours in any one
11 workweek shall be compensated at the rate of no less than one and one-half times the regular rate
12 of pay for an employee and any work in excess of 12 hours in one day shall be compensated at the
13 rate of no less than twice the regular rate of pay for an employee. Labor Code section 1194 provides
14 that any employee who receives less than the legal overtime compensation due said employee is
15 entitled to recover in a civil action the full amount of the overtime compensation, interest on said
16 compensation, and reasonable attorneys' fees and costs of suit. Defendants have violated the Labor
17 Code section by not paying Plaintiff and all similarly-situated employees rightfully earned
18 overtime pay for their working more than 8 and 12 hours per day and more than 40 hours per week
19 on a daily and weekly basis. As a result of Defendants' failure to pay Plaintiff's rightfully earned
20 overtime pay, Defendants are liable for all back overtime pay, waiting time penalties, and any
21 other penalties imposed by the Labor Code which include but are not limited to, interest, and
22 attorneys' fees and costs. All of the above violations were suffered by Plaintiff and similarly-
23 situated employees at all of Defendants' locations in California on a daily basis during the PAGA
24 Period.

25 119. Defendants violated Labor Code section 226.7 and 226.2 by not providing Plaintiff
26 and all similarly-situated employees with a legally required ten-minute rest period during each
27 four-hour segment of work. Defendants further violated Labor Code sections 226.7 and 512 by not
28 providing Plaintiff with a meal period of not less than 30 minutes for each work period of more

1 than five hours per day and a second meal period of not less than 30 minutes for a work period of
2 more than 10 hours day. Respondents are liable to Claimant for one hour of additional pay at the
3 regular rate of compensation for each workday that the required rest periods were not provided
4 and one hour of additional pay at the regular rate of compensation for each day that the required
5 meal periods were not provided. Defendants are also liable for civil penalties pursuant to Labor
6 Code sections 558 and 2698 in the amount of \$50.00 for each pay period during which Plaintiff
7 and similarly situated employees were not provided required rest and meal periods for the initial
8 violation; and \$100.00 for each pay period during which Plaintiff and similarly situated employees
9 was not provided required rest and meal periods for each subsequent violation. All of the above
10 violations were suffered by Plaintiff and similarly-situated employees at all of Defendants'
11 locations in California on a daily basis during the PAGA Period.

12 120. Defendants violated Labor Code § 2802 by failing to reimburse Plaintiff and all
13 similarly-situated employees for necessary expenses or losses incurred in direct consequence of
14 the discharge of their duties. Labor Code § 2802 provides that “(a) An employer shall indemnify
15 his or her employee for all necessary expenditures or losses incurred by the employee in direct
16 consequence of the discharge of his or her duties, or of his or her obedience to the directions of the
17 employer, even though unlawful, unless the employee, at the time of obeying the directions,
18 believed them to be unlawful; (b) All awards made by a court or by the Division of Labor Standards
19 Enforcement for reimbursement of necessary expenditures under this section shall carry interest at
20 the same rate as judgments in civil actions. Interest shall accrue from the date on which the
21 employee incurred the necessary expenditure or loss; (c) For purposes of this section, the term
22 “necessary expenditures or losses” shall include all reasonable costs, including, but not limited to,
23 attorney’s fees incurred by the employee enforcing the rights granted by this section; (d) In
24 addition to recovery of penalties under this section in a court action or proceedings pursuant to
25 Section 98, the commissioner may issue a citation against an employer or other person acting on
26 behalf of the employer who violates reimbursement obligations for an amount determined to be
27 due to an employee under this section. The procedures for issuing, contesting, and enforcing
28 judgments for citations or civil penalties issued by the commissioner shall be the same as those set

1 forth in Section 1197.1. Amounts recovered pursuant to this section shall be paid to the affected
2 employee.” Defendants are therefore liable to Plaintiff and similarly-situated employees for
3 reimbursement of the necessary business expenses that they incurred in the discharge of their
4 duties.

5 121. Defendants violated Labor Code section 226 and 510 in relation to the regular rate
6 of pay of Plaintiff and other aggrieved employees, and for failing to include all compensation
7 required to be included in the regular rate under California law. The regular rate of pay includes
8 all compensation that an employee earns, including not only their hourly wage but also other forms
9 of compensation such as bonuses, commissions, certain types of premiums, and certain non-
10 discretionary payments. California Labor Code requires that all forms of compensation be included
11 in the regular rate calculation unless specifically excluded by law. By not including all wages
12 earned by Plaintiff and other aggrieved employees, the regular rate of pay reflected in their wage
13 statements were inaccurate and lacking, hence a violation of the California Labor Code. All of the
14 above violations were suffered by Plaintiff and other aggrieved employees at all of Respondents’
15 locations in California on a daily basis during the PAGA Period.

16 122. Labor Code § 226 (a) requires employers to furnish each employee with an accurate
17 statement, which includes but is not limited to, gross wages earned, the total numbers of hours
18 worked, and the net wages earned. Labor Code § 226 (e) provides that if an employer fails to
19 provide a statement complying with § 226 (a), then the employee is entitled to recover the greater
20 of actual damages or \$50.00 for the initial violation and \$100.00 for each subsequent violation, up
21 to \$4,000.00 Defendants failed to furnish and continue to intentionally furnish Plaintiff and all
22 similarly-situated employees with timely, itemized statements that meet the requirements of Labor
23 Code § 226 (a) because those statements failed to include an accurate itemization of the employees’
24 meal/rest break premiums, total hours worked, hours worked at each rate of pay, gross and net
25 wages, all wages earned including wages due for all hours worked including work after the finish
26 of the workday, and rates of pay including overtime rates. Defendants are therefore liable for civil
27 penalties pursuant to Labor Code sections 226.2, 226.3 and 2698 in the amount of \$250.00 for the
28 initial violation and \$1,000.00 per subsequent violation. All of the above violations were suffered

by Plaintiff and similarly-situated employees at all of Defendants' locations in California on a daily basis during the PAGA Period.

123. Respondents violated Labor Code §§ 226 and 1174 and applicable IWC Wage Orders, for failure to preserve, keep and maintain payroll records of Claimant and similarly-situated employees. Labor Code § 1174 requires California employers to preserve, keep and maintain all employee payroll records for at least three years and to keep a record of the names and addresses of all current employees. As part of Respondents' illegal payroll policies and practices to deprive Claimant and similarly-situated employees of all wages earned and due, Respondents knowingly and intentionally failed to maintain records as required under Labor Code sections 226, 1174, and applicable IWC Wage Orders including, but not limited to, the following records: total daily hours worked by each employee; applicable rates of pay; all deductions; meal periods; time records showing when each employee begins and ends each work period; and accurate itemized statements. As a proximate result of Defendants' unlawful conduct described herein, Claimant and similarly-situated employees have been damaged in an amount according to proof. Therefore, pursuant to California Labor Code sections 226, 226 (a), 226 (e), 226.3, 1174, 1174.5, and other applicable provisions under the Labor Code and applicable IWC Wage Orders, Claimant and similarly-situated employees are entitled to recover all wages earned and due, plus interest, penalties, attorney's fees, expenses, and costs.

124. As a proximate result of the aforementioned violations, Plaintiff and similarly-situated employees have been damaged in an amount according to proof at trial, and seek reimbursement for expenses paid for the benefit of Defendants, interest, penalties, expenses, and costs of suit.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, individually, on behalf of the proposed Class and Subclass, and in a representative capacity, prays for judgment against Defendants, and each of them, in an amount according to proof, as follows:

- A. Certification of Plaintiff's claims as a class action, pursuant to Cal. Code of Civ. Pro. Section 382, on behalf of the proposed class;

1 B. That the Court declare that Defendant's policies and/or practices of misclassifying
2 Plaintiff and Project Manager Class Members as exempt employees violated California
3 law;

4 C. That the Court declare that Defendant's policies and/or practices of refusing to pay
5 overtime and double time to Plaintiff and the Class Members violated California law;

6 D. That the Court declare that Defendant's policies and/or practices of refusing to
7 provide meal breaks to Plaintiff and the Class Members violated California law;

8 E. That the Court declare that Defendant's policies and/or practices of refusing to
9 authorize or permit rest breaks to Plaintiff and the Class Members violated California law;

10 F. That the Court declare Defendant's policies and/or practices of refusing to pay
11 premium pay to Plaintiff and Class Members for missed meal/rest breaks violated
12 California law;

13 G. That the Court declare that Defendant's policies and/or practices of providing
14 inaccurate itemized wage statements to Plaintiff and the Class Members violated
15 California law;

16 H. That the Court declare that Defendant's policies and/or practices of refusing to pay
17 all wages due and owing to Plaintiff and the Waiting Time Class Members promptly upon
18 termination violated California law;

19 I. For a money judgment representing compensatory damages including lost wages,
20 earnings, commissions, and other employee benefits, and all other sums of money,
21 together with interest on these amounts; for other special damages; and for general
22 damages;

23 J. For prejudgment interest on each of the foregoing at the legal rate from the date
24 the obligation became due through the date of judgment on this matter;

25 K. For pre- and post-judgment interest;

26 L. For reasonable attorneys' fees and costs;

27 M. For penalties as required by law; and

28 N. For all such other and further relief that the court may deem just and proper.

1
2
3 DATED: November 4, 2024
4

Respectfully Submitted,

LABOR LAW PC

5
6 By: 
7 Danny Yadidsion, Esq.
8 Noël Harlow, Esq.
9 Attorneys for Plaintiff
HAYLEY AARSVOLD

10 **DEMAND FOR TRIAL BY JURY**

11 Plaintiff hereby demands a jury trial of all causes of action and claims with respect to
12 which Plaintiff has a right to jury trial.

13 DATED: November 4, 2024
14

LABOR LAW PC

15
16 By: 
17 Danny Yadidsion, Esq.
18 Noël Harlow, Esq.
19 Attorneys for Plaintiff
HAYLEY AARSVOLD

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

Aarsvold v. Alliance Technical Group, LLC

(County of Ventura, California Superior Court Case No. 2023CUOE007584)

As a current or former employee of Alliance Technical Group, LLC who worked in a non-exempt position and/or exempt Project Manager position in California, you are entitled to receive money from a class action settlement.

Please read this Notice carefully. This Notice relates to a proposed settlement of class and representative action lawsuit. If you are a Class Member or a PAGA Group Member, it contains important information about your right to receive a payment from the Settlement.

You have received this Notice of Class Action Settlement because the records of Alliance Technical Group, LLC (“Alliance” or “Defendant”) show you are a “Class Member” and/or a “PAGA Group Member,” and therefore are entitled to a payment from this class and representative action Settlement. Class Members are all persons who were employed in a non-exempt position (“Non-Exempt Class Members”) or in an exempt Project Manager position (“Project Manager Class Members”) by Defendant in California at any time from April 7, 2019 through _____ (“Class Period” or “Settlement Period”). PAGA Group Members are all persons who were employed in a non-exempt position or in an exempt Project Manager position by Defendant in California at any time during the PAGA Period, which is defined as April 21, 2022 through _____.

- The settlement is to resolve a class and representative action lawsuit, *Aarsvold v. Alliance Technical Group, LLC*, pending in the Superior Court of California for the County of Ventura, Case Number 2023CUOE007584 (the “Lawsuit”), alleging, *inter alia*, that, during the Class Period, Alliance, as it pertains to Class Members: (1) failed to pay overtime wages; (2) failed to pay minimum wages; (3) failed to provide meal periods; (4) failed to provide rest periods; (5) failed to furnish timely and accurate itemized wage statements; (6) failed to all compensation due upon discharge; (7) failed to timely pay wages during employment, (8) failed to reimburse for business expenses; and (9) unfair, unlawful, or fraudulent business practices. Based on these and other alleged Labor Code violations, Plaintiff also seek penalties under the California Labor Code Private Attorney Generals Act (“PAGA”) for PAGA Group Members.
- On _____, the Ventura County Superior Court granted preliminary approval of this class action settlement and ordered that all Class Members be notified of the Settlement. The Court has not made any determination of the validity of the claims in the Lawsuit. Defendant vigorously denies the claims in the Lawsuit and contends that it fully complied with all applicable laws.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND RECEIVE PAYMENT	Get a payment and give up your legal rights to pursue claims released by the settlement of the Lawsuit.
OPT OUT OF THE CLASS SETTLEMENT	Exclude yourself from the class action portion of the Settlement, get no payment for settlement of the class claims, and retain your legal rights to individually pursue the class claims that would otherwise be released by the settlement of the Lawsuit. If you worked in the PAGA Period in a non-exempt position or in an exempt Project Manager position for Alliance, then you will be deemed a “PAGA Group Member” and you will still receive your share of the proceeds available from the settlement of the

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

	PAGA Released Claims, defined below, (your “Individual PAGA Payment”) even if you opt out of the class settlement.
OBJECT TO THE CLASS SETTLEMENT	If you do not opt out, you may write to the Settlement Administrator, [REDACTED], about why you object to the settlement, and they will forward your concerns to counsel which will then be provided to the Court. If the Court approves the Settlement despite your objection, you will still be bound by the Settlement. You or your attorney may also address the Court during the Final Approval Hearing scheduled for [DATE AND TIME] in Department 43 of the Ventura County Superior Court, Hall of Justice Courthouse located at 800 South Victoria Avenue, Ventura, California 93009.

The Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at [REDACTED].m. on [REDACTED], in the Ventura County Superior Court, Hall of Justice Courthouse located at 800 South Victoria Avenue, Ventura, California 93009, in Department 43. You are not required to attend the Hearing, but you are welcome to do so.

Why Am I Receiving This Notice?

Alliance’s records show that you currently work, or previously worked, for Alliance in the State of California in a non-exempt position and/or an exempt Project Manager position at some point during the Class Period and/or PAGA Period. You were sent this Class Notice because you have a right to know about a proposed settlement of a class action lawsuit, and about all of your options before the Court decides whether to finally approve the settlement. If the Court approves the settlement and then any objections and appeals are resolved, a “Settlement Administrator” appointed by the Court will make the payments described in this Notice. This Notice explains the Lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

What Is This Case About?

Plaintiff Hayley Aarsvold is a former employee of Alliance. She is the “Plaintiff” in this case and is suing on behalf of herself and Class Members for Defendant’s alleged failure to pay overtime and minimum wages, failure to provide meal periods, failure to provide rest periods, failure to furnish timely and accurate itemized wage statements, failure to pay wages due upon discharge, failure to timely pay wages during employment, expense reimbursement violations, and unfair competition, among other claims. Based on these and other alleged Labor Code violations, Plaintiff also seeks to recover civil penalties under PAGA on behalf of the PAGA Group Members.

Defendant denies all of the allegations made by Plaintiff and denies that it violated any law. The Court has made no ruling on the merits of Plaintiff’s claims. The Court has only preliminarily approved this class action settlement. The Court will decide whether to give final approval to this settlement at the Final Approval Hearing.

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

Summary of the Settlement Terms

Plaintiff and Defendant have agreed to settle this case on behalf of themselves and Class Members and PAGA Group Members for the Gross Settlement Amount of \$875,000.00, unless escalated pursuant to the Settlement Agreement. The Gross Settlement includes: (1) Administration Costs up to \$5,500.00; (2) up to 35% of the Gross Settlement Amount in attorneys' fees which, unless escalated pursuant to the Settlement Agreement, shall amount to \$306,250.00; (3) up to \$20,000.00 in litigation costs to Class Counsel, according to proof; (4) up to \$25,000.00 in a Service Award to the Plaintiff for her service as a Class Representative; and (5) payment allocated to PAGA penalties in the amount of \$50,000.00, of which 75% (or \$37,500.00) will be paid to the California Labor and Workforce Development Agency ("LWDA") and twenty-five percent 25% (or \$12,500.00) will be distributed to PAGA Group Members. After deducting these sums, a total of approximately not less than \$468,250.00 will be available for distribution to Class Members ("Net Settlement Amount").

Distribution to Class Members

Class Members who do not opt out will receive a *pro rata* payment of the Net Settlement Amount. The Net Settlement Amount is allocated 87% to the Non-Exempt Class and 13% to the Project Manager Class. Each Non-Exempt Class Member will receive a *pro rata* share of the 87% allocated to the Non-Exempt Class based on the number of Qualifying Workweeks worked by the Non-Exempt Class Member in a non-exempt position for Alliance in California during the Class Period. Each Project Manager Class Member will receive a *pro rata* share of the 13% allocated to the Project Manager Class based on the number of Qualifying Workweeks worked by the Project Manager Class Member in a Project Manager position for Alliance in California during the Class Period. In addition, Class Members who worked during the PAGA Period (*i.e.*, PAGA Group Members) will receive a *pro rata* share of the \$12,500.00 allocated as PAGA penalties to PAGA Group Members, whether or not they opt out of the class settlement, based on the number of Qualifying Pay Periods worked by each PAGA Group Member during the PAGA Period.

Alliance's records indicate that you worked [Qualifying Non-Exempt Workweeks] Qualifying Workweeks in a non-exempt position and [Qualifying Project Manager Workweeks] Qualifying Workweeks in an exempt Project Manager position for Alliance in California during the Class Period. Alliance's records reflect that you worked [Qualifying Pay Periods] Qualifying Pay Periods during the PAGA Period. Based on these records, your estimated payment as a Class Member would be [\$Estimated Award] and your estimated payment as an PAGA Group Member would be [\$Estimated Award]. If you believe this information is incorrect and wish to dispute it, you must mail a dispute to the Settlement Administrator and it must be postmarked no later than [RESPONSE DEADLINE]. Please include: (1) your name, address, telephone number, last four digits of your social security number and your signature; (2) a statement of your dispute and how many Qualifying Workweeks you contend should be credited to you; and (3) any documentation you have that you contend supports your dispute.

Tax Reporting

100% of the payments for PAGA penalties to PAGA Group Members will be allocated as penalties reported on IRS Form 1099. Twenty percent (20%) of each Settlement Payment to Class Members who do not opt out will be allocated as wages and reported on an IRS Form W-2, and eighty percent (80%) will be allocated as civil or statutory penalties and interest, which will be reported on IRS Form 1099. This notice is not intended to provide legal or tax advice on your Settlement Share.

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

Your check will be valid for 180 days after issuance. After 180 days, uncashed checks shall be sent to the California State Controller's Office Unclaimed Property Fund in the name of the individual, and such Class Members and/or PAGA Group Member shall nevertheless be bound to the Settlement and the Final Approval Order.

Your Options Under the Settlement

Option 1 – Do Nothing and Receive Your Payment

If you do not opt out, you are automatically entitled to your Individual Settlement Payment (*i.e.*, your share of the Net Settlement Amount) because you are a Class Member. If you do not dispute your settlement share calculation and do not opt out of the settlement, you will be bound by the entire release in the settlement and receive your Individual Settlement Payment, as well as your Individual PAGA Payment if you are also an PAGA Group Members. **In other words, if you are a Class Member, you do not need to take any action to receive the settlement payment(s) set forth above.**

Class Members who do not submit a valid and timely opt out (pursuant to Option 2 below), will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Claims he or she may have or had upon final approval of this Settlement and payment by Defendant to the Settlement Administrator.

Effective only upon the entry of an Order granting Final Approval of the Settlement, entry of Judgment and payment by Defendant to the Settlement Administrator of the full Gross Settlement Amount and Employers' Taxes necessary to effectuate the Settlement, Plaintiffs and all Participating Non-Exempt Class Members release the Released Parties of any and all claims that have been or could reasonably have been asserted based on the factual allegations in the Operative Complaint as follows: For the duration of the Class Period, the release includes, for Participating Class Members: all claims for failure to pay overtime wages (including, without limitation, for failure to properly calculate the regular rate and/or overtime rate of pay); all claims for failure to pay minimum or other wages for all hours worked; all claims for failure to provide meal periods or compensation in lieu thereof (including, without limitation, break premiums); all claims for failure to provide rest periods or compensation in lieu thereof (including, without limitation, break premiums); all claims for failure to pay all wages due upon separation from employment; all claims for failure to issue accurate wage statements (including, without limitation, for failure to include and/or accurately itemize the employees' total hours worked, the hours worked at each rate of pay, gross and net wages, meal and/or rest period premiums, overtime rates, and the name of the entity that is the employer); all claims for failure to timely pay wages during employment; all claims asserting a failure to properly reimburse employees for business-related expenses; all claims asserted through California Business & Professions Code section 17200, et seq. arising out of the Labor Code violations referenced in the Operative Complaint; and all claims for relief, including damages, statutory and/or civil penalties, equitable and/or injunctive relief, attorneys' fees, interest, costs, and any other kind of relief whatsoever that could be sought based on the factual allegations and theories of liability asserted in the Operative Complaint (the "Non-Exempt Class Released Claims"). The Parties additionally agree that the Non-Exempt Class Released Claims shall include the release of claims under the federal Fair Labor Standards Act ("FLSA") pursuant to *Rangel v. Check Cashers*, 899 F.3d 1106 (9th Cir. 2018).

Also effective only upon the entry of an Order granting Final Approval of the Settlement, entry of Judgment and payment by Defendant to the Settlement Administrator of the full Gross Settlement Amount and Employers' Taxes necessary to effectuate the Settlement, Plaintiffs and all Participating Project Manager Class Members release the Released Parties of any and all claims that have been or could reasonably have been asserted based on

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

the factual allegations in the Operative Complaint as follows: For the duration of the Class Period, the release includes, for Participating Class Members: all claims for alleged misclassification; all claims for improper deductions from salary of exempt employees for partial-day absences; all claims for failure to pay overtime wages (including, without limitation, for failure to properly calculate the regular rate and/or overtime rate of pay); all claims for failure to pay minimum or other wages for all hours worked; all claims for failure to provide meal periods or compensation in lieu thereof (including, without limitation, break premiums); all claims for failure to provide rest periods or compensation in lieu thereof (including, without limitation, break premiums); all claims for failure to pay all wages due upon separation from employment; all claims for failure to issue accurate wage statements (including, without limitation, for failure to include and/or accurately itemize the employees' total hours worked, the hours worked at each rate of pay, gross and net wages, meal and/or rest period premiums, overtime rates, and the name of the entity that is the employer); all claims for failure to timely pay wages during employment; all claims asserting a failure to properly reimburse employees for business-related expenses; all claims asserted through California Business & Professions Code section 17200, *et seq.* arising out of the Labor Code violations referenced in the Operative Complaint; and all claims for relief, including damages, statutory and/or civil penalties, equitable and/or injunctive relief, attorneys' fees, interest, costs, and any other kind of relief whatsoever that could be sought based on the factual allegations and theories of liability asserted in the Operative Complaint (the "Project Manager Class Released Claims"). The Parties additionally agree that the Project Manager Class Released Claims shall include the release of claims under the federal Fair Labor Standards Act ("FLSA") pursuant to *Rangel v. Check Cashers*, 899 F.3d 1106 (9th Cir. 2018).

For Plaintiff, the PAGA Group Members, and, to the extent permitted by law, the State of California, the release includes, for the duration of the PAGA Period, (a) all claims alleged in the Operative Complaint for PAGA civil penalties pursuant to Labor Code section 2699 *et seq.* in connection with alleged violations of Labor Code sections 201, 202, 203, 204, 218.5, 218.6, 221, 226, 226.2, 226.3, 226.7, 510, 512, 515, 558, 1174, 1174.5, 1194, 1194.2, 1194.3, 1197, 1198, and 2802, including for alleged: failure to pay overtime wages (including, without limitation, for failure to properly calculate the regular rate and/or overtime rate of pay); improper deductions from salary of exempt employees for partial-day absences; failure to pay minimum or other wages for all hours worked; regular rate of pay violations (with respect to overtime, and meal and rest period premiums); failure to provide meal periods or compensation in lieu thereof (including, without limitation, break premiums at the regular rate of pay); failure to provide rest periods or compensation in lieu thereof (including, without limitation, break premiums at the regular rate of pay); failure to pay all wages due upon separation from employment; failure to issue accurate wage statements (including, without limitation, for failure to include and/or accurately itemize the employees' total hours worked, the hours worked at each rate of pay, gross and net wages, meal and/or rest period premiums, rates of pay including overtime rates, and the name of the entity that is the employer); failure to timely pay wages during employment; failure to maintain accurate required records including payroll records; and failure to properly reimburse employees for business-related expenses (the "PAGA Released Claims"). The Non-Exempt Class Released Claims, the Project Manager Class Released Claims, and PAGA Released Claims are collectively referred to herein as the "Released Claims".

"Released Parties" means Defendant and each of its past, present, and future respective subsidiaries, dba's, affiliates, parents, insurers and reinsurers, and company-sponsored employee benefit plans of any nature and their successors and predecessors in interest (including without limitation, Alliance Source Testing, LLC and Horizon Air Measurement Services, Inc.), including all of their officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, attorneys, administrators, fiduciaries, trustees, and agents.

Option 2 – Opt Out of the Settlement

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

If you do not wish to receive your Individual Settlement Payment or release the Class Released Claims, you may exclude yourself by submitting a written request to be excluded from the Class. Your written request must expressly and clearly indicate that you do not want to participate in the Settlement, and you desire to be excluded from the Settlement. The written request for exclusion must include your name, Social Security Number, and the following statement or any statement standing for the proposition that you seek to be excluded from the Settlement Class: "Please exclude me from the Settlement Class in the *Aarsvold v. Alliance Technical Group, LLC, et al.* matter. I understand that by requesting exclusion, I will not participate in the class settlement and will not receive any money from the class settlement." or any statement of similar meaning standing for the proposition that you do not wish to participate in the Settlement. Sign, date, and mail your written request for exclusion by U.S. First-Class Mail to the address below.

Settlement Administrators
[Add Mailing Address]

Your written request for exclusion must be mailed to the Administrator and postmarked not later than [RESPONSE DEADLINE].

The proposed settlement includes the settlement of the PAGA Released Claims. An employee may not request exclusion from the settlement of a PAGA claim. Thus, if the court approves the settlement, then even if you request exclusion from the Class Settlement, if you are a PAGA Group Member, you will still receive your Individual PAGA Payment and will be deemed to have released the PAGA Released Claims. A request for exclusion will preserve your right, if any, to individually pursue only the Class Released Claims.

Option 3 – Submit an Objection to the Settlement

If you wish to object to the Settlement, you may submit an objection in writing stating why you object to the Settlement. Your written objection must provide your name, address, the last four digits of your Social Security Number, signature, and a statement of the reason(s) why you believe that the Court should not approve the Settlement. Your written objection must be mailed the Administrator and postmarked no later than [RESPONSE DEADLINE]. Please note that you cannot both object to the Settlement and opt out of the Settlement. If you exclude yourself, then your objection will be overruled. If the Court overrules your objection, you will be bound by the Settlement and will receive your Settlement Share.

Final Approval Hearing

You may, if you wish, also appear at the Final Approval Hearing set for [REDACTED] at [REDACTED] m. in the Ventura County Superior Court, Hall of Justice Courthouse located at 800 South Victoria Avenue, Ventura, California 93009, in Department 43, and orally object to the Settlement, discuss your written objections with the Court and the Parties, or otherwise comment on the Settlement at your own expense. You may attend this hearing virtually by audio or video at <https://my.lacourt.org/laccwelcome>. You may also retain an attorney to represent you at the Hearing at your own expense.

Additional Information

This Notice of Class Action Settlement is only a summary of this case and the Settlement. For a more detailed statement of the matters involved in this case and the Settlement, you may call the Settlement Administrator at [PHONE NUMBER]. You may also choose to contact Class Counsel or Defendant's Counsel, whose information appears below:

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

CLASS COUNSEL

Danny Yadidsion, Esq.
Noël Harlow, Esq.
LABOR LAW PC
100 Wilshire Blvd., Suite 700
Santa Monica, California 90401
Telephone: (310) 494-6082
Danny@LaborLawPC.com
Noel.Harlow @LaborLawPC.com

DEFENDANT'S COUNSEL

MCGUIREWOODS LLP
Sabrina A. Beldner (SBN 221918)
Email: sbeldner@mcguirewoods.com
David Szwarczstejn (SBN 272371)
Email: dszwarczstejn@mcguirewoods.com
Natalie M. Lagunas (SBN 318634)
Email: nlagunas@mcguirewoods.com
1800 Century Park East, 7th Floor
Los Angeles, CA 90067
Telephone: (310) 315-8200
Facsimile: (310) 315-8210

You may also visit the Settlement Administrator's website at [WEBSITE] to gain access to key documents in this case, including the Settlement Agreement, the Order Granting Preliminary Approval of this Settlement, the Order Granting Final Approval of this Settlement, and the Final Judgment.

You may also refer to the pleadings, the Settlement Agreement, and other papers filed in this case, which may be inspected at the Ventura County Superior Court, Hall of Justice Courthouse located at 800 South Victoria Avenue, Ventura, California 93009, during regular business hours of each court day. You may also obtain these documents through the Court's website at <https://ventura.ecourt.com/public-portal/>.

All inquiries by Class Members regarding this Notice of Class Action Settlement and/or the Settlement should be directed to the Settlement Administrator.

PLEASE DO NOT CONTACT THE CLERK OF THE COURT OR THE JUDGE WITH INQUIRIES.

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of eighteen years and not a party to the within action; my business address is 1800 Century Park East, 8th Floor, Los Angeles, CA 90067-1501.

On November 15, 2024, I served the following document(s) described as **JOINT STIPULATION RE: CLASS ACTION AND REPRESENTATIVE ACTION SETTLEMENT** on the interested parties in this action by placing true copies thereof enclosed in sealed envelopes addressed as follows:

Danny Yaddisdon
Noël Harlow
LABOR LAW PC
100 Wilshire Blvd., Suite 700
Santa Monica, California 90401

Attorneys for Hayley Aarsvold

danny@LaborLawPC.com
noel.harlow@laborlawpc.com

BY MAIL: I am “readily familiar” with the firm’s practice of collection and processing correspondence for mailing with the United States Postal Service. Under that practice, it would be deposited with the United States Postal Service that same day in the ordinary course of business. Such envelope(s) were placed for collection and mailing with postage thereon fully prepaid at Los Angeles, CA, on that same day following ordinary business practices. (C.C.P. § 1013 (a) and 1013a(3))

BY ELECTRONIC DELIVERY: I caused said document(s) to be transmitted electronically to the above addressees. (C.C.P. § 1010.6)

BY OVERNIGHT DELIVERY: I deposited such document(s) in a box or other facility regularly maintained by the overnight service carrier, or delivered such document(s) to a courier or driver authorized by the overnight service carrier to receive documents, in an envelope or package designated by the overnight service carrier with delivery fees paid or provided for, addressed to the person(s) served hereunder. (C.C.P. § 1013(d)(e))

BY PERSONAL SERVICE: I caused such envelope(s) to be delivered the addressee(s). (C.C.P. § 1011)

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

Executed on November 15, 2024, at Los Angeles, CA.



Matthew Whitney

Title	Aarsvold - Joint Stip re Class Action and Representative...
File name	Aarsvold%20-%20Jo...0Settlement%2.pdf
Document ID	75698cd19b8ba567bf1c35dbe1807bd35379424d
Audit trail date format	MM / DD / YYYY
Status	● Signed

This document was requested from app.clio.com

Document History



11 / 15 / 2024
21:49:09 UTC

Sent for signature to Hayley Aarsvold (hdaarsvold@gmail.com) from sheila.cabazares@laborlawpc.com
IP: 202.36.179.70



11 / 15 / 2024
23:47:50 UTC

Viewed by Hayley Aarsvold (hdaarsvold@gmail.com)
IP: 104.34.174.244



11 / 18 / 2024
17:20:25 UTC

Signed by Hayley Aarsvold (hdaarsvold@gmail.com)
IP: 47.180.93.16



COMPLETED

11 / 18 / 2024
17:20:25 UTC

The document has been completed.