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Attorneys for Plaintiff, on a representative basis and on behalf of all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN BERNARDINO

VIRGINIA ALVARADO, individually, on a
representative basis, and on behalf of all others
similarly situated;

Plaintiff,

vs.

ALTA RESOURCES CORP., a Wisconsin
Corporation; and DOES 1 through 20,
inclusive;

Defendants.

Case No.: CIVSB2304861
*[Assigned to Hon. Joseph Ortiz, Dept S17, for
all purposes]*

**DECLARATION OF BRIAN J. MANKIN
IN SUPPORT OF MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

Hearing
Date: January 13, 2025
Time: 1:30 p.m.
Dept.: S17

Complaint filed: April 13, 2023

I, Brian J. Mankin, state and declare:

1. I am an attorney licensed to practice before all of the courts of the State of California. I manage the employment department within my firm where I am also a Partner. I represent Plaintiff in this action and I am thoroughly familiar with and have personal knowledge of all of the facts set forth herein. I submit this declaration in support of Plaintiff's Motion for Preliminary Approval of this Class Action Settlement. If called as a witness, I could and would competently testify thereto.

1 **COUNSEL'S EXPERIENCE**

2 2. I have been a member, in good standing, of the State Bar of California since 2001.
3 I am admitted to practice in the United States District Courts for the Central and Southern
4 District of California and the Ninth Circuit Court of Appeal and have tried cases in various
5 courts in California.

6 3. I have handled well over 500 employee vs. employer litigation matters during my
7 23 years in practice. Over the last 17 years, my practice has almost entirely consisted of
8 representing employees, the majority of which has included class action and representative
9 action wage and hour matters. In total, I have handled well over 300 class action and
10 representative action wage/hour cases, and have been appointed by the court as class counsel and
11 have received final court approval and judgment in over half of those actions to date, and
12 anticipate receiving final approval in many more of those in the future.

13 4. As part of these settlements and judgments, I have recovered well in excess of
14 \$250 million in damages for my clients and the class members (who often work as nurses,
15 ambulance drivers, technicians, warehouse workers, truck drivers, sales, professional
16 occupations and countless other trades). My team and I once held the record for the largest
17 PAGA-only case in California's history - a \$12.5 million-dollar court approved settlement,
18 which followed extensive litigation, summary adjudication and writs to the CA Supreme Court
19 against a Fortune 50 company (*Garcia v. Macy's*, San Bernardino Superior Court).

20 5. I have tried two major class and PAGA cases against Fortune 100 companies over
21 the last few years. I was lead counsel in a PAGA case that my firm tried in the Orange County
22 Superior Court and received a \$425,000 judgment. I was co-counsel in a class action case
23 against Walmart that was tried to the jury in District Court, wherein the jury awarded Plaintiffs
24 over \$6 million. Both cases were appealed, and ultimately the jury trial verdict was affirmed and
25 the PAGA case was reversed and remanded.

26 6. I was named by the LA Times as one "Southern California Leading Lawyers" in
27 the May 2023 issue of Consumer Attorney's of Southern California (a recognition given to 17
28 employment/labor law attorneys in 2023). Additionally, over the last 5+ consecutive years, I

1 have been selected by my peers as a “Super Lawyer” in Employment Litigation, a distinction that
2 only 5% of lawyers receive.

3 **BRIEF SUMMARY OF THE SETTLEMENT**

4 7. Following a contested litigation process, Plaintiff and Defendant (collectively,
5 the “Parties”) entered into a Class Action and PAGA Settlement Agreement (the “Settlement
6 Agreement” or “S.A.”), which is attached hereto as **Exhibit 1**.

7 8. The Settlement Agreement seeks to release and discharge Defendant from the
8 claims brought against it in exchange for Defendant’s agreement to pay \$2,000,000 on a non-
9 reversionary, non-claims made basis (each Class Member will receive his/her share of the Net
10 Settlement Amount without having to submit a claim form or take any action, except for those
11 who opt-out). As set forth in the motion and Settlement Agreement, Plaintiff seeks to represent
12 “All persons employed by ALTA in California and classified as a non-exempt employee who
13 worked for ALTA at any time during the Class Period.”

14 9. Under the terms of the Settlement Agreement, Defendant will not oppose
15 Plaintiff Counsel’s application for a reasonable award of attorney’s fees not to exceed
16 \$666,666.67 (1/3 of the Gross Settlement Amount), litigation expenses not to exceed \$30,000,
17 Administrator Expenses of \$14,000, PAGA penalties of \$50,000 (with 75% to the LWDA and
18 25% to the Aggrieved Employees on a pro rata basis), and a Service Payment of \$10,000 to
19 Plaintiff Virginia Alvarado (“Class Representative”). (S.A. ¶ 3.2 et seq.). After subtracting the
20 agreed-upon deductions from the Settlement Amount, approximately \$1,229,333.33 will be
21 available to pay the Individual Class Payments to the Class Members who do not opt-out of the
22 settlement, as follows:

23

<i>Gross Settlement Amount</i>	\$ 2,000,000.00
Attorneys’ Fees (1/3)	\$ 666,666.67
Litigation Costs	\$ 30,000.00
Administrator Costs	\$ 14,000.00
PAGA Penalties	\$ 50,000.00
Class Representative Service Award	\$ 10,000.00
<i>Net Settlement Amount</i>	\$ 1,229,333.33

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10. Assuming 1,500 Class Members, the average payment to each class member will be approximately \$819.55 each. However, the actual payment will be calculated on a pro-rata basis according to the number of Workweeks during the Class Period. In addition, the Aggrieved Employees will receive a share of the \$12,500 PAGA Penalties (25% of the total \$50,000 PAGA allocation), calculated pro-rata based on the number of Pay Periods worked during the PAGA Period.

11. Each Class Member will receive the Class Notice, explaining the nature of the case, and the process for participating, objecting and opting-out, and advising of showing the estimated amount that each Class Member will receive and the credited number of Workweeks during the Class Period and pay periods during PAGA Period, which is attached hereto as **Exhibit 2**.

PROCEDURAL BACKGROUND

12. My office has performed considerable work and diligently investigated and prosecuted this case to a successful conclusion. Our work has resulted in the creation of a significant settlement fund for the benefit of the Class. We efficiently communicated and exchanged information informally with Defense counsel which enabled the parties to successfully settle the case. Because of the risks involved in litigating the case and the contested legal and factual issues, we believe this settlement to be fair, reasonable, and adequate.

13. After being retained by Plaintiff, we sent a letter to Defendant requesting the production of Plaintiff's personnel and timekeeping records in order to further evaluate his wage and hour claims. On April 12, 2023, we submitted a letter to the California Labor Workforce Development Agency (the "LWDA") for civil penalties under the Private Attorney General Act of 2004 (the "PAGA").

14. That same day, Plaintiff filed a class action complaint in this action. Once the 65-day exhaustion period expired to bring PAGA claims, Plaintiff filed a first amended complaint that added PAGA claims, which alleged causes of action for: (1) failure to pay proper minimum wages, (2) failure to pay overtime wages, (3) failure to provide compliant meal periods, (4) failure to provide compliant rest periods, (5) failure to timely pay final wages, (6) failure to

1 provide accurate itemized wage statements, (7) unfair and unlawful competition, and (8) related
2 PAGA claims.

3 15. Defendant retained counsel and immediately began to defend the case, including
4 alleging in the Joint Initial Status Conference Report that “Defendant generally denies Plaintiff’s
5 material allegations and any alleged violations of the California Labor Code [and] Defendant
6 further denies that this action is appropriate for class or PAGA treatment and disputes Plaintiff’s
7 ability to prosecute this matter on a class or PAGA representative basis.” However, prior to
8 engaging in discovery and contested class certification process, the Parties agreed to submit the
9 matter to mediation.

10 16. In preparation for the mediation, the Parties informally exchanged documents and
11 information that allowed both sides to calculate the potential damages and evaluate potential risk,
12 including policies and procedures pertaining to each claim alleged, and statistics relating to the
13 number of current and former employees, number of shifts, pay periods and weeks worked and
14 other things. Defendant also provided its written policies and practices and a robust sampling of
15 payroll and timekeeping records for Class Members, which included hundreds of pages of
16 documentation and over hundreds of thousands of rows of excel data. This information enabled
17 both parties to take a deep dive into the claims. Additionally, during this process, Plaintiff and
18 her counsel analyzed, researched, and investigated the potential issues, including matters related
19 to the calculation of damages, trial, and appellate issues and risks. Plaintiff also retained an
20 expert (Sean Berger of Berger Consulting Group) to perform a statistical analysis of the claims
21 and violations.

22 17. On August 29, 2024, Plaintiff and Defendant participated in mediation before
23 Steve Rottman, a highly regarded and experienced wage-and-hour class action mediator. The
24 matter resolved at mediation pursuant to a mediator’s proposal, which was accepted by the
25 Parties.

26 **SUMMARY OF THE CLAIMS AND DEFENSES**

27 18. Here, Plaintiff alleged numerous wage and hour violations on behalf of the Class
28 Members. However, Defendant vigorously contested and denied Plaintiff’s material allegations

1 on the merits and as to the propriety of a class action or PAGA representative action.

2 19. One of the primary claims in this action was based on Defendant's alleged failure
3 to pay all required wages. And Plaintiff alleged that this occurred through several distinct
4 violations.

5 20. First, Plaintiff alleged that Defendant failed to pay all required overtime when
6 Defendant did not factor in the earned additional compensation (in the form of incentives and
7 referral bonuses) into the regular rate calculations, resulting in underpaid overtime
8 compensation.

9 21. Second, Plaintiff alleged that Defendant failed to pay all required minimum wages
10 to herself and the Class due to Defendant requiring Plaintiff and the Class Members to perform
11 off-the-clock work each day due booting up a computer-based timekeeping system before each
12 shift that required Plaintiff and Class Members to set up *before* clocking in and booting up the
13 computer, logging in, and then opening the relevant timekeeping program.

14 22. Another primary claim in this action was based on Defendant's failure to provide
15 Plaintiff and the Class with compliant meal periods and rest breaks.

16 23. Plaintiff also alleged various other Class and PAGA claims, such as the failure to
17 timely pay all wages owed upon termination, failure to provide accurate itemized wage
18 statements, and other claims related to the alleged violations mentioned above. However,
19 Defendant argued that these other claims, as well as the "derivative" claims, have no merit.

20 24. Despite the disputed nature of the claims, the Parties concluded that further
21 litigation of the Action would be protracted and expensive, and that it is desirable that the Action
22 be fully and finally settled to limit further risk, expense, and protracted litigation.

23 **EVALUATION OF THE SETTLEMENT**

24 25. In preparation for mediation, Kristina Carlson, an associate with 10 years of
25 litigation experience within my office, and I formulated a damages model and risk analysis based
26 upon detailed data obtained through informal discovery and information exchanges. The
27 summary of the claims below is based on calculations by our expert and us, and the risks that we
28 potentially faced, giving significant credit to the defenses that Defendant raised or would likely

1 raise in further proceedings.

2 26. Based upon detailed data obtained through informal discovery and information
3 exchanges, Plaintiff's counsel estimated the following data points through the date of mediation:
4 (1) 1,317 Class Members, (2) 83,925 workweeks during the Class Period, (3) 369,167 shifts
5 worked during the Class Period, and (4) approximately 13,893 wage statements during the
6 PAGA Period.

7 27. Here, there were several categories of claims alleged by Plaintiff, including but
8 not limited to: (1) unpaid wage claims under various theories, (2) meal and rest break violations,
9 (3) derivative claims for waiting time and both direct and derivative wage statement penalties
10 due to the other alleged violations, and (4) PAGA claims.

11 28. As to the unpaid wage claims, Plaintiff alleged various distinct theories of
12 liability. First, Plaintiff alleged that Defendant failed to pay all required overtime when
13 Defendant did not factor in the earned additional compensation (in the form of incentives and
14 referral bonuses) into the regular rate calculations, resulting in underpaid overtime
15 compensation. Second, Plaintiff alleged that Defendant failed to pay all required minimum
16 wages to herself and the Class due to Defendant requiring Plaintiff and the Class Members to
17 perform off-the-clock work each day due booting up a computer-based timekeeping system
18 before each shift that required Plaintiff and Class Members to set up *before* clocking in and
19 booting up the computer, logging in, and then opening the relevant timekeeping program. In
20 total, Plaintiff's counsel estimated the maximum value of these unpaid wages to be \$2,684,828.

21 29. However, Defendant vehemently opposed these unpaid wage claims on the merits
22 and as to the propriety of class certification. For example, as to the boot up time, Defendant
23 argued that such time was de minimis for the Class Members. Furthermore, Defendant argued
24 that any additional compensation paid to Plaintiff and the Class was discretionary and/or rarely
25 issued in a pay period where overtime was also earned. Moreover, in addition to its other
26 defenses on the merits, Defendants argued that Plaintiff would be unable to meet its evidentiary
27 burden at summary judgment and/or trial because Plaintiff and the Class would be unable to
28 introduce evidence as to the amount of unpaid wages due to computer boot up time, thus

1 defeating liability.

2 30. Due to these defenses and arguments, Plaintiff assigned a 30% risk for the unpaid
3 wages claim at the class certification stage. And, due to the defenses as to the merits, Plaintiff
4 assigned a 30% merits-based risk. In sum, Plaintiff's counsel calculated the risk-adjusted value
5 of the unpaid wage claims as \$1,315,566.

6 31. Plaintiff also alleged meal and rest break claims against Defendant. Given the
7 total number of shifts at issue (an estimate of 369,167 at mediation), and when incorporating
8 violation rates from expert review of the timekeeping records and other evidence, Plaintiff's
9 expert calculated a 43.9% violation rate for meal breaks and a rest break violation rate of 15.2%,
10 leading to 147,591 alleged meal violations and 56,113 alleged rest break violations. This
11 established a maximum potential value for these claims of \$3,389,641 (203,704 violations
12 multiplied by the average hourly rate of \$16.64 as the applicable premium rate under § 226.7).

13 32. However, Defendant raised numerous arguments in response to this claim,
14 including that it maintained fully compliant written policies and specifically authorized the Class
15 Members to take meal and rest breaks, meaning that no one had a reason or cause to miss a break
16 or take a short/late break. Therefore, Defendant asserted that a fact-finder would have to
17 determine for each Class Member whether a break was missed and why, and why a break was
18 noncompliant or nonexistent, because if it was by the employee's choice, no liability attaches to
19 Defendant. These defenses are factored into Plaintiff's analysis in two ways. First, these issues
20 raise questions regarding whether the meal and rest break claims could be certified, and Plaintiff
21 placed a 20% risk at the class certification stage for meal periods and a 20% risk for rest breaks.
22 Second, these defenses also go toward the merits given the evidentiary question of proving the
23 number of meal and rest violations. As such, Plaintiff placed a 20% risk on the merits for meal
24 breaks, and an additional 20% risk on the merits for rest breaks, setting the risk-adjusted value
25 for the combined meal and rest break claims at \$2,169,370.

26 33. Finally, Plaintiffs alleged claims for waiting time penalties and wage statement
27 violations, including failure to accurately state all applicable hourly rates and total hours worked.
28 Some of these claims were derivative of the claims above, meaning that they only had merit if

1 the claims for unpaid wages or meal/rest breaks were successful. The maximum values for these
2 claims were as follows: (1) \$3,598,234 for waiting time penalties [estimated 901 former
3 employees x \$16.64 per hour x 8 hours per day x 30 days], and (2) \$1,385,200 for wage
4 statement violations [13,893 wage statements at the \$50/\$100 formula under § 226(e)].

5 34. But Defendant raised a variety of defenses to these derivative claims that
6 impacted the valuation. Namely, as to the wage statement violations, Defendant argued that its
7 wage statements did not violate Labor Code §§ 226, 212, and 213, and even if there was a
8 “technical” violation, that Plaintiffs would be unable to prove the required “knowing and
9 intentional” and “injury” elements. Based on these facts and defenses, Plaintiff placed a 30%
10 risk at class certification and estimated another 20% risk the merits, leading to a risk-adjusted
11 value of \$775,712 for the wage statement claims.

12 35. Then, as to the waiting time penalty claim, Plaintiffs’ valuation had to account for
13 the fact that this claim was derivative of the unpaid wage and meal/rest break claims (*e.g.*, the
14 unpaid wage premiums) and, if those claims failed at certification or on the merits, there would
15 be no waiting time penalties owed, so the same risks for those claims applied to this claim.
16 Furthermore, even if the unpaid wage and/or meal/rest claims succeeded at certification and on
17 the merits, Plaintiffs would have to prove that the violations (if any existed) were “willful” under
18 the meaning of Labor Code § 203. And, here, Defendant argued that there could not be a finding
19 of a “willful” violation since they had compliant written policies and any deviations there from
20 were inadvertent and unintentional. As a result of this analysis, Plaintiffs’ counsel applied a 30%
21 risk at class certification and a 20% risk on the merits, leading to a risk-adjusted value of
22 \$2,015,011.

23 36. And while the PAGA penalties had a maximum value in the low seven figures,
24 this fails to acknowledge that courts have wide latitude to reduce the civil penalties “based on the
25 facts and circumstances of a particular case” and if “to do otherwise would result in an award
26 that is unjust, arbitrary and oppressive, or confiscatory.” Labor Code § 2699(e)(2). Moreover,
27 Defendant argued against the merits of the underlying claims and particularly that the
28 “willfulness” standard and/or “good faith” defenses mitigated the civil penalty claims and

rendered any such penalties as uncertain. Defendant also argued it is improper to stack civil penalty claims on top of underlying statutory claims. For these reasons, the Parties submit that this settlement is fair and reasonable.

37. The Risks Associated with the PAGA Claim

Plaintiff's Counsel believed Defendants' maximum exposure could theoretically reach the low seven figures under Lab. Code § 2699(f). However, Defendant argued against the merits of the underlying claims which would also be a defense to potential PAGA penalties. Defendant also argued that it would be improper to "stack" civil penalties on top of statutory penalties for the same violations. Also, courts have wide latitude to reduce PAGA penalties "based on the facts and circumstances of a particular case" and if "to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory." Labor Code § 2699(e)(2). Courts have often awarded significantly lesser amounts in cases when they assess a penalty. *See, e.g., Carrington v. Starbucks Corp.* (2017) 30 Cal. App. 5th 504, 669 (PAGA penalties reduced by 90%); *Morales v. Bridgestone*, Case No. 30-2017-00900244 (Orange County Super. Ct.) (Aug. 2, 2018) (PAGA penalties reduced by 94%). Given these factors, Plaintiff allocated \$50,000 of the total Settlement Amount to civil penalties. Allocating less of the settlement to PAGA penalties is justified because it maximizes payments to class members and furthers the public policies underlying PAGA by providing a "robust" remedy for alleged violations of the Labor Code. *See Mejia v. Walgreen Co.* (E.D. Cal. Mar. 24, 2021) 2021 WL 1122390, at *5.

38. In sum, when factoring in the defenses and risks of ongoing litigation, Plaintiff estimates the risk-adjusted class recovery as follows:

•	Unpaid Wage Claims	\$	1,315,566
•	Meal and Rest Break Claims	\$	2,169,370
•	Wage Statement Claims	\$	775,712
•	Waiting Time Penalty Claims	\$	2,015,011
•	PAGA Penalties	\$	<u>50,000</u>
•	Total Risk Adjusted Penalties and Damages	\$	6,325,659

1 The reasonableness of the settlement is apparent from the fact that the proposed
2 settlement is 31.6% of the risk-adjusted class damages and penalties. *See, e.g., Hopson v.*
3 *Hanesbrands Inc.* (N.D. Cal. 2009) 2009 WL 928133, *8 (“The settlement ... represents less
4 than two percent of that amount,” but “may be justifiable ... given ... significant defenses that
5 increase the risks of litigation.”); *Balderas v. Massage Envy Franchising* (N.D. Cal. 2014) 2014
6 WL 3610945 (settlement approved despite only 5% of projected maximum recovery). *Villegas v.*
7 *J.P. Morgan Chase* (N.D. Cal. 2012) 2012 WL 5878390 (approved settlement that was 15% of
8 potential recovery). Thus, the Parties submit that this settlement is fair and reasonable.

9 **THE SETTLEMENT IS FAIR, JUST, AND REASONABLE**

10 39. The settlement was the product of extensive arm’s length negotiations, facilitated
11 by an experienced mediator. Though cordial and professional, the settlement negotiations were
12 adversarial and non-collusive in nature. The settlement reached is the product of substantial
13 effort by the parties and their counsel. Although we believed that there was a possibility of
14 certifying the claims, we recognized the potential risk, expense, and complexity posed by
15 litigation, such as unfavorable decisions on class certification, summary judgment, at trial and/or
16 on the damages awarded, and/or on an appeal that can take several more years to litigate.

17 40. The settlement will result in a fair payment to each Class Member based on the
18 percentage of weeks worked during the Class Period and other factors as set forth in the
19 Settlement Agreement. As set forth hereinabove, Plaintiff and her counsel have diligently
20 investigated the claims and defenses on behalf of the Class Members and worked to achieve a
21 resolution of the claims to maximize the recovery by avoiding further expenditure of attorneys’
22 fees and costs. After evaluating the significant risks attendant with further litigation described
23 above and weighing them against the benefits of a known compromise and settlement as set forth
24 in the Settlement Agreement, settlement on the terms agreed to is believed to be in the best
25 interest of Plaintiff and the Class, and is a fair and reasonable resolution of the claims alleged.

26 41. My office brought to bear a great deal of experience in negotiating the settlement
27 of this case. As detailed herein, my office engaged in the necessary discovery and investigation,
28 making it possible to exercise informed judgment throughout the settlement process, including

1 significant document review (e.g. documents pertaining to Defendant's policies and procedures,
2 personnel documents, among others), and conducted an extensive analysis of the detailed class-
3 wide data provided by Defendant.

4 42. Based on my experience in other cases, including wage and hour matters, I
5 believe I am qualified to evaluate the class claims and viability of defenses in this class action.
6 In this case, the recovery for each class member is reasonable, fair, and adequate, and a
7 settlement at this time is in the best interests of the class. The settlement provides each class
8 member with compensation for the alleged violations when viewed in relation to the costs and
9 risks inherent in obtaining class certification and proceeding to trial.

10 43. Plaintiff's counsel, as well as Defendant's counsel, fully endorse the terms and
11 conditions of the settlement as set forth in the abovementioned Settlement Agreement.

12 44. Of course, the settlement amount represents a compromise figure, taking into
13 account the various risks surrounding class certification and the merits of Defendant's asserted
14 defense. Nevertheless, the settlement provides for fair and adequate payments to the class
15 members, with no reversion to Defendant.

16 **PLAINTIFF'S REQUESTED ENHANCEMENT PAYMENT**

17 45. Plaintiff seeks an enhancement payment of \$10,000, plus \$7,500 in exchange for
18 signing a full release and Civil Code § 1542 waiver and foregoing the right to bring separate
19 individual claims, to the Class Representative for her service to the class, which I believe is fair
20 and warranted. Plaintiff came forward in an effort to effectuate a policy and practice change that
21 benefitted all other Class Members, and to recover unpaid wages. She assumed significant risk
22 in bringing this litigation—namely, had she lost, she would have been ordered to pay
23 Defendant's costs.

24 46. Plaintiff provided invaluable assistance to my office and the Class in this case,
25 including providing factual background for the Class Complaint; reviewing the litigation
26 documents; providing information and documents about Defendant's policies and practices;
27 participating in phone calls to discuss litigation and settlement strategy; and reviewing the
28 settlement documents. Plaintiff agreed to participate in this case with no guarantee of personal

benefit. At final approval, Plaintiff will submit a comprehensive declaration setting forth all of the reasons why she believes that the service award should be approved.

ADEQUACY OF COUNSEL AND THE PROVISIONAL REASONABLENESS OF THE REQUESTED FEES AND COSTS

47. As set forth above, I have handled over 300 class and representative actions, have been appointed as class counsel and have successfully resolved over half of those cases, and many others remain pending and will successfully resolve in the future.

48. When this case was taken on a contingency fee basis, with my firm agreeing to assume responsibility for all litigation costs, the ultimate result was far from certain. In the course of this litigation, my firm paid all costs including filing fees, court costs, research fees, and mediation costs. There was never a guarantee that we would recoup those expenditures.

49. It is my experience that attorney fee awards of one-third of a common fund settlement is the standard in California. In this case, Plaintiff's counsel agreed to seek one-third of the Settlement Amount for attorneys' fees. Defendant does not oppose this fee request. The fee is further warranted because it is within the range of reasonableness typically awarded in class actions. The costs are reasonably capped at \$30,000 and will be based on the actual amount of costs incurred at the time of final approval.

SETTLEMENT ADMINISTRATOR

50. The parties request that the Court appoint Phoenix Settlement Administrators to serve as the Settlement Administrator. Phoenix is experienced in administering class action settlements, and has provided a proposal to administer this settlement for a total of \$14,000, which is attached hereto as **Exhibit 3** and further attached to the declaration of Mike Moore of Phoenix Settlement Administrators.

SUBMISSION TO THE LWDA

51. Plaintiff has concurrently submitted the settlement and motion documents to the LWDA in accordance with Labor Code § 2699(1)(2). The proof of submission is attached hereto as **Exhibit 4**.

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53. The proposed Class Notice is attached hereto as Exhibit “2.”

55. The LWDA's confirmation of receipt of this Motion, Declarations and exhibits is attached hereto as Exhibit "4."

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on December 18, 2024, at Riverside, California.

By: Brian J. Mankin
Brian J. Mankin, Esq.

EXHIBIT “1”

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff VIRGINIA ALVARADO (“Plaintiff”) and defendant ALTA RESOURCES CORP. (“ALTA”). The Agreement refers to Plaintiff and ALTA collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1 “Action” means Plaintiff’s lawsuit alleging wage and hour violations against ALTA captioned *Virginia Alvarado v. Alta Resources Corp.* (Case No. CIVSB2304861), initiated on April 12, 2023 and pending in Superior Court of the State of California, County of San Bernardino.
- 1.2 “Administrator” means Phoenix Settlement Administrators, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3 “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4 “Aggrieved Employee” means a person employed by ALTA in California and classified as a non-exempt employee who worked for ALTA during the PAGA Period.
- 1.5 “Class” means all persons employed by ALTA in California and classified as a non-exempt employee who worked for ALTA during the Class Period.
- 1.6 “Class Counsel” means Brian J. Mankin and Kristina Bui Carlson of LAUBY, MANKIN & LAUBY LLP.
- 1.7 “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute and settle the Action.
- 1.8 “Class Data” means Class Member identifying information in ALTA’s possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Period Workweeks worked in the Class Period and PAGA Pay Periods worked in the PAGA Period.
- 1.9 “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10 “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources,

methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

- 1.11 “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English, with a Spanish translation, in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12 “Class Period” means the period from April 12, 2019 to Preliminary Approval (subject to Paragraph 8 below).
- 1.13 “Class Representative” means the named Plaintiff in the Complaints in the Action seeking Court approval to serve as a Class Representative.
- 1.14 “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action, as well as the amount for signing a full release and section 1542 waiver and foregoing the right to bring a separate individual claims against ALTA.
- 1.15 “Court” means the Superior Court of California, County of San Bernardino.
- 1.16 “Defense Counsel” means Brian D. Martin and April L. Szabo of Atkinson, Andelson, Loya, Ruud & Romo.
- 1.17 “Effective Date” means the date by when both of the following have occurred:
 - (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement and the entered Judgment is served on ALTA; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.18 “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.19 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.20 “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
- 1.21 “Gross Settlement Amount” means Two Million dollars (\$2,000,000) which is the total amount ALTA agrees to pay under the Settlement except as provided in Paragraphs 8 and 9 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment,

Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator's Expenses.

- 1.22 "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
- 1.23 "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods worked during the PAGA Period.
- 1.24 "Judgment" means the judgment entered by the Court based upon the Final Approval.
- 1.25 "LWDA" means the California Labor and Workforce Development Agency, the agency entitled under Labor Code section 2699, subd. (i).
- 1.26 "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.27 "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.28 "Non-Participating Class Member" means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.29 "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for ALTA for at least one day during the PAGA Period.
- 1.30 "PAGA Period" means the period from April 12, 2022 to Preliminary Approval (subject to Paragraph 8 below).
- 1.31 "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698, et seq.).
- 1.32 "PAGA Notice" means Plaintiff's April 12, 2021 letter to ALTA and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.33 "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$12,500) and the 75% to LWDA (\$37,500) in settlement of PAGA claims.
- 1.34 "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.35 "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.

- 1.36 “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.37 “Released Class Claims” means all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Complaints, including all of the following claims for relief: (a) failure to pay minimum wages, regular wages and/or overtime pay; (b) failure to provide or pay premium payments for meal periods; (c) failure to provide or pay premium payments for rest periods; (d) failure to reimburse for business expenses; (e) failure to provide complete and accurate wage statements; (f) failure to pay wages upon termination; (g) violations of the California Business & Professions Code §§ 17200 et seq. These claims include, but are not limited to, California Labor Code sections 200, 201-203, 204, 208, 210, 218.6, 221-223, 226, 226.3, 226.7, 227.3, 246, 256, 510, 512, 558, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802 and all related provisions of the California Code of Regulations, the California Industrial Wage Orders, the California Business & Professions Code sections 17200 et seq. (“Released Class Claims”). The Released Class Claims extend to all theories of relief regardless of whether the claim is, was or could have been alleged under federal law, state law or common law (including, without limitation, as violations of the California Labor Code, the Wage Orders, applicable regulations, and California’s Business and Professions Code section 17200), and includes all types of relief available for the above-referenced claims, including, any claims for damages, restitution, losses, penalties, fines, liens, attorneys’ fees, costs, expenses, debts, interest, injunctive relief, declaratory relief, or liquidated damages. The operative release period for the Released Class Claims is the Class Period.
- 1.38 “Released PAGA Claims” means all claims for civil penalties under the Private Attorneys General Act, Labor Code § 2698 et seq., that were alleged, or reasonably could have been alleged, based on the allegations, the facts, and/or legal theories under PAGA contained in the Complaints and the and in Plaintiff’s PAGA Notice to the LWDA (including any amendments thereto), including all of the following claims for relief: (a) failure to pay minimum wages, regular wages and/or overtime pay; (b) failure to provide or pay premium payments for meal periods; (c) failure to provide or pay premium payments for rest periods; (d) failure to reimburse for business expenses; (e) failure to provide complete and accurate wage statements; (f) failure to pay wages each pay period and upon termination (“Released PAGA Claims”). The Released PAGA Claims include, but are not limited to, California Labor Code sections 200, 201-203, 204, 208, 210, 218.6, 221-223, 226, 226.3, 226.7, 227.3, 246, 256, 510, 512, 558, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802 and all related provisions of the California Code of Regulations, and the California Industrial Wage Orders. The time period governing the Released PAGA Claims shall be the entire time during the PAGA Period. The Released PAGA Claims do not release any potential claims for wages or statutory penalties, but does not otherwise alter the release provide if the aggrieved employee is also a Participating Class Member.
- 1.39 “Released Parties” means: ALTA and each of its former and present directors, officers, shareholders, owners, agents, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.

- 1.40 “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.41 “Response Deadline” means forty-five (45) calendar days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline has expired.
- 1.42 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.43 “Workweek” means any calendar week during which a Class Member worked for ALTA for at least one day, during the Class Period.

2. RECITALS.

- 2.1 On April 12, 2023, Plaintiff commenced this Action by filing a Complaint alleging causes of action against ALTA for (1) failure to pay minimum wages, (2) failure to pay overtime wages, (3) failure to provide meal periods, (4) failure to provide rest breaks, (5) failure to timely pay final wages, (6) failure to provide accurate itemized wage statements, and (7) unfair competition.
- 2.2 On July 21, 2023, the court granted a stipulation to the filing of a First Amended Complaint (“FAC”) adding claims under the Private Attorneys General Act (“PAGA”). ALTA denies the allegations in the Complaints, denies any failure to comply with the laws identified in in the Complaints and denies any and all liability for the causes of action alleged.
- 2.3 Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to ALTA and the LWDA by sending the PAGA Notice.
- 2.4 On August 29, 2024, the Parties participated in an all-day mediation presided over by Steve Rottman, Esq. which led to this Agreement to settle the Action.
- 2.5 Prior to mediation, Plaintiff obtained through informal discovery, documents and a sampling of time and payroll information of putative class members. Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).
- 2.6 The Court has not granted class certification.
- 2.7 The Settlement is intending to resolve all class and PAGA representative claims brought in, related, and pursuant to the Action, and related requests for relief, including but not limited to all claims for Plaintiff’s attorney fees and costs.

3. **MONETARY TERMS.**

- 3.1 **Gross Settlement Amount.** Except as otherwise provided by Paragraphs 8 and 9 below, ALTA promises to pay Two Million dollars (\$2,000,000) and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portion of the Individual Class Payments. ALTA has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to ALTA.
- 3.2 **Payments from the Gross Settlement Amount.** The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
- 3.2.1 **To Plaintiff:** Class Representative Service Payment to the Class Representative of not more than Ten Thousand dollars (\$10,000), plus Seven Thousand Five Hundred dollars (\$7,500) in exchange for signing a full release and Civil Code § 1542 waiver and foregoing the right to bring separate individual claims. ALTA will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payments no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.
- 3.2.2 **To Class Counsel:** A Class Counsel Fees Payment of not more one-third of the Gross Settlement Amount, which is currently estimated to be Six Hundred Sixty-Six Thousand, Six Hundred Sixty-Six dollars and Sixty-Seven cents (\$666,666.67) and a Class Counsel Litigation Expenses Payment of not more than Thirty Thousand dollars (\$30,000). ALTA will not oppose requests for these payments provided that do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel

assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds ALTA harmless, and indemnifies ALTA, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3 To the Administrator: An Administrator Expenses Payment not to exceed \$14,000 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$14,000, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4 To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

3.2.4.1 Tax Allocation of Individual Class Payments. Twenty percent (20%) of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. Eighty percent (80%) of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for non-wage damages and interest (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.4.2 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will allocate amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of Fifty Thousand dollars (\$50,000) to be paid from the Gross Settlement Amount, with 75% (\$37,500) allocated to the LWDA PAGA Payment and 25% (\$12,500) allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$12,500) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees

assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

- 3.2.5.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. **SETTLEMENT FUNDING AND PAYMENTS.**

- 4.1 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records to date, ALTA estimates there were 1,295 Class Members as of July 21, 2024, who collectively worked a total of 83,925 Workweeks, and 447 Aggrieved Employees as of July 21, 2024, who worked a total of 13,032 PAGA Pay Periods.
- 4.2 Class Data. Not later than twenty-one (21) days after the Court grants Preliminary Approval of the Settlement, ALTA will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. ALTA has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which ALTA must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.
- 4.3 Funding of Gross Settlement Amount. ALTA shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay ALTA's share of payroll taxes. The funds shall be transmitted to the Administrator no later than thirty (30) days after the Effective Date.
- 4.4 Payments from the Gross Settlement Amount. Within fourteen (14) days after ALTA funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.
- 4.4.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 calendar days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed

by the void date. The Administrator will send checks for Individual Class Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

- 4.4.2 The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within seven (7) calendar days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.
- 4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).
- 4.4.4 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate ALTA to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when ALTA fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

- 5.1 Plaintiff's Release. Plaintiff and her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred at any time, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained in the Complaints or ascertained during the Action and released under 5.2, below, and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Complaints, Plaintiff's PAGA Notice, or ascertained during the Action and released under 5.3, below ("Plaintiff's Release"). Plaintiff's Release does

not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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.

5.2 Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from the Released Class Claims, as defined in Paragraph 1.37. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

5.3 Release by Aggrieved Employees: All Aggrieved Employees (regardless of whether they are Participating Class Members) are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from the Released PAGA Claims, as defined in Paragraph 1.38.

6. **MOTION FOR PRELIMINARY APPROVAL.** The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval").

6.1 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds

or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), operative Complaint (Labor Code section 2699, subd. (1)(1)), this Agreement (Labor Code section 2699, subd. (1)(2)); and (vi) all facts relevant to any actual or potential conflict of interest with Class Members or the Administrator.

- 6.2 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than thirty (30) calendar days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.
- 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.
- 6.4 Certification of a Conditional Class: The Parties agree to certification of a conditional class to facilitate settlement only.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected Phoenix Settlement Administrators to serve as the Administrator and verified that, as a condition of appointment, the Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

- 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1.
- 7.4 Notice to Class Members.
- 7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, total Workweeks, and total Pay Periods in the Class Data.
- 7.4.2 Using best efforts to perform as soon as possible, and in no event later than fourteen (14) calendar days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice, with Spanish translation, substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
- 7.4.3 Not later than three (3) business days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- 7.4.4 The deadlines for Class Members’ written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional fourteen (14) calendar days beyond the Response Deadline provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- 7.4.5 If the Administrator, ALTA or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this

Agreement not later than fourteen (14) calendar days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5 Requests for Exclusion (Opt-Outs).

7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than the Response Deadline (plus an additional fourteen (14) calendar days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.6 Challenges to Calculation of Workweeks. Each Class Member shall have until the Response Deadline (plus an additional fourteen (14) calendar days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the

Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

7.7 Objections to Settlement.

7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than the Response Deadline (plus an additional fourteen (14) calendar days for Class Members whose Class Notice was re-mailed).

7.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

7.8 Administrator's Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than five (5) calendar days after the Response Deadline, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members

who have timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

- 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.
- 7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.
- 7.8.5 Administrator’s Declaration. Not later than 21 calendar days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.
- 7.8.6 Final Report by Settlement Administrator. Within ten (10) calendar days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least fifteen (15) calendar days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator’s declaration in Court.

8. **ESCALATOR CLAUSE**. Based on its records, ALTA estimates that the Class Members collectively worked a total of 83,925 Workweeks from April 12, 2019 through July 21, 2024.

Should the actual number of Workweeks worked by the Class Members during the Class Period be in excess of 83,925 by more than 10% (i.e. more than 92,317), ALTA shall have the election to either (a) cut off the Class Period when the Workweeks worked by Participating Class Members reaches 92,317, or (b) the Gross Settlement Amount shall increase in proportion to the amount of the increase exceeding the 10%. For example, if the actual Workweek count during the Class Period is 100,710 (an increase of 20% from 83,925), the Gross Settlement Amount shall correspondingly increase by 10%.

9. **ALTA'S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds twenty (20) Class Members, ALTA may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if ALTA withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, ALTA will remain responsible for paying all Settlement Administration Expenses incurred to that point. ALTA must notify Class Counsel and the Court of its election to withdraw not later than fourteen (14) calendar days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.
10. **MOTION FOR FINAL APPROVAL.** Not later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than seven (7) calendar days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.
 - 10.1 **Response to Objections.** Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
 - 10.2 **Duty to Cooperate.** If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.
 - 10.3 **Continuing Jurisdiction of the Court.** The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

- 10.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the requested amounts for the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.
- 10.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.
11. **AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.
12. **ADDITIONAL PROVISIONS.**
- 12.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by ALTA that any of the allegations in the Complaints have merit or that ALTA has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that ALTA's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, ALTA reserves the right to contest certification of any class for any reasons, and ALTA reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest ALTA's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

- 12.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, ALTA and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) to the LWDA or in response to an inquiry or subpoena issued by a state or federal government agency.

Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, ALTA and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 12.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 12.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 12.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and ALTA, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 12.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

- 12.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 12.8 No Tax Advice. Neither Plaintiff, Class Counsel, ALTA nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 12.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 12.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 12.13 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 12.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by ALTA in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from ALTA unless, prior to the Court's discharge of the Administrator's obligation, ALTA makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.
- 12.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 12.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement

falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

- 12.17 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Brian J. Mankin
Kristina Bui Carlson
LAUBY, MANKIN & LAUBY LLP
4590 Allstate Dr.
Riverside, CA 92501
brian@lmlfirm.com
kristina@lmlfirm.com

To ALTA:

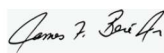
Brian D. Martin
April L. Szabo
Atkinson, Andelson, Loya, Ruud & Romo
4225 Executive Square, 7th Floor
La Jolla, CA 92037-1477
brian.martin@aalrr.com
april.szabo@aalrr.com

- 12.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

- 12.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

Dated: December 10, 2024

ALTA RESOURCES CORP.

By: 
Title: Chairman & CEO

Dated: Dec 5, 2024

VIRGINIA ALVARADO.

By: 
Virginia Alvarado (Dec 5, 2024 12:13 PST)
Virginia Alvarado

APPROVED AS TO FORM AND ATTORNEY OBLIGATIONS

Dated: December 10, 2024

ATKINSON, ANDELSON, LOYA, RUUD & ROMO

By: 
Brian D. Martin
April L. Szabo
Attorneys for Alta Resources Corp.

Dated: Dec. 6, 2024

LAUBY, MANKIN & LAUBY LLP

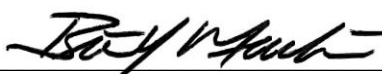
By: 
Brian J. Mankin
Kristina Bui Carlson
Attorneys for Plaintiff Virginia Alvarado

EXHIBIT “2”

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

Virginia Alvarado v. Alta Resources Corp. (Case No. CIVSB2304861)

***The Superior Court for the State of California authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement or solicitation by a lawyer. You are not being sued.***

You may be eligible to receive money from an employee class action lawsuit (“Action”) against Alta Resources Corp. (“Alta”) for alleged wage and hour violations. The Action was filed by former Alta employee Virginia Alvarado (“Plaintiff”) and seeks payment of (1) back wages and statutory damages for a class of a non-exempt employees (“Class Members”) who worked for Alta during the Class Period of April 12, 2019 to [TBD]; and (2) penalties under the California Private Attorney General Act (“PAGA”) for all non-exempt employees who worked for Alta during the PAGA Period of April 12, 2022 to [TBD] (“Aggrieved Employees”).

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

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

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

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

If you worked for Alta during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

(1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Alta.

(2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Alta, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Alta that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is [45 days after mailing of notice]	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Alta must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by [45 after of notice]	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or

	Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the [TBD] Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [TBD]. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by [45 after mailing of notice]	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number Class Period Workweeks and number of PAGA Period Pay Periods you worked according to Alta's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by [TBD]. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former Alta employee. The Action accuses Alta of violating California labor laws by failing to pay overtime wages, minimum wages, wages due during employment and upon termination and reimbursable expenses and failing to provide meal periods, rest breaks and accurate itemized wage statements. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Lab. Code, § 2698, *et seq.*) ("PAGA"). Plaintiff is represented by attorneys in the Action: Brian J. Mankin and Kristina Bui Carlson of Lauby, Mankin & Lauby LLP ("Class Counsel.")

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

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

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

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

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

1. Alta Will Pay \$2,000,000 as the Gross Settlement Amount (Gross Settlement). Alta has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorneys' fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, Alta will fund the Gross Settlement not more than 30 days after the Judgment entered by the Court become final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$666,666.67 [one-third] of the Gross Settlement to Class Counsel for attorneys' fees and up to \$30,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$10,000 as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class, as well as \$7,500 in exchange for signing a full release and Civil Code § 1542 waiver and foregoing the right to bring separate individual claims. These will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$14,000 to the Administrator for services administering the Settlement.
 - D. Up to \$50,000 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

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

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross

Settlement (the “Net Settlement”) by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.

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

Although Plaintiff and Alta have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don’t cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller’s Unclaimed Property Fund in your name.

If the monies represented by your check is sent to the Controller’s Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.

5. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [45 days after mailing of notice], that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by [45 days after mailing of notice] Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her/their representative setting forth a Class Member’s name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Alta.

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

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

7. Administrator. The Court has appointed a neutral company, Phoenix Settlement Administrators (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re- mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.
8. Participating Class Members’ Release. After the Judgment is final and Alta has fully funded the Gross Settlement and separately paid all employer payroll taxes), Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue or be part of any other lawsuit against Alta or related entities for wages and PAGA penalties based on facts and claims, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Complaints, including all of the following claims for relief: (a) failure to pay minimum wages, regular wages and/or overtime pay; (b) failure to provide or pay premium payments for meal periods; (c) failure to provide or pay premium payments for rest periods; (d) failure to reimburse for business expenses; (e) failure to provide complete and accurate wage statements; (f) failure to pay wages upon termination; (g) violations of the California Business & Professions Code §§ 17200 et seq. These claims include, but are not limited to, California Labor Code sections 200, 201-203, 204, 208, 210, 218.6, 221-223, 226, 226.3, 226.7, 227.3, 246, 256, 510, 512, 558, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802 and all related provisions of the California Code of Regulations, the California Industrial Wage Orders, the California Business & Professions Code sections 17200 et seq. (“Released Class Claims”). The Released Class Claims extend to all theories of relief regardless of whether the claim is, was or could have been alleged under federal law, state law or common law (including, without limitation, as violations of the California Labor Code, the Wage Orders, applicable regulations, and California’s Business and Professions Code section 17200), and includes all types of relief available for the above-referenced claims, including, any claims for damages, restitution, losses, penalties, fines, liens, attorneys’ fees, costs, expenses, debts, interest, injunctive relief, declaratory relief, or liquidated damages. The operative release period for the Released Class Claims is the Class Period.

9. Aggrieved Employees’ PAGA Release. After the Court’s judgment is final, and Alta has paid the Gross Settlement and separately paid the employer-side payroll taxes, all Aggrieved Employees will be barred from asserting PAGA claims against Alta, whether or not they exclude themselves from the Settlement. This means that all Aggrieved

Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue or participate in any other PAGA claim against Alta or its related entities based on the facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees' Releases for Participating and Non-Participating Class Members are as follows:

All Aggrieved Employees (whether they are Participating Class Members or Non-Participating Class Members) are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties all claims for civil penalties under the Private Attorneys General Act, Labor Code § 2698 et seq., that were alleged, or reasonably could have been alleged, based on the allegations, the facts, and/or legal theories under PAGA contained in the Complaints and the and in Plaintiff's PAGA Notice to the LWDA (including any amendments thereto), including all of the following claims for relief: (a) failure to pay minimum wages, regular wages and/or overtime pay; (b) failure to provide or pay premium payments for meal periods; (c) failure to provide or pay premium payments for rest periods; (d) failure to reimburse for business expenses; (e) failure to provide complete and accurate wage statements; (f) failure to pay wages each pay period and upon termination ("Released PAGA Claims"). The Released PAGA Claims include, but are not limited to, California Labor Code sections 200, 201-203, 204, 208, 210, 218.6, 221-223, 226, 226.3, 226.7, 227.3, 246, 256, 510, 512, 558, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802 and all related provisions of the California Code of Regulations, and the California Industrial Wage Orders. The Released PAGA Claims do not release any potential claims for wages or statutory penalties, but does not otherwise alter the release provide if the aggrieved employee is also a Participating Class Member.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$12,500 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Alta records, are stated in the first page of this Notice. You have until [45 days after mailing of notice] to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the

Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Alta's calculation of Workweeks and/or Pay Periods based on Alta's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Alta's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

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

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

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

Submit a written and signed letter with your name, present address, telephone number and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Virginia Alvarado v. Alta Resources Corp.* (Case No. CIVSB2304861), and include your identifying information (full name, address, telephone number, approximate dates of employment and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by [45 days after mailing of notice], or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Alta are asking the Court to approve. At least 16 court days before the [TBD] Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class

Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website [TBD] or the Court's website (<https://cap.sb-court.org/search>).

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is [45 days after mailing of notice]**. Be sure to tell the Administrator what you object to, why you object and any facts that support your objection. Make sure you identify the Action as *Virginia Alvarado v. Alta Resources Corp.* (Case No. CIVSB2304861) and include your name, current address, telephone number and approximate dates of employment for Alta and sign the objection. Section 9 of this Notice has the Administrator's contact information.

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

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on [TBD] at [TBD], in Department S17 of the San Bernardino Superior Court, located at San Bernardino Justice Center, 247 West Third Street, San Bernardino, CA 92415. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or remotely. Check the Court's website for the most current information (<https://www.sb-court.org/general-information/remote-access>).

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

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Alta and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to [TBD] website at [TBD]. You can also telephone or send an email to the Administrator using the contact information listed below, or consult the Superior Court website by going to <https://cap.sb-court.org/search> and entering the Case Number for the Action, Case No. CIVSB2304861. You can also make an appointment to personally review court documents in the Clerk's Office at San Bernardino Justice Center, 247 West Third Street, San Bernardino, CA 92415 by calling (909) 708-8678.

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

Settlement Administrator:

Name of Company: Phoenix Settlement Administrators

Email Address: [text]

Mailing Address: [text]

Telephone: [text]

Fax Number: [text]

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

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

11. WHAT IF I CHANGE MY ADDRESS?

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

EXHIBIT “3”



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

October 22, 2024

CASE ASSUMPTIONS

Class Members	1,400
Opt Out Rate	1%
Opt Outs Received	34
Total Class Claimants	1,366
Subtotal Admin Only	\$14,240.72

Flat Fee Total \$14,000.00

For 1,400 Class Members

Pricing Good for Scope of Estimate Only

All Aspects of Escheating to the State of CA Included

Language Translation, Printing & Mailing Included

Case: Alvarado v. Alta Resources, Opt-Out & PAGA Administration

Phoenix Contact: Michael E. Moore

Contact Number: 949.331.0131

Email: mike@phoenixclassaction.com

Requesting Attorney: Brian J. Mankin

Firm: Lauby, Mankin & Lauby, LLP

Contact Number: (951) 320-1444

Email: brian@lmfirm.com

Assumptions and Estimate are based on information provided by counsel. If class size changes, PHX will need to adjust this Estimate accordingly.

Estimate is based on **1,400** Class Members. Class data **Must** be sent in Microsoft Excel or uploaded in the same format. Class Data Must be sent in one spreadsheet, with no additional programming needed. A rate of \$150 per hour will be charged for any additional analysis or programming. Pricing good for 90 day

Case & Database Setup / Toll Free Setup & Call Center / NCOA (USPS)

Administrative Tasks:	Rate	Hours/Units	Line Item	Estimate
Programming Manager	\$100.00	2		\$200.00
Programming Database & Setup	\$100.00	2		\$200.00
Toll Free Setup*	\$100.00	1		\$100.00
Call Center & Long Distance	\$2.00	142		\$284.00
NCOA (USPS)	\$240.00	1		\$240.00
Total				\$1,024.00

* Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Opt-Out Form & Postage / Language Translation / Website

Project Action	Rate	Hours/Units	Line Item	Estimate
Notice Packet Formatting	\$100.00	2		\$200.00
Language Translation	\$900.00	1		\$1,000.00
Data Merge & Duplication Scrub	\$0.10	1,400		\$140.00
Notice Packet & Opt-Out Form	\$1.20	1,400		\$1,680.00
Estimated Postage (up to 2 oz.)*	\$0.82	1,400		\$1,148.00
Static Website	\$200.00	1		\$200.00
Total				\$4,368.00

* Prices good for 90 days. Subject to change with the USPS Rate or change in Notice pages or Translation, if any.



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables

Project Action:	Rate	Hours/Units	Line Item	Estimate
Case Associate	\$55.00	3		\$165.00
Skip Tracing Undeliverables	\$1.00	167		\$167.00
Remail Notice Packets	\$1.00	164		\$164.00
Estimated Postage	\$0.87	164		\$142.68
Programming Undeliverables	\$50.00	2		\$100.00
			Total	\$738.68

Database Programming / Processing Opt-Outs, Deficiencies or Disputes

Project Action:	Rate	Hours/Units	Line Item	Estimate
Programming Database	\$150.00	1		\$150.00
Non Opt-Out Processing	\$200.00	1		\$200.00
Case Associate	\$55.00	5		\$275.00
Deficiency & Dispute Letters	\$10.00	11		\$110.00
Case Manager	\$85.00	3		\$255.00
			Total	\$990.00

Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks

Project Action:	Rate	Hours/Units	Line Item	Estimate
Programming Calculations	\$135.00	1		\$135.00
Disbursement Review	\$135.00	1		\$135.00
Programming Manager	\$95.00	2		\$190.00
QSF Bank Account & EIN	\$135.00	1		\$135.00
Check Run Setup & Printing	\$135.00	9		\$1,215.00
Mail Class Checks *	\$0.80	1,366		\$1,092.80
Estimated Postage	\$0.64	1,366		\$874.24
			Total	\$3,777.04

* Checks are printed on 8.5 x 11 in. sheets with W2/1099 Tax Filing & Instructions for downloading tax forms from PHX secure portal



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Tax Reporting & Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations				
Project Action:	Rate	Hours/Units	Line Item	Estimate
Case Supervisor	\$115.00	3		\$345.00
Remail Checks (Postage Included)	\$2.00	139		\$278.00
Case Associate	\$55.00	3		\$165.00
Reconcile Uncashed Checks	\$85.00	5		\$425.00
Conclusion Reports	\$115.00	2		\$230.00
Case Manager Conclusion	\$85.00	3		\$255.00
Final Reporting & Declarations	\$115.00	3		\$345.00
IRS & QSF Annual Tax Reporting * (1 State Tax Reporting & Escheating to the State of CA Included)	\$1,300.00	1		\$1,300.00
Total				\$3,343.00

* All applicable California State & Federal taxes, which include SUI, ETT, and SDI, and FUTA filings. Additional taxes are Defendant's responsibility.

Estimate Total: \$14,240.72



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

TERMS AND CONDITIONS

Provisions: The case estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make any provision for any services or class size not delineated in the request for proposal or stipulations. Proposal rates and amounts are subject to change upon further review, with Counsel/Client, of the Settlement Agreement. Only pre-approved changes will be charged when applicable. No modifications may be made to this estimate without the approval of PSA (Phoenix Settlement Administrators). All notifications are mailed in English language only unless otherwise specified. Additional costs will apply if translation into other language(s) is required. Rates to prepare and file taxes are for Federal and California State taxes only. Additional charges will apply if multiple state tax filing(s) is required. **Pricing is good for ninety (90) days.**

Data Conversion and Mailing: The proposal assumes that data provided will be in ready-to-use condition and that all data is provided in a single, comprehensive Excel spreadsheet. PSA cannot be liable for any errors or omissions arising due to additional work required for analyzing and processing the original database. A minimum of two (2) business days is required for processing prior to the anticipated mailing date with an additional two (2) business days for a National Change of Address (NCOA) update. Additional time may be required depending on the class size, necessary translation of the documents, or other factors. PSA will keep counsel apprised of the estimated mailing date.

Claims: PSA's general policy is to not accept claims via facsimile. However, in the event that facsimile filing of claims must be accepted, PSA will not be held responsible for any issues and/or errors arising out of said filing. Furthermore, PSA will require disclaimer language regarding facsimile transmissions. PSA will not be responsible for any acts or omissions caused by the USPS. PSA shall not make payments to any claimants without verified, valid Social Security Numbers. All responses and class member information are held in strict confidentiality. Additional class members are \$10.00 per opt-out.

Payment Terms: All postage charges and 50% of the final administration charges are due at the commencement of the case and will be billed immediately upon receipt of the data and/or notice documents. PSA bills are due upon receipt unless otherwise negotiated and agreed to with PSA by Counsel/Client. In the event the settlement terms provide that PSA is to be paid out of the settlement fund, PSA will request that Counsel/Client endeavor to make alternate payment arrangements for PSA charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the settlement account is funded by Defendant, or no later than the time of disbursement. Amounts not paid within thirty (30) days are subject to a service charge of 1.5% per month or the highest rate permitted by law.

Tax Reporting Requirements

PSA will file the necessary tax returns under the EIN of the QSF, including federal and state returns. Payroll tax returns will be filed if necessary. Under the California Employment Development Department, all taxes are to be reported under the EIN of the QSF with the exception of the following taxes: Unemployment Insurance (UI) and Employment Training Tax (ETT), employer-side taxes, and State Disability Insurance (SDI), an employee-side tax. These are reported under Defendant's EIN. Therefore, to comply with the EDD payroll tax filing requirements we will need the following information:

1. Defendant's California State ID and Federal EIN.
2. Defendant's current State Unemployment Insurance (UI) rate and Employment Training Tax (ETT) rate. This information can be found in the current year DE 2088, Notice of Contribution Rates, issued by the EDD.
3. Termination dates of the class members, or identification of current employee class members, so we can account for the periods that the wages relate to for each class member.
4. An executed Power of Attorney (Form DE 48) from Defendant. This form is needed so that we may report the UI, SDI, and ETT taxes under Defendant's EIN on their behalf. If this form is not provided we will work with the EDD auditors to transfer the tax payments to Defendant's EIN.
5. Defendant is responsible for reporting the SDI portion of the settlement payments on the class member's W-2. PSA will file these forms on Defendant's behalf for an additional fee and will issue an additional W-2 for each class member under Defendant's EIN, as SDI is reported under Defendant's EIN rather than the EIN of the QSF. The Power of Attorney (Form DE 48) will be needed in order for PSA to report SDI payments.

EXHIBIT “4”