LOYR, APC
Young W. Ryu (SBN 266372)
young.ryu@loywr.com
Zachariah E. Moura (SBN 279508)
zach.moura@loywr.com
Kee Seok Mah (SBN 345736)
kee.mah@loywr.com
1055 West 7th Street, Suite 2290
Los Angeles, California 90017
Tel: (213) 318-5323
Fax: (800) 576-1170

HAINES LAW GROUP, APC
Paul K. Haines (SBN 248226)
phaines@haineslawgroup.com
Sean M. Blakely (SBN 264384)
sblakely@haineslawgroup.com
Joel M. Gordon (SBN 280721)
jgordon@haineslawgroup.com
2155 Campus Drive, Suite 180
El Segundo, California 90245
Tel: (424) 292-2350
Fax: (424) 292-2355

Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF RIVERSIDE

MICHAEL FLORES, as an individual and on behalf of all others similarly situated,

Plaintiff,

vs.

WE CARE PLUMBING, HEATING & AIR, LLC; RUSSELL COCHRAN, an individual; and DOES 1 through 50, inclusive,

Defendants.

Case No.: CVRI2303843

[*Assigned for all purposes to the Hon. Angel M. Bermudez in Dept. M301*]

DECLARATION OF SEAN M. BLAKELY IN SUPPORT OF PLAINTIFF'S SUPPLEMENTAL BRIEF

Date: December 19, 2024
Time: 8:30 a.m.
Dept: M301

Action Filed: July 27, 2023
Trial Date: None Set

I, SEAN M. BLAKELY, declare as follows:

1. I am a Partner of Haines Law Group, APC, and co-counsel for the named Plaintiff Michael Flores ("Plaintiff") and the proposed Settlement Class in the above-captioned matter. I am a member in good standing of the bar of the State of California and am admitted to practice in this Court. I have personal knowledge of the facts stated in this declaration and could testify competently to them if called upon to do so.

2. This declaration is submitted in support of Plaintiff's Supplemental Brief in Support of Preliminary Approval of Class Action Settlement.

3. Following the Court's November 4, 2024 Tentative Ruling regarding Plaintiff's Motion for Preliminary Approval of Class Action Settlement (the "Order"), my firm has worked diligently with Defendant We Care Plumbing, Heating & Air, LLC's ("Defendant") counsel to amend the Stipulation of Settlement ("Settlement Agreement"), the Notice of Pendency of Class Action and Proposed Settlement ("Class Notice"), Request for Exclusion Form, and Notice of Estimated Settlement Award, all in accordance with the issues identified by the Order.

4. Attached hereto as **Exhibit 1** is a true and correct copy of the fully executed Amended Stipulation of Settlement. Attached hereto as **Exhibit 5** is a true and correct copy of the red-lined version of the Stipulation of Settlement, showing all changes.

5. Attached hereto as **Exhibit 2** is a true and correct copy of the amended Class Notice. Attached hereto as **Exhibit 6** is a true and correct copy of the red-lined version of the Class Notice, showing all changes.

6. Attached hereto as **Exhibit 3** is a true and correct copy of the amended Request for Exclusion Form. Attached hereto as **Exhibit 7** is a true and correct copy of the red-lined version of the Request for Exclusion Form, showing all changes.

7. Attached hereto as **Exhibit 4** is a true and correct copy of the amended Notice of Estimated Settlement Award. Attached hereto as **Exhibit 8** is a true and correct copy of the red-lined version of the Notice of Estimated Settlement Award, showing all changes.

8. Attached hereto as **Exhibit 9** is a true and correct copy of the red-lined version of the [Proposed] Order Granting Preliminary Approval of Class Action Settlement, showing all

changes.

9. Plaintiff's PAGA claim derives from the alleged Labor Code violations alleged in the operative First Amended Class and Representative Action Complaint ("FAC"). In other words, the nature of the alleged violations are derivative of Plaintiff's labor code claims and causes of action alleged in the FAC. Plaintiff seeks PAGA civil penalties based on Defendant's: (i) alleged unlawful piece-rate/commission pay plans which failed to separately compensate employees for paid rest periods as well as "non-productive" time; (ii) alleged failure to provide timely, compliant, and uninterrupted thirty (30) minute meal periods to aggrieved employees; (iii) alleged failure to pay all overtime wages due to Defendant's alleged regular rate miscalculations; (iv) alleged failure to reimburse employees for all required business expenses, including the use of their personal cell phones for work-related purposes; (v) alleged failure to compensate employees for all wages as a result of its failure to compensate for all required travel time to various worksites; (vi) alleged failure to issue accurate, compliant and itemized wage statements; and (vii) alleged failure to pay all wages owed at the time of separation of employment with Defendant.

10. As defined in section 2.B of the Parties' Settlement Agreement, the PAGA Period is April 20, 2022 through June 30, 2024. During this time period, it is estimated that there are approximately 286 Aggrieved Employees who worked for Defendant in California as non-exempt employees. Based on the data and information provided by Defendant, Plaintiff estimated there were approximately 4,347 alleged violations.

11. Plaintiff estimates a total <u>maximum</u> PAGA exposure of approximately $434,700 if all allegations are proven true at trial.

12. Given Defendant's various defenses to Plaintiff's claim for PAGA civil penalties (as discussed below and in Plaintiff's Renewed Motion for Preliminary Approval of Class Action Settlement), the likelihood that the Court would use its discretion to reduce PAGA civil penalties pursuant to Cal. Labor Code § 2699(e)(2), and considering the evidence available to Plaintiff, it was estimated that Defendant's estimated PAGA exposure would be approximately $65,205.

13. Plaintiff contends that it would be unlikely that the alleged violations would be

found to be knowing and intentional, as Defendant asserted good-faith defenses to Plaintiff's claims and contends it complied with all wage and hour laws and regulations. Plaintiff was not presented with any evidence that Defendant *intentionally* violated any section of the California Labor Code. On the contrary, Defendant asserted numerous good-faith defenses to Plaintiff's labor code claims. For example, with respect to Plaintiff's claims that Defendant instituted an unlawful piece-rate/commission pay plan, Defendant argues that its compensation plans are compliant with California law. Defendant further contends that any liability for its failure to separately compensate employees for rest periods during shifts would be limited to back-pay for the rest periods themselves (i.e., pay for the 10 minutes per rest period) as opposed to the rest period penalties under Labor Code § 226.7, measured as an hour of pay per workday, sought by Plaintiff. With respect to Plaintiff's meal period claims, Defendant argues that it has maintained compliant written meal period policies throughout the Class Period and has provided compliant meal periods in line with those policies. Defendant further contends that under *Brinker*, it is only required to "provide" the opportunity to take meal periods, not "ensure" meal periods are taken. Defendant also maintains that any short, missed, or late first meal periods were the result of lawful employee waiver or choice, thereby precluding liability. With respect to Plaintiff's claims for unreimbursed business expenses, Defendant maintains that Settlement Class members were not required to use their personal cell phones as a necessary part of their job. With respect to Plaintiff's claim for wage statement penalties, Defendant argues that any alleged wage statement violations were not "knowing and intentional," and Plaintiff cannot show that he or other employees "suffer[ed] injury" due to the alleged wage statement violations, as required by Labor Code § 226(e) for the imposition of penalties. With respect to Plaintiff's claims for waiting time penalties, Defendant argues that it possesses strong, good-faith defenses to Plaintiff's underlying claims, thus precluding recovery of waiting time penalties, which are only available for the "willful" failure to pay wages. As indicated in Plaintiff's Renewed Motion for Preliminary Approval of Class Action Settlement, Defendant vigorously denied Plaintiff's underlying claims, and further disputed Plaintiff's ability to proceed on a representative action basis. Given Defendant's good-faith defenses, it is unlikely the Court would find any violations to be knowing and intentional.

14. Defendant maintains that, given its good-faith defenses, this Court would exercise its discretion to substantially reduce any PAGA penalties if it were to find Defendant liable for any of Plaintiff's claims, as awarding the full amount of PAGA civil penalties would be unjust, oppressive and confiscatory. As indicated above and in Plaintiff's Renewed Motion for Preliminary Approval of Class Action Settlement, Defendant presented many good-faith defenses to Plaintiff's claims, and argued that it complied with California law at all times during the Class Period. Defendant argued that many Courts have reduced PAGA civil penalties, where, as here, the employer presented good-faith defenses to Plaintiff's claims.

15. The amount of PAGA civil penalties, like other terms of the Settlement, was negotiated by the Parties with the assistance of the mediator, and is ultimately an agreed upon term of the Settlement. As stated in Plaintiff's Renewed Motion for Preliminary Approval, Plaintiff estimated Defendant's realistic PAGA exposure at $65,205. Defendant argued that Plaintiff's PAGA exposure calculation was grossly inflated and that, even if the Court were to find for Plaintiff, the Court would significantly reduce PAGA penalties. Ultimately, then, the $50,000 allocation represents a compromise between the Parties. The Parties respectfully submit that the allocation to the Labor & Workforce Development Agency ("LWDA") for PAGA civil penalties is appropriate in light of other settlements allocating PAGA penalties to the LWDA. Plaintiff served the LWDA with the Settlement on October 11, 2024. As of the date of the filing of this Supplemental Brief, the LWDA has not commented or objected to the Settlement. As other courts have found, the LWDA's non-objection to a proposed PAGA settlement is indicative of the LWDA's assent to the terms of the settlement.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on December 6, 2024, at El Segundo, California.

Sean Blakely

Sean M. Blakely

EXHIBIT 1

STIPULATION OF SETTLEMENT

This Stipulation of Settlement ("Settlement Agreement" or "Settlement") is reached by and between Plaintiff Michael Flores ("Plaintiff"), individually and on behalf of all members of the Settlement Class (defined below), on the one hand, and Defendant We Care Plumbing, Heating & Air, LLC ("Defendant") on the other hand. Plaintiff and Defendant are referred to herein collectively as the "Parties." Plaintiff and the Settlement Class are represented by Paul K. Haines and Sean M. Blakely of Haines Law Group, APC, and Young W. Ryu of LOYR, APC ("Class Counsel"). Defendant is represented by Alexander T. Marx and Semarnpreet Kaur of Jackson Lewis PC.

On July 27, 2023, Plaintiff filed a Class Action Complaint against Defendant in Riverside County Superior Court, in the matter entitled *Michael Flores v. We Care Plumbing, Heating & Air, LLC., et al.* Case No. CVRI2303843 (the "Action"). On November 3, 2023, Plaintiff filed the operative First Amended Class and Representative Action Complaint ("FAC"), adding a cause of action under the Private Attorneys General Act ("PAGA"). The FAC alleges the following causes of action: (i) minimum wage violations; (ii) failure to pay all overtime wages; (iii) meal period violations; (iv) rest period violations; (v) waiting time penalties; (vi) wage statement violations; (vii) failure to reimburse for all necessary business expenses; (viii) unfair competition; and (ix) civil penalties under the Private Attorneys General Act ("PAGA").

Given the uncertainty of litigation, Plaintiff and Defendant wish to settle both individually and on behalf of the Settlement Class. Accordingly, Plaintiff and Defendant agree as follows:

1. **Settlement Class.** For the purposes of this Settlement Agreement only, Plaintiff and Defendant stipulate to the certification of the following Settlement Class:

> All current and former non-exempt employees who are or were employed by Defendant We Care Plumbing, Heating & Air, LLC, and who worked at least one shift in California from July 27, 2019 through June 30, 2024 (the "Class Period").

The Parties agree that certification for purposes of settlement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure. If for any reason this Settlement Agreement is not approved, does not become Final as defined below, or is terminated or materially modified without agreement of the parties, in whole or in part, this conditional agreement to class certification will be inadmissible and will have no effect in this matter or in any claims brought on the same or similar allegations, and the Parties shall revert to the respective positions they held prior to entering into the Settlement Agreement.

2. **Release by Settlement Class Members and Plaintiff**. Upon the Effective Date (as defined below) and the complete funding of the Gross Settlement Amount (defined below), Plaintiff and every member of the Settlement Class (except those who opt out) will fully release and discharge Defendant, and all of their present and former officers, directors, employees, agents, and Russell Cochran (collectively the "Released Parties"), as follows:

   A. Settlement Class members who do not opt out will release all claims, causes of action, and legal theories alleged in the operative First Amended Class and

Representative Action Complaint ("FAC") and those based solely upon the facts alleged in the FAC, including: (a) failure to pay minimum wages; (b) failure to pay all overtime wages; (c) failure to provide all meal periods in accordance with California law; (d) failure to authorize and permit all rest periods in accordance with California law; (e) failure to furnish accurate and itemized wage statements; (f) failure to pay all wages owed upon separation of employment; (g) failure to reimburse for all necessary business expenses; and (h) all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories of relief pled in the FAC (collectively, the "Class Released Claims"). The period of the Class Released Claims shall extend to the limits of the Class Period.

B. **Release of PAGA Claims.** In addition, Plaintiff and the State of California shall release the Released Parties from all claims for civil penalties under PAGA arising from April 20, 2022 through June 30, 2024 ("PAGA Period") as disclosed in Plaintiff's April 20, 2023 Notification Letter to the Labor and Workforce Development Agency ("LWDA") ("the PAGA Released Claims").

C. **Release by Plaintiff.** Upon Defendant's complete funding of the Gross Settlement Amount, Plaintiff has agreed to release, individually and in addition to their Class Released Claims and PAGA Released Claims described above, all claims, whether known or unknown, without exception, against the Released Parties. The Parties understand and agree that Plaintiff is not, by way of this release, releasing any workers' compensation claims, unemployment insurance claims, nor any other claims which cannot be released as a matter of law. Notwithstanding the foregoing, Plaintiff understands that this release includes unknown claims and that Plaintiff is, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

> **A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor 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.**

Specifically excluded from Plaintiff's Released Claims are any claims that cannot be released as a matter of law, such as claims for workers' compensation benefits or unemployment benefits.

3. **Gross Settlement Amount.** As consideration and subject to the express condition precedent that this Settlement Agreement becomes Final (as defined below), Defendant agrees to pay a non-reversionary "Gross Settlement Amount" of One Million Six Hundred Fifty Thousand Dollars and Zero Cents ($1,650,000.00) in full and complete settlement of the Action, as follows:

A. The Parties have agreed to engage Phoenix Settlement Administrators as the "Settlement Administrator" to administer this Settlement.

B. The Gross Settlement Amount shall be deposited with the Settlement Administrator within fifteen (15) calendar days of the "Effective Date" which, for purposes of this Settlement Agreement, shall be defined as the later of: (1) the date on which the Court enters an Order granting Final Approval of the Settlement Agreement or, (2) solely in the event that there are any objections to the Settlement Agreement (the filing of an objection being a prerequisite to the filing of an appeal), the later of: (i) the last date on which any appeal might be filed or (ii) the successful resolution of any appeal(s) – including expiration of any time to seek reconsideration or further review.

C. This is a non-reversionary settlement. The Gross Settlement Amount includes:

(1) All payments (including interest) to the Settlement Class;

(2) All costs of the Settlement Administrator and settlement administration, which are anticipated to be no greater than Twelve Thousand Dollars and Zero Cents($12,000.00);

(3) Up to Ten Thousand Dollars and Zero Cents ($10,000.00), for Plaintiff's Class Representative Enhancement Payment in recognition of his contributions to the Action and his service to the Settlement Class. If Plaintiff's request for his enhancement payment is not approved and/or reduced by the Court, any amount not approved and/or reduced by the Court will revert to the participating Settlement Class members;

(4) Up to one-third of the Gross Settlement Amount in Class Counsel's attorneys' fees, plus actual costs and expenses incurred by Class Counsel related to the Action as supported by declaration, which are currently estimated to be no greater than Fifty Thousand Dollars and Zero Cents ($50,000.00). If Class Counsel's request for attorneys' fees and/or reimbursement of litigation costs is not approved and/or reduced by the Court, any amount not approved and/or reduced by the Court will revert to the participating Settlement Class members;

(5) Fifty Thousand Dollars and Zero Cents ($50,000.00) of the Gross Settlement Amount has been set aside by the Parties as PAGA civil penalties. Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Thirty-Seven Thousand Five Hundred Dollars and Zero Cents ($37,500.00) will be payable to the Labor & Workforce Development Agency ("LWDA"), and the remaining twenty-five percent (25%), or Twelve Thousand Five Hundred Dollars and Zero Cents ($12,500.00) will be payable to the Settlement Class as the "PAGA Amount;"

(6) Any difference between these requested amounts and the amounts approved by the Court will revert to the Net Settlement Amount for the benefit of the participating Settlement Class members.

D. Defendant's share of employer payroll taxes shall be paid by Defendant separately from, and in addition to, the Gross Settlement Amount.

E. **Escalator Clause.** This settlement was entered into based on Defendant's representation that there are 26,369 workweeks during the Class Period. If at the time of preliminary approval of the settlement, the total number of workweeks during the Class Period is 10% more than the amount stated (i.e., there are 29,006 workweeks during the Class Period), Defendant will have the option of increasing the Gross Settlement Amount proportionally for any workweeks above 29,006, or shortening the Class Period to cover the time period encompassing 29,006 workweeks.

4. **Payments to the Settlement Class.** Settlement Class members are not required to submit a claim form to receive a payment ("Settlement Award") from the settlement. Settlement Awards will be determined and paid as follows:

A. The Settlement Administrator shall first deduct from the Gross Settlement Amount the amounts approved by the Court for Class Counsel's attorneys' fees, Class Counsel's costs and expenses, Plaintiff's Class Representative enhancement payment, the amount designated as PAGA civil penalties, and the Settlement Administrator's fees and expenses for administration. The remaining amount shall be known as the "Net Settlement Amount," or "NSA."

B. From the Net Settlement Amount, the Settlement Administrator will calculate each Settlement Class member's Settlement Award based on the following formula:

i. The Net Settlement Amount shall be allocated among Settlement Class members (except those who submit a timely and valid Request for Exclusion) based on each participating Settlement Class members' proportionate workweeks worked during the Class Period, which will be calculated by multiplying the Net Settlement Amount by a fraction, the numerator of which is the participating Settlement Class member's number of workweeks worked during the Class Period, and the denominator of which is the total workweeks worked by all participating Settlement Class members during the Class Period.

C. PAGA Amount: Each Settlement Class member who was employed by Defendant at any time during the PAGA Period (including those who submit a valid and timely Request for Exclusion from the class action settlement) shall receive a portion of the Twelve Thousand Five Hundred Dollars and Zero Cents ($12,500.00) of the Gross Settlement Amount that has been designated as the "PAGA Amount" based on the proportionate number of pay periods worked during the PAGA Period, and which will be calculated by multiplying the PAGA Amount by a fraction, the numerator of which is the Settlement Class member's gross number of pay periods worked during the PAGA Period, and the denominator of which if the total number of pay periods worked by all Settlement Class members during the PAGA Period (including those who submit a valid and timely Request for Exclusion from the class action settlement).

D. Within ten (10) calendar days following Defendant's deposit of the Gross Settlement Amount with the Settlement Administrator, the Settlement Administrator will calculate Settlement Award amounts and provide the same to counsel for review and approval. Within seven (7) calendar days of approval by counsel, the Settlement Administrator will prepare and mail Settlement Awards, less applicable taxes and withholdings, to participating Settlement Class members. The Settlement Administrator shall simultaneously pay the withholdings to the applicable authorities with the necessary reports, submitting copies to Defendant's counsel. After Settlement Awards are mailed to Settlement Class members, the Settlement Administrator shall distribute the amounts approved for Class Counsel's attorneys' fees and litigation costs, Plaintiff's Enhancement Payment, payment to the LWDA for its share of PAGA civil penalties, and settlement administration expenses.

E. For purposes of calculating applicable taxes and withholdings, each Settlement Award from the NSA shall be allocated as follows: 80% as penalties and interest; and 20% as wages. Any payment from the PAGA Amount shall be allocated as 100% penalties. The Settlement Administrator will be responsible for issuing to participating Settlement Class members IRS Forms W-2 for amounts deemed "wages" and IRS Forms 1099 for the amounts allocated as penalties and interest. Notwithstanding the treatment of the payments to each Settlement Class member above, none of the payments called for by this Settlement Agreement, including the wage portion, are to be treated as earnings, wages, pay or compensation for any purpose of any applicable benefit or retirement plan, unless required by such plans.

F. Each member of the Settlement Class who receives a Settlement Award must cash that check within 180 days from the date the Settlement Administrator mails it. Any funds payable to Settlement Class members whose checks are not cashed within 180 days after mailing shall be distributed to the California Controller's Unclaimed Property Fund in the name of the Settlement Class member thereby leaving no "unpaid residue" subject to the requirements of Code of Civil Procedure section 384(b).

G. Neither Plaintiff nor Defendant shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement Administrator.

5. **Attorneys' Fees and Costs.** Defendant will not object to Class Counsel's request for a total award of attorneys' fees of up to one-third of the Gross Settlement Amount, which is currently estimated to be Five Hundred Fifty Thousand Dollars and Zero Cents ($550,000.00). Additionally, Class Counsel will request an award of actual costs and expenses as supported by declaration, in an amount not to exceed Fifty Thousand Dollars and Zero Cents ($50,000.00), from the Gross Settlement Amount. These amounts will cover any and all work performed and any and all costs

incurred in connection with this litigation, including without limitation: all work performed and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator when the Settlement Administrator pays the fee award allowed by the Court.

6. **Class Representative Enhancement Payment.** Defendant will not object to a request for a Class Representative Enhancement Payment of up to Ten Thousand Dollars and Zero Cents ($10,000.00) to the Plaintiff for his time and risk in prosecuting this case, and his service to the Settlement Class. This payment will be in addition to Plaintiff's Settlement Award as a Settlement Class member and shall be reported on an IRS Form 1099 issued by the Settlement Administrator.

7. **Settlement Administrator.** Defendant will not object to the appointment of Phoenix Settlement Administrators as Settlement Administrator. Defendant will not object to Plaintiff seeking permission to pay up to Twelve Thousand Dollars and Zero Cents ($12,000.00) for its services from the Gross Settlement Amount. The Settlement Administrator shall be responsible for sending notices and for calculating Settlement Awards and preparing all checks and mailings, calculating Defendant's share of taxes payable on the wages, and other duties as described in this Settlement Agreement. The Settlement Administrator shall be authorized to pay itself from the Gross Settlement Amount by Class Counsel only after Settlement Awards have been mailed to all participating Settlement Class members. The Settlement Administrator shall also give notice of final judgment by posting the final judgment to its website.

8. **Preliminary Approval.** Within a reasonable time after execution of this Settlement Agreement by the Parties, Plaintiff shall apply to the Court for the entry of an Order:

A. Conditionally certifying the Settlement Class for purposes of this Settlement Agreement;

B. Appointing Paul K. Haines and Sean M. Blakely of Haines Law Group, APC, and Young W. Ryu of LOYR, APC as Class Counsel;

C. Appointing Michael Flores as Class Representative for the Settlement Class;

D. Approving Phoenix Settlement Administrators as Settlement Administrator;

E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;

F. Approving the form and content of the Notice Packet (which is comprised of the Class Notice, Request for Exclusion Form, Objection Form, and Notice of Estimated Settlement Award), and directing the mailing of same in English and Spanish; and

G. Scheduling a Final Approval hearing.

9. **Notice to Settlement Class.** Following preliminary approval, the Settlement Class shall be notified as follows:

A. Within ten (10) business days after entry of an order preliminarily approving this Agreement, Defendant will provide the Settlement Administrator with the names, last known addresses, phone numbers, social security numbers, and workweek information for each Settlement Class member employed during the Class Period (the "Class Data"). The Class Data shall be provided to the Settlement Administrator in an electronic format reasonably satisfactory to the Settlement Administrator.

B. Within ten (10) business days from receipt of the information provided for in Paragraph 9(A), the Settlement Administrator shall: (i) run the names of all Settlement Class members through the National Change of Address ("NCOA") database to determine any updated addresses for Settlement Class members; (ii) update the address of any Settlement Class member for whom an updated address was found through the NCOA search; (iii) calculate the estimated Settlement Award for each Settlement Class member; and (iv) mail a Notice Packet to each Settlement Class member via U.S. first class mail at his or her last known address or at the updated address found through the NCOA search, and retain proof of mailing.

C. Requests for Exclusion. Any Settlement Class member who wishes to opt out of the settlement must complete and mail a Request for Exclusion Form to the Settlement Administrator within sixty (60) calendar days of the date of the initial mailing of the Notice Packets (the "Response Deadline").

i. The Notice Packet shall state that a Settlement Class member who wishes to exclude themselves from the settlement must submit a Request for Exclusion Form by the Response Deadline. The Request for Exclusion Form must: (1) contain the name, address, telephone number and the last four digits of the Social Security number of the Settlement Class member; (2) contain a statement that the Settlement Class member wishes to be excluded from the settlement; (3) be signed by the Settlement Class member; and (4) be postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion Form does not contain the information listed in (1)-(3), it will not be deemed valid for exclusion from the settlement. The date of the postmark on the Request for Exclusion Form shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Settlement Class member who requests to be excluded from the Settlement Class will not be entitled to any recovery under this Settlement Agreement and will not be bound by the terms of the settlement or have any right to object, appeal or comment thereon.

ii. At no time will the Parties or their counsel seek to solicit or otherwise encourage any Settlement Class member to object to the settlement or opt out of the

Settlement Class or encourage any Settlement Class member to appeal from the final judgment.

D. Objections. Settlement Class members who do not request exclusion may object to this Settlement Agreement as explained in the Class Notice by filing a written objection with the Settlement Administrator (who shall serve all objections as received on Class Counsel and Defendant's counsel via e-mail, as well as file all such objections with the Court). Defendant's counsel and Class Counsel shall file any responses to objections no later than the deadline to file the Motion for Final Approval, unless the objections are filed within ten (10) days of the Motion for Final Approval filing deadline, in which case Defendant's counsel and Class Counsel shall have ten (10) days from the date of service to the objections by the Settlement Administrator to file a response to the objections. All objections should contain the objecting Settlement Class member's full name and current address, as well as contact information for any attorney representing the objecting Settlement Class member for purposes of the objection. Settlement Class members may also appear at the final approval hearing to orally object, even if they have not submitted a written objection.

E. Notice of Estimated Settlement Award / Disputes. Each Notice Packet mailed to a Settlement Class member shall disclose the amount of the Settlement Class member's estimated Settlement Award as well as all of the information that was used from Defendant's records in order to calculate the Settlement Award. Settlement Class members will have the opportunity, should they disagree with Defendant's records regarding the information stated in the Notice of Estimated Settlement Award, to provide documentation and/or an explanation to show contrary information. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Settlement Awards under the terms of this Settlement Agreement. The Settlement Administrator's determination of the eligibility for and amount of any Settlement Award shall be binding upon the Settlement Class member and the Parties.

F. Any Notice Packets returned to the Settlement Administrator as non-deliverable on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a "skip trace," to obtain an updated mailing address within five (5) business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement Administrator shall resend the Notice Packet to the Settlement Class member immediately, and in any event within five (5) business days of obtaining the updated address. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Settlement Class member. Settlement Class members to whom Notice Packets are re-mailed after having been returned as undeliverable to the Settlement

Administrator shall have fourteen (14) calendar days from the date of re-mailing, or until the Response Deadline has expired, whichever is later, to submit a Request for Exclusion, Objection, or dispute. Notice Packets that are re-mailed shall inform the recipient of this adjusted deadline. If a Settlement Class member's Notice Packet is returned to the Settlement Administrator more than once as non-deliverable, then an additional Notice Packet shall not be mailed. Nothing else shall be required of, or done by, the Parties, Class Counsel, or Defendant's Counsel to provide notice of the proposed settlement.

10. **Final Approval.** Following preliminary approval and the close of the period for filing requests for exclusion, objections, or disputes under this Settlement Agreement, Plaintiff shall apply to the Court for entry of an Order:

A. Granting final approval to the Settlement Agreement and adjudging its terms to be fair, reasonable, and adequate;

B. Approving Plaintiff's and Class Counsel's application for attorneys' fees and costs, Class Representative enhancement payment, LWDA payment, and settlement administration costs; and

C. Entering judgment pursuant to California Rule of Court 3.769. Said judgment shall be posted on the website of the Settlement Administrator.

11. **Non-Admission of Liability.** Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this settlement. Each of the Parties has entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by California Evidence Code Section 1152.

12. **Non-disclosure and Non-publication**. Plaintiff and Class Counsel agree that they have not and will not publish the Settlement Agreement, except to Settlement Class members and as contractually required to effectuate the terms of the Settlement Agreement as set forth herein. Class Counsel shall not report the Settlement Agreement in any medium or in any publication, shall not post or report anything regarding the claims of Plaintiff, the Settlement Class, or the settlement on their website, and shall not contact any reporters or media regarding the settlement. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions, Class Counsel may disclose the names of the Parties in this Action, the venue/case number of this Action, and a general description of the Action, to a court in a declaration by Class Counsel.

13. **Waiver and Amendment.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by all of the Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

14. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery and by e-mail at the addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

if to Defendant: Alexander T. Marx, Jackson Lewis P.C., 3390 University Avenue, Suite 110, Riverside, California 92501; Alexander.Marx@jacksonlewis.com.

if to Plaintiff: Paul K. Haines, Haines Law Group, APC, 2155 Campus Drive, Suite 180, El Segundo, California 90245; phaines@haineslawgroup.com.

15. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof.

16. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

17. **Enforcement and Continuing Jurisdiction of the Court.** To the extent consistent with class action procedure, this Settlement Agreement shall be enforceable by the Court pursuant to California Code of Civil Procedure section 664.6. The Court shall retain continuing jurisdiction over this Lawsuit and over all Parties and Settlement Class members, to the fullest extent to enforce and effectuate the terms and intent of this Settlement Agreement, and to adjudicate any claimed breaches of this Settlement Agreement. In the event that one more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this settlement or to declare rights and/or obligations under this settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

DATED: 12/4/2024

WE CARE PLUMBING, HEATING & AIR, LLC

By: Rusty Cochran

Its: President of We Care Plumbing, Heating & Air

DATED: Nov 27, 2024

MICHAEL FLORES

Michael Flores (Nov 27, 2024 16:37 PST)

Plaintiff

APPROVED AS TO FORM:

DATED: November 27, 2024

HAINES LAW GROUP, APC

____
Paul K. Haines
Sean M. Blakely
Attorneys for Plaintiff

DATED: December 2, 2024

LOYR, APC

____
Young W. Ryu
Attorneys for Plaintiff

DATED:

JACKSON LEWIS P.C.

____
Alexander T. Marx
Semarnpreet Kaur
Attorneys for Defendant

APPROVED AS TO FORM:

DATED: November 27, 2024

HAINES LAW GROUP, APC

Paul K. Haines
Sean M. Blakely
Attorneys for Plaintiff

DATED:

LOYR, APC

Young W. Ryu
Attorneys for Plaintiff

DATED: December 4, 2024

JACKSON LEWIS P.C.

Alexander T. Marx
Semarnpreet Kaur
Attorneys for Defendant

EXHIBIT 2

NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT
MICHAEL FLORES v. WE CARE PLUMBING, HEATING & AIR
Riverside County Superior Court
Case No.: CVRI2303843

To: All current and former hourly employees who are or were employed by Defendant We Care Plumbing, Heating & Air, and who worked at least one shift in California from July 27, 2019 through June 30, 2024 (the "Settlement Class").

PLEASE READ THIS NOTICE CAREFULLY
THIS NOTICE IS BEING SENT IN ENGLISH AND SPANISH
YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR NOT

Why should you read this notice?

The Riverside County Superior Court has granted preliminary approval of a proposed class action settlement (the "Settlement") in the case of *Michael Flores v. We Care Plumbing, Heating & Air*, Riverside County Superior Court Case No. CVRI2303843 (the "Action"). Because your rights may be affected by the Settlement, it is important that you read this notice carefully.

You may be entitled to money from this Settlement. Defendants We Care Plumbing, Heating & Air's ("We Care") records show that you are or were employed at We Care in California as an hourly employee, and you worked at least one shift in California from July 27, 2019 through June 30, 2024 (the "Class Period"). The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

The purpose of this notice is to provide you with a brief description of the Action, to inform you of the terms of the Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves the Settlement, you will be bound by the terms of the Settlement and any final judgment.

What is this case about?

Plaintiff Michael Flores ("Plaintiff") brought this Action against We Care, seeking to assert claims on behalf of a class of current and former hourly employees who worked at least one shift in California during the Class Period. Plaintiff is known as the "Class Representative," and his attorney, who also represents the interests of all Settlement Class members, is known as "Class Counsel."

Plaintiff alleges that We Care failed to pay Settlement Class members for all minimum and overtime wages and failed to provide required meal and rest periods to Settlement Class members. The Action also alleges that as a result of these alleged violations, We Care failed to provide Settlement Class members with accurate and complete wage statements and failed to timely pay all final wages at the time of separation of employment. As a result of the alleged violations, Plaintiff alleges that We Care engaged in unfair business practices and is liable for civil penalties under the Labor Code Private Attorneys General Act ("PAGA").

A PAGA action is a form of representative action that allows employee plaintiffs to act on behalf of the government as agents of the state's labor law enforcement agencies. By acting as a private attorney general, an "aggrieved employee" who has been affected by at least one Labor Code violation committed by their employer can use a PAGA action as a means to collect civil penalties for those violations. 75% of any collected penalties go to the state's Labor and Workforce Development Agency ("LWDA"), and the remaining 25% of penalties are distributed evenly among all aggrieved employees. Aggrieved employees may neither object to nor opt out of the PAGA settlement.

We Care denies all liability to Settlement Class members, denies the factual and legal allegations in the case, and believes that it has valid defenses to Plaintiff's claims. We Care has entered into the Settlement solely

for the purposes of resolving this dispute and has agreed to settle the case as part of a compromise with Plaintiff. Accordingly, the Settlement constitutes a compromise of disputed claims and is not be construed as an admission of liability on the part of We Care, which expressly denies all liability.
The Court has not ruled on the merits of Plaintiff's claims. However, to avoid additional expense, inconvenience, and interference with its business operations, the Parties concluded that it is in its best interests and the interests of Settlement Class members to settle the Action on the terms summarized in this Notice. After We Care provided relevant information to Class Counsel, the Settlement was reached after mediation and arm's-length negotiations between the parties.

The Class Representative and Class Counsel support the Settlement. Among the reasons for support are the defenses to liability potentially available to We Care, the risk of denial of class certification, the inherent risks of trial on the merits, and the delays and uncertainties associated with litigation. The Court has determined only that there is sufficient evidence to suggest that the proposed settlement might be fair, adequate, and reasonable, and that any final determination of those issues will be made at the final approval hearing.

If you are still employed by We Care, your decision about whether to participate in the Settlement will not affect your employment. California law and We Care's policy strictly prohibit unlawful retaliation. We Care will not take any adverse employment action against or otherwise retaliate, or discriminate, against any Settlement Class member because of the Settlement Class member's decision to either participate or not participate in the Settlement.

Who are the Attorneys?

Attorneys for the Plaintiff/Settlement Class members:	Attorneys for Defendants We Care Plumbing, Heating & Air and Russell Cochran:
HAINES LAW GROUP, APC Paul K. Haines phaines@haineslawgroup.com Sean M. Blakely sblakely@haineslawgroup.com 2155 Campus Drive, Suite 180 El Segundo, California 90245 Tel: (424) 292-2350 Fax: (424) 292-2355 haineslawgroup.com **LOYR, APC** Young W. Ryu Young.ryu@loywr.com 1055 West 7th Street, Suite 2290 Los Angeles, California 90017 Tel: (213) 318-5323 loywr.com	**JACKSON LEWIS PC** Alexander T. Marx Alexander.Marx@jacksonlewis.com Semarnpreet Kaur Semarnpreet.Kaur@jacksonlewis.com 3390 University Avenue, Suite 110 Riverside, California 92501 Tel.: (951) 848-7940 jacksonlewis.com

What are the terms of the Settlement?

On <<PRELIM APPROVAL DATE>>, the Court preliminarily certified a class, for settlement purposes only, of all hourly employees who are or were employed by We Care, and who worked at least one shift in California from July 27, 2019 through June 30, 2024. Settlement Class members who do not opt out of the Settlement pursuant to the procedures set forth in this Notice will be bound by the Settlement and will release their claims against We Care as described below.

We Care has agreed to pay $1,650,000.00 (the "Gross Settlement Amount") to fully resolve all claims in the Action, including payments to Settlement Class members, requested attorneys' fees and expenses, settlement administration costs, the amount designated as PAGA civil penalties, and the Class Representative's Enhancement Payment.

The following deductions from the Gross Settlement Amount will be requested by the parties:

Settlement Administration Costs. The Court has approved Phoenix Settlement Administrators to act as the "Settlement Administrator," who is sending this Notice to you and will perform many other duties relating to the Settlement. The Court has approved setting aside up to $12,000.00 from the Gross Settlement Amount to pay the settlement administration costs.

Attorneys' Fees and Expenses. Class Counsel have been prosecuting the Action on behalf of the Settlement Class members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys' fees, which will be paid from the Gross Settlement Amount. Settlement Class members are not personally responsible for any of Class Counsel's attorneys' fees or expenses. Class Counsel will ask for fees of up to one-third of the Gross Settlement Amount, which is currently estimated to be $550,000.00, as reasonable compensation for the work Class Counsel performed and will continue to perform in this Action through Settlement finalization. Class Counsel also will ask for reimbursement of up to $50,000.00 for verified costs Class Counsel incurred in connection with the Action.

Enhancement Payment to Class Representative. Class Counsel will ask the Court to award an Enhancement Payment in the amount of $10,000 to the Class Representative to compensate him for his service and extra work provided on behalf of the Settlement Class members.

PAGA Payment to State of California. $37,500.00 will be paid to the LWDA, representing 75% of the $50,000.00 the parties have agreed to allocate to the settlement of Plaintiff's claims on behalf of Aggrieved Employees under the PAGA. The remaining $12,500.00 will be payable to Aggrieved Employees as the "PAGA Amount," as described below.

Calculation of Settlement Class Members' Settlement Awards. After deducting the Court-approved amounts above, the balance of the Gross Settlement Amount will form the Net Settlement Amount ("NSA"), which will be distributed to all Settlement Class members who do not submit a valid and timely Request for Exclusion (described below). The NSA is estimated at approximately $978,000.00 and will be divided as follows:

(i) Payments to All Participating Settlement Class Members: The NSA shall be allocated based on each participating Settlement Class member's proportionate workweeks worked during the Class Period, which will be calculated by multiplying the NSA by a fraction, the numerator of which is the participating Settlement Class member's number of workweeks worked during the Class Period, and the denominator of which is the total workweeks worked by all participating Settlement Class members during the Class Period.

(ii) PAGA Amount: In addition to the NSA, each Settlement Class member who was employed by We Care at any time from April 20, 2022 through June 30, 2024 ("PAGA Period"), shall receive a portion of the $12,500 PAGA Amount based on the proportionate number of pay periods worked during the PAGA Period, and which will be calculated by multiplying the PAGA Amount by a fraction, the numerator of which is the Settlement Class member's gross number of pay periods worked during the PAGA Period, and the denominator of which is the total number of pay periods worked by all Settlement Class members during the PAGA Period (including those who submit a valid and timely Request for Exclusion from the class action settlement). The average payment from the PAGA Amount is estimated to be approximately $43.71.

Payments to Settlement Class Members. If the Court grants final approval of the Settlement, Settlement Awards will be mailed to all Settlement Class members who did not submit a valid and timely Request for Exclusion. Settlement checks will be valid for 180 days from the date the Settlement Administrator mails it.

Any funds payable to Settlement Class members whose checks are not cashed within 180 days after mailing shall be distributed to the California Controller's Unclaimed Property Fund in the name of the Settlement Class member.

Allocation and Taxes. For purposes of calculating applicable taxes and withholdings, each Settlement Award from the NSA shall be allocated as follows: 80% as penalties and interest; and 20% as wages. Any payment from the PAGA Amount shall be allocated as 100% penalties. The Settlement Administrator will be responsible for issuing to participating Settlement Class members IRS Forms W-2 for amounts deemed "wages" and IRS Forms 1099 for the amounts allocated as penalties and interest. Settlement Class members are responsible for the proper income tax treatment of the individual Settlement Awards. The Settlement Administrator, We Care and its counsel, and Class Counsel cannot provide tax advice. Accordingly, Settlement Class members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Release: If the Court approves the Settlement, and upon the complete funding of the Gross Settlement Amount, Plaintiff and every member of the Settlement Class members (except those who opt out) will fully release and discharge We Care, and all of its present and former officers, directors, employees, agents, and Russell Cochran (collectively the "Released Parties"), as follows: Settlement Class members who do not opt out will release all claims, causes of action, and legal theories alleged in the operative First Amended Class and Representative Action Complaint ("FAC") and based solely upon the facts alleged in the FAC based on the fa, including: (a) failure to pay minimum wages; (b) failure to pay all overtime wages; (c) failure to provide all meal periods in accordance with California law; (d) failure to authorize and permit all rest periods in accordance with California law; (e) failure to furnish accurate and itemized wage statements; (f) failure to pay all wages owed upon separation of employment; and (g) all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories of relief pled in the FAC (collectively, the "Class Released Claims"). The period of the Class Released Claims shall extend to the limits of the Class Period.

In addition, Plaintiff and the State of California shall release the Released Parties from all claims for civil penalties under PAGA arising during the PAGA Period as disclosed in Plaintiff's April 20, 2023 Notification Letter to the LWDA ("the PAGA Released Claims").

Conditions of Settlement. The Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement as fair, reasonable, adequate, and in the best interests of the Settlement Class, and the entry of Judgment.

How can I claim money from the Settlement?

Do Nothing. If you do nothing, you will be entitled to your share of the Settlement based on the proportionate number of workweeks you worked during the Class Period and the proportionate number of pay periods you worked during the PAGA Period, as stated in the accompanying Notice of Estimated Settlement Award. You also will be bound by the Settlement, including the release of claims stated above.

What other options do I have?

Dispute Information in Notice of Estimated Settlement Award. Your award is based on the proportionate number of workweeks you worked during the Class Period. The information contained in We Care's records regarding each of these factors, along with your estimated Settlement Award, is listed on the accompanying Notice of Estimated Settlement Award. If you disagree with the information in your Notice of Estimated Settlement Award, you may submit a dispute, along with any supporting documentation, in accordance with the procedures stated in the Notice of Estimated Settlement Award. Any disputes, along with supporting documentation, must be postmarked no later than <<RESPONSE DEADLINE>>. **DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.**

The Parties and the Settlement Administrator will evaluate the evidence submitted and discuss in good faith how to resolve any disputes submitted by Settlement Class members. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Settlement Awards.

The average Settlement Award is estimated at $1,557.32. The lowest Settlement Award to a Settlement Class member is estimated at $37.09. The highest Settlement Award to a Settlement Class member is estimated at $9,539.29.

Exclude Yourself from the Settlement. If you **do not** wish to take part in the Settlement, you may exclude yourself by sending to the Settlement Administrator a written Request for Exclusion Form postmarked no later than <<RESPONSE DEADLINE>>, with your name, address, telephone number, last four digits of your social security number, a statement that you wish to be excluded from the Settlement, and your signature. A Request for Exclusion Form is included with this Notice.

Send the Request for Exclusion Form directly to the Settlement Administrator at <<INSERT ADMINISTRATOR CONTACT INFO>>. Any person who submits a timely Request for Exclusion from the Settlement shall, upon receipt by the Settlement Administrator, no longer be a Settlement Class member, shall be barred from participating in any portion of the class action Settlement, and shall receive no benefits from the class action Settlement. However, all Aggrieved Employees who worked for We Care during the PAGA Period, including those who opt out, will be bound by the PAGA portion of the Settlement and will receive a portion from the PAGA Amount. Settlement Class members can neither opt out nor object to the settlement of the PAGA claims in this Action. **Do not submit both a Dispute and a Request for Exclusion.** If you do, the Request for Exclusion will be invalid, you will be included in the Settlement Class, and you will be bound by the terms of the Settlement.

Objecting to the Settlement. You also have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you should mail a written objection to the Settlement Administrator. Your written objection should include your name, address, as well as contact information for any attorney representing you regarding your objection, the case name and number, each specific reason in support of your objection, and any legal or factual support for each objection together with any evidence in support of your objection. Objections should be in writing and must be postmarked on or before <<RESPONSE DEADLINE>>. Settlement Class members may also appear at the final approval hearing to orally object, even if they have not submitted a written objection. An Objection Form is included with this Notice.

You may also appear at the Final Approval Hearing scheduled for <<FINAL APPROVAL HEARING DATE/TIME>> in Department M301 of the Riverside County Superior Court, Menifee Justice Center, located 27401 Menifee Center Drive, Menifee, California 92584. You have the right to appear either in person or through your own attorney at this hearing. All objections or other correspondence must state the name and number of the case, which is *Michael Flores v. We Care Plumbing, Heating & Air*, Riverside County Superior Court Case No. CVR12303843. You do not need to object in writing to be heard at the Final Approval Hearing.

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class members who do not object.

What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on <<FINAL APPROVAL HEARING DATE/TIME>>, in Department M301 of the Riverside County Superior Court, Menifee Justice Center, located 27401 Menifee Center Drive, Menifee, California 92584. The Court also will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses and the Enhancement Payment to the Class Representative. The Final Approval Hearing may be postponed without further notice to the Settlement Class. You may contact Class Counsel using the contact information provided above to confirm the address and time of the hearing. **You**

are <u>not</u> required to attend the Final Approval Hearing, although any Settlement Class member is welcome to attend the hearing.

How can I get additional information?

This Notice is only a summary of the Action and the Settlement. For more information, you may inspect the Court's files and the Settlement Agreement at the Office of the Clerk of the Riverside County Superior Court, located at 4050 Main Street, Riverside, California 92501, during regular court hours. You may also view the case file online at www.riverside.courts.ca.gov by going to the "Search Court Records" tab, selecting "Civil, Small Claims and Unlawful Detainer Case Information," and entering the case number information. This case is assigned to Department M301 of the Riverside County Superior Court, Menifee Justice Center, 27401 Menifee Center Drive, Menifee, California 92584. The Settlement Agreement is attached as Exhibit 1 to the Declaration of Sean M. Blakely In Support of Plaintiff's Supplemental Brief, filed on December 6, 2024. <u>You may also contact Class Counsel using the contact information listed above for more information.</u>

<u>PLEASE DO NOT CALL OR WRITE THE COURT, WE CARE, OR ITS ATTORNEYS FOR INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS</u>

REMINDER AS TO TIME LIMITS

The deadline for submitting any Disputes, Requests for Exclusion, or Objections is <<**RESPONSE DEADLINE**>>. These deadlines will be strictly enforced.

BY ORDER OF THE COURT ENTERED ON <<PRELIM APPROVAL DATE>>.

EXHIBIT 3

REQUEST FOR EXCLUSION FORM

MICHAEL FLORES v. WE CARE PLUMBING, HEATING & AIR
Riverside County Superior Court
Case No. CVRI2303843

IF YOU *DO NOT* WISH TO BE PART OF THE CLASS ACTION SETTLEMENT, YOU MUST *COMPLETE*, *SIGN* AND *MAIL* OR DELIVER THIS FORM, POSTMARKED ON OR BEFORE [INSERT DATE], ADDRESSED AS FOLLOWS:

PHOENIX SETTLEMENT ADMINISTRATORS ***MICHAEL FLORES v. WE CARE PLUMBING, HEATING & AIR*** **SETTLEMENT ADMINISTRATOR** **ADDRESS** **ADDRESS** **PHONE** **FAX**

DO NOT SUBMIT THIS FORM IF YOU WISH TO RECEIVE A PAYMENT UNDER THE SETTLEMENT.

By signing, filling out, and returning this form, I confirm that I ***do not*** want to be included in the Settlement of the lawsuit entitled *MICHAEL FLORES v. WE CARE PLUMBING, HEATING & AIR,* Riverside County Superior Court Case No. CVRI2303843.

I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE *MICHAEL FLORES v. WE CARE PLUMBING, HEATING & AIR* LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE MONEY FROM THE CLASS SETTLEMENT OF THIS LAWSUIT. EXCLUSION FROM THE CLASS ACTION SETTLEMENT WILL NOT RESULT IN EXCLUSION FROM THE PAGA SETTLEMENT. EMPLOYEES MAY NEITHER OBJECT TO NOR OPT OUT OF THE PAGA SETTLEMENT.

____
Name Telephone Number

____
Address

____
Date Signature

Last Four Digits of Social Security Number: ______________

EXHIBIT 4

NOTICE OF ESTIMATED SETTLEMENT AWARD

MICHAEL FLORES v. WE CARE PLUMBING, HEATING & AIR
RIVERSIDE COUNTY SUPERIOR COURT CASE NO. CVRI2303843

Please complete, sign, date and return this Form to <<ADMINISTRATOR CONTACT INFO>> **ONLY IF** (1) your personal contact information has changed, and/or (2) you wish to dispute any of the items listed in Section (III), below. It is your responsibility to keep a current address on file with the Settlement Administrator.

(I) **Please type or print your name:**

____
(First, Middle, Last)

(II) **Please type or print the following identifying information if your contact information has changed:**

____
Former Names (if any)

____
New Street Address

____
City State Zip Code

(III) **Information Used to Calculate Your Settlement Award:**

According to Defendant We Care Plumbing, Heating & Air ("We Care") records:

- **(a)** you worked ____ workweeks as a non-exempt employee for We Care in California from July 27, 2019 through June 30, 2024; and
- **(b)** you worked ____ pay periods as a non-exempt employee for We Care in California between April 20, 2022 and June 30, 2024.

Based on the above, your Individual Settlement Award from the Net Settlement Amount is estimated at **$**________. Your share from the PAGA Amount is estimated to be $______.

(IV) **If you disagree with items (a) and/or (b) in Section (III) above, please explain why in the space provided below and include copies of any supporting evidence or documentation with this Form:**

____
____
____
____
____
____

If you dispute the above information from We Care's records, We Care's records will control unless you are able to provide documentation that establishes otherwise, and that We Care's records are mistaken. If there is a dispute about whether We Care's information or yours is accurate, and the dispute cannot be resolved informally, the dispute will be resolved as described in the "Notice of Pendency of Class and PAGA Action and Proposed Settlement" that accompanies this Form.

ANY DISPUTES, ALONG WITH ANY SUPPORTING DOCUMENTATION, MUST BE POSTMARKED NO LATER THAN <<RESPONSE DEADLINE>>.

Signature: ______________________________ **Date:** ________________

EXHIBIT 5

STIPULATION OF SETTLEMENT

This Stipulation of Settlement ("Settlement Agreement" or "Settlement") is reached by and between Plaintiff Michael Flores ("Plaintiff"), individually and on behalf of all members of the Settlement Class (defined below), on the one hand, and Defendant We Care Plumbing, Heating & Air, LLC ("Defendant") on the other hand. Plaintiff and Defendant are referred to herein collectively as the "Parties." Plaintiff and the Settlement Class are represented by Paul K. Haines and Sean M. Blakely of Haines Law Group, APC, and Young W. Ryu of LOYR, APC ("Class Counsel"). Defendant is represented by ~~Arthur K. Cunningham~~Alexander T. Marx and Semarnpreet Kaur of Jackson Lewis PC.

On July 27, 2023, Plaintiff filed a Class Action Complaint against Defendant in Riverside County Superior Court, in the matter entitled *Michael Flores v. We Care Plumbing, Heating & Air, LLC., et al.* Case No. CVRI2303843 (the "Action"). On November 3, 2023, Plaintiff filed the operative First Amended Class and Representative Action Complaint ("FAC"), adding a cause of action under the Private Attorneys General Act ("PAGA"). The FAC alleges the following causes of action: (i) minimum wage violations; (ii) failure to pay all overtime wages; (iii) meal period violations; (iv) rest period violations; (v) waiting time penalties; (vi) wage statement violations; (vii) failure to reimburse for all necessary business expenses; (viii) unfair competition; and (ix) civil penalties under the Private Attorneys General Act ("PAGA").

Given the uncertainty of litigation, Plaintiff and Defendant wish to settle both individually and on behalf of the Settlement Class. Accordingly, Plaintiff and Defendant agree as follows:

1. **Settlement Class.** For the purposes of this Settlement Agreement only, Plaintiff and Defendant stipulate to the certification of the following Settlement Class:

> All current and former non-exempt employees who are or were employed by Defendant We Care Plumbing, Heating & Air, LLC, and who worked at least one shift in California from July 27, 2019 through June 30, 2024 (the "Class Period").

The Parties agree that certification for purposes of settlement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure. If for any reason this Settlement Agreement is not approved, does not become Final as defined below, or is terminated or materially modified without agreement of the parties, in whole or in part, this conditional agreement to class certification will be inadmissible and will have no effect in this matter or in any claims brought on the same or similar allegations, and the Parties shall revert to the respective positions they held prior to entering into the Settlement Agreement.

2. **Release by Settlement Class Members and Plaintiff**. Upon the Effective Date (as defined below) and the complete funding of the Gross Settlement Amount (defined below), Plaintiff and every member of the Settlement Class (except those who opt out) will fully release and discharge Defendant, and all of their present and former officers, directors, employees, agents, and Russell Cochran (collectively the "Released Parties"), as follows:

   A. Settlement Class members who do not opt out will release all claims, causes of action, and legal theories alleged in the operative First Amended Class and

Representative Action Complaint ("FAC") and those based solely upon the facts alleged in the FAC, including: (a) failure to pay minimum wages; (b) failure to pay all overtime wages; (c) failure to provide all meal periods in accordance with California law; (d) failure to authorize and permit all rest periods in accordance with California law; (e) failure to furnish accurate and itemized wage statements; (f) failure to pay all wages owed upon separation of employment; (g) failure to reimburse for all necessary business expenses; and (h) all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories of relief pled in the FAC (collectively, the "Class Released Claims"). The period of the Class Released Claims shall extend to the limits of the Class Period.

B. **Release of PAGA Claims.** In addition, Plaintiff and the State of California shall release the Released Parties from all claims for civil penalties under PAGA arising from April 20, 2022 through June 30, 2024 ("PAGA Period") as disclosed in Plaintiff's April 20, 2023 Notification Letter to the Labor and Workforce Development Agency ("LWDA") ("the PAGA Released Claims").

C. **Release by Plaintiff.** Upon Defendant's complete funding of the Gross Settlement Amount, Plaintiff has agreed to release, individually and in addition to their Class Released Claims and PAGA Released Claims described above, all claims, whether known or unknown, without exception, against the Released Parties. The Parties understand and agree that Plaintiff is not, by way of this release, releasing any workers' compensation claims, unemployment insurance claims, nor any other claims which cannot be released as a matter of law. Notwithstanding the foregoing, Plaintiff understands that this release includes unknown claims and that Plaintiff is, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

> **A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor 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.**

Specifically excluded from Plaintiff's Released Claims are any claims that cannot be released as a matter of law, such as claims for workers' compensation benefits or unemployment benefits.

3. **Gross Settlement Amount.** As consideration and subject to the express condition precedent that this Settlement Agreement becomes Final (as defined below), Defendant agrees to pay a non-reversionary "Gross Settlement Amount" of One Million Six Hundred Fifty Thousand Dollars and Zero Cents ($1,650,000.00) in full and complete settlement of the Action, as follows:

A. The Parties have agreed to engage Phoenix Settlement Administrators as the "Settlement Administrator" to administer this Settlement.

B. The Gross Settlement Amount shall be deposited with the Settlement Administrator within fifteen (15) calendar days of the "Effective Date" which, for purposes of this Settlement Agreement, shall be defined as the later of: (1) the date on which the Court enters an Order granting Final Approval of the Settlement Agreement or, (2) solely in the event that there are any objections to the Settlement Agreement (the filing of an objection being a prerequisite to the filing of an appeal), the later of: (i) the last date on which any appeal might be filed or (ii) the successful resolution of any appeal(s) – including expiration of any time to seek reconsideration or further review.

C. This is a non-reversionary settlement. The Gross Settlement Amount includes:

(1) All payments (including interest) to the Settlement Class;

(2) All costs of the Settlement Administrator and settlement administration, which are anticipated to be no greater than Twelve Thousand Dollars and Zero Cents($12,000.00);

(3) Up to Ten Thousand Dollars and Zero Cents ($10,000.00), for Plaintiff's Class Representative Enhancement Payment in recognition of his contributions to the Action and his service to the Settlement Class. If Plaintiff's request for his enhancement payment is not approved and/or reduced by the Court, any amount not approved and/or reduced by the Court will revert to the participating Settlement Class members;

(4) Up to one-third of the Gross Settlement Amount in Class Counsel's attorneys' fees, plus actual costs and expenses incurred by Class Counsel related to the Action as supported by declaration, which are currently estimated to be no greater than Fifty Thousand Dollars and Zero Cents ($50,000.00). If Class Counsel's request for attorneys' fees and/or reimbursement of litigation costs is not approved and/or reduced by the Court, any amount not approved and/or reduced by the Court will revert to the participating Settlement Class members;

(5) Fifty Thousand Dollars and Zero Cents ($50,000.00) of the Gross Settlement Amount has been set aside by the Parties as PAGA civil penalties. Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Thirty-Seven Thousand Five Hundred Dollars and Zero Cents ($37,500.00) will be payable to the Labor & Workforce Development Agency ("LWDA"), and the remaining twenty-five percent (25%), or Twelve Thousand Five Hundred Dollars and Zero Cents ($12,500.00) will be payable to the Settlement Class as the "PAGA Amount;"

(6) Any difference between these requested amounts and the amounts approved by the Court will revert to the Net Settlement Amount for the benefit of the participating Settlement Class members.

D. Defendant's share of employer payroll taxes shall be paid by Defendant separately from, and in addition to, the Gross Settlement Amount.

E. **Escalator Clause.** This settlement was entered into based on Defendant's representation that there are 26,369 workweeks during the Class Period. If at the time of preliminary approval of the settlement, the total number of workweeks during the Class Period is 10% more than the amount stated (i.e., there are 29,006 workweeks during the Class Period), Defendant will have the option of increasing the Gross Settlement Amount proportionally for any workweeks above 29,006, or shortening the Class Period to cover the time period encompassing 29,006 workweeks.

4. **Payments to the Settlement Class.** Settlement Class members are not required to submit a claim form to receive a payment ("Settlement Award") from the settlement. Settlement Awards will be determined and paid as follows:

A. The Settlement Administrator shall first deduct from the Gross Settlement Amount the amounts approved by the Court for Class Counsel's attorneys' fees, Class Counsel's costs and expenses, Plaintiff's Class Representative enhancement payment, the amount designated as PAGA civil penalties, and the Settlement Administrator's fees and expenses for administration. The remaining amount shall be known as the "Net Settlement Amount," or "NSA."

B. From the Net Settlement Amount, the Settlement Administrator will calculate each Settlement Class member's Settlement Award based on the following formula:

i. The Net Settlement Amount shall be allocated among Settlement Class members (except those who submit a timely and valid Request for Exclusion) based on each participating Settlement Class members' proportionate workweeks worked during the Class Period, which will be calculated by multiplying the Net Settlement Amount by a fraction, the numerator of which is the participating Settlement Class member's number of workweeks worked during the Class Period, and the denominator of which is the total workweeks worked by all participating Settlement Class members during the Class Period.

C. PAGA Amount: Each Settlement Class member who was employed by Defendant at any time during the PAGA Period (including those who submit a valid and timely Request for Exclusion from the class action settlement) shall receive a portion of the Twelve Thousand Five Hundred Dollars and Zero Cents ($12,500.00) of the Gross Settlement Amount that has been designated as the "PAGA Amount" based on the proportionate number of pay periods worked during the PAGA Period, and which will be calculated by multiplying the PAGA Amount by a fraction, the numerator of which is the Settlement Class member's gross number of pay periods worked during the PAGA Period, and the denominator of which if the total number of pay periods worked by all Settlement Class members during the PAGA Period (including those who submit a valid and timely Request for Exclusion from the class action settlement).

D. Within ten (10) calendar days following Defendant's deposit of the Gross Settlement Amount with the Settlement Administrator, the Settlement Administrator will calculate Settlement Award amounts and provide the same to counsel for review and approval. Within seven (7) calendar days of approval by counsel, the Settlement Administrator will prepare and mail Settlement Awards, less applicable taxes and withholdings, to participating Settlement Class members. The Settlement Administrator shall simultaneously pay the withholdings to the applicable authorities with the necessary reports, submitting copies to Defendant's counsel. After Settlement Awards are mailed to Settlement Class members, the Settlement Administrator shall distribute the amounts approved for Class Counsel's attorneys' fees and litigation costs, Plaintiff's Enhancement Payment, payment to the LWDA for its share of PAGA civil penalties, and settlement administration expenses.

E. For purposes of calculating applicable taxes and withholdings, each Settlement Award from the NSA shall be allocated as follows: 80% as penalties and interest; and 20% as wages. Any payment from the PAGA Amount shall be allocated as 100% penalties. The Settlement Administrator will be responsible for issuing to participating Settlement Class members IRS Forms W-2 for amounts deemed "wages" and IRS Forms 1099 for the amounts allocated as penalties and interest. Notwithstanding the treatment of the payments to each Settlement Class member above, none of the payments called for by this Settlement Agreement, including the wage portion, are to be treated as earnings, wages, pay or compensation for any purpose of any applicable benefit or retirement plan, unless required by such plans.

F. Each member of the Settlement Class who receives a Settlement Award must cash that check within 180 days from the date the Settlement Administrator mails it. Any funds payable to Settlement Class members whose checks are not cashed within 180 days after mailing shall be distributed to the California Controller's Unclaimed Property Fund in the name of the Settlement Class member thereby leaving no "unpaid residue" subject to the requirements of Code of Civil Procedure section 384(b).

G. Neither Plaintiff nor Defendant shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement Administrator.

5. **Attorneys' Fees and Costs.** Defendant will not object to Class Counsel's request for a total award of attorneys' fees of up to one-third of the Gross Settlement Amount, which is currently estimated to be Five Hundred Fifty Thousand Dollars and Zero Cents ($550,000.00). Additionally, Class Counsel will request an award of actual costs and expenses as supported by declaration, in an amount not to exceed Fifty Thousand Dollars and Zero Cents ($50,000.00), from the Gross Settlement Amount. These amounts will cover any and all work performed and any and all costs

incurred in connection with this litigation, including without limitation: all work performed and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator when the Settlement Administrator pays the fee award allowed by the Court.

6. **Class Representative Enhancement Payment.** Defendant will not object to a request for a Class Representative Enhancement Payment of up to Ten Thousand Dollars and Zero Cents ($10,000.00) to the Plaintiff for his time and risk in prosecuting this case, and his service to the Settlement Class. This payment will be in addition to Plaintiff's Settlement Award as a Settlement Class member and shall be reported on an IRS Form 1099 issued by the Settlement Administrator.

7. **Settlement Administrator.** Defendant will not object to the appointment of Phoenix Settlement Administrators as Settlement Administrator. Defendant will not object to Plaintiff seeking permission to pay up to Twelve Thousand Dollars and Zero Cents ($12,000.00) for its services from the Gross Settlement Amount. The Settlement Administrator shall be responsible for sending notices and for calculating Settlement Awards and preparing all checks and mailings, calculating Defendant's share of taxes payable on the wages, and other duties as described in this Settlement Agreement. The Settlement Administrator shall be authorized to pay itself from the Gross Settlement Amount by Class Counsel only after Settlement Awards have been mailed to all participating Settlement Class members. The Settlement Administrator shall also give notice of final judgment by posting the final judgment to its website.

8. **Preliminary Approval.** Within a reasonable time after execution of this Settlement Agreement by the Parties, Plaintiff shall apply to the Court for the entry of an Order:

A. Conditionally certifying the Settlement Class for purposes of this Settlement Agreement;

B. Appointing Paul K. Haines and Sean M. Blakely of Haines Law Group, APC, and Young W. Ryu of LOYR, APC as Class Counsel;

C. Appointing Michael Flores as Class Representative for the Settlement Class;

D. Approving Phoenix Settlement Administrators as Settlement Administrator;

E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;

F. Approving the form and content of the Notice Packet (which is comprised of the Class Notice, Request for Exclusion Form, Objection Form, and Notice of Estimated Settlement Award), and directing the mailing of same in English and Spanish; and

G. Scheduling a Final Approval hearing.

9. **Notice to Settlement Class.** Following preliminary approval, the Settlement Class shall be notified as follows:

A. Within ten (10) business days after entry of an order preliminarily approving this Agreement, Defendant will provide the Settlement Administrator with the names, last known addresses, phone numbers, social security numbers, and workweek information for each Settlement Class member employed during the Class Period (the "Class Data"). The Class Data shall be provided to the Settlement Administrator in an electronic format reasonably satisfactory to the Settlement Administrator.

B. Within ten (10) business days from receipt of the information provided for in Paragraph 9(A), the Settlement Administrator shall: (i) run the names of all Settlement Class members through the National Change of Address ("NCOA") database to determine any updated addresses for Settlement Class members; (ii) update the address of any Settlement Class member for whom an updated address was found through the NCOA search; (iii) calculate the estimated Settlement Award for each Settlement Class member; and (iv) mail a Notice Packet to each Settlement Class member via U.S. first class mail at his or her last known address or at the updated address found through the NCOA search, and retain proof of mailing.

C. Requests for Exclusion. Any Settlement Class member who wishes to opt out of the settlement must complete and mail a Request for Exclusion Form to the Settlement Administrator within sixty (60) calendar days of the date of the initial mailing of the Notice Packets (the "Response Deadline").

i. The Notice Packet shall state that a Settlement Class member who wishes to exclude themselves from the settlement must submit a Request for Exclusion Form by the Response Deadline. The Request for Exclusion Form must: (1) contain the name, address, telephone number and the last four digits of the Social Security number of the Settlement Class member; (2) contain a statement that the Settlement Class member wishes to be excluded from the settlement; (3) be signed by the Settlement Class member; and (4) be postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion Form does not contain the information listed in (1)-(3), it will not be deemed valid for exclusion from the settlement. The date of the postmark on the Request for Exclusion Form shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Settlement Class member who requests to be excluded from the Settlement Class will not be entitled to any recovery under this Settlement Agreement and will not be bound by the terms of the settlement or have any right to object, appeal or comment thereon. ~~Notwithstanding the foregoing, the PAGA settlement and release provisions will apply to all Aggrieved Employees, whether or not they exclude themselves from the class action settlement. Settlement Class members who were employed by Defendant at any time during the PAGA Period and submit~~

~~a valid and timely Request for Exclusion shall still be entitled to their portion of the PAGA Amount described above, and will release the PAGA Release Claims, whether they submit a valid and timely Request for Exclusion or not.~~

ii. At no time will the Parties or their counsel seek to solicit or otherwise encourage any Settlement Class member to object to the settlement or opt out of the Settlement Class or encourage any Settlement Class member to appeal from the final judgment.

D. Objections. Settlement Class members who do not request exclusion may object to this Settlement Agreement as explained in the Class Notice by filing a written objection with the Settlement Administrator (who shall serve all objections as received on Class Counsel and Defendant's counsel via e-mail, as well as file all such objections with the Court). Defendant's counsel and Class Counsel shall file any responses to objections no later than the deadline to file the Motion for Final Approval, unless the objections are filed within ten (10) days of the Motion for Final Approval filing deadline, in which case Defendant's counsel and Class Counsel shall have ten (10) days from the date of service to the objections by the Settlement Administrator to file a response to the objections. All objections should contain the objecting Settlement Class member's full name and current address, as well as contact information for any attorney representing the objecting Settlement Class member for purposes of the objection. Settlement Class members may also appear at the final approval hearing to orally object, even if they have not submitted a written objection.

E. Notice of Estimated Settlement Award / Disputes. Each Notice Packet mailed to a Settlement Class member shall disclose the amount of the Settlement Class member's estimated Settlement Award as well as all of the information that was used from Defendant's records in order to calculate the Settlement Award. Settlement Class members will have the opportunity, should they disagree with Defendant's records regarding the information stated in the Notice of Estimated Settlement Award, to provide documentation and/or an explanation to show contrary information. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Settlement Awards under the terms of this Settlement Agreement. The Settlement Administrator's determination of the eligibility for and amount of any Settlement Award shall be binding upon the Settlement Class member and the Parties.

F. Any Notice Packets returned to the Settlement Administrator as non-deliverable on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a "skip trace," to obtain an updated mailing address within five (5) business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement

Administrator shall resend the Notice Packet to the Settlement Class member immediately, and in any event within five (5) business days of obtaining the updated address. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Settlement Class member. Settlement Class members to whom Notice Packets are re-mailed after having been returned as undeliverable to the Settlement Administrator shall have fourteen (14) calendar days from the date of re-mailing, or until the Response Deadline has expired, whichever is later, to submit a Request for Exclusion, Objection, or dispute. Notice Packets that are re-mailed shall inform the recipient of this adjusted deadline. If a Settlement Class member's Notice Packet is returned to the Settlement Administrator more than once as non-deliverable, then an additional Notice Packet shall not be mailed. Nothing else shall be required of, or done by, the Parties, Class Counsel, or Defendant's Counsel to provide notice of the proposed settlement.

10. **Final Approval.** Following preliminary approval and the close of the period for filing requests for exclusion, objections, or disputes under this Settlement Agreement, Plaintiff shall apply to the Court for entry of an Order:

A. Granting final approval to the Settlement Agreement and adjudging its terms to be fair, reasonable, and adequate;

B. Approving Plaintiff's and Class Counsel's application for attorneys' fees and costs, Class Representative enhancement payment, LWDA payment, and settlement administration costs; and

C. Entering judgment pursuant to California Rule of Court 3.769. Said judgment shall be posted on the website of the Settlement Administrator.

11. **Non-Admission of Liability.** Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this settlement. Each of the Parties has entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by California Evidence Code Section 1152.

12. **Non-disclosure and Non-publication**. Plaintiff and Class Counsel agree that they have not and will not publish the Settlement Agreement, except to Settlement Class members and as contractually required to effectuate the terms of the Settlement Agreement as set forth herein. Class Counsel shall not report the Settlement Agreement in any medium or in any publication, shall not post or report anything regarding the claims of Plaintiff, the Settlement Class, or the settlement on their website, and shall not contact any reporters or media regarding the settlement. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions, Class Counsel may disclose the names of the Parties in this Action, the venue/case number of this Action, and a general description of the Action, to a court in a declaration by Class Counsel.

13. **Waiver and Amendment.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by all of the Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

14. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery and by e-mail at the addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

if to Defendant:	~~Arthur K. Cunningham~~Alexander T. Marx, Jackson Lewis P.C., 3390 University Avenue, Suite 110, Riverside, California 92501; ~~arthur.cunningham~~Alexander.Marx@jacksonlewis.com.
if to Plaintiff:	Paul K. Haines, Haines Law Group, APC, 2155 Campus Drive, Suite 180, El Segundo, California 90245; phaines@haineslawgroup.com.

15. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof.

16. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

17. **Enforcement and Continuing Jurisdiction of the Court.** To the extent consistent with class action procedure, this Settlement Agreement shall be enforceable by the Court pursuant to California Code of Civil Procedure section 664.6. The Court shall retain continuing jurisdiction over this Lawsuit and over all Parties and Settlement Class members, to the fullest extent to enforce and effectuate the terms and intent of this Settlement Agreement, and to adjudicate any claimed breaches of this Settlement Agreement. In the event that one more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this settlement or to declare rights and/or obligations under this settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

DATED: WE CARE PLUMBING, HEATING & AIR, LLC

By:________________________________

Its: ________________________________

DATED: MICHAEL FLORES

Plaintiff

APPROVED AS TO FORM:

DATED: HAINES LAW GROUP, APC

Paul K. Haines
Sean M. Blakely
Attorneys for Plaintiff

DATED: LOYR, APC

Young W. Ryu
Attorneys for Plaintiff

DATED: JACKSON LEWIS P.C.

Alexander T. Marx~~Arthur K. Cunningham~~
Semarnpreet Kaur
Attorneys for Defendant

EXHIBIT 6

NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT
MICHAEL FLORES v. WE CARE PLUMBING, HEATING & AIR
Riverside County Superior Court
Case No.: CVRI2303843

To: All current and former hourly employees who are or were employed by Defendant We Care Plumbing, Heating & Air, and who worked at least one shift in California from July 27, 2019 through June 30, 2024 (the "Settlement Class").

PLEASE READ THIS NOTICE CAREFULLY
THIS NOTICE IS BEING SENT IN ENGLISH AND SPANISH
YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR NOT

Why should you read this notice?

The Riverside County Superior Court has granted preliminary approval of a proposed class action settlement (the "Settlement") in the case of *Michael Flores v. We Care Plumbing, Heating & Air*, Riverside County Superior Court Case No. CVRI2303843 (the "Action"). Because your rights may be affected by the Settlement, it is important that you read this notice carefully.

You may be entitled to money from this Settlement. Defendants We Care Plumbing, Heating & Air's ("We Care") records show that you are or were employed at We Care in California as an hourly employee, and you worked at least one shift in California from July 27, 2019 through June 30, 2024 (the "Class Period"). The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

The purpose of this notice is to provide you with a brief description of the Action, to inform you of the terms of the Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves the Settlement, you will be bound by the terms of the Settlement and any final judgment.

What is this case about?

Plaintiff Michael Flores ("Plaintiff") brought this Action against We Care, seeking to assert claims on behalf of a class of current and former hourly employees who worked at least one shift in California during the Class Period. Plaintiff is known as the "Class Representative," and his attorney, who also represents the interests of all Settlement Class members, is known as "Class Counsel."

Plaintiff alleges that We Care failed to pay Settlement Class members for all minimum and overtime wages and failed to provide required meal and rest periods to Settlement Class members. The Action also alleges that as a result of these alleged violations, We Care failed to provide Settlement Class members with accurate and complete wage statements and failed to timely pay all final wages at the time of separation of employment. As a result of the alleged violations, Plaintiff alleges that We Care engaged in unfair business practices and is liable for civil penalties under the Labor Code Private Attorneys General Act ("PAGA").

A PAGA action is a form of representative action that allows employee plaintiffs to act on behalf of the government as agents of the state's labor law enforcement agencies. By acting as a private attorney general, an "aggrieved employee" who has been affected by at least one Labor Code violation committed by their employer can use a PAGA action as a means to collect civil penalties for those violations. 75% of any collected penalties go to the state's Labor and Workforce Development Agency ("LWDA"), and the remaining 25% of penalties are distributed evenly among all aggrieved employees. Aggrieved employees may neither object to nor opt out of the PAGA settlement.

We Care denies all liability to Settlement Class members, denies the factual and legal allegations in the case, and believes that it has valid defenses to Plaintiff's claims. We Care has entered into the Settlement solely

for the purposes of resolving this dispute and has agreed to settle the case as part of a compromise with Plaintiff. Accordingly, the Settlement constitutes a compromise of disputed claims and is not be construed as an admission of liability on the part of We Care, which expressly denies all liability.
The Court has not ruled on the merits of Plaintiff's claims. However, to avoid additional expense, inconvenience, and interference with its business operations, the Parties concluded that it is in its best interests and the interests of Settlement Class members to settle the Action on the terms summarized in this Notice. After We Care provided relevant information to Class Counsel, the Settlement was reached after mediation and arm's-length negotiations between the parties.

The Class Representative and Class Counsel support the Settlement. Among the reasons for support are the defenses to liability potentially available to We Care, the risk of denial of class certification, the inherent risks of trial on the merits, and the delays and uncertainties associated with litigation. The Court has determined only that there is sufficient evidence to suggest that the proposed settlement might be fair, adequate, and reasonable, and that any final determination of those issues will be made at the final approval hearing.

If you are still employed by We Care, your decision about whether to participate in the Settlement will not affect your employment. California law and We Care's policy strictly prohibit unlawful retaliation. We Care will not take any adverse employment action against or otherwise retaliate, or discriminate, against any Settlement Class member because of the Settlement Class member's decision to either participate or not participate in the Settlement.

Who are the Attorneys?

Attorneys for the Plaintiff/Settlement Class members:	Attorneys for Defendants We Care Plumbing, Heating & Air and Russell Cochran:
HAINES LAW GROUP, APC Paul K. Haines phaines@haineslawgroup.com Sean M. Blakely sblakely@haineslawgroup.com 2155 Campus Drive, Suite 180 El Segundo, California 90245 Tel: (424) 292-2350 Fax: (424) 292-2355 haineslawgroup.com **LOYR, APC** Young W. Ryu Young.ryu@loywr.com 1055 West 7th Street, Suite 2290 Los Angeles, California 90017 Tel: (213) 318-5323 loywr.com	**JACKSON LEWIS PC** ~~Arthur K. Cunningham~~Alexander T. Marx ~~Arthur.cunningham~~Alexander.Marx@jacksonlewis.com Semarnpreet Kaur Semarnpreet.Kaur@jacksonlewis.com 3390 University Avenue, Suite 110 Riverside, California 92501 Tel.: (951) 848-7940 jacksonlewis.com

What are the terms of the Settlement?

On <<PRELIM APPROVAL DATE>>, the Court preliminarily certified a class, for settlement purposes only, of all hourly employees who are or were employed by We Care, and who worked at least one shift in California from July 27, 2019 through June 30, 2024. Settlement Class members who do not opt out of the Settlement pursuant to the procedures set forth in this Notice will be bound by the Settlement and will release their claims against We Care as described below.

We Care has agreed to pay $1,650,000.00 (the "Gross Settlement Amount") to fully resolve all claims in the Action, including payments to Settlement Class members, requested attorneys' fees and expenses, settlement administration costs, the amount designated as PAGA civil penalties, and the Class Representative's Enhancement Payment.

The following deductions from the Gross Settlement Amount will be requested by the parties:

Settlement Administration Costs. The Court has approved Phoenix Settlement Administrators to act as the "Settlement Administrator," who is sending this Notice to you and will perform many other duties relating to the Settlement. The Court has approved setting aside up to $12,000.00 from the Gross Settlement Amount to pay the settlement administration costs.

Attorneys' Fees and Expenses. Class Counsel have been prosecuting the Action on behalf of the Settlement Class members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys' fees, which will be paid from the Gross Settlement Amount. Settlement Class members are not personally responsible for any of Class Counsel's attorneys' fees or expenses. Class Counsel will ask for fees of up to one-third of the Gross Settlement Amount, which is currently estimated to be $550,000.00, as reasonable compensation for the work Class Counsel performed and will continue to perform in this Action through Settlement finalization. Class Counsel also will ask for reimbursement of up to $50,000.00 for verified costs Class Counsel incurred in connection with the Action.

Enhancement Payment to Class Representative. Class Counsel will ask the Court to award an Enhancement Payment in the amount of $10,000 to the Class Representative to compensate him for his service and extra work provided on behalf of the Settlement Class members.

PAGA Payment to State of California. $37,500.00 will be paid to the LWDA, representing 75% of the $50,000.00 the parties have agreed to allocate to the settlement of Plaintiff's claims on behalf of Aggrieved Employees under the PAGA. The remaining $12,500.00 will be payable to Aggrieved Employees as the "PAGA Amount," as described below.

Calculation of Settlement Class Members' Settlement Awards. After deducting the Court-approved amounts above, the balance of the Gross Settlement Amount will form the Net Settlement Amount ("NSA"), which will be distributed to all Settlement Class members who do not submit a valid and timely Request for Exclusion (described below). The NSA is estimated at approximately $978,000.00 and will be divided as follows:

(i) Payments to All Participating Settlement Class Members: The NSA shall be allocated based on each participating Settlement Class member's proportionate workweeks worked during the Class Period, which will be calculated by multiplying the NSA by a fraction, the numerator of which is the participating Settlement Class member's number of workweeks worked during the Class Period, and the denominator of which is the total workweeks worked by all participating Settlement Class members during the Class Period.

(ii) PAGA Amount: In addition to the NSA, each Settlement Class member who was employed by We Care at any time from April 20, 2022 through June 30, 2024 ("PAGA Period"), shall receive a portion of the $12,500 PAGA Amount based on the proportionate number of pay periods worked during the PAGA Period, and which will be calculated by multiplying the PAGA Amount by a fraction, the numerator of which is the Settlement Class member's gross number of pay periods worked during the PAGA Period, and the denominator of which is the total number of pay periods worked by all Settlement Class members during the PAGA Period (including those who submit a valid and timely Request for Exclusion from the class action settlement). The average payment from the PAGA Amount is estimated to be approximately $43.71.

Payments to Settlement Class Members. If the Court grants final approval of the Settlement, Settlement Awards will be mailed to all Settlement Class members who did not submit a valid and timely Request for Exclusion. Settlement checks will be valid for 180 days from the date the Settlement Administrator mails it.

Any funds payable to Settlement Class members whose checks are not cashed within 180 days after mailing shall be distributed to the California Controller's Unclaimed Property Fund in the name of the Settlement Class member.

Allocation and Taxes. For purposes of calculating applicable taxes and withholdings, each Settlement Award from the NSA shall be allocated as follows: 80% as penalties and interest; and 20% as wages. Any payment from the PAGA Amount shall be allocated as 100% penalties. The Settlement Administrator will be responsible for issuing to participating Settlement Class members IRS Forms W-2 for amounts deemed "wages" and IRS Forms 1099 for the amounts allocated as penalties and interest. Settlement Class members are responsible for the proper income tax treatment of the individual Settlement Awards. The Settlement Administrator, We Care and its counsel, and Class Counsel cannot provide tax advice. Accordingly, Settlement Class members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Release: If the Court approves the Settlement, and upon the complete funding of the Gross Settlement Amount, Plaintiff and every member of the Settlement Class members (except those who opt out) will fully release and discharge We Care, and all of its present and former officers, directors, employees, agents, and Russell Cochran (collectively the "Released Parties"), as follows: Settlement Class members who do not opt out will release all claims, causes of action, and legal theories alleged in the operative First Amended Class and Representative Action Complaint ("FAC") and based solely upon the facts alleged in the FAC based on the fa, including: (a) failure to pay minimum wages; (b) failure to pay all overtime wages; (c) failure to provide all meal periods in accordance with California law; (d) failure to authorize and permit all rest periods in accordance with California law; (e) failure to furnish accurate and itemized wage statements; (f) failure to pay all wages owed upon separation of employment; and (g) all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories of relief pled in the FAC (collectively, the "Class Released Claims"). The period of the Class Released Claims shall extend to the limits of the Class Period.

In addition, Plaintiff and the State of California shall release the Released Parties from all claims for civil penalties under PAGA arising during the PAGA Period as disclosed in Plaintiff's April 20, 2023 Notification Letter to the LWDA ("the PAGA Released Claims").

Conditions of Settlement. The Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement as fair, reasonable, adequate, and in the best interests of the Settlement Class, and the entry of Judgment.

How can I claim money from the Settlement?

Do Nothing. If you do nothing, you will be entitled to your share of the Settlement based on the proportionate number of workweeks you worked during the Class Period and the proportionate number of pay periods you worked during the PAGA Period, as stated in the accompanying Notice of Estimated Settlement Award. You also will be bound by the Settlement, including the release of claims stated above.

What other options do I have?

Dispute Information in Notice of Estimated Settlement Award. Your award is based on the proportionate number of workweeks you worked during the Class Period. The information contained in We Care's records regarding each of these factors, along with your estimated Settlement Award, is listed on the accompanying Notice of Estimated Settlement Award. If you disagree with the information in your Notice of Estimated Settlement Award, you may submit a dispute, along with any supporting documentation, in accordance with the procedures stated in the Notice of Estimated Settlement Award. Any disputes, along with supporting documentation, must be postmarked no later than <<RESPONSE DEADLINE>>. **DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.**

The Parties and the Settlement Administrator will evaluate the evidence submitted and discuss in good faith how to resolve any disputes submitted by Settlement Class members. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Settlement Awards.

The average Settlement Award is estimated at $1,557.32. The lowest Settlement Award to a Settlement Class member is estimated at $37.09. The highest Settlement Award to a Settlement Class member is estimated at $9,539.29.

Exclude Yourself from the Settlement. If you **do not** wish to take part in the Settlement, you may exclude yourself by sending to the Settlement Administrator a written Request for Exclusion Form postmarked no later than <<RESPONSE DEADLINE>>, with your name, address, telephone number, last four digits of your social security number, a statement that you wish to be excluded from the Settlement, and your signature. A Request for Exclusion Form is included with this Notice.

Send the Request for Exclusion Form directly to the Settlement Administrator at <<INSERT ADMINISTRATOR CONTACT INFO>>. Any person who submits a timely Request for Exclusion from the Settlement shall, upon receipt by the Settlement Administrator, no longer be a Settlement Class member, shall be barred from participating in any portion of the class action Settlement, and shall receive no benefits from the class action Settlement. However, all Aggrieved Employees who worked for We Care during the PAGA Period, including those who opt out, will be bound by the PAGA portion of the Settlement and will receive a portion from the PAGA Amount. Settlement Class members can neither opt out nor object to the settlement of the PAGA claims in this Action. **Do not submit both a Dispute and a Request for Exclusion.** If you do, the Request for Exclusion will be invalid, you will be included in the Settlement Class, and you will be bound by the terms of the Settlement.

Objecting to the Settlement. You also have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you should mail a written objection to the Settlement Administrator. Your written objection should include your name, address, as well as contact information for any attorney representing you regarding your objection, the case name and number, each specific reason in support of your objection, and any legal or factual support for each objection together with any evidence in support of your objection. Objections should be in writing and must be postmarked on or before <<RESPONSE DEADLINE>>. Settlement Class members may also appear at the final approval hearing to orally object, even if they have not submitted a written objection. An Objection Form is included with this Notice.

You may also appear at the Final Approval Hearing scheduled for <<FINAL APPROVAL HEARING DATE/TIME>> in Department M301~~S302~~ of the Riverside County Superior Court, ~~Southwest~~ Menifee Justice Center, located ~~30755-D Auld Road~~27401 Menifee Center Drive, ~~Murrieta~~Menifee, California ~~92563~~92584. You have the right to appear either in person or through your own attorney at this hearing. ~~Any attorney who intends to represent an individual objecting to the Settlement must file a notice of appearance with the Court and serve counsel for all parties on or before <<RESPONSE DEADLINE>>.~~ All objections or other correspondence must state the name and number of the case, which is *Michael Flores v. We Care Plumbing, Heating & Air*, Riverside County Superior Court Case No. CVR12303843. You do not need to object in writing to be heard at the Final Approval Hearing.

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class members who do not object.

What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on <<FINAL APPROVAL HEARING DATE/TIME>>, in Department M301~~S302~~ of the Riverside County Superior Court, ~~Southwest~~ Menifee Justice Center, located ~~30755-D Auld Road, Murrieta~~27401 Menifee Center Drive, Menifee, California ~~92563~~92584. The Court also will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses and the Enhancement Payment to the Class Representative. The Final Approval Hearing may be postponed without further notice to the Settlement Class. You may contact Class Counsel using the contact information provided above to confirm the address and time of the hearing. **You are not required to attend the Final Approval Hearing, although any Settlement Class member is welcome to attend the hearing.**

How can I get additional information?

This Notice is only a summary of the Action and the Settlement. For more information, you may inspect the Court's files and the Settlement Agreement at the Office of the Clerk of the Riverside County Superior Court, located at 4050 Main Street, Riverside, California 92501, during regular court hours. You may also view the case file online at www.riverside.courts.ca.gov by going to the "Search Court Records" tab, selecting "Civil, Small Claims and Unlawful Detainer Case Information," and entering the case number information. This case is assigned to Department M301~~S302~~ of the Riverside County Superior Court, ~~Southwest~~ Menifee Justice Center, ~~30755-D Auld Road, Murrieta~~27401 Menifee Center Drive, Menifee, California ~~92563~~92584. The Settlement Agreement is attached as Exhibit ~~A~~ 1 to the Declaration of Sean M. Blakely In Support of Plaintiff's ~~Renewed Motion For Preliminary Approval of Class Action Settlement~~Supplemental Brief, filed on ~~October 11~~December 6, 2024. You may also contact Class Counsel using the contact information listed above for more information.

PLEASE DO NOT CALL OR WRITE THE COURT, WE CARE, OR ITS ATTORNEYS FOR INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS

REMINDER AS TO TIME LIMITS

The deadline for submitting any Disputes, Requests for Exclusion, or Objections is **<<RESPONSE DEADLINE>>**. These deadlines will be strictly enforced.

BY ORDER OF THE COURT ENTERED ON <<PRELIM APPROVAL DATE>>.

EXHIBIT 7

REQUEST FOR EXCLUSION FORM

MICHAEL FLORES v. WE CARE PLUMBING, HEATING & AIR
Riverside County Superior Court
Case No. CVRI2303843

IF YOU *DO NOT* WISH TO BE PART OF THE CLASS ACTION SETTLEMENT, YOU MUST *COMPLETE*, *SIGN* AND *MAIL* OR DELIVER THIS FORM, POSTMARKED ON OR BEFORE [INSERT DATE], ADDRESSED AS FOLLOWS:

PHOENIX SETTLEMENT ADMINISTRATORS ***MICHAEL FLORES v. WE CARE PLUMBING, HEATING & AIR*** **SETTLEMENT ADMINISTRATOR** **ADDRESS** **ADDRESS** **PHONE** **FAX**

DO NOT SUBMIT THIS FORM IF YOU WISH TO RECEIVE A PAYMENT UNDER THE SETTLEMENT.

By signing, filling out, and returning this form, I confirm that I ***do not*** want to be included in the Settlement of the lawsuit entitled *MICHAEL FLORES v. WE CARE PLUMBING, HEATING & AIR,* Riverside County Superior Court Case No. CVRI2303843.

I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE *MICHAEL FLORES v. WE CARE PLUMBING, HEATING & AIR* LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE MONEY FROM THE CLASS SETTLEMENT OF THIS LAWSUIT. ~~HOWEVER, I MAY STILL BE ENTITLED TO RECEIVE A PORTION OF THE SETTLEMENT OF THE CLAIMS BROUGHT PURSUANT TO THE LABOR CODE PRIVATE ATTORNEYS GENERAL ACT OF 2004 ("PAGA") AS DESCRIBED IN THE ACCOMPANYING NOTICE OF PENDENCY OF CLASS AND PAGA ACTION AND PROPOSED SETTLEMENT.~~EXCLUSION FROM THE CLASS ACTION SETTLEMENT WILL NOT RESULT IN EXCLUSION FROM THE PAGA SETTLEMENT. EMPLOYEES MAY NEITHER OBJECT TO NOR OPT OUT OF THE PAGA SETTLEMENT.

Name Telephone Number

Address

Date Signature

Last Four Digits of Social Security Number: _____________

EXHIBIT 8

NOTICE OF ESTIMATED SETTLEMENT AWARD

MICHAEL FLORES v. WE CARE PLUMBING, HEATING & AIR
RIVERSIDE COUNTY SUPERIOR COURT CASE NO. CVRI2303843

Please complete, sign, date and return this Form to <<ADMINISTRATOR CONTACT INFO>> **ONLY IF** (1) your personal contact information has changed, and/or (2) you wish to dispute any of the items listed in Section (III), below. It is your responsibility to keep a current address on file with the Settlement Administrator.

(I) Please type or print your name:

____
(First, Middle, Last)

(II) Please type or print the following identifying information if your contact information has changed:

____
Former Names (if any)

____
New Street Address

____
City State Zip Code

(III) Information Used to Calculate Your Settlement Award:

According to Defendant We Care Plumbing, Heating & Air ("We Care") records:

(a) you worked ____ workweeks as a non-exempt employee for We Care in California from July 27, 2019 through June 30, 2024; and

(b) you worked ____ pay periods as a non-exempt employee for We Care in California between April 20, 2022 and June 30, 2024.

Based on the above, your Individual Settlement Award from the Net Settlement Amount is estimated at $________. Your share from the PAGA Amount is estimated to be $______.

Formatted: Highlight

(IV) If you disagree with items (a) and/or (b) in Section (III) above, please explain why in the space provided below and include copies of any supporting evidence or documentation with this Form:

____
____
____
____
____
____

If you dispute the above information from We Care's records, We Care's records will control unless you are able to provide documentation that establishes otherwise, and that We Care's records are mistaken. If there is a dispute about whether We Care's information or yours is accurate, and the dispute cannot be resolved informally, the dispute will be resolved as described in the "Notice of Pendency of Class and PAGA Action and Proposed Settlement" that accompanies this Form.

ANY DISPUTES, ALONG WITH ANY SUPPORTING DOCUMENTATION, MUST BE POSTMARKED NO LATER THAN <<RESPONSE DEADLINE>>.

Signature: ______________________________   Date: ________________

EXHIBIT 9

LOYR, APC
Young W. Ryu (SBN 266372)
young.ryu@loywr.com
Zachariah E. Moura (SBN 279508)
zach.moura@loywr.com
Kee Seok Mah (SBN 345736)
kee.mah@loywr.com
1055 West 7th Street, Suite 2290
Los Angeles, California 90017
Tel: (213) 318-5323
Fax: (800) 576-1170

HAINES LAW GROUP, APC
Paul K. Haines (SBN 248226)
phaines@haineslawgroup.com
Sean M. Blakely (SBN 264384)
sblakely@haineslawgroup.com
Joel M. Gordon (SBN 280721)
jgordon@haineslawgroup.com
2155 Campus Drive, Suite 180
El Segundo, California 90245
Tel: (424) 292-2350
Fax: (424) 292-2355

Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF RIVERSIDE

MICHAEL FLORES, as an individual and on behalf of all others similarly situated,

Plaintiff,

vs.

WE CARE PLUMBING, HEATING & AIR, LLC; RUSSELL COCHRAN, an individual; and DOES 1 through 50, inclusive,

Defendants.

Case No.: CVRI2303843

[*Assigned for all purposes to the Hon. Angel M. Bermudez in Dept. M301*]

[PROPOSED] ORDER GRANTING PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT

Date: ~~November 4,~~December 19, 2024
Time: 8:30 a.m.
Dept: M301

Action Filed: July 27, 2023
Trial Date: None Set

The Motion of Plaintiff Michael Flores ("Plaintiff") for Preliminary Approval of Class Action Settlement came on regularly for hearing before this Court on ~~November 4~~December 19, 2024, at 8:30 a.m. This Court, having considered the proposed amended Stipulation of Settlement (the "Settlement") attached to the Declaration of Sean M. Blakely filed concurrently herein; having considered Plaintiff's Motion for Preliminary Approval of Class Action Settlement, Memorandum of Points and Authorities in support thereof, Plaintiff's Supplemental Briefing, and supporting declarations filed therewith; and good cause appearing, HEREBY ORDERS THE FOLLOWING:

1. The Court GRANTS preliminary approval of the class action settlement as set forth in the Settlement and finds its terms to be within the range of reasonableness of a settlement that ultimately could be granted approval by the Court at a Final Fairness Hearing. For purposes of the Settlement, the Court finds that the proposed Settlement Class is ascertainable and that there is a sufficiently well-defined community of interest among the members of the Settlement Class in questions of law and fact. Therefore, for settlement purposes only, the Court grants conditional certification of the following Settlement Class:

> All current and former non-exempt employees who are or were employed by Defendant We Care Plumbing, Heating & Air, LLC, and who worked at least one shift in California from July 27, 2019 through June 30, 2024 ("Class Period").

2. For purposes of the Settlement, the Court designates named Plaintiff Michael Flores as Class Representative, and designates Paul K. Haines and Sean M. Blakely of Haines Law Group, APC, and Young W. Ryu of LOYR, APC as Class Counsel.

3. The Court designates Phoenix Settlement Administrators as the third-party Settlement Administrator for mailing notices.

4. The Court approves, as to form and content, the Class Notice, Request for Exclusion Form, Objection Form, and Notice of Estimated Settlement Award, attached as Exhibits 1, 2, 3, and 4, respectively, to this Proposed Order.

5. The Court finds that the form of notice to the Settlement Class regarding the pendency of the action and of the Settlement, and the methods of giving notice to members of the

Settlement Class, constitute the best notice practicable under the circumstances, and constitute valid, due, and sufficient notice to all of the Settlement Class members. The form and method of giving notice complies fully with the requirements of California Code of Civil Procedure section 382, California Civil Code section 1781, California Rules of Court 3.766 and 3.769, the California and United States Constitutions, and other applicable law.

6. The Court further approves the procedures for the Settlement Class members to opt out of or object to the Settlement, as set forth in the Class Notice.

7. The procedures and requirements for filing objections in connection with the Final Fairness Hearing are intended to ensure the efficient administration of justice and the orderly presentation of any Settlement Class member's objection to the Settlement in accordance with the due process rights of all members of the Settlement Class.

8. The Court directs the Settlement Administrator to mail the Notice Packet to the members of the Settlement Class in accordance with the terms of the Settlement. The Court directs the Settlement Administrator to carry out all duties as required by the Settlement.

9. The Class Notice shall provide at least sixty (60) calendar days' notice for Settlement Class members to opt out of, or object to, the Settlement. The Class Notice shall be accompanied by an exclusion form and objection form that Settlement Class members may use. Any Request for Exclusion Form or Objection Form shall be submitted directly to the Settlement Administrator and not filed with the Court. Upon receipt of any Requests for Exclusion or Objections, the Settlement Administrator shall forward copies of all Requests for Exclusion and Objections to counsel for all parties. The Settlement Administrator shall file a declaration concurrently with the filing of the Motion for Final Approval of Class Action Settlement which authenticates a copy of every Request for Exclusion and Objection received by the Settlement Administrator. The Settlement Administrator shall give notice to any objecting Settlement Class member of any continuance of the hearing on Plaintiffs' Motion for Final Approval of Class Action Settlement.

10. The Final Approval Hearing on the question of whether the Settlement should be finally approved as fair, reasonable, and adequate is scheduled in Department M301 of this Court,

located at 27401 Menifee Center Drive, Menifee, California 92584, on ~~March 26,~~May 15, 2025, at 8:30 a.m.

11. At the Final Fairness Hearing, the Court will consider: (a) whether the Settlement should be finally approved as fair, reasonable, and adequate for the Settlement Class; (b) whether a judgment granting final approval of the Settlement should be entered; and (c) whether Plaintiff's application for reasonable attorneys' fees, reimbursement of litigation expenses, enhancement payment to Plaintiff, settlement administration costs, and payment to the Labor & Workforce Development Agency ("LWDA") for penalties under the Labor Code Private Attorneys General Act should be granted.

12. Counsel for the parties shall file memoranda, declarations, or other statements and materials in support of their request for final approval of the Settlement, attorneys' fees, litigation expenses, Plaintiff's enhancement payment, payment to the LWDA, and settlement administration costs, prior to the Final Fairness Hearing according to the time limits set by the Code of Civil Procedure and the California Rules of Court.

13. An implementation schedule is below:

Event	**Date**
Defendant to provide Class Data to the Settlement Administrator no later than [10 business days after preliminary approval]:	~~November 19, 2024~~January 6, 2025
Settlement Administrator to mail the Notice Packet to Settlement Class members no later than [10 business days after receiving Class Data]:	~~December 4, 2024~~January 20, 2025
Deadline for Settlement Class members to request exclusion from, or object to, the Settlement [60 calendar days after mailing]:	~~February 3~~March 21, 2025
Deadline for Plaintiff to file his Motion for Final Approval of Class Action Settlement:	~~March 3~~April 18, 2025
Final Approval Hearing:	~~March 26~~May 15, 2025

14. Pending the Final Approval Hearing, all proceedings in this action, other than proceedings necessary to carry out or enforce the terms and conditions of the Settlement and this Order, are stayed.

15. Counsel for the parties are hereby authorized to utilize all reasonable procedures in connection with the administration of the Settlement which are not materially inconsistent with either this Order or the terms of the Settlement.

IT IS SO ORDERED.

Dated: ___________________, 2024

____
Hon. Angel M. Bermudez
Judge of the Superior Court