

Arby Aiwarzian (SBN 269827)
Joanna Ghosh (SBN 272479)
Brian J. St. John (SBN 304112)
Jeremy Stern (SBN 351412)
LAWYERS for JUSTICE, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203
Tel: (818) 265-1020 / Fax: (818) 265-1021

Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES—SPRING STREET COURTHOUSE

SHANNON BOSTIC, SOCORRO
GAMBOA, individually, and on behalf of
other members of the general public similarly
situated and on behalf of other aggrieved
employees pursuant to the California Private
Attorneys General Act;

Plaintiff,

vs.

LAMP COMMUNITY, an unknown business
entity; LAMP, INC., a California
corporation; THE PEOPLE CONCERN, a
California corporation; and DOES 1 through
100, inclusive,

Defendants.

Case No.: 21STCV07381

Honorable Maren E. Nelson
Department SSC17

CLASS ACTION

**DECLARATION OF BRIAN J. ST. JOHN
IN SUPPORT OF PLAINTIFF'S
RENEWED MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

[Plaintiff's Motion for Preliminary Approval of
Class Action Settlement; Declaration of
Proposed Class Representative (Socorro
Gamboa); and [Proposed] Order filed
concurrently herewith]

Date: April 9, 2024
Time: 9:00 a.m.
Department: SSC17

Complaint Filed: February 24, 2021
FAC Filed: May 12, 2022
SAC Filed: June 20, 2023
Trial Date: None Set

DECLARATION OF BRIAN J. ST. JOHN

I, **Brian J. St. John**, hereby declare as follows:

1. I am an attorney licensed to practice law in the State of California. I am a member of Lawyers *for* Justice, PC, attorneys of record for Plaintiff Socorro Gamboa (“Plaintiff”). The facts set forth in this declaration are within my personal knowledge, and if called as a witness, I could and would competently testify thereto.

EXPERIENCE AND ADEQUACY OF LAWYERS *for* JUSTICE, PC

2. Since October 2008, Lawyers *for* Justice, PC has almost exclusively focused on the prosecution of consumer and employment class actions, involving wage-and-hour claims, race discrimination, unfair business practices, or consumer fraud. Currently, the firm is attorney of record in over a dozen employment-related putative class actions in both state and federal courts in the State of California. Lawyers *for* Justice, PC is comprised of attorneys who focus on litigating complex wage-and-hour class and Private Attorneys General Act (“PAGA”) representative actions. The firm has successfully litigated cases involving the executive, administrative, and other overtime exemptions to the State of California and federal overtime compensation requirements. During a relatively short time, in association with other law firms, Lawyers *for* Justice, PC has recovered millions of dollars on behalf of thousands of individuals in California. Below is a summary of the experience and qualifications of the attorneys at Lawyers *for* Justice, PC who most recently and primarily have been responsible for the representation of Plaintiff in connection with the resolution of above-captioned matter. Additional attorney and non-attorney staff have also worked on the above-captioned matter.

3. Edwin Aiwazian is the Managing Member and Shareholder of Lawyers *for* Justice, PC. He received his Bachelor of Arts degree from Pepperdine University in April of 1999 and earned a Juris Doctor degree from Pepperdine University School of Law in May of 2004. He has extensive formal training in dispute resolution and negotiation from the Straus Institute for Dispute Resolution as part of its Masters in Dispute Resolution degree program. In addition, he has previously served as a pro bono mediator for the Los Angeles County Superior Court. In October of 2000, he obtained a Litigation Paralegal Certificate from the UCLA

1 Extension Program. During the summer of 2000, he studied Legal Writing at Harvard University.
2 From approximately September 2002 to approximately December 2002, he served as a Judicial
3 Extern to the Honorable Kim McLane Wardlaw of the United States Court of Appeals for the
4 Ninth Circuit. From approximately June 2002 to approximately August 2002, he served as a
5 Judicial Extern to the Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second
6 Appellate District. In December of 2004, he obtained a license to practice law from the California
7 State Bar. Since in or around October of 2008, through his work at Lawyers *for* Justice, PC, he
8 has almost exclusively focused on the prosecution of consumer and employment class actions,
9 involving wage-and-hour claims, race discrimination, unfair business practices, or consumer
10 fraud. While employed by Lawyers *for* Justice PC, he has argued over one hundred (100) motions,
11 taken or defended over one hundred fifty (150) depositions, prepared dozens of expert witnesses
12 for deposition or trial, and attended over one hundred seventy-five (175) mediations. Together
13 with other attorneys at the firm, and in many cases in conjunction with co-counsel, he has
14 successfully litigated cases involving the executive, administrative, and other overtime exemptions
15 to the State of California and federal overtime compensation requirements. Under his supervision,
16 Lawyers *for* Justice, PC has successfully obtained class certification by contested motion practice
17 in approximately fifteen (15) cases in the last decade, and litigated over 1,000 class action or
18 representative action cases.

19 4. Arby Aiwarzian is a Member and Shareholder of Lawyers *for* Justice, PC. He
20 received his Bachelor of Arts degree from University of California, Los Angeles and graduated
21 magna cum laude. He earned a Juris Doctor degree, cum laude, from Southwestern Law School.
22 From approximately May 2007 to approximately July 2007, he served as a Judicial Extern to the
23 Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second Appellate District.
24 From approximately August 2008 to approximately December 2008 he served as a Judicial Extern
25 to the Honorable Kim McLane Wardlaw of the United State Court of Appeals for the Ninth Circuit.
26 He was admitted to practice law in California in 2010. He is admitted to practice before all courts
27 of the State of California and all United States District Courts in the State of California. He has
28 worked on many wage-and-hour class action and representative action cases, taking the lead in

1 taking and defending depositions, arguing motions, and attending mediations. He has played an
2 integral role in preparing matters for class certification, including and not limited to, successful
3 certification of a class in *Upson v. Sur La Table* (Los Angeles County Superior Court Case No.
4 BC424012), *Montazemi v. Regus Management* (Los Angeles County Superior Court Case No.
5 BC478769), and *Abdulhaqq v. Urban Outfitters* (Alameda County Superior Court Case No.
6 RG13680477). He has worked on over one hundred (100) class action or representative action
7 cases which have resulted in settlement, including and not limited to those listed in paragraph 7
8 herein.

9 5. Joanna Ghosh is a Senior Member of Lawyers for Justice, PC. She received a Bachelor of
10 Arts degree from California State University, Los Angeles in 2006, a Master of Science degree
11 from the London School of Economics in 2007, and a Juris Doctor degree from Georgetown
12 University Law Center in 2010. She is admitted to practice in California (since 2010) and in New
13 York (since 2013) and is also admitted to practice in all U.S. District Courts in California, the U.S.
14 Bankruptcy Court for the Central District of California, and the U.S. Supreme Court. She has
15 taken and defended dozens of depositions and successfully handled motion practice in class action
16 cases regarding discovery (including and not limited to, regarding class contact information), class
17 certification (both contested class certification and stipulated class certification), arbitration
18 agreements, coordination, intervention. She has successfully handled briefing and oral argument
19 on appeal and obtained notable decisions regarding the Private Attorneys General Act and
20 employer efforts to compel arbitration, e.g., *Betancourt v. Prudential Overall Supply*, 9
21 Cal.App.5th 439 (Cal. Ct. App., Mar. 7, 2017), cert. denied (Cal., May 24, 2017), cert. denied
22 (U.S., Dec. 11, 2017) and *ZB, N.A. v. Superior Court*, 8 Cal.5th175 (2019). She also has extensive
23 experience with class action and/or representative action settlements. Under her, Edwin Aiwazian,
24 and Arby Aiwazian's supervision, the firm has handled the class certification and court approval
25 process for hundreds of class action and/or representative action matters that have successfully
26 resolved. She is a member of the California Employment Lawyers Association.

27 6. I am a Member of Lawyers for Justice, PC. I received my Bachelor's degree from the
28 University of California, San Diego in 2010 and earned my Juris Doctor degree from the

1 University of California, Berkeley, School of Law in 2013. I was admitted to practice law in
2 California in 2015. I am admitted to practice before all courts of the State of California and all
3 federal district courts in the State of California. I have worked on many wage and hour class action
4 and PAGA representative matters, and my work has included, *inter alia*, researching and drafting
5 pleadings, administrative notice exhaustion, drafting, negotiating, and finalizing stipulations and
6 settlement agreements, engaging in motion practice, claims evaluation and analysis, and making
7 court appearances. Prior to working at Lawyers for Justice, PC, I spent several years working for
8 a boutique employment and labor law firm representing employers, and, in 2019 and 2020, I was
9 employed as general counsel for a DMHC licensed discount dental plan.

10 **EXAMPLES OF RESULTS IN WAGE-AND-HOUR CLASS ACTION AND**
11 **REPRESENTATIVE ACTION CASES**

12 7. What follows are just a few examples of the type of results Lawyers for Justice, PC
13 (“LFJ”) has achieved on behalf of its clients:

14 a) LFJ, in association with co-counsel therein, represented the plaintiffs in a
15 wage-and-hour class action against a major property management company involving allegations
16 of misclassification of various “manager” positions. On September 20, 2010, the court granted
17 final approval of the class action settlement. The Los Angeles County Superior Court Case
18 Number is BC400414.

19 b) LFJ, in association with co-counsel therein, represented the plaintiffs in a
20 wage-and-hour class action against a national retailer of household items involving allegations of
21 misclassification of the “Assistant Store Manager” position. On October 28, 2010, the court
22 granted final approval of the class action settlement. The Los Angeles County Superior Court
23 Case Number is BC413498.

24 c) LFJ, in association with co-counsel therein, represented the plaintiffs in a
25 wage-and-hour class action against a national property management company involving
26 allegations of misclassification of the “Property Manager” position. On May 23, 2012, the court
27 granted final approval of the class action settlement. The Los Angeles County Superior Court
28 Case Number is BC430918.

1 d) LFJ, in association with co-counsel therein, represented the plaintiffs in a
2 wage-and-hour class action against a national retailer involving allegations of misclassification of
3 the “Store Manager” position. On June 10, 2011, the court granted plaintiffs’ motion for class
4 certification. On August 26, 2013, the court granted final approval of the class action settlement.
5 The Los Angeles County Superior Court Case Number is BC424012.

6 e) LFJ, in association with co-counsel therein, represented the plaintiff in a
7 wage-and-hour class and PAGA representative action against a bank, involving allegations of
8 misclassification of the “Assistant Branch Manager” position. On August 27, 2013, the court
9 granted final approval of the class and PAGA representative action settlement. The Kern County
10 Superior Court Case Number is S-1500-CV-273194-LHB.

11 f) LFJ, in association with co-counsel therein, represented the plaintiff in a
12 wage-and-hour class and PAGA representative action against a national wholesale distributor of
13 plumbing and builder supplies, involving allegations of misclassification of multiple salaried
14 “manager” positions. On May 22, 2014, the court granted final approval of the class and PAGA
15 representative action settlement. The Sacramento County Superior Court Case Number is 34-
16 2012-00136285.

17 g) LFJ, in association with co-counsel therein, represented the plaintiff in a
18 wage-and-hour class action against a multinational corporation that provides global workplace
19 solutions, involving allegations of misclassification of the “Operations Manager” position. On
20 September 16, 2014, the court granted plaintiff’s motion for class certification. The Los Angeles
21 County Superior Court Case Number is BC478769.

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23 h) LFJ, in association with co-counsel therein, represented the plaintiff in a
24 wage-and-hour class and PAGA representative action against a national retailer of household
25 items, on behalf of hourly-paid or non-exempt employees. On May 27, 2015, the court granted
26 final approval of the class and PAGA representative action settlement. The San Francisco County
27 Superior Court Case Number is CGC-13-532344.
28

1 i) LFJ, in association with co-counsel therein, represented the plaintiff in a
2 wage-and-hour class and PAGA action involving allegations of misclassification of the salaried
3 residential “Property Manager” position. On September 17, 2015, the court granted plaintiff’s
4 motion for class certification. On October 20, 2017, the court granted final approval of the class
5 and PAGA representative action settlement. The Los Angeles County Superior Court Case
6 Number is BC474784.

7 j) LFJ, in association with co-counsel therein, represented the plaintiffs in a
8 wage-and-hour class and PAGA representative action against a national retailer of upscale
9 hardware and home furnishings, on behalf of non-exempt employees. On April 28, 2016, the court
10 granted final approval of the class and PAGA representative action settlement. The Los Angeles
11 County Superior Court Case Numbers are BC516795 and JCCP4794, and the Judicial Council
12 Coordination Proceeding Number is 4794.

13 k) LFJ, in association with co-counsel therein, represented the plaintiffs in a
14 wage-and-hour class action against a national retailer of apparel and fashion accessories, on behalf
15 of non-exempt employees. On August 5, 2016, the court granted final approval of the class action
16 settlement. The Los Angeles County Superior Court Case Number is BC488069.

17 l) LFJ, in association with co-counsel therein, represented the plaintiffs in a
18 wage-and-hour class action against a national retailer of apparel, accessories, and home products,
19 involving allegations of misclassification of the “Department Manager” position. On August 12,
20 2016, the court granted the plaintiffs’ motion for class certification in part and certified a class. On
21 August 6, 2019, the court granted final approval of the class action settlement. The Alameda
22 County Superior Court Case Number is RG13680477.

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24 m) LFJ represented the plaintiff in a PAGA representative action against a real
25 estate and property management company, on behalf of non-exempt employees. On November 4,
26 2016, the court granted approval of the PAGA representative action settlement. The Orange
27 County Superior Court Case Number is 30-2015-00775439-CU-OE-CXC.

1 n) LFJ, in association with co-counsel therein, represented the plaintiffs in a
2 wage-and-hour class and PAGA representative action against a full-service bank, on behalf of non-
3 exempt employees. On November 18, 2016, the court granted final approval of the class and
4 PAGA representative action settlement. The San Francisco County Superior Court Case Number
5 is CJC-13-004839 and the Judicial Council Coordination Proceeding Number is 4839.

6 o) LFJ represented the plaintiffs in a wage-and-hour class and PAGA
7 representative action against a foodservice distributor, on behalf of non-exempt employees. On
8 January 26, 2017, the court granted final approval of the class and PAGA representative action
9 settlement. The San Bernardino County Superior Court Case Number is CIVDS1507260.

10 p) LFJ, on behalf of the plaintiff and respondent in a PAGA representative
11 action, successfully opposed in the trial court, and briefed and argued an appeal with respect to the
12 employer's motion to compel arbitration, which resulted in a published opinion by the California
13 Court of Appeal in favor of employees. *Roberto Betancourt v. Prudential Overall Supply* (Cal.
14 App. 4th Dist., Mar. 7, 2017) 9 Cal.App.5th 439, review denied, cert. denied (U.S. Supreme Court
15 Docket No. 17-254). The Riverside County Superior Court Case Numbers are RIC1503952 and
16 RICJCCP5046, and the Judicial Council Coordination Proceeding Number is 5046.

17 q) LFJ, in association with co-counsel therein, represented the plaintiffs in a
18 wage-and-hour class and PAGA representative action against a consumer packaging company, on
19 behalf of non-exempt employees. On March 10, 2017, the court granted final approval of the class
20 and PAGA representative action settlement. The Los Angeles County Superior Court Case
21 Number is BC590429.

22 r) LFJ, in association with co-counsel therein, represented the plaintiffs in a
23 wage-and-hour class and PAGA representative action against a manufacturer of food service
24 industry supplies on behalf of non-exempt employees. On April 14, 2017, the court granted final
25 approval of the class and PAGA representative action settlement. The Orange County Superior
26 Court Case Number is 30-2015-00810013-CU-OE-CXC.

27 s) LFJ in association with co-counsel, represented the plaintiffs in a wage-and-
28 hour class and PAGA representative action against a lumber and hardware company on behalf of

1 non-exempt employees. On April 26, 2017, the court granted final approval of the class and PAGA
2 representative action settlement. The Orange County Superior Court Case Number is 30-2014-
3 00747750-CU-OE-CXC.

4 t) LFJ represented the plaintiff in a wage-and-hour class and PAGA
5 representative action against a property management company, on behalf of non-exempt
6 employees. On June 14, 2017, the court granted final approval of the class and PAGA
7 representative action settlement. The Los Angeles County Superior Court Case Number is
8 BC586234.

9 u) LFJ represented the plaintiff in a wage-and-hour class and PAGA
10 representative action against a food company on behalf of non-exempt employees. On June 30,
11 2017, the court granted final approval of the class and PAGA representative action settlement. The
12 Sacramento County Superior Court Case Number is 34-2015-00175871.

13 v) LFJ represented the plaintiffs in a wage-and-hour class and PAGA
14 representative action against a chocolate company on behalf of non-exempt employees. On July
15 19, 2017, the court granted final approval of the class and PAGA representative action settlement.
16 The Alameda County Superior Court Case Number is RG15764300.

17 w) LFJ firm represented the plaintiff in a PAGA representative action, against
18 the parent company of several restaurants, on behalf of hourly-paid, non-exempt employees. On
19 October 18, 2017, the court granted approval of the PAGA representative action settlement. The
20 Los Angeles County Superior Court Case Number is BC569664.

21 x) LFJ represented the plaintiffs in a wage-and-hour class and PAGA
22 representative action against a manufacturer of plastic containers on behalf of non-exempt
23 employees. On October 31, 2017, the court granted final approval of the class and PAGA
24 representative action settlement. The Los Angeles County Superior Court Case Number is
25 BC577233.

26 y) LFJ, in association with co-counsel therein, represented the plaintiffs in a
27 wage-and-hour class and PAGA representative action against a bank on behalf of non-exempt
28 employees. On December 11, 2017, the court granted final approval of the class and PAGA

1 representative action settlement. The Los Angeles County Superior Court Case Number is
2 BC569646.

3 z) LFJ, in association with co-counsel therein, represented the plaintiffs in a
4 wage-and-hour class and PAGA representative action against a property management company
5 on behalf of hourly-paid and non-exempt employees. On January 4, 2018, the court granted final
6 approval of the class and PAGA representative action settlement. The Los Angeles County
7 Superior Court Case Number is JCCP4819 and the Judicial Council Coordination Proceeding
8 Number is 4819.

9 aa) LFJ, in association with co-counsel therein, represented the plaintiffs in a
10 wage-and-hour class and PAGA representative action against a global provider of flexible office
11 space solutions. On February 15, 2018, the court granted final approval of the class and PAGA
12 representative action settlement. The Los Angeles County Superior Court Case Number is
13 BC498401.

14 bb) LFJ, in association with co-counsel therein, represents the plaintiff in a
15 wage-and-hour class action against a container manufacturer, on behalf of non-exempt employees.
16 On October 15, 2018, the court granted the plaintiff's motion for class certification. The Tulare
17 County Superior Court Case Number is VCU264528.

18 cc) LFJ represented the plaintiffs in a wage-and-hour class and PAGA
19 representative action against a behavioral health service provider on behalf of non-exempt
20 employees. On November 13, 2018, the court granted final approval of the class and PAGA
21 representative action settlement. The Alameda County Superior Court Case Number is
22 RG16811450.

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25 dd) LFJ, in association with co-counsel therein, represented the plaintiff in a
26 PAGA representative action against a global provider of products and services to the energy
27 industry, on behalf of hourly-paid and non-exempt employees. On November 19, 2018, the court
28

1 granted approval of the PAGA representative action settlement. The Kern County Superior Court
2 Case Number is S-1500-CV-280215-SDC.

3 ee) LFJ, in association with co-counsel therein, represents the plaintiff in a
4 wage-and-hour class action against a parking company on behalf of non-exempt employees. On
5 September 3, 2019, the court granted the plaintiff's motion for class certification and certified a
6 class. The Santa Clara County Superior Court Case Number is 16CV292208 and the Judicial
7 Council Coordination Proceeding Number is 4886.

8 ff) LFJ, in association with co-counsel therein, represents the plaintiffs in a
9 wage-and-hour class and representative action against a bank on behalf of non-exempt employees.
10 On September 27, 2019, the court granted the plaintiffs' motion for class certification in part and
11 certified a class. The Alameda County Superior Court Case Number is RG15757606 and the
12 Judicial Council Coordination Proceeding Number is 4921.

13 gg) LFJ, in association with co-counsel therein, represented the plaintiffs in a
14 wage-and-hour class and PAGA representative action against a national retailer of apparel and
15 fashion accessories, on behalf of non-exempt employees. On October 9, 2019, the court granted
16 the plaintiffs' motion for class certification in part and certified a class. On May 14, 2021, the
17 court granted final approval of the class and PAGA representative action settlement. The
18 Sacramento County Superior Court Case Number is 34-2015-00175330-CU-OE-GDS.

19 hh) LFJ, in association with co-counsel therein, on behalf of the plaintiff and
20 respondent in a PAGA representative action, successfully opposed in the trial court, and briefed
21 and argued an appeal with respect to the employer's motion to compel arbitration, resulting in a
22 notable decision from the California Supreme Court clarifying the law regarding PAGA claims,
23 *ZB, N.A. v. Superior Court* (2019) 8 Cal.5th 175. On February 21, 2020, the court granted approval
24 of the PAGA representative action settlement. The San Diego County Superior Court Case
25 Number is 34-2015-00175330.

26 ii) LFJ, in association with co-counsel therein, represents the plaintiff in a
27 wage-and-hour class and PAGA representative action against a medical equipment supplier on
28 behalf of non-exempt employees. On February 13, 2020, the court granted the plaintiff's motion

1 for class certification and certified a class. The San Bernardino County Superior Court Case
2 Number is CIVDS1505744.

3 jj) LFJ, in association with co-counsel therein, represents the plaintiff in a
4 wage-and-hour class and PAGA representative action against a large national drug testing
5 laboratory on behalf of non-exempt employees. On February 21, 2020, the court granted the
6 plaintiff's motion for class certification and certified a class. The San Diego County Superior
7 Court Case Number is 37-2018-00019611-CU-OE-CTL.

8 kk) LFJ, in association with co-counsel therein, represents the plaintiffs in a
9 wage-and-hour class and PAGA representative action against a national retailer of sportswear,
10 footwear, and camping equipment on behalf of non-exempt employees. On March 16, 2020, the
11 court granted in part the plaintiff's motion for class certification and certified a class. The
12 Riverside County Superior Court Case Numbers are RIC1507504 and RICJCCP4930, and the
13 Judicial Council Coordination Proceeding Number is 4930.

14 ll) LFJ, in association with co-counsel therein, represents the plaintiffs in a
15 wage-and-hour class action against manufacturer and supplier of power products and services on
16 behalf of non-exempt employees. On July 31, 2020, the court granted in part the plaintiffs' motion
17 for class certification and certified a class. The San Diego County Superior Court Case Number is
18 37-2015-00025968-CU-OE-CTL.

19 mm) LFJ represents the plaintiff in a wage-and-hour class action against a
20 nutritional products manufacturer on behalf of non-exempt production line employees. On
21 December 13, 2021, the court granted the plaintiff's motion for class certification in part and
22 certified a class. The Solano County Superior Court Case Number is FCS051001.

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26 **BASIC INFORMATION ABOUT THE CASE AND REACHING THE SETTLEMENT**

27 8. Marked and attached hereto as **"EXHIBIT 1"** is the Second Amended Joint
28 Stipulation of Class Action and PAGA Settlement ("Settlement," "Agreement," or "Settlement

1 Agreement”) entered into by and between Plaintiff, on the one hand, and Defendant The People
2 Concern, successor by merger to Lamp, Inc. dba Lamp Community (“Defendant”), on the other
3 hand (collectively, the “Parties”). The Parties and their counsel have approved the proposed
4 Notice of Class Action Settlement (“Class Notice”), which is attached to the Settlement Agreement
5 as “Exhibit A” and respectfully request that the Court approve it as well.

6 9. Based on information provided by Defendant, the Class is estimated to consist of
7 approximately one thousand one hundred and eighty-nine (1,189) individuals.

8 10. The effectiveness of Lawyers for Justice, PC (“Plaintiff’s Counsel” or “Class
9 Counsel”) in prosecuting this matter has translated into tangible monetary benefits in the following
10 respects: (1) Class Members, the State of California, and PAGA Employees recover over a
11 reasonably short period of time as opposed to waiting additional years for the same, or possibly
12 worse, result; (2) a guaranteed result that compares favorably with other complex wage and hour
13 class and/or representative action settlements of similar type given the strengths and weaknesses
14 of the matter; and (3) significant savings in attorneys’ fees and/or costs that would have only
15 increased significantly had the matter progressed through certification, trial, and/or appeals.

16 11. On February 19, 2021, Shannon Bostic (“Former Plaintiff Bostic”) provided written
17 notice to the Labor and Workforce Development Agency by online submission and to Defendant
18 by Certified Mail, of the specific provisions of the California Labor Code that Defendant is alleged
19 to have violated. On May 31, 2023, Plaintiff Gamboa provided written notice to the LWDA by
20 online submission and to Defendant by Certified Mail, of her intent to seek civil penalties for
21 Defendant’s alleged violations of the California Labor Code (“Gamboa PAGA Letter”). A true
22 and correct copy of the notice is attached hereto as “**EXHIBIT 2.**” Together, the Bostic PAGA
23 Letter and the Gamboa PAGA Letter are referred to as the “PAGA Letters.”

24 12. This matter involves two (2) cases: the above-captioned action entitled *Shannon Bostic*
25 *v. Lamp Community, et al.*, Los Angeles Superior Court Case No. 21STCV07381, commenced on
26 February 24, 2021 (“Action”), and the action entitled *Shannon Bostic v. Lamp Community, et al.*,
27 Los Angeles Superior Court Case No. 21CMCV00097, commenced on April 27, 2021 and
28 dismissed without prejudice on November 3, 2023 (“*Bostic* PAGA Action”). On May 12, 2022,
Plaintiff filed a First Amended Consolidated Class Action Complaint for Damages & Enforcement

Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. in the Action, which added the PAGA claim alleged in the *Bostic* PAGA Action. On June 20, 2023, Former Plaintiff Bostic and Plaintiff Gamboa filed a Second Amended Consolidated Class Action Complaint for Damages & Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Esq. (“Operative Complaint”) in the Action, which added Plaintiff Gamboa as a named plaintiff, and as a proposed representative for the putative class claims and as a representative for the PAGA claim in the Action. On November 1, 2023, Former Plaintiff Bostic and Plaintiff Gamboa filed a Request for Dismissal of Plaintiff Bostic’s Individual Claims Without Prejudice Pursuant to California Rules of Court, Rule 3,770 in the Action. On November 9, 2023, the Court dismissed Former Plaintiff Bostic’s individual claims in the Action without prejudice and ordered that Former Plaintiff Bostic no longer be a plaintiff, proposed class representative, PAGA representative, or party in the Action. Together, the Action and *Bostic* PAGA Action are referred to as “Actions.”

13. The Parties, as well as Former Plaintiff Bostic, have engaged in extensive settlement negotiations in the Actions, and participated in two (2) formal, full-day mediations conducted by Lynn S. Frank, Esq., a well-respected mediator experienced in mediating complex labor and employment matters. Prior to and during the mediations and settlement discussions, the Parties exchanged extensive information and engaged in discussions regarding their evaluations of the cases and various aspects of the cases, including but not limited to, the risks and delays of further litigation, the risks to the Parties of proceeding with class certification and/or representative adjudication, the law relating to off-the-clock theory, meal and rest periods, PAGA representative actions, and wage-and-hour law and enforcement, as well as the evidence produced and analyzed, and the possibility of appeals, among other things. During all settlement discussions, the Parties conducted their negotiations at arm’s length in an adversarial position. Arriving at a settlement that was acceptable to all Parties was not easy. Defendant and its counsel felt strongly about their ability to prevail on the merits and at certification, and Plaintiff and Plaintiff’s Counsel believed that they would be able to obtain class certification and prevail at trial. After conducting extensive investigations, informal discovery and exchange of information, and settlement negotiations, and with the aid of the mediator’s evaluation, the Parties have agreed that the matter is well-suited for

1 settlement given the legal issues relating to Plaintiff's principal claims, as well as the costs and
2 risks to both sides that would attend further litigation. The Settlement is a fair, reasonable, and
3 adequate resolution of the Released Class Claims of Plaintiff and Settlement Class Members, and
4 of the Released PAGA Claims of the State of California and PAGA Employees.

5 1. 14. Prior to reaching the Settlement, Plaintiff's Counsel investigated the
6 veracity, strength, and scope of the claims, and was preparing for class certification and trial.
7 Plaintiff's Counsel conducted significant investigation and informal discovery regarding the facts
8 of the matter, including and not limited to, the exchange, review, and analysis of a large volume
9 of documents and data obtained from Defendant, Plaintiff, and other sources. The volume of data
10 and documents that Plaintiff's Counsel reviewed and analyzed included and was not limited to:
11 Plaintiff's employment records, a detailed sampling of Class Members' time and pay data,
12 multiple iterations of Defendant's Employee Handbook, company policy acknowledgements
13 (including, but not limited to, Defendant's Acknowledgment of Receipt of Handbook), forms, new
14 hire checklist, Defendant's operations and employment practices, forms, procedures, and policies
15 (including, not limited to, Defendant's policies regarding Workweek, Work Day, and Work
16 Schedule, Meal and Rest Periods, Dress Code, Compensation, Overtime Pay, Payroll, Paychecks,
17 and Deductions, and Expenses and Vehicle Use), among other information and documents. The
18 detailed sampling of Class Members' time and pay data produced by Defendant consisted of A
19 fifty percent (50%) sampling of time records and corresponding payroll records for putative class
20 members for the time period from February 24, 2017 and December 17, 2021. Plaintiffs' Counsel
21 used its past experience and expertise to review and analyze the data and concluded that the
22 sampling was statistically sufficient to be extrapolated to the Class. Plaintiff's Counsel interviewed
23 Plaintiff and conducted investigations to gather facts and circumstances surrounding Plaintiff and
24 putative class members' employment and to identify potential witnesses. Plaintiff Counsel also
25 gathered and considered information regarding Defendant's financial circumstances and its non-
26 profit status and related governance and management structure and restriction on use of funds, all
27 of which impacted potential financial terms of a settlement resolution. Counsel for the Parties also
28 met and conferred on numerous occasions, e.g., to discuss issues relating to the pleadings, informal

1 discovery and the production of documents and data in the course of litigation and mediation, and
2 Defendant's financial and organizational circumstances. Plaintiff's Counsel also drafted pleadings
3 and the mediation brief and prepared for and attended court proceedings, mediation, and settlement
4 negotiations, among other tasks.

5 15. Counsel for the Parties have also invested time researching and investigating the
6 applicable law, which is constantly evolving as it relates to certification, civil penalties and
7 representative PAGA claims, off-the-clock theory, meal and rest periods, wage-and-hour law and
8 enforcement, Plaintiff's claims and damages, and Defendant's defenses thereto, as well as facts
9 discovered. Based on Plaintiff's Counsel's analysis, the result achieved in the Actions is fair,
10 adequate, and reasonable.

11 16. The Settlement provides for a Total Settlement Amount of One Million Five
12 Hundred Dollars (\$1,500,000.00). The Net Settlement Amount is the Total Settlement Amount
13 less the following amounts subject to approval by the Court: Attorneys' Fees and Costs,
14 Enhancement Payment, Settlement Administration Costs, and the PAGA Amount. Assuming that
15 the amounts allocated under the Settlement toward these payments are awarded by the Court, the
16 Net Settlement Amount that will be available for distribution to Settlement Class Members is
17 currently estimated to be Seven Hundred Fifteen Thousand Five Hundred Dollars (\$715,500.00).
18 Additionally, 25% of the PAGA Amount (i.e., the PAGA Employee Amount), which is \$58,750.00
19 out of \$235,000.00, will be distributed to PAGA Employees. The Net Settlement Amount will be
20 fully distributed to Settlement Class Members and PAGA Amount will be fully distributed to the
21 California Labor and Workforce Development Agency and PAGA Employees, in accordance with
22 the terms of the Settlement.

23 17. The Parties have agreed to retain Atticus Administration, LLC. ("Settlement
24 Administrator") to handle the notice and settlement administration process. The Parties
25 respectfully request that the Court appoint Atticus Administration, LLC to handle these procedures
26 and serve as the Settlement Administrator. Defendant will provide the Settlement Administrator
27 with a list of Class Members that Defendant will compile from its records, which will include each
28 Class Member's full name, last known mailing address, Social Security Number, dates worked for

1 Defendant during the Class Period, and such other information as is necessary for the Settlement
2 Administrator to calculate Workweeks and PAGA Workweeks, and the Settlement Administrator
3 will calculate each Class Member's estimated share of the Net Settlement Amount ("Individual
4 Settlement Share") and each PAGA Employee's estimated share of the PAGA Employee Amount
5 ("Individual PAGA Payment"). The Settlement Administrator will also receive opt-outs,
6 objections, and disputes regarding Workweeks and PAGA Workweeks; provide necessary reports
7 and declarations; calculate, subtract, and transmit necessary taxes and withholdings; prepare and
8 submit informational and other tax filings and documents; issue and transmit all payments
9 provided for by the Settlement, including and not limited to, mailing payments to Settlement Class
10 Members and PAGA Employees; and perform any other usual and customary duties for
11 administering a class action settlement. Settlement Administration Costs are currently estimated
12 not to exceed Seventeen Thousand Dollars (\$17,000.00) and will be paid out of the Total
13 Settlement Amount, subject to approval of the Court.

14 18. Based on investigation and information discovered, Plaintiff's Counsel believes that
15 there is sufficient evidence to support the allegations made in the Actions, including the allegations
16 that Defendant, with respect to Plaintiff and putative class members, *inter alia*, failed to properly
17 pay overtime and minimum wages, failed to provide compliant meal and rest periods and to pay
18 associated premium pay, failed to timely pay wages during employment and upon termination of
19 employment, failed to provide compliant wage statements, failed to maintain requisite payroll
20 records, and failed to reimburse necessary business expenses, and thereby engaged in unfair
21 business practices in violation of California Business and Professions Code section 17200, *et seq.*
22 and conduct giving rise to civil penalties recoverable under the Private Attorneys General Act of
23 2004 (California Labor Code sections 2698, *et seq.*). Plaintiff also asserted that she and putative
24 class members were expected to perform similar job duties and were subject to the same or similar
25 operations and employment policies, practices, and procedures. Additionally, Plaintiff asserted
26 that Defendant's recordkeeping practices with respect to Plaintiff and putative class members were
27 substantially the same during the time period at issue. As a result of said alleged uniform practices,
28 Plaintiff claims that she and putative class members were not paid all of the compensation that

1 was owed to them by Defendant. Thus, in Plaintiff's Counsel's view, it is clear that the outcome
2 of this litigation would be determined by Defendant's uniform operations and employment
3 practices, policies, and procedures that Plaintiff alleges applied across Defendant's hourly-paid or
4 non-exempt employees in California during the relevant time period.

5 19. Plaintiff's Counsel is aware of the defenses and position of Defendant, but believes
6 that Plaintiff could potentially obtain class certification despite many obstacles. Plaintiff and
7 Plaintiff's Counsel have also taken into account the uncertainty and risk of the outcome of further
8 litigation, and the difficulties and delays inherent in such litigation, including those involved in
9 class certification and/or representative adjudication. Plaintiff and Plaintiff's Counsel further
10 recognize the burdens of proof necessary to establish liability for the claims asserted in the
11 Actions, Defendant's defenses, and the difficulties in establishing entitlement to monetary
12 recovery. Plaintiff and Plaintiff's Counsel have also considered the Parties' settlement
13 discussions, as well as the evaluations of the mediator, who is experienced and well-regarded in
14 complex labor and employment matters.

15 20. Defendant, on the other hand, denied and continues to deny any liability and
16 wrongdoing of any kind associated with the allegations in the Actions, and further denies that the
17 cases are appropriate for class treatment or representative adjudication for any purpose other than
18 the Settlement. Defendant believes that it would ultimately succeed in the cases. Both sides have
19 also had the opportunity to conduct investigations and gather documents and information relating
20 to Plaintiff's, putative class members', and aggrieved employees' employment with Defendant,
21 and Defendant's operations and employment policies, practices, and procedures. The Parties also
22 reviewed and analyzed a volume of documents and data, including but not limited to a detailed
23 sampling of Class Members' time and pay data, to determine the potential value and strength of
24 the claims. The available information enabled Plaintiff's Counsel to assess and value the class
25 and PAGA claims and prepare violation, damages, and penalties analyses and models.
26 Accordingly, the Parties have conducted adequate investigation to be sufficiently informed of the
27 nature and extent of the class and PAGA claims, and to enable both sides to fully evaluate the
28 Settlement for its fairness, adequacy, and reasonableness. The Settlement takes into account the

1 strengths and weaknesses of each side's position and the uncertainty of how the cases might have
2 concluded at certification, trial, and/or appeals.

3 21. The Settlement Agreement provides for Plaintiff's Counsel to apply for attorneys'
4 fees in an amount of up to one-third (33.33%) of the Total Settlement Amount
5 (i.e., \$500,000.00) and expenses and costs in an amount not to exceed Twenty-Five Thousand
6 Dollars (\$25,000.00), which will be paid out of the Total Settlement Amount, subject to approval
7 by the Court. It should be noted that Plaintiff's Counsel has borne all of the risks and costs of
8 litigation and will not receive any compensation until recovery is obtained.

9 22. The Settlement Agreement provides for payment of up to Seven Thousand Five
10 Hundred Dollars (\$7,500.00) to Plaintiff as an Enhancement Payment, to be paid out of the Total
11 Settlement Amount subject to approval by the Court. Plaintiff spent considerable time and effort
12 to produce relevant documents and past employment records and to provide the facts and evidence
13 necessary to attempt to prove the allegations. Plaintiff was available whenever Plaintiff's Counsel
14 needed Plaintiff, and actively tried to obtain and provide information that would facilitate the
15 pursuit of the class and PAGA claims. Accordingly, it is appropriate and just for Plaintiff to
16 receive an Enhancement Payment, in addition to an Individual Settlement Payment and Individual
17 PAGA Payment, for services performed in the Actions on behalf of the Class, State of California,
18 and PAGA Employees.

19 **ESTIMATE OF THE VALUE OF THE CLAIMS**

20 23. By way of the Action, Plaintiff alleges that Defendant has violated the California
21 Labor Code and Industrial Welfare Commission Wage Orders by engaging in a uniform policy
22 and systematic scheme of wage abuse against Plaintiff and the putative class members, including
23 *inter alia*, failing to properly compensate overtime and minimum wages, failing to provide
24 compliant meal and rest periods and associated premium pay, failing to timely pay wages during
25 employment, failing to timely pay wages upon termination and associated waiting-time penalties,
26 failing to provide compliant wage statements, failing to maintain requisite payroll records, and
27 failing to reimburse necessary business expenses. Plaintiff further contends that Defendant's
28 aforementioned conduct constitutes unfair business practices (under the California Business and

1 Professions Code (“UCL”) and gives rise to civil penalties recoverable under PAGA.

2 24. Based on data provided by Defendant, the total number of putative class members
3 during the period from February 24, 2017, to January 18, 2022, (“relevant time period”) was
4 estimated to be approximately one thousand one hundred eighty-five (1,185) individuals who
5 worked a total of eighty-nine thousand two hundred sixty-six (89,266) workweeks with an average
6 hourly rate of pay of nineteen dollars and forty-two cents (\$19.42).

7 **A. Failure to Pay Overtime and Minimum Wages**

8 i. Plaintiff alleged that Defendant failed to pay overtime and minimum wages
9 as a result of Defendant’s purported uniform policies, practices, and procedures that required
10 putative class members to perform work before clocking-in and after clocking-out of their
11 scheduled shifts and during meal periods. For example, it was contended that Plaintiff and other
12 putative class members performed job duties (e.g., assisting and watching patients, serving meals
13 to patients, obtaining vital signs of patients, and making rounds) before and after clocking in and
14 out for their scheduled shifts, and during meal periods. It was also contended that Defendant failed
15 to include non-discretionary bonuses, awards, and incentives in the calculation of the regular rate
16 when paying overtime wages.

17 ii. Based on Plaintiff’s Counsel’s investigations, the claims for unpaid wages
18 centered on off-the-clock work outside of scheduled shift times, however putative class members
19 clocked and received significant overtime pay, which was reflected in the sampling of time and
20 pay data. For example, review and analysis of a sampling of putative class members’ pay data
21 reflected in the range of 0.01 to 32 hours of overtime recorded and paid per pay period. Also, a
22 sampling of putative class members’ time data reflected that out of 153,628 shifts analyzed,
23 96.41% of those shifts (148,110) involved the recording of “neat” shifts that were recorded
24 according to schedule. Based on the foregoing, it was determined that approximately 1 hour of
25 unpaid overtime wages and 1 hour of unpaid minimum wages were potentially at issue per putative
26 class member per week.

27 iii. Defendant contended that it had policies, practices, and trainings designed
28 and implemented to ensure that their employees accurately recorded their time worked, and thus

1 did not work off-the-clock. Defendant also contended that putative class members were informed
2 and were aware that they were able to challenge and correct any inaccurate time entries before
3 their time sheet is finalized.

4 iv. Based on Plaintiff's Counsel's investigations and analysis, it was determined
5 that the estimated potential value of the overtime claim is \$2,600,318.58 (89,266 workweeks x 1
6 hour of unpaid overtime wages x overtime hourly rate of \$29.13, which is based on the average
7 hourly rate of \$19.42) and the estimated potential value of the minimum wage claim is
8 \$1,733,545.72 (89,266 workweeks x 1 hour of unpaid minimum wages x average hourly rate of
9 \$19.42).

10 v. However, this estimated exposure is based on a class having been certified
11 and Plaintiff having proven all elements of the overtime and minimum wage claims, despite risks
12 associated with obtaining and maintaining certification, risks to establishing liability, and
13 significant additional costs that would have to be incurred in order to certify a class and establish
14 liability. Had the parties not settled, Plaintiff faced the risk of the Court finding that individualized
15 issues predominate, such that class treatment is not suitable. While Plaintiff's Counsel disagrees
16 with Defendant's arguments and factual contentions, Plaintiff's Counsel recognizes the
17 circumstances and realities of the matter, applicable case law and regulations, the costs and
18 expenses of further litigation, and risks to recovery, and applied appropriate discounts for them.
19 With respect to the overtime claim, at this juncture, a discount of 60% was applied to account for
20 the risks associated with obtaining and maintaining certification (bringing the value of the claim
21 closer to \$1,040,127.43), a discount of 60% was applied to account for the risks associated with
22 succeeding on the merits and establishing liability (bringing the value of the claim closer to
23 \$416,050.97), and a discount of 70% was applied to account for the risks associated with proving
24 the extent of damages and obtaining an award thereof (bringing the value of the claim closer to
25 \$124,815.29). Also, with respect to the minimum wage claim, at this juncture, a discount of 60%
26 was applied to account for the risks associated with obtaining and maintaining certification
27 (bringing the value of the claim closer to \$693,418.29), a discount of 60% was applied to account
28 for the risks associated with succeeding on the merits and establishing liability (bringing the value

of the claim closer to \$277,367.32), and a discount of 70% was applied to account for the risks associated with proving the extent of damages and obtaining an award thereof (bringing the value of the claim closer to \$83,210.20).

B. Failure to Provide Compliant Meal Periods and Associated Premiums

i. Plaintiff alleged that Defendant failed to provide timely, full, and/or uninterrupted meal periods. For example, Plaintiff contended that she and the other putative class members regularly suffered missed, late, shortened, and/or interrupted meal periods due to Defendant's expectation that Plaintiff and other putative class members stay on premises to continue monitoring patients and expectation that Plaintiff and other putative class members complete all assigned tasks (e.g., assisting and watching patients, serving meals to patients, obtaining vital signs of patients, and making rounds) in a specific order and by a specific time within the daily shift. Plaintiff further contended that Defendant failed to pay meal period premiums for missed, late, short, or interrupted meal periods.

ii. Review and analysis of a sampling of time and pay data produced by Defendant reflected that 96.51% of all shifts analyzed were long enough to be eligible for a meal period, and only 10.32% of said eligible shifts (or 9.96% of all shifts analyzed) evidenced at least 1 type of recorded meal violation (only 1.09% of eligible shifts evidenced a recorded first meal period taken after the fifth hour of work, 0.04% eligible shifts evidenced a meal period less than 30-minutes in length, and 8.67% eligible shifts involved a missed first meal period), 99.09% of recorded meal periods were recorded as exactly 30-minutes or 60-minutes in length, and there was evidence of "Penalty Pay" paid to putative class members. Based on the foregoing, it was determined that approximately 1 meal period was potentially at issue per putative class member per week, as being non-compliant.

iii. Defendant contended that it had practices, policies, and procedures to provide meal periods every workday to their employees that fully complied with California law. To the extent that putative class members failed to take their meal periods or took a short or late meal period, Defendant contended that they did so voluntarily and that all applicable meal periods were still provided to them. Thus, Defendant maintains that it did not act unlawfully to deprive

putative class members of meal periods. Defendant also contended that there were multiple individual issues that would pose challenges to certification, including and not limited to, (a) whether any meal periods were non-compliant, and (b) why they were non-compliant.

iv. Based on Plaintiff's Counsel's investigations and analysis, it was determined that the estimated potential value of this claims is \$1,733,545.72 (89,266 workweeks x 1 meal period premium x average hourly rate of \$19.42).

v. Plaintiff's Counsel also considered the risk of further litigation, including the significant additional costs that will be incurred by both sides if the matter does not settle, as litigating a class action through class certification, trial, and/or appeals is very expensive. Moreover, litigating meal period claims is inherently difficult as an employer's records, as is the case here, do not usually indicate when a meal period is interrupted. While Plaintiff's Counsel disagreed with Defendant's arguments and factual contentions, Plaintiff's Counsel recognizes the circumstances and realities of the matter, applicable case law and regulations, costs and expenses of further litigation and certification, and risks to recovery, and applied appropriate discounts for them. At this juncture, a discount of 60% was applied to account for the risks associated with obtaining and maintaining certification (bringing the value of the claim closer to \$693,418.29), a discount of 60% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of the claim closer to \$277,367.32), and a discount of 70% was applied to account for the risks associated with proving the extent of damages and obtaining an award thereof (bringing the value of the claim closer to \$83,210.20).

C. Failure to Provide Compliant Rest Periods and Associated Premiums

i. Plaintiff alleged that Defendant failed to provide putative class members with timely, full, and/or uninterrupted rest periods. For example, Plaintiff contended that she and the other putative class members regularly suffered missed, late, shortened, and/or interrupted rest periods due to Defendant's expectation that Plaintiff and other putative class members stay on premises to continue monitoring patients and expectation that Plaintiff and other putative class members complete all assigned tasks (e.g., assisting and watching patients, serving meals to patients, obtaining vital signs of patients, and making rounds) in a specific order and by a specific

1 time within the daily shift.

2 ii. Based on Plaintiff's Counsel's investigations, on some days putative class
3 members were able to take rest periods while other days they were not able to take a rest period or
4 had them delayed, interrupted, or shortened based on daily workloads, staffing, and specific
5 patients' behavior or conduct, and a review of the sampling of pay records reflected "Penalty Pay"
6 paid to putative class members. Based on Plaintiff's Counsels investigations and analysis, it was
7 determined that approximately 1 non-complaint rest period was at issue per putative class member
8 per week.

9 iii. Defendant contended that it had methods, policies, and procedures to provide
10 all applicable rest periods every workday to putative class members, that fully complied with the
11 law, and that putative class members were free to leave the premises during rest periods.
12 Defendant argued that the reasons why a putative class member failed to receive a compliant rest
13 period raised individual issues that could not be certified.

14 iv. Based on Plaintiff's Counsel's investigations and analysis, it was determined
15 that the estimated potential value of this claim is \$1,733,545.72 (89,266 workweeks x 1 rest period
16 premium x average hourly rate of \$19.42).

17 v. Plaintiff's Counsel also considered the risk of further litigating the matter, as
18 well as significant additional costs that will be incurred by both sides if the matter does not settle,
19 as litigating a class action through class certification, trial, and/or appeals is very expensive.
20 Moreover, litigating rest period claims is inherently difficult as an employer's records, as is the
21 case here, do not usually indicate when a rest period is short, late, interrupted or missed entirely.
22 While Plaintiff's Counsel disagreed with Defendant's arguments and factual contentions,
23 Plaintiff's Counsel recognized the circumstances and realities of the matter, applicable case law
24 and regulations, the costs and expenses associate with further litigation and certification, and risks
25 to recovery, and applied appropriate discounts for them. At this juncture, a discount of 50% was
26 applied to account for the risks associated with obtaining and maintaining certification (bringing
27 the value of the claim closer to \$866,772.86) a discount of 60% was applied to account for the
28 risks associated with succeeding on the merits and establishing liability (bringing the value of the

claim closer to \$346,709.14), and a discount of 70% was applied to account for the risks associated with proving the extent of damages and obtaining an award thereof (bringing the value of the claim closer to \$104,012.74).

D. Failure to Timely Pay Wages During Employment and After Termination

i. Plaintiff contended that Defendant intentionally and willfully failed to pay Plaintiff and putative class members all wages due to them during employment, under California Labor Code sections 204 and 210, however, this allegation is considered and valued as a part of the PAGA claim discussed below. Plaintiff also contended that Defendant intentionally and willfully failed to pay Plaintiff and putative class members all wages due to them upon termination, within the time period permissible under California law, thereby triggering waiting-time penalties under California Labor Code section 203. The value of this claim was calculated based on the approximate six hundred twenty-five (625) putative class members who had been terminated during the three-year statute of limitations (i.e., from February 24, 2018). Assuming that these individuals were not timely paid all wages due to them upon termination, the potential value of waiting-time penalties was estimated to be \$2,913,000.00 collectively (625 individuals x [30 days x hourly rate of \$19.42 x 8 hours]), or approximately \$4,660.80 per individual. However, this presumes that Plaintiff would prevail on the underlying California Labor Code claims, which is necessary to show that Defendant failed to timely pay wages that were due to the putative class members upon termination.

ii. Defendant was adamant that no waiting-time penalties should be awarded. Defendant pointed out that waiting-time penalties are derivative of each and every other underlying alleged California Labor Code violations and contend that it paid the terminated employees all wages due and owing. Moreover, Defendant emphasized that, under California Labor Code section 203, employers are only obligated to pay waiting-time penalties if they “willfully” fail to pay wages due and owing at the time of termination or resignation.

iii. Accordingly, Plaintiff’s Counsel also took into consideration the chances of prevailing on each of the underlying causes of action, as well as the additional hurdles of prevailing on the claim for waiting-time penalties, including the inherent difficulty in proving the “willful”

1 prong of section 203, applicable case law, costs and expenses associated with further litigation,
2 the circumstances and realities of the case, and risks to recovery, and applied appropriate discounts
3 for them. At this juncture, a discount of 60% was applied to account for the risks associated with
4 obtaining and maintaining certification (bringing the value of the claim closer to \$1,165,200.00),
5 a discount of 70% was applied to account for the risks associated with succeeding on the merits
6 and establishing liability (bringing the value of the claim closer to \$349,560.00), and a discount
7 of 80% was applied to account for the risks associated with proving the extent of damages and
8 obtaining an award thereof (bringing the value of the claim closer to \$69,912.00).

9 **E. Failure to Provide Compliant Wage Statements**

10 i. Plaintiff alleged that Defendant violated California Labor Code section
11 226(a) which states that an employer must provide an accurate and itemized wage statement twice
12 a month or each time wages are paid, whichever is the more frequent. Plaintiff's wage statement
13 claim is derivative of the allegations that Defendant failed to accurately account for all hours
14 worked by, and pay all compensation due to, putative class members, e.g., the claims for unpaid
15 wages, meal violations, and rest violations.

16 ii. The value of this claim was based on the approximate nine hundred fourteen
17 (914) putative class members who worked during the one-year statutory limitations period (i.e.,
18 from February 24, 2020); assuming that a wage statement violation occurred for each and every
19 pay period during the one-year statute of limitations for each of those putative class members, the
20 potential value of the wage statement claim was estimated to be \$2,469,300.00 ([\$50 initial penalty
21 x 914 initial violations] + [\$100 subsequent penalty x (25,150-914))).

22 iii. Defendant contended that Plaintiff cannot establish that Defendant's wage
23 statements omitted any required information or hid anything from putative class members.
24 Defendant further contend that Plaintiff and putative class members suffered no actual injury from
25 the alleged wage statement violations. Defendant also contended that this alleged violation is
26 entirely derivative of the foregoing allegations. In other words, Plaintiff would have to prove, for
27 example, that off-the-clock work occurred, that overtime was worked, that all hours of work had
28 not been properly recorded and compensated, and/or that non-compliant meal and rest periods

1 occurred and that Defendant did not pay premiums, etc., to demonstrate that the wage statements
2 were inaccurate. Defendant further contended, *inter alia*, that if off-the-clock and/or overtime
3 work occurred and was not reflected in the wage statements, it was because the work was hidden
4 from Defendant. Defendant also contended that no actual injury can be shown. Also, as discussed
5 above, Defendant produced a sampling of time and pay data that reflected payment of overtime
6 and penalty pay to putative class members, 30-minute and 60-minute recorded meals, and “neat”
7 shifts that were recorded according to schedule. When assessing the value of this claim, Plaintiff’s
8 Counsel considered these factors, the derivative nature of this alleged violation, the chances of
9 prevailing on each of the underlying causes of action, applicable case law and regulations, costs
10 and expenses associated with further litigation, realities of the matter, and risks to recovery, and
11 applied appropriate discounts for them. At this juncture, a discount of 60% was applied to account
12 for the risks associated with obtaining and maintaining certification (bringing the value of the
13 claim closer to \$987,720.00), a discount of 70% was applied to account for the risks associated
14 with succeeding on the merits and establishing liability (bringing the value of the claim closer to
15 \$296,316.00) and a discount of 80% was applied to account for the risks associated with proving
16 the extent of damages and obtaining an award thereof (bringing the value of the claim closer to
17 \$59,263.20).

18 **F. Failure to Reimburse Necessary Business Expenses**

19 i. Plaintiff contended that Defendant failed to reimburse Plaintiff and the other
20 putative class members for necessary business expenses.

21 ii. Defendant contended that it had policies and practices of reimbursing
22 employees for necessary business-related expenses. Defendant further contended that it had not
23 required their employees to incur any necessary business expenses in the discharge of their work
24 duties. Defendant also contended that, with respect to the alleged expenses of Plaintiff and other
25 putative class members, Defendant did not know and had no reason to know that the alleged
26 business-related expenses were incurred. Defendant further contended that the reason for why a
27 putative class member undertook certain expenses, while not others, and failed to receive
28 reimbursement for certain expenses while not others, would raise individual issues that could not

1 be certified.

2 iii. Defendant also contended that the California Labor Code only requires
3 reimbursement of “necessary” expenses—as opposed to any expense that is incurred in the course
4 of performing work—and maintain that distinguishing a necessary expense from an unnecessary
5 one would require individualized inquiry. See, Cal. Lab. Code § 2802; *Gattuso v. Harte-Hanks*
6 *Shoppers, Inc.* (2007) 42 Cal.4th 554. Furthermore, whether or not an expense was necessary,
7 would depend, in part, on the reasonableness of the employee’s choice, and whether or not an
8 expense was incurred, would have to be established by way of extensive individual factual inquiry
9 and/or statistical evidence. *Cochran v. Schwan’s Home Services, Inc.* (2014) 228 Cal.App.4th
10 1137.

11 iv. Based on Plaintiff’s Counsel’s investigations and analysis, putative class
12 members incurred expenses for using personal cell phones, purchasing and maintaining personal
13 protective equipment and work attire (e.g., scrubs and non-slip shoes), and using personal vehicles,
14 in the amount of approximately \$250 per year or roughly \$5 per week.

15 v. Taking into account these facts, the potential value of the expense
16 reimbursement claim was estimated to be \$446,330.0 (89,266 workweeks x \$5 unreimbursed
17 business expenses).

18 vi. Plaintiff’s Counsel also took into consideration that, not only would it have
19 to be established that expenses were incurred, but also that the nature of the expenses were such
20 that Defendant was required to reimburse them. While Plaintiff’s Counsel disagreed with
21 Defendant’s arguments and factual contentions, Plaintiff’s Counsel considered Defendant’s
22 arguments, applicable case law and regulations, the costs and expenses associated with further
23 litigation, the circumstances and realities of the matter, and risks to recovery, and applied
24 appropriate discounts for them. At this juncture, a discount of 50% was applied to account for the
25 risks associated with obtaining and maintaining certification (bringing the value of the claim closer
26 to \$223,165.00), a discount of 50% was applied to account for the risks associated with succeeding
27 on the merits and establishing liability (bringing the value of the claim closer to \$111,582.50), and
28 a discount of 50% was applied to account for the risks associated with proving the extent of

1 damages and obtaining an award thereof (bringing the value of the claim closer to \$55,791.25).

2 **G. PAGA Penalties**

3 i. Plaintiff contended that Defendant's above-discussed alleged conduct,
4 namely, failure to pay for all hours worked, provide compliant meal and rest periods, timely pay
5 wages during employment and upon termination of employment, reimburse expenses, maintain
6 payroll records, etc., gave rise to civil penalties recoverable under the Private Attorneys General
7 Act, California Labor Code sections 2698, *et seq.*

8 ii. Defendant contended that violations of multiple provisions of the California
9 Labor Code do not give rise to cumulative penalties for each separate California Labor Code
10 provision that is, arguably, violated during a pay period. Defendant also contend that the trial
11 court exercises discretion and may reduce the penalties to be assessed against the employer
12 pursuant to California Labor Code section 2699(e)(1)-(2), and that the trial court was unlikely to
13 assess cumulative penalties for the maximum number of possible, separate California Labor Code
14 violations. Defendant also maintained that it had legally-compliant employment policies and
15 practices throughout the statutory period. Defendant denies and continue to deny that it ever
16 violated any provision of the California Labor Code and argued, that, even if, *arguendo*, such
17 violations occurred, Defendant will not be treated as having engaged in subsequent violations
18 giving rise to heightened penalties unless Defendant could be shown to have notice that it was
19 violating the law. See, e.g., *Amaral v. Cintas Corp. No. 2* (2008) 163 Cal.4th 1157, 1209.
20 Defendant argued that it would be able to show a lack of willfulness in the violations, such that
21 the alleged California Labor Code violations would not be considered "willful."

22 iii. Defendant alleged that the putative class members' job titles and job duties
23 varied, and that there was variation as to the circumstances that could allegedly cause the
24 employees to work overtime, to be deprived of the opportunity to take legally-compliant, duty-
25 free meal and/or rest periods, or to incur business expenses. Defendant further contended that
26 these issues presented challenges not only to liability, but challenges to Plaintiff's ability to show
27 that a PAGA claim could be efficiently and manageably adjudicated without interfering with
28 Defendant's due process rights.

1 iv. Importantly, to prevail on the PAGA claim, Defendant contended that some
2 courts have required plaintiff to show at the outset that plaintiff has suffered injury, in order to
3 establish standing, and that Plaintiff would also have to prove all requisite elements to prove
4 violations of the underlying California Labor Code provisions, in order to show that Defendant's
5 conduct gives rise to penalties. Defendant contended that Plaintiff did not meet legal requirements
6 to be able to pursue civil penalties under PAGA. Defendant argued that Plaintiff would not be
7 able to establish violations of the underlying California Labor Code provisions and the
8 fundamental allegations regarding overtime and meal and rest periods. For the reasons discussed
9 above, there were substantial challenges to showing liability and exposure for these claims.
10 Defendant pointed to case law that held that, given the derivative nature of a PAGA claim, it would
11 stand or fall based on the claims from which it derives, and the success of showing, *inter alia*, off-
12 the-clock work, failure to properly pay wages, failure to reimburse for expenses, etc. Defendant
13 also pointed to case law demonstrating that courts have attributed little separate value to PAGA
14 claims, for example, allowing them to be resolved for \$0 where the other underlying California
15 Labor Code claims are being resolved.

16 v. Based on data provided by Defendant, nine hundred seventeen (917)
17 aggrieved employees were estimated to have worked during the period from February 19, 2020 to
18 January 18, 2022. Based on Plaintiff's Counsel's investigations and analysis, it was determined
19 that the estimated potential PAGA penalties at issue, which the Court could determine whether or
20 not to assess and whether or not to reduce, is approximately \$1,421,350.00 (917 individuals x
21 \$1,550 civil penalties).

22 vi. Plaintiff's Counsel recognized the realities of Defendant's arguments,
23 evidence and information obtained through investigations as well as from Plaintiff, Defendant,
24 other putative class members, and other sources, the circumstances and realities of the matter, the
25 current state of the law (especially with respect to manageability requirements for PAGA claims),
26 the costs of continued litigation, and the risks to recovery, and applied appropriate discounts for
27 them. At this juncture, a discount of 50% was applied to account for the risks associated with
28 establishing manageability and possible bifurcation of discovery and/or trial (bringing the value

1 of this claim closer to \$710,675.00), a discount of 50% was applied to account for the risks
2 associated with succeeding on the merits and establishing violations warranting the imposition of
3 penalties (bringing the value of the claim closer to \$355,337.50), and a discount of 60% was
4 applied to account for the risks associated with proving the extent of penalties that should be
5 assessed and the Court's possible discretionary reduction of the amount of penalties imposed
6 (bringing the value of the claim closer to \$142,135.00).

7 25. The foregoing discussion confirms that the amount of the Settlement is adequate in
8 light of Plaintiff's allegations and causes of action, the evidence at issue with respect to those
9 allegations and causes of action, and legal and factual arguments and circumstances which pose
10 challenges to certification, manageability, merits, and monetary recovery. The conclusion to be
11 drawn from the foregoing analysis is that neither class certification, manageability, liability, nor
12 the ability to adjudicate and/or recover monetary relief on a class-wide or representative basis is
13 clear-cut, which is why the Parties elected to settle this matter.

14 26. Plaintiff's Counsel submits that the Settlement is fair, reasonable, and adequate, and
15 is in the best interests of Plaintiff, the Class, PAGA Employees, and the State of California.
16 Plaintiff's Counsel further submits that the Settlement is within an acceptable range of recovery
17 for this type of litigation given the strengths and weaknesses of the matter, the inherent costs and
18 risks of further litigation, and the costs and risks associated with class certification, representative
19 adjudication, trial, and/or appeals.

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

22 Executed on this 16th day of January 2024, at Glendale, California.

23 

24 _____
Brian J. St. John

EXHIBIT 1

SECOND AMENDED JOINT STIPULATION OF CLASS ACTION AND PAGA
SETTLEMENT

This Second Amended Joint Stipulation of Class Action and PAGA Settlement (“Settlement,” “Agreement” or “Settlement Agreement”) is made and entered into by and between Plaintiff Socorro Gamboa (“Plaintiff Gamboa,” “Plaintiff,” or “Class Representative”) individually, on behalf of all others similarly situated and on behalf of the State of California with respect to aggrieved employees, and Defendant The People Concern, successor by merger to Lamp, Inc. dba Lamp Community (“Defendant”) (collectively with Plaintiff, the “Parties”), pursuant to Paragraph 45 of the First Amended Joint Stipulation of Class Action and PAGA Settlement.

The Parties agree to supplant the Joint Stipulation of Class Action and PAGA Settlement entered into by former plaintiff Shannon Bostic (“Former Plaintiff Bostic”) and Defendant on or around September 22, 2022, and the First Amended Joint Stipulation of Class Action and PAGA Settlement entered into by the Parties and Former Plaintiff Bostic on June 30, 2023, with this Second Amended Joint Stipulation of Class Action and PAGA Settlement.

This Settlement Agreement shall be binding on Plaintiff, Settlement Class Members (as defined herein), the State of California as to the employment of PAGA Employees (as defined herein) and on Defendant, subject to the terms and conditions hereof and the approval of the Court.

RECITALS

1. On February 19, 2021, Former Plaintiff Bostic provided written notice to the Labor and Workforce Development Agency (“LWDA”) by online submission and to Defendant by Certified Mail, of her intent to seek civil penalties for Defendant’s alleged violations of the California Labor Code (“Bostic PAGA Letter”). On February 24, 2021, Former Plaintiff Bostic filed a Class Action Complaint for Damages, thereby commencing a putative class action entitled *Shannon Bostic v. Lamp Community, et al.* in the Superior Court of California for the County of Los Angeles, Case No. 21STCV07381 (“Action”) against Defendant. On April 27, 2021, Former Plaintiff Bostic filed a Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. entitled *Shannon Bostic v. Lamp Community, et al.* in the Superior Court of California for the County of Los Angeles, Case No. 21CMCV00097 (“Bostic PAGA Action”). On May 12, 2022, Former Plaintiff Bostic

1 filed a First Amended Consolidated Class Action Complaint for Damages & Enforcement Under the
2 Private Attorneys General Act, California Labor Code § 2698, *Et Seq.* in the Action, which added the
3 PAGA claims alleged in the *Bostic* PAGA Action which were contemplated, negotiated, and settled at
4 mediation. Together, the Action and *Bostic* PAGA Action are referred to as “Actions.”

5 2. On January 18, 2022, Former Plaintiff Bostic and Defendant participated in mediation
6 with Lynn Frank, Esq. (the “Mediator”), a respected mediator of complex wage and hour actions, and
7 with the assistance of the Mediator’s evaluations, reached a settlement memorialized in the Joint
8 Stipulation of Class Action and PAGA Settlement.

9 3. On May 31, 2023, Plaintiff Gamboa provided written notice to the LWDA by online
10 submission and to Defendant by Certified Mail, of her intent to seek civil penalties for Defendant’s alleged
11 violations of the California Labor Code (“Gamboa PAGA Letter”). Together, the *Bostic* PAGA Letter
12 and the Gamboa PAGA Letter are referred to as the “PAGA Letters.”

13 4. On June 20, 2023, Former Plaintiff Bostic and Plaintiff Gamboa filed a Second Amended
14 Consolidated Class Action Complaint for Damages & Enforcement Under the Private Attorneys General
15 Act, California Labor Code § 2698, *Et Seq.* (“Operative Complaint”) in the Action, which added Plaintiff
16 Gamboa as a named plaintiff, and as a proposed representative for the putative class claims and as a
17 representative for the PAGA claim in the Action. The Operative Complaint alleges eleven (11) causes of
18 action for violations of California Labor Code on behalf of all current and former hourly-paid or non-
19 exempt employees who worked for Defendant within the State of California at any time since February
20 24, 2017, for failure to pay overtime wages, failure to provide compliant meal periods and premium
21 payments in lieu thereof, failure to provide compliant rest periods and premium payments in lieu thereof,
22 failure to pay minimum wages (including, *inter alia*, reporting time pay), failure to timely pay wages upon
23 termination, failure to timely pay wages during employment, failure to provide compliant wage
24 statements, failure to keep requisite payroll records, failure to reimburse necessary business expenses,
25 violations of California Business & Professions Code Section 17200, *et seq.* based on the aforementioned
26 California Labor Code violations, and civil penalties under the Private Attorneys General Act of 2004
27 pursuant to California Labor Code Section 2698 *et seq.* based on the aforementioned California Labor
28 Code violations. Defendant denies all material allegations set forth in the Actions and has asserted

1 numerous affirmative defenses. Notwithstanding, in the interest of avoiding further litigation,
2 Defendant desires to fully and finally settle the Actions, Released Class Claims, and Released PAGA
3 Claims.

4 5. On November 1, 2023, Former Plaintiff Bostic and Plaintiff Gamboa filed a Request for
5 Dismissal of Plaintiff Bostic's Individual Claims Without Prejudice Pursuant to California Rules of
6 Court, Rule 3,770 in the Action.

7 6. On November 9, 2023, the Court dismissed Former Plaintiff Bostic's individual claims
8 in the Action without prejudice and ordered that Former Plaintiff Bostic no longer be a plaintiff,
9 proposed class representative, PAGA representative, or party in the Action.

10 7. On November 29, 2023, Plaintiff Gamboa and Defendant participated in a second, formal
11 mediation with Lynn Frank, Esq. (the "Mediator"), and with the assistance of the Mediator's evaluations,
12 reached the settlement memorialized in this Second Amended Joint Stipulation of Class Action and
13 PAGA Settlement. The settlement discussions were conducted at arm's-length, and the Settlement is
14 the result of an informed and detailed analysis of Defendant's potential liability and exposure in relation
15 to the costs and risks associated with continued litigation. Based on the documents produced, as well
16 as Class Counsel's own independent investigation and evaluation, Class Counsel believes that the
17 settlement with Defendant for the consideration and on the terms set forth in this Settlement Agreement
18 is fair, reasonable, and adequate and is in the best interest of the Class Members, State of California,
19 and PAGA Employees in light of all known facts and circumstances, including the risk of significant
20 delay and uncertainty associated with litigation and various defenses asserted by Defendant.

21 8. Class Counsel in the Actions diligently investigated the class and PAGA claims against
22 Defendant, including any and all applicable defenses and the applicable law. The investigation included,
23 *inter alia*, the exchange of information, data, and documents, and review of corporate policies and
24 practices.

25 9. The Parties expressly acknowledge that this Settlement Agreement is entered into solely
26 for the purpose of compromising significantly disputed claims and that nothing herein is an admission
27 of liability or wrongdoing by Defendant. If for any reason the Settlement Agreement is not approved,
28 it will be of no force or effect, and the Parties shall be returned to their original respective positions.

DEFINITIONS

10. The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

a. “Attorneys’ Fees and Costs” means attorneys’ fees approved by the Court for Class Counsel’s litigation and resolution of the Actions and all actual costs incurred and to be incurred by Class Counsel in the Actions, as set forth in Paragraph 14 below.

b. “Class Counsel” means Arby Aiwarzian, Joanna Ghosh, Brian J. St. John, and Jeremy Stern of Lawyers *for* Justice, PC, who will seek to be appointed counsel for the Class.

c. “Class List” means a complete list of all Class Members that Defendant will diligently and in good faith compile from its records and provide to the Settlement Administrator. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet and will include each Class Member’s full name, last known mailing address, Social Security Number, start and end dates worked for Defendant during the Class Period and during the PAGA Period, and such other information as is necessary for the Settlement Administrator to calculate Workweeks (as defined below) and PAGA Workweeks (as defined below).

d. “Class Member(s)” or “Class” mean all current and former hourly-paid or non-exempt employees of Defendant within the State of California at any time during the Class Period. Defendant represents that the number of Class Members is approximately 1,189.

e. “Class Notice” means the Notice of Class Action Settlement, substantially in the form attached as “**Exhibit A.**”

f. “Class Period” means the time period from February 24, 2017, through January 28, 2022.

g. “Class Representative” or “Plaintiff” means Socorro Gamboa.

h. “Class Settlement” means the settlement and resolution of all Released Class Claims.

i. “Court” means the Superior Court of the State of California for the County of Los Angeles.

j. “Defendant” means The People Concern, successor by merger to Lamp, Inc. dba

1 Lamp Community.

2 k. “Defendant’s Counsel” means Alfred J. Landegger, Marie D. Davis, and Evelyn
3 Zarraga of Landegger Verano & Davis, ALC.

4 l. “Effective Date” means the date when all of the following events have occurred:
5 (1) the Settlement Agreement has been executed by all Parties, Class Counsel, and Defendant’s Counsel;
6 (2) the Court has given preliminary approval to the Settlement; (3) the Class Notice has been mailed to
7 the Class Members, providing them with an opportunity to object to the terms of the Class Settlement
8 or opt out of the Class Settlement; (4) the Court has held a Final Approval Hearing and entered a Final
9 Approval Order and Judgment; (5) sixty-five calendar days have passed since the Court entered a Final
10 Approval Order and Judgment; and (6) in the event there are written objections to the Class Settlement
11 filed prior to the Final Approval Hearing which are not later withdrawn or denied, the later of the
12 following events: five business days after the period for filing any appeal, writ, or other appellate
13 proceeding opposing the Court’s Final Approval Order and Judgment has elapsed without any appeal,
14 writ, or other appellate proceeding having been filed, or, if any appeal, writ, or other appellate
15 proceeding opposing the Court’s Final Approval Order and Judgment has been filed, five business days
16 after any appeal, writ, or other appellate proceedings opposing the Court’s Final Approval Order and
17 Judgment has finally and conclusively dismissed with no right to pursue further remedies or relief.

18 m. “Employer Taxes” means the employer’s share of taxes and contributions in
19 connection with the wages portion of Individual Settlement Shares, which shall be paid by Defendant
20 in addition to the Total Settlement Amount.

21 n. “Enhancement Payment” means the amount to be paid to Plaintiff in recognition
22 of her efforts and work in prosecuting the Actions on behalf of the Class Members, the State of
23 California, and PAGA Employees, as set forth in Paragraph 15 below.

24 o. “Final Approval” means the determination by the Court that the Settlement is
25 fair, reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

26 p. “Final Approval Hearing” means the hearing at which the Court will consider and
27 determine whether the Settlement should be granted Final Approval.

28 q. “Individual PAGA Payment” means the *pro rata* share of the PAGA Employee

Amount that a PAGA Employee may be eligible to receive under the PAGA Settlement, to be calculated in accordance with Paragraph 19.

r. “Individual Settlement Payment” means the net payment of each Settlement Class Member’s Individual Settlement Share, after reduction for the employee’s share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share, as provided in Paragraph 29 below.

s. “Individual Settlement Share” means the *pro rata* share of the Net Settlement Amount that a Class Member may be eligible to receive under the Class Settlement, to be calculated in accordance with Paragraph 18.

t. “LWDA Payment” means the amount of One Hundred Seventy-Six Thousand Two Hundred Fifty Dollars (\$176,250.00), i.e., 75% of the PAGA Amount, that the Parties have agreed to pay to the LWDA for the PAGA Settlement, as set forth in Paragraph 17.

u. “Net Settlement Amount” means the portion of the Total Settlement Amount that is available for distribution to Settlement Class Members, which is the Total Settlement Amount less the Court-approved Enhancement Payment, Settlement Administration Costs, PAGA Amount, and Attorneys’ Fees and Costs.

v. “Notice of Objection” means a Class Member’s written objection to the Class Settlement, which must: (a) contain the case name and number of the Action; (b) contain the objector’s full name, signature, address, telephone number, and the last four (4) digits of his or her Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

w. “PAGA Amount” means the allocation of Two Hundred Thirty-Five Thousand Dollars (\$235,000.00) from the Total Settlement Amount for the PAGA Settlement. Seventy-five percent (75%) of the PAGA Amount, or \$176,250.00, will be paid to the LWDA (i.e., the LWDA Payment) and the remaining twenty-five percent (25%) or, \$58,750.00, will be distributed to PAGA Employees (i.e., the PAGA Employee Amount).

1 x. “PAGA Employees” means all current and former hourly-paid or non-exempt
2 employees of Defendant within the State of California at any time during the PAGA Period.

3 y. “PAGA Employee Amount” means the amount of Fifty-Eight Thousand Seven
4 Hundred Fifty Dollars (\$58,750.00), i.e., 25% of the PAGA Amount, to be distributed to PAGA
5 Employees on a *pro rata* basis based on their PAGA Workweeks.

6 z. “PAGA Period” means the time period from February 19, 2020, through January
7 28, 2022.

8 aa. “PAGA Settlement” means the settlement and resolution of Released PAGA
9 Claims.

10 bb. “PAGA Workweeks” means the number of Workweeks each PAGA Employee
11 was employed by Defendant during the PAGA Period.

12 cc. “Parties” means Plaintiff and Defendant, collectively, and “Party” means either
13 Plaintiff or Defendant.

14 dd. “Preliminary Approval” means entry of the Court order granting preliminary
15 approval of the Settlement Agreement.

16 ee. “Released Class Claims” means any and all claims, debts, liabilities, demands,
17 obligations, guarantees, costs, expenses, attorneys’ fees, damages, or causes of action which were
18 alleged or which could have been alleged based on the factual allegations in the Operative Complaint,
19 arising during the period from February 24, 2017 through Preliminary Approval, under any federal, state
20 or local law, and shall specifically include claims for Defendant’s alleged failure to pay overtime and
21 minimum wages, pay reporting time pay, provide compliant meal and rest periods and associated
22 premium payments, timely pay wages during employment and upon termination, provide compliant
23 wage statements, maintain complete and accurate payroll records, and reimburse necessary business-
24 related expenses in violation of California Labor Code §§ 201, 202, 203, 204, 210, 226, 226.7, 510, 512,
25 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, 2802, and Industrial Welfare Commission Wage
26 Orders, including *inter alia*, Wage Orders 4-2001 and 5-2001, and all claims for attorneys’ fees and costs
27 and statutory interest in connection therewith, California Business and Professions Code sections 17200,
28 *et seq.* based on the aforementioned, and any other claims, including claims for statutory penalties,

1 pertaining to the Class Members.

2 ff. “Released PAGA Claims” means any and all claims arising from any of the
3 factual allegation in the PAGA Letter, arising during the period from February 19, 2020 through
4 Preliminary Approval, for civil penalties under the Private Attorneys General Act of 2004, codified in
5 California Labor Code § 2698, *et seq.*, including all claims for attorneys’ fees and costs related thereto,
6 for Defendant’s alleged failure to pay overtime and minimum wages, pay reporting time pay, provide
7 compliant meal and rest periods and associated premium payments, timely pay wages during
8 employment and upon termination, provide compliant wage statements, maintain complete and accurate
9 payroll records, and reimburse necessary business-related expenses in violation of California Labor
10 Code §§ 201, 202, 203, 204, 210, 226, 226.7, 510, 512, 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198,
11 2800, 2802, and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Orders 4-2001
12 and 5-2001.

13 gg. “Released Parties” means Defendant and its respective owners, agents, attorneys,
14 insurers, past, present and future companies, divisions, affiliates, DBAs (if any), predecessors, successors,
15 shareholders, officers, directors, managers, management employees, trustees, representatives,
16 administrators, fiduciaries, assigns, subrogees, executors, partners, parents, subsidiaries, privies, and/or
17 any and all persons and/or corporate entities acting by, through, under, or in concert with any of them.

18 hh. “Request for Exclusion” means a letter submitted by a Class Member indicating
19 a request to be excluded from the Class Settlement, which must: (a) contain the case name and number
20 of the Action; (b) contain the full name, signature, address, telephone number, and the last four (4) digits
21 of the Social Security Number of the Class Member requesting exclusion; (c) clearly state that the Class
22 Member does not wish to be included in the Class Settlement; and (d) be returned by mail to the
23 Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

24 ii. “Response Deadline” means the deadline by which Class Members must submit a
25 Request for Exclusion, Notice of Objection, and/or dispute of the Workweeks and/or PAGA Workweeks
26 credited to them, which shall be the date that is sixty (60) calendar days from the initial mailing of the
27 Class Notice by the Settlement Administrator, unless the 60th day falls on a Sunday or Federal holiday,
28 in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service

1 is open. The Response Deadline may also be extended by express agreement between Class Counsel
2 and Defendant's Counsel. Under no circumstances, however, will the Settlement Administrator have
3 the authority to extend the Response Deadline. In the event that a Class Notice is re-mailed to a Class
4 Member, the Response Deadline for that Class Member shall be the extended by fifteen (15) calendar
5 days from the original Response Deadline.

6 ///

7 jj. "Settlement Administrator" means Atticus Administration, LLC, or any other
8 third-party class action settlement administrator agreed to by the Parties and approved by the Court for
9 purposes of administering this Settlement. The Parties and their counsel each represent that they do not
10 have any financial interest in the Settlement Administrator or otherwise have a relationship with the
11 Settlement Administrator that could create a conflict of interest.

12 kk. "Settlement Administration Costs" means the costs payable from the Total
13 Settlement Amount, subject to Court approval, to the Settlement Administrator for administering this
14 Settlement, as set forth in Paragraph 16 below.

15 ll. "Settlement Class Members" means all Class Members who do not submit a timely
16 and valid Request for Exclusion.

17 mm. "Total Settlement Amount" means the amount of One Million Five Hundred
18 Thousand Dollars (\$1,500,000.00) to be paid by Defendant in full resolution of the Actions, Released
19 Class Claims, and Released PAGA Claims, which includes all Attorneys' Fees and Costs, Enhancement
20 Payment, PAGA Amount, Net Settlement Amount to be paid to the Settlement Class Members, and
21 Settlement Administration Costs. Defendant shall pay the Employer Taxes separately and in addition to
22 the Total Settlement Amount. The Total Settlement Amount is subject to increase, as provided in
23 Paragraph 42 below.

24 nn. "Workweeks" means the number of weeks each Class Member was employed by
25 Defendant as an hourly-paid or non-exempt employee in California during the Class Period, which will
26 be calculated by the Settlement Administrator by determining the number of days between each Class
27 Member's first day of employment as an hourly-paid, non-exempt employee within the Class Period and
28 their last day of employment as an hourly-paid, non-exempt employee within the Class Period, and

dividing by seven (7). The number of Workweeks for each Class Member will be rounded up to the next whole number and each Class Member will be credited with at least one (1) Workweek.

CLASS CERTIFICATION

11. For the purposes of this settlement only, the Parties stipulate to the certification of the Class.

12. The Parties agree that certification for the purpose of settlement is not an admission that certification is proper under Section 382 of the California Code of Civil Procedure. Should, for whatever reason, the Court not grant Final Approval, the Parties' stipulation to class certification as part of the Settlement shall become null and void *ab initio* and shall have no bearing on, and shall not be admissible in connection with, the issue of whether or not certification would be inappropriate in a non-settlement context.

TERMS OF AGREEMENT

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

13. Funding and Disbursement of the Total Settlement Amount.

a. Establishing the Qualified Settlement Account. After Preliminary Approval, and prior to the Final Approval Hearing, the Settlement Administrator will provide the Parties with an accounting estimate of the contemplated amounts to be paid by Defendant pursuant to the terms of the Settlement and establish a qualified settlement account for administration of the Settlement.

b. Funding the Total Settlement Amount.

- i. Within five (5) business days of Final Approval, Defendant will make a deposit of one-third of the Total Settlement Amount (i.e., \$500,000.00) plus an amount sufficient to pay Employer Taxes, into the qualified settlement account established by the Settlement Administrator ("First Installment").
- ii. One (1) year after the funding of the First Installment, Defendant will make a deposit of one-third of the Total Settlement Amount (i.e., \$500,000.00), plus an amount sufficient to pay Employer Taxes, into the qualified settlement account established by the Settlement Administrator ("Second Installment").

- 1 iii. One (1) year after the funding of the Second Installment, Defendant will make
2 a deposit of the remaining one-third of the Total Settlement Amount (i.e.,
3 \$500,000.00), into the qualified settlement account established by the
4 Settlement Administrator (“Third Installment”).
- 5 iv. To the extent that any payment due date set forth in this Agreement falls on a
6 Saturday, Sunday, or legal holiday, that deadline shall be continued until the
7 following business day.
- 8 v. The Settlement Administrator shall provide Defendant’s Counsel with
9 electronic transfer instructions for Defendant to tender payment to the
10 Settlement Administrator as described in this Agreement, as soon as possible
11 after the qualified settlement account has been established. The deadlines for
12 Defendant’s payment of the Total Settlement Amount are contingent upon
13 receipt of the payment instructions. Defendant expressly agrees to follow the
14 Settlement Administrator’s payment instructions. The Parties agree that the
15 deadlines for Defendant’s payment obligations with respect to each
16 installment payment made under this Agreement shall be met upon initiating
17 the electronic transfer of funds to the Settlement Administrator, pursuant to
18 its instructions, provided, however, that any unsuccessful electronic transfer
19 of funds be of no fault of Defendant. In the event of an unsuccessful electronic
20 transfer of funds, the Parties agree to cooperate in good faith to resolve the
21 issues.
- 22 c. Defendant’s Right to Cure.
- 23 i. If Defendant fails to timely make an installment payment as set forth in this
24 Agreement, Defendant shall have fourteen (14) calendar days from the last
25 day the payment is due to cure the untimely installment payment. Defendant
26 shall make any payment under this provision pursuant to the Settlement
27 Administrator’s electronic transfer instructions.
- 28 ii. The Parties expressly agree that the Defendant’s payment obligations with

respect to any cure shall be met upon initiating the electronic transfer of funds to the Settlement Administrator, pursuant to its instructions.

d. Disbursement of Total Settlement Amount.

i. Within seven (7) calendar days of the funding of the First Installment, the Settlement Administrator will issue one-half (1/2) of the Individual Settlement Payments to Settlement Class Members. The Settlement Administrator shall also set aside the appropriate amount of Employer Taxes and all employee-side payroll taxes, contributions, and withholdings, and timely forward these to the appropriate government authorities.

ii. Within seven (7) calendar days of the funding of the Second Installment, the Settlement Administrator will issue the remaining one-half (1/2) of the Individual Settlement Payments to Settlement Class Members, Individual PAGA Payments to PAGA Employees, LWDA Payment to the LWDA, and Enhancement Payment to Plaintiff. The Settlement Administrator shall also set aside the appropriate amount of Employer Taxes and all employee-side payroll taxes, contributions, and withholdings, and timely forward these to the appropriate government authorities.

iii. Within seven (7) calendar days of the funding of the Third Installment, the Settlement Administrator will issue the Attorneys' Fees and Costs to Class Counsel and the Settlement Administration Costs to itself.

14. Attorneys' Fees and Costs. Class Counsel will request and Defendant will not oppose attorneys' fees of up to one-third (33.33%) of the Total Settlement Amount (i.e., \$500,000.00 if the Total Settlement Amount is \$1,500,000.00) and reimbursement of actual costs and expenses associated with Class Counsel's litigation and settlement of the Actions, in an amount not to exceed twenty-five thousand dollars (\$25,000.00), both of which will be paid from the Total Settlement Amount subject to Court approval. These amounts will cover any and all work performed and any and all costs incurred by Class Counsel in connection with the litigation of the Actions, including without limitation all work performed and costs incurred to date, and all work to be performed and all costs to be incurred in

1 connection with obtaining the Court's approval of this Settlement Agreement, including any objections
2 raised and any appeals necessitated by those objections. Class Counsel shall be solely and legally
3 responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on
4 the amounts received. With respect to the Attorneys' Fees and Costs to Class Counsel, the Settlement
5 Administrator may purchase an annuity to utilize United States Treasuries and bonds or utilize other
6 attorney fee deferral vehicles, for Class Counsel, and any additional expenses for doing so shall be paid
7 separately by Class Counsel and shall not be included within the Settlement Administration Costs. Any
8 portion of the Attorneys' Fees and Costs not awarded to Class Counsel shall be a part of the Net
9 Settlement Amount for the benefit of Settlement Class Members. The Court's ruling on the request for
10 Attorneys' Fees and Costs shall not affect the enforceability of this Agreement or the terms contained
11 herein.

12 15. Enhancement Payment. In recognition of her efforts and work in prosecuting the Actions,
13 Defendant agrees not to oppose or impede any application or motion for Enhancement Payment in an
14 amount up Seven Thousand Five Hundred Dollars (\$7,500.00) to Plaintiff Gamboa. The Enhancement
15 Payment, which will be paid from the Total Settlement Amount, subject to Court approval, will be in
16 addition to the Individual Settlement Payment as Settlement Class Members and Individual PAGA
17 Payment as PAGA Employees. The Settlement Administrator will issue an IRS Form 1099 to Plaintiff
18 for her Enhancement Payment, and Plaintiff shall be solely and legally responsible for correctly
19 characterizing this compensation for tax purposes and for paying any taxes on the amounts received.
20 Plaintiff agrees to indemnify and hold Defendant harmless from any claim or liability for taxes, penalties,
21 or interest arising as a result of the Enhancement Payment. Should the Court approve the Enhancement
22 Payment to Plaintiff in an amount less than that set forth above, the difference between the lesser
23 amounts approved by the Court and the amounts allocated toward the Enhancement Payment will be part
24 of the Net Settlement Amount for the benefit of Settlement Class Members. The Court's ruling on the
25 request for the Enhancement Payment shall not affect the enforceability of this Agreement or the terms
26 contained herein.

27 16. Settlement Administration Costs. The Settlement Administrator will be paid for the
28 reasonable costs of administration of the Settlement and distribution of payments under the Settlement,

1 which is currently estimated not to exceed Seventeen Thousand Dollars (\$17,000.00). These costs,
2 which will be paid from the Total Settlement Amount, subject to Court approval, will include, *inter alia*,
3 translating the Class Notice to Spanish, printing, distributing, and tracking Class Notices and other
4 documents for the Settlement, calculating and distributing payments due under the Settlement, issuing
5 of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings, and remittances,
6 providing necessary reports and declarations, and other duties and responsibilities set forth herein to
7 process the Settlement, and as requested by the Parties. To the extent actual Settlement Administration
8 Costs are greater than the estimated amount stated herein, such excess amount will be deducted from the
9 Total Settlement Amount, subject to approval by the Court. Any portion of the estimated, designated,
10 and/or awarded Settlement Administration Costs which are not in fact required to fulfill payment to the
11 Settlement Administrator to undertake the requirement settlement administration duties will be part of
12 the Net Settlement Amount for the benefit of Settlement Class Members.

13 17. PAGA Amount. Subject to approval by the Court, the Parties agree that the amount of
14 Two Hundred Thirty-Five Thousand Dollars (\$235,000.00) from the Total Settlement Amount will be
15 allocated toward penalties under the Private Attorneys General Act, California Labor Code Section
16 2698, *et seq.* (i.e., the PAGA Amount), of which seventy-five percent (75%), or \$176,250.00, will be
17 paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%) or, \$58,750.00, will be
18 distributed to PAGA Employees (i.e., the PAGA Employee Amount) on a *pro rata* basis, based on PAGA
19 Workweeks during the PAGA Period (i.e., the Individual PAGA Payments).

20 18. Individual Settlement Share Calculations. Individual Settlement Shares will be calculated
21 and apportioned from the Net Settlement Amount based on the Class Members' number of Workweeks,
22 as follows:

23 a. After Preliminary Approval of the Settlement, the Settlement Administrator will
24 divide the Net Settlement Amount by the Workweeks of all Class Members to yield the "Estimated
25 Workweek Value," and multiply each Class Member's individual Workweeks by the Estimated
26 Workweek Value to yield his or her estimated Individual Settlement Share that he or she may be eligible
27 to receive under the Class Settlement.

28 b. After Final Approval of the Settlement, the Settlement Administrator will divide

the final Net Settlement Amount by the Workweeks of all Settlement Class Members to yield the “Final Workweek Value,” and multiply each Settlement Class Member’s individual Workweeks by the Final Workweek Value to yield his or her Individual Settlement Share.

19. Individual PAGA Payment Calculations. Individual PAGA Payments will be calculated and apportioned from the PAGA Employee Amount based on the PAGA Employees’ number of PAGA Workweeks as follows: The Settlement Administrator will divide the PAGA Employee Amount, i.e., 25% of the PAGA Amount, by the total number of PAGA Workweeks of all PAGA Employees to yield the “PAGA Workweek Value,” and multiply each PAGA Employee’s individual PAGA Workweeks by the PAGA Workweek Value to yield his or her Individual PAGA Payment.

20. Settlement Awards Do Not Trigger Additional Benefits. All payments made under the Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually are issued to the payee. It is expressly understood and agreed that payments made under this Settlement shall not in any way entitle Plaintiff, Settlement Class Members, or any PAGA Employee to additional compensation or benefits under any new or additional compensation or benefits, or any bonus, contest or other compensation or benefit plan or agreement in place during the Class Period, nor will it entitle Plaintiff, Settlement Class Members, or any PAGA Employee to any increased retirement, 401K benefits or matching benefits, or deferred compensation benefits (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the Class Period).

21. Delivery of the Class List. Within twenty-one (21) calendar days of Preliminary Approval, Defendant will provide the Class List to the Settlement Administrator.

22. Notice by First-Class U.S. Mail.

a. Within fourteen (14) calendar days after receiving the Class List from Defendant, the Settlement Administrator will perform a search based on the National Change of Address Database or any other similar services available, such as provided by Experian, for information to update and correct for any known or identifiable address changes, and will mail a Class Notice in English and Spanish (in the form attached as **Exhibit A** to this Settlement Agreement) to all Class Members via First-Class U.S. Mail, using the most current, known mailing addresses identified by the Settlement

1 Administrator.

2 b. With respect to Class Notices that are returned as undeliverable on or before the
3 Response Deadline, after the initial mailing of the Class Notice, the Settlement Administrator will
4 perform a single search for an alternate address by way of skip-trace and perform a single re-mailing of
5 the Class Notice within five (5) calendar days.

6 23. Dispute Regarding Workweeks and/or PAGA Workweeks. Class Members will have an
7 opportunity to dispute the number of Workweeks and/or PAGA Workweeks to which they have been
8 credited, as reflected in their respective Class Notices. In order to dispute Workweeks and/or PAGA
9 Workweeks, Class Members must submit a written letter to the Settlement Administrator that: (a)
10 contains the case name and number of the Action; (b) contains the full name, signature, address,
11 telephone number, and the last four (4) digits of the Social Security Number of the disputing Class
12 Member; (c) clearly states that the Class Member disputes the number of Workweeks and/or PAGA
13 Workweeks credited to him or her and what he or she contends is the correct number to be credited to
14 him or her; (d) includes information and/or attaches documentation demonstrating that the number of
15 Workweeks and/or PAGA Workweeks that he or she contends should be credited to him or her are
16 correct; and (e) is returned by mail to the Settlement Administrator at the specified address, postmarked
17 on or before the Response Deadline. The date of the postmark on the return mailing envelope on the
18 submission will be the exclusive means to determine whether a dispute has been timely submitted.
19 Absent evidence rebutting the accuracy of Defendant's records and data as they pertain to the number
20 of Workweeks and/or PAGA Workweeks to be credited to a disputing Class Member, Defendant's
21 records will be presumed correct and determinative of the dispute. However, if a Class Member
22 produces information and/or documents to the contrary, the Settlement Administrator will evaluate the
23 materials submitted by the Class Member and the Settlement Administrator will resolve and determine
24 the number of eligible Workweeks and/or PAGA Workweeks that the disputing Class Member should
25 be credited with under the Settlement. The Settlement Administrator's decision on such disputes will be
26 final and non-appealable.

27 24. Settlement Checks. The Settlement Administrator will be responsible for undertaking
28 appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way

1 of checks to the Settlement Class Members and the Individual PAGA Payments by way of check to the
2 PAGA Employees in accordance with the Settlement Agreement. When issuing payments, the
3 Settlement Administrator may combine the payment for the Individual Settlement Payment and Individual
4 PAGA Payment into one check if the intended recipient for both payments is one individual. The first
5 Individual Settlement Payment check issued to Settlement Class Members after the First Installment
6 (“First Class Payment”), will be valid and negotiable for one hundred and eighty (180) calendar days
7 from the date the check is issued, and thereafter, shall be canceled. The Individual PAGA Payment
8 check issued to PAGA Employees after the Second Installment will be valid and negotiable for one
9 hundred and eighty (180) calendar days from the date the check is issued, and thereafter, shall be
10 canceled. The second Individual Settlement Payment check issued to Settlement Class Members after
11 the Second Installment (“Second Class Payment”), will be valid and negotiable for one hundred and
12 eighty (180) calendar days from the date the check is issued, and thereafter, shall be canceled. In
13 recognition that The People Concern is one of Los Angeles County’s largest non-profit organization
14 providing housing, social, legal, and advocacy services to the indigent, pursuant to California Code of
15 Civil Procedure Section 384, all funds associated with the above-referenced canceled checks will be
16 transmitted to The People Concern within ten (10) calendar days of cancelation of each set of checks, and
17 The People Concern shall hold said funds until the date that is one hundred and eighty (180) calendar
18 days after the issuance of the Second Class Payment, to pay the Settlement Class Members and/or PAGA
19 Employees whose checks were canceled should they come forward to request payment from The People
20 Concern, and thereafter, the funds will be used by The People Concern, as *cy pres* funds, for the sole
21 purpose of financing the \$250 per person training fee usually charged to each volunteer by The People
22 Concern to administer to volunteers, the domestic violence counselor training program that must be
23 completed per California Evidence Code section 1037.1 in order for said volunteer to participate in The
24 People Concern’s domestic violence program “Sojourn,” to finance Sojourn’s legal department’s offering
25 referrals, assistance with restraining orders, support navigating the domestic violence-related housing
26 environment, and court accompaniment, among other things, to individuals receiving The People
27 Concern’s services, and to finance Sojourn’s outreach and education department’s providing trainings,
28 technical assistance, advocacy events, and educational resources to clients, their families, Sojourn staff,

1 organizational partners, and the community at-large. Should the Court decline to approve The People
2 Concern as the *cy pres* recipient for the purposes described herein, the Parties agree to select California
3 Rural Legal Assistance, Inc. as an alternative *cy pres* recipient. The Settlement Administrator shall
4 undertake amended and/or supplemental tax filings and reporting, required under applicable local, state,
5 and federal tax laws, that are necessitated due to the cancelation of any Individual Settlement Payment
6 and/or Individual PAGA Payment checks. If any funds are returned by taxing authorities due to the
7 cancelation of payments issued to Settlement Class Members and PAGA Member, the returned funds shall
8 be paid to the *cy pres* recipient as *cy pres* funds. Settlement Class Members whose Individual Settlement
9 Payment checks are canceled shall, nevertheless, be bound by the Class Settlement, and PAGA Employees
10 whose Individual PAGA Payment checks are canceled shall, nevertheless, be bound by the PAGA
11 Settlement.

12 25. Procedure for Requesting Exclusion from the Class Settlement. Any Class Member
13 wishing to be excluded from the Class Settlement must submit a written Request for Exclusion to the
14 Settlement Administrator, by mail, within the Response Deadline. The date of the postmark on the return
15 mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been
16 timely submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendant's
17 Counsel the number of timely and valid Requests for Exclusion that are submitted, and also identify the
18 individuals who have submitted a timely and valid Request for Exclusion in a declaration that is to be
19 filed with the Court in advance of the Final Approval Hearing. Any Class Member who submits a
20 Request for Exclusion is prohibited from making any objection to the Class Settlement. Any Class
21 Member who submits a timely and valid Request for Exclusion will not be bound by the Class Settlement
22 and will not be issued an Individual Settlement Payment. Any Class Member who does not affirmatively
23 request exclusion from the Class Settlement by submitting a timely and valid Request for Exclusion will
24 be bound by all of the terms of the Class Settlement, including and not limited to those pertaining to the
25 Released Class Claims, as well as any judgment with respect to the Class Settlement that may be entered
26 by the Court if it grants Final Approval to the Settlement. Notwithstanding the above, all PAGA
27 Employees will be bound to the PAGA Settlement and will be issued their Individual PAGA Payment,
28 irrespective of whether they submit a Request for Exclusion.

1 26. Procedures for Objecting to the Class Settlement. To object to the Class Settlement,
2 Class Members who have not opted out of the Class Settlement (i.e., Settlement Class Members) must
3 submit a timely and complete Notice of Objection to the Settlement Administrator, by mail, on or before
4 the Response Deadline. The Notice of Objection must be signed by the Settlement Class Member and
5 contain all information required by the Settlement Agreement. The postmark date will be deemed the
6 exclusive means for determining that the Notice of Objection is timely. At no time will any of the
7 Parties or their counsel seek to solicit or otherwise encourage Settlement Class Members to object to the
8 Settlement Agreement or appeal from the Final Approval Order and Judgment. Settlement Class
9 Members, individually or through counsel, may also present their objection orally at the Final Approval
10 Hearing, regardless of whether they have submitted a Notice of Objection. The Settlement Administrator
11 will certify jointly to Class Counsel and Defendant's Counsel the number of Notices of Objection that
12 are submitted (specifying which ones were timely and complete and which were not), and also attach
13 them to a declaration that is to be filed with the Court in advance of the Final Approval Hearing.

14 27. Reports by the Settlement Administrator Regarding Settlement Administration. The
15 Settlement Administrator will provide Defendant's Counsel and Class Counsel a weekly report which
16 certifies: (a) the number of Class Members who have submitted a dispute of Workweeks and/or PAGA
17 Workweeks; (b) the number of Class Members who have submitted Requests for Exclusion or Notices
18 of Objection; and (c) the number of undeliverable and re-mailed Class Notices. Additionally, the
19 Settlement Administrator will provide to counsel for both Parties any updated reports regarding the
20 administration of the Settlement Agreement as needed or requested, and immediately notify the Parties
21 when it receives a request from an individual or any other entity regarding inclusion in the Class and/or
22 Settlement or regarding a dispute of Workweeks and/or PAGA Workweeks.

23 28. Certification of Completion. Upon completion of administration of the Settlement, the
24 Settlement Administrator will provide a written declaration under oath to certify such completion to the
25 Court and counsel for all Parties.

26 29. Treatment of Individual Settlement Payments and Individual PAGA Payments. Each
27 Individual Settlement Share will be allocated as follows: twenty percent (20%) wages and eighty percent
28 (80%) penalties, interest, and non-wage damages. The portion allocated to wages will be reported on

an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage damages will be reported on an IRS Form-1099 by the Settlement Administrator. The Settlement Administrator will withhold the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes and withholdings). The Employer Taxes will be paid separately and in addition to the Total Settlement Amount. Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties and will be reported on an IRS Form-1099 (if applicable) by the Settlement Administrator. The Settlement Administrator will not undertake any withholding or deductions with respect to the Individual PAGA Payment.

30. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiff, Settlement Class Members, PAGA Employees, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement Agreement. The Settlement Administrator will also be responsible for calculating the Employer Taxes, advising Defendant's Counsel of the total amount owed for Employer Taxes, and forwarding all payroll taxes, contributions, and withholdings to the appropriate government authorities with respect to the wages portion of the Individual Settlement Shares.

31. Tax Liability. Plaintiff, Class Counsel, Defendant, and Defendant's Counsel do not intend anything contained in this Settlement Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement Agreement be relied on as such. Plaintiff, Settlement Class Members, and PAGA Employees understand and agree that, except for Defendant's payment of Employer Taxes, they will be solely responsible for correctly characterizing any compensation received under the Settlement on their personal income tax returns and paying any and all taxes due for any and all amounts paid to them under the Settlement.

32. Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS SETTLEMENT

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

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

24 34. Class Settlement Release. Upon the Effective Date and full funding of the Second
25 Installment, Plaintiff and all Class Members who do not submit a timely and valid Request for Exclusion
26 (i.e., Settlement Class Members) will be deemed to have fully, finally, and forever released, settled,
27 compromised, relinquished, and discharged the Released Parties of all Released Class Claims.

28 35. PAGA Settlement Release. Upon the Effective Date and full funding of the Second

1 Installment, Plaintiff, the State of California with respect to all PAGA Employees, and all PAGA
2 Employees will be deemed to have fully, finally, and forever released, settled, compromised,
3 relinquished, and discharged the Released Parties of all Released PAGA Claims.

4 36. Plaintiff Gamboa's Release. In addition to the release of Released Class Claims and
5 Released PAGA Claims described above, upon the Effective Date and full funding of the Second
6 Installment, Plaintiff Socorro Gamboa, individually and on behalf of her respective former and present
7 spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally,
8 releases and discharges Released Parties from all claims, transactions, occurrences, demands, rights,
9 liabilities and causes of action of every nature and description whatsoever, whether known or unknown,
10 asserted or that might have been asserted, whether in tort, contract, or for violation of any state or federal
11 statute, rule, law or regulation arising out of, relating to, or in connection with any act or omission of the
12 Released Parties through the date of full execution of this Settlement Agreement in connection with her
13 employment or the termination thereof ("Plaintiff Gamboa's Release.") Plaintiff Gamboa's Release does
14 not extend to any claims or actions to enforce this Settlement Agreement, or to those rights that as a matter
15 of law cannot be waived, including, but not limited to any claims for vested benefits, unemployment
16 benefits, disability benefits, social security benefits, or workers' compensation benefits that arose at any
17 time. Plaintiff Gamboa acknowledges that she may discover facts or law different from, or in addition to,
18 the facts or law that Plaintiff Gamboa now knows or believes to be true but agrees, nonetheless, that
19 Plaintiff Gamboa's Release shall be and remain effective in all respects, notwithstanding such different or
20 additional facts or Plaintiff Gamboa's discovery of them. For purposes of Plaintiff Gamboa's Release,
21 Plaintiff Gamboa expressly waives and relinquishes the provisions, rights, and benefits, if any, of section
22 1542 of the California Civil Code, which reads:

23 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE**
24 **CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO**
25 **EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE**
26 **RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE**
27 **MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR**
28 **OR RELEASED PARTY.**

1 37. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement.
2 Plaintiff and Class Counsel will draft and file renewed motion papers and/or supplemental briefing in
3 support of the Motion for Preliminary Approval and will submit this Settlement to the Court. Class
4 Counsel will provide Defendant's Counsel drafts of any moving papers seeking preliminary approval of
5 the Settlement and/or any supplemental papers in support of the pending Motion for Preliminary
6 Approval before filing them with the Court. Defendant agrees not to oppose the Motion for Preliminary
7 Approval, any supplemental papers in support thereof, or any renewed motion that are consistent with
8 this Settlement Agreement and to provide any necessary declarations in support thereof. The Parties
9 have mutually agreed to the entry of an order ("Preliminary Approval Order"), seeking the following:

- 10 a. Conditionally certifying the Class for settlement purposes only;
11 b. Granting Preliminary Approval of the Settlement;
12 c. Preliminarily appointing Plaintiff as representative of the Class;
13 d. Preliminarily appointing Class Counsel as counsel for the Class;
14 e. Approving, as to form and content, the mutually-agreed upon and proposed Class
15 Notice and directing its mailing to the Class by First Class U.S. Mail;
16 f. Approving the manner and method for Class Members to request exclusion from
17 or object to the Class Settlement as contained herein and within the Class Notice; and
18 g. Scheduling a Final Approval Hearing at which the Court will determine whether
19 Final Approval of the Settlement should be granted.

20 38. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After
21 the Response Deadline, and with the Court's permission, a Final Approval Hearing will be conducted to
22 determine whether Final Approval of the Settlement should be granted, along with the amounts properly
23 payable for (a) Individual Settlement Payments; (b) Individual PAGA Payments; (c) LWDA Payment;
24 (d) Attorneys' Fees and Costs; (e) Enhancement Payment; and (f) Settlement Administration Costs. The
25 Final Approval Hearing will not be held earlier than thirty (30) calendar days after the Response
26 Deadline. Plaintiff and Class Counsel will be responsible for drafting the motion seeking Final Approval
27 of the Settlement. Class Counsel will provide Defendant's Counsel a draft of the final approval motion
28 before filing it with the Court. By way of said motion, Plaintiff will apply for the entry of the mutually-

1 agreed upon proposed order and judgment (“Final Approval Order and Judgment”), which will provide
2 for, in substantial part, the following:

3 a. Approval of the Settlement as fair, reasonable, and adequate, and directing
4 consummation of its terms and provisions;

5 b. Certification of the Settlement Class;

6 c. Approval of the application for Attorneys’ Fees and Costs to Class Counsel;

7 d. Approval of the application for Enhancement Payment to Plaintiff;

8 e. Directing Defendant to fund all amounts due under the Settlement Agreement and
9 ordered by the Court; and

10 f. Entering judgment in the Action, while maintaining continuing jurisdiction, in
11 conformity with California Rules of Court 3.769 and the Settlement Agreement.

12 39. Information Regarding Defendant’s Financial Circumstances. To support and/or
13 otherwise implement the Settlement, Defendant’s Chief Financial Officer shall file in the Court a
14 declaration regarding its financial condition to demonstrate that, due to Defendant’s financial
15 circumstances, it is unable to fund a higher Total Settlement Amount and is unable to fund the Total
16 Settlement Amount without the installment plan contained in Paragraph 13.b. The Parties agree that
17 Defendant may file the declaration in Court, conditionally under seal in conjunction with a motion by
18 Defendant to seal the declaration, in support of Plaintiff’s motion for preliminary approval.

19 40. Termination or Rescission of Settlement.

20 a. If ten percent (10%) or more of the Class Members submit timely and valid
21 Requests for Exclusion, Defendant may elect to rescind the Settlement Agreement. Defendant must
22 exercise this right of rescission in writing that is provided to Class Counsel within fourteen (14) calendar
23 days of the Settlement Administrator providing Defendant’s Counsel a report specifying the number of
24 Class Members who have submitted a timely and valid Request for Exclusion following the Response
25 Deadline. If Defendant exercises this option, Defendant shall pay any costs of settlement administration
26 owed to the Settlement Administrator incurred up to that date.

27 b. If the Court finds the Total Settlement Amount to be insufficient to warrant
28 Preliminary Approval or Final Approval of the Settlement, except as required in Paragraph 42 below,

Defendant may, at its election, rescind the Settlement Agreement and all actions taken in furtherance of it will thereby be null and void.

41. Effects of Termination or Rescission of the Settlement. Termination or Rescission of the Settlement Agreement shall have the following effects:

a. The Settlement Agreement shall be void and shall have no force or effect, and no Party shall be bound by any of its terms;

b. In the event the Settlement Agreement is terminated, Defendant shall have no obligation to make any payments to any Party, Class Member or attorney, except that the terminating Party shall pay the Settlement Administrator for services rendered up to the date the Settlement Administrator is notified that the Settlement has been terminated;

c. The Preliminary Approval Order, Final Approval Order and Judgment, including any order certifying the Class, shall be vacated;

d. The Settlement Agreement and all negotiations, statements and proceedings relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be restored to their respective positions in the Action prior to the execution of the Settlement Agreement;

e. Neither this Settlement Agreement, nor any ancillary documents, actions, statements or filings in furtherance of the Settlement (including all matters associated with the mediation) shall be admissible or offered into evidence in the Action or any other action for any purpose whatsoever; and

f. Any documents generated to bring the Settlement into effect, will be null and void, and any order or judgment entered by the Court in furtherance of this Settlement Agreement will likewise be treated as void from the beginning.

42. Escalator Clause. Defendant represents that, during the Class Period there were approximately 90,000 Workweeks. If it is determined that the total number of Workweeks during the Class Period exceed 90,000 by more than ten percent (10%) (i.e. exceeds 99,000), then, the Total Settlement Amount will be increased on a proportional basis by the same number of percentage points above ten percent (10%) by which the actual number of Workweeks exceeds 99,000 (e.g., if the threshold of 99,000 Workweeks is exceeded by 1%, the Total Settlement Amount will increase by 1%).

1 If it is determined that the total number of Workweeks for the Class Period exceed 90,000 by more than
2 fifteen percent (15%) (i.e., exceeds 103,500), then, either Plaintiff or Defendant may, in the alternative,
3 void the Settlement.

4 43. Continued Jurisdiction. After entry of judgment pursuant to the Settlement, the Court
5 will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and Section
6 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the interpretation and
7 enforcement of the terms of the Settlement, (b) settlement administration matters, and (c) such post-
8 judgment matters as may be appropriate under court rules or as set forth in this Settlement Agreement.

9 44. Exhibits Incorporated by Reference. The terms of this Settlement Agreement include the
10 terms set forth in any attached exhibits, which are incorporated by this reference as though fully set
11 forth herein. Any exhibits to this Settlement Agreement are an integral part of the Settlement.

12 45. Limitation on Publicity. Prior to and following Preliminary Approval of the Settlement,
13 Plaintiff and Class Counsel will not have any communications with any media other than to direct any
14 media inquiries to the public records of the Actions on file with the Court and will not publicize the
15 Settlement, including on social media. Class Counsel will take all steps necessary to ensure Plaintiff
16 are aware of, and will encourage them to adhere to, the restriction against any media comment on the
17 Settlement and its terms. Class Counsel further agrees not to use the Settlement or any of its terms for
18 any marketing or promotional purposes. Nothing herein will restrict Class Counsel from including
19 publicly available information regarding this Settlement in future judicial submissions regarding Class
20 Counsel's qualifications and experience. Furthermore, Plaintiff and Class Counsel will undertake any
21 and all disclosures required to be made to the LWDA in conformity with PAGA.

22 46. Entire Agreement. The Settlement Agreement and any attached exhibits constitute the
23 entirety of the Parties' agreement relating to the settlement and transaction completed thereby, and all
24 prior or contemporaneous agreements, understandings, representations, and statements, whether oral or
25 written and whether by a Party or such Party's legal counsel, are merged herein. No other prior or
26 contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties
27 expressly recognize California Civil Code § 1625 and California Code of Civil Procedure § 1856(a),
28 which provide that a written agreement is to be construed according to its terms and may not be varied

1 or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written
2 representations or terms will modify, vary, or contradict the terms of this Settlement Agreement.

3 47. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in the
4 Action (including with respect to California Code of Civil Procedure section 583.310), except such
5 proceedings necessary to implement and complete the Settlement Agreement, pending the Final
6 Approval Hearing to be conducted by the Court.

7 48. Amendment. The Parties may not amend or modify any provision of the Settlement
8 Agreement except by written agreement signed by counsel for all of the Parties and subject to Court
9 approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a
10 waiver of any other provision.

11 49. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
12 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
13 Agreement and to take all appropriate actions required or permitted to be taken by such Parties pursuant
14 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
15 effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have
16 full authority to enter into this Settlement Agreement, and further intend that this Settlement Agreement
17 will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to
18 disclosure in any proceeding to enforce its terms.

19 50. Signatories. It is agreed that because the members of the Class are so numerous, it is
20 impossible or impractical to have each Settlement Class Member or PAGA Employee execute this
21 Settlement Agreement. The Class Notice will advise all Class Members of the binding nature of the
22 Class Settlement as to the Settlement Class Members and the binding nature of the PAGA Settlement as
23 to the PAGA Employees, and the releases provided for by the Settlement Agreement shall have the same
24 force and effect as if the Settlement Agreement were executed by each Settlement Class Member and
25 PAGA Employee.

26 51. Binding on Successors and Assigns. The Settlement Agreement will be binding upon,
27 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

28 52. California Law Governs. All terms of the Settlement Agreement and attached exhibits

hereto will be governed by and interpreted according to the laws of the State of California.

53. Execution and Counterparts. The Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including facsimile, electronic, and scanned copies of the signature page, will be deemed to be one and the same instrument.

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54. Acknowledgment that the Settlement is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Actions and have arrived at this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of the Settlement Agreement. In addition, if necessary to obtain approval of the Settlement, the Mediator may execute a declaration supporting the Settlement and the reasonableness of the Settlement and the Court may, in its discretion, contact the Mediator to discuss the Settlement and whether or not the Settlement is objectively fair and reasonable.

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

56. Plaintiff's Cooperation. Plaintiff agrees to sign this Settlement Agreement and, by signing this Settlement Agreement, are hereby bound by the terms herein and agree to fully cooperate to implement the Settlement.

57. Non-Admission of Liability. The Parties enter into the Settlement Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of continued litigation. In entering into the Settlement Agreement, Defendant does not admit, and specifically denies, that it has violated any state, federal, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any

1 contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in
2 any other unlawful conduct with respect to its employees. Neither the Settlement Agreement, nor any
3 of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an
4 admission or concession by Defendant of any such violations or failures to comply with any applicable
5 law. Except as necessary in a proceeding to enforce the terms of the Settlement Agreement, the
6 Settlement Agreement and its terms and provisions shall not be offered or received as evidence in any
7 action or proceeding to establish any liability or admission on the part of Defendant or to establish the
8 existence of any condition constituting a violation of, or a non-compliance with state, federal, local, or
9 other applicable law.

10 58. Captions. The captions and paragraph numbers in the Settlement Agreement are inserted
11 for the reader's convenience, and in no way define, limit, construe, or describe the scope or intent of the
12 provisions of the Settlement Agreement.

13 59. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
14 conditions of the Settlement Agreement. Accordingly, the Settlement Agreement will not be construed
15 more strictly against one Party than another merely by virtue of the fact that it may have been prepared
16 by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations
17 between the Parties, all Parties have contributed equally to the preparation of the Settlement Agreement.

18 60. Representation by Counsel. The Parties acknowledge that they have been represented by
19 counsel throughout all negotiations that preceded the execution of the Settlement Agreement, and that
20 the Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in
21 full.

22 61. All Terms Subject to Final Court Approval. All amounts and procedures described in the
23 Settlement Agreement herein will be subject to final Court approval.

24 62. Notices. All notices, demands, and other communications to be provided concerning the
25 Settlement Agreement shall be in writing and delivered by overnight mail at the addresses set for below,
26 or such other addresses as either Party may designate in writing from time to time:
27
28

To Plaintiff and Class Counsel:

Arby Aiwazian
Joanna Ghosh
Brian J. St. John
Jeremy Stern
LAWYERS for JUSTICE, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203

To Defendant:

Alfred J. Landegger
Marie D. Davis
Evelyn Zarraga
LANDEGGER, VERANO & DAVIS
15760 Ventura Boulevard, Suite 1200
Encino, California 91436

63. Final Approval Order and Judgment. The Parties shall provide the Settlement Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court, and the Settlement Administrator shall post the Final Approval Order and Judgment on its website for sixty (60) calendar days. Parties agree that the Court shall be requested to find or otherwise order that this is sufficient notice pursuant to California Rules of Court 3.771, and that no individualized notice of the Final Approval Order and Judgment to the Class will be required.

64. Cooperation and Execution of Necessary Documents. All Parties and their counsel will cooperate with each other in good faith and use their best efforts to implement the Settlement, including and not limited to, executing all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties may seek the assistance of the Mediator and then the Court to resolve such disagreement.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this First Amended Joint Stipulation of Class Action and PAGA Settlement between Plaintiff and Defendant:

IT IS SO AGREED.

PLAINTIFF SOCORRO GAMBOA

Dated: 01/04/2024, 2024

Electronically Signed: 2024-01-05 00:15:41 UTC - 104.129.198.245
Hirox AssureSign®: 5c022794-0289-4811-b869-b0ed0000c853

Socorro Gamboa, Plaintiff

DEFENDANT THE PEOPLE CONCERN

Dated: _____, 2024

Full Name: _____

Title: _____

On behalf of The People Concern, successor by merger to
Lamp, Inc. dba Lamp Community

APPROVED AS TO FORM

LAWYERS *for* JUSTICE, PC



Dated: January 5, 2024

Arby Aiwarzian
Joanna Ghosh
Brian J. St. John
Jeremy Stern
Attorneys for Plaintiff Socorro Gamboa and Proposed Class
Counsel

LANDEGGER, VERANO & DAVIS

Dated: _____, 2024

Alfred J. Landegger
Marie D. Davis
Evelyn Zarraga
Attorneys for Defendant The People Concern, successor by
merger to Lamp, Inc. dba Lamp Community

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DEFENDANT THE PEOPLE CONCERN

Dated: 1-4-24, 2024


Full Name: John Maceri

Title: CEO

On behalf of The People Concern, successor by merger to
Lamp, Inc. dba Lamp Community

APPROVED AS TO FORM

LAWYERS for JUSTICE, PC

Dated: _____, 2024

Arby Aiwarzian
Joanna Ghosh
Brian J. St. John
Jeremy Stern
*Attorneys for Plaintiff Socorro Gamboa and Proposed Class
Counsel*

LANDEGGER, VERANO & DAVIS

Dated: January 11, 2024



Alfred J. Landegger
Marie D. Davis
Evelyn Zarraga
*Attorneys for Defendant The People Concern, successor by
merger to Lamp, Inc. dba Lamp Community*

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Shannon Bostic, et al. v. Lamp Community, et al.
Superior Court of California for the County of Los Angeles, Case No. 21STCV07381

PLEASE READ THIS NOTICE CAREFULLY.

You have received this Notice because Defendant's records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment.

This Notice is designed to advise you of your rights and options with respect to the settlement, and how you can request to be excluded from the Class Settlement, object to the Class Settlement, and/or dispute the number of Workweeks and/or PAGA Workweeks that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiff Socorro Gamboa ("Plaintiff") and Defendant The People Concern, successor by merger to Lamp, Inc. dba Lamp Community ("Defendant") (Plaintiff and Defendant are collectively referred to as the "Parties") in the case entitled *Shannon Bostic, et al. v. Lamp Community, et.al.*, Los Angeles County Superior Court, Case No. 21STCV07381 ("Action"), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

"Class" means all current and former hourly-paid or non-exempt employees of Defendant within the State of California at any time during the Class Period.

"Class Member" means a member of the Class.

"Class Period" is the time period from February 24, 2017, through January 28, 2022.

"Class Settlement" means the settlement and resolution of all Released Class Claims.

"PAGA Employees" means all current and former hourly-paid or non-exempt employees of Defendant within the State of California at any time during the PAGA Period.

"PAGA Period" means the time period from February 19, 2020, through January 28, 2022.

"PAGA Settlement" means the settlement and resolution of the Released PAGA Claims.

II. BACKGROUND OF THE LAWSUIT

On February 19, 2021, Former Plaintiff Shannon Bostic provided written notice to the California Labor and Workforce Development Agency ("LWDA") and Defendant of the specific provisions of the California Labor Code that Plaintiff Bostic contends were violated ("Bostic PAGA Letter"). On February 24, 2021, Former Plaintiff Shannon Bostic commenced a putative class action lawsuit by filing the Class Action Complaint for Damages in the Los Angeles County Superior Court, Case No. 21STCV07381. On May 12, 2022, Former Plaintiff Bostic filed a First Amended Consolidated Class Action Complaint for Damages & Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, *Et Seq.*, adding her PAGA cause of action to the Action. On May 31, 2023, Plaintiff Gamboa provided written notice to the LWDA and Defendant of the specific provisions of the California Labor Code that Plaintiff Gamboa contends were violated ("Gamboa PAGA Letter") (together, the Bostic PAGA Letter and Gamboa PAGA Letter are referred to as the "PAGA Letters"). On June 20, 2023, Former Plaintiff Bostic and Plaintiff Gamboa filed a Second Amended Consolidated Class Action Complaint for Damages & Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, *Et Esq.* ("Operative Complaint"), which added Plaintiff Gamboa as a named plaintiff in the Action. On November 1, 2023, Former Plaintiff Bostic and Plaintiff Gamboa filed a Request for Dismissal of Plaintiff Bostic's Individual Claims Without

Prejudice Pursuant to California Rules of Court, Rule 3,770 in the Action. On November 9, 2023, the Court dismissed Former Plaintiff Bostic's individual claims in the Action without prejudice and ordered that Former Plaintiff Bostic no longer be a plaintiff, proposed class representative, PAGA representative, or party in the Action.

Plaintiff alleges that Defendant failed to properly pay minimum and overtime wages, pay reporting time pay, provide compliant meal and rest breaks and associated premiums, timely pay wages during employment and upon termination of employment and associated waiting-time penalties, provide accurate wage statements, keep requisite payroll records, and reimburse business expenses, and thereby engaged in unfair business practices in violation of California Business & Professions Code section 17200, *et seq.*, and conduct that gives rise to penalties under California Labor Code sections 2698, *et seq.* ("PAGA"). Plaintiff seeks, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys' fees and costs.

Defendant denies all of the allegations in the Action or that it violated any law.

Plaintiff Gamboa and Defendant participated in mediation with a class action mediator, and as a result, reached a settlement. The Parties have since entered into the Second Amended Joint Stipulation of Class Action and PAGA Settlement ("Settlement" "Agreement" or "Settlement Agreement").

On [date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed Atticus Administration, LLC as the administrator of the Settlement ("Settlement Administrator") and Plaintiff Socorro Gamboa as the representatives of the Class ("Class Representatives"), and the following Plaintiff's attorneys as counsel for the Class ("Class Counsel"):

Arby Aiwarzian
Joanna Ghosh
Brian J. St. John
Jeremy Stern
Lawyers for Justice, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203
Telephone: (818) 265-1020 / Fax: (818) 265-1021

If you are a Class Member, you do not need to take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks and/or PAGA Workweeks credited to you, if you so choose, as explained more fully in Sections III and IV below. If you are a PAGA Employee, you do not need to take any action to receive an Individual PAGA Payment; you will not have the opportunity to object or seek exclusion from the PAGA Settlement and all PAGA Employees will be bound to the PAGA Settlement if the Court grants final approval of the Settlement.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Action have merit or that Defendant has any liability to Plaintiff, Class Members, or PAGA Employees. Plaintiff and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of Class Members, the State of California, and PAGA Employees. The Court has made no ruling on the merits of the claims asserted in the Action and has determined only that certification of the Class for settlement purposes is appropriate under California law.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The Total Settlement Amount is One Million Five Hundred Thousand Dollars (\$1,500,000) (the "Total Settlement Amount"), subject to possible increase if it is determined that the number of Workweeks exceeds a predetermined threshold. The portion of the Total Settlement Amount that is available for payment to Class Members is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Total Settlement Amount less the following payments which are subject to approval by the Court: (1) attorneys' fees, in an amount not to exceed one-third of the Total Settlement

Amount (i.e., \$500,000 if the Total Settlement Amount is \$1,500,000) and reimbursement of litigation costs and expenses in an amount not to exceed Twenty-Five Thousand Dollars (\$25,000) (collectively, “Attorneys’ Fees and Costs”) to Class Counsel; (2) Enhancement Payment in an amount not to exceed Seven Thousand Five Hundred Dollars (\$7,500) to Plaintiff Gamboa for her services in the Action; (3) the amount of Two Hundred Thirty-Five Thousand Dollars (\$235,000) allocated toward civil penalties under the Private Attorneys General Act (“PAGA Amount”), of which the LWDA will be paid 75% (i.e., \$176,250) and the remaining 25% (i.e., \$58,750) will be distributed to PAGA Employees (“PAGA Employee Amount”); and (4) Settlement Administration Costs in an amount not to exceed Seventeen Thousand Dollars (\$17,000) to the Settlement Administrator.

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount (“Individual Settlement Share”) based on the number of weeks each Class Member was employed by Defendant as an hourly-paid or non-exempt employee in California during the Class Period (“Workweeks”). The Settlement Administrator has divided the Net Settlement Amount by the Workweeks of all Class Members to yield the “Estimated Workweek Value,” and multiplied each Class Member’s individual Workweeks by the Estimated Workweek Value to yield his or her estimated Individual Settlement Share that he or she may be eligible to receive under the Class Settlement (which is listed in Section III.C below). Class Members who do not submit a timely and valid Request for Exclusion (“Settlement Class Members”) will be issued payment of their final Individual Settlement Payment.

Each Individual Settlement Share will be allocated as twenty percent (20%) wages, which will be reported on an IRS Form W-2, and eighty percent (80%) penalties, interest, and non-wage damages, which will be reported on an IRS Form 1099 (if applicable). Each Individual Settlement Share will be subject to reduction for the employee’s share of payroll taxes and withholdings with respect to the wages portion of the Individual Settlement Share, resulting in a net payment to the Settlement Class Member (“Individual Settlement Payment”). The employer’s share of taxes and contribution in connection with the wages portion of Individual Settlement Shares (“Employer Taxes”) shall be paid by Defendant separately and in addition to the Total Settlement Amount.

PAGA Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Employee Amount (“Individual PAGA Payment”), i.e., a share of the \$58,750, based on the number of Workweeks each PAGA Employee was employed by Defendant during the PAGA Period (“PAGA Workweeks”). The Settlement Administrator has divided the PAGA Employee Amount by the total number of PAGA Workweeks of all PAGA Employees to yield the “PAGA Workweek Value,” and multiplied each PAGA Employee’s individual PAGA Workweeks by the PAGA Workweek Value to yield his or her Individual PAGA Payment that he or she may be eligible to receive under the PAGA Settlement (which is listed in Section III.C below). PAGA Employees shall be bound to the PAGA Settlement irrespective of whether they exercise their option to opt out of the Class Settlement.

Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, will not be subject to taxes or withholdings, and will be reported on IRS Form 1099 (if applicable).

If the Court grants final approval of the Settlement, Defendant will fund the Total Settlement Amount in three (3) installment payments, over the course of approximately two (2) years, as follows (please note: the exact timing of funding and distribution of payments may be subject to change):

- Within five (5) business days of Final Approval, Defendant will make a deposit of one-third of the Total Settlement Amount (i.e., \$500,000.00) plus an amount sufficient to pay Employer Taxes, into a qualified settlement account established by the Settlement Administrator (“First Installment”).
 - Within seven (7) calendar days of the First Installment, the Settlement Administrator will issue approximately two-third (2/3) of the Individual Settlement Payments to Settlement Class Members.
- One (1) year after the funding of the First Installment, Defendant will make a deposit of one-third of the Total Settlement Amount (i.e., \$500,000.00), plus an amount sufficient to pay Employer Taxes, into the qualified settlement account established by the Settlement Administrator (“Second Installment”).
 - Within seven (7) calendar days of the funding of the Second Installment, the Settlement Administrator will issue the remaining portion of the Individual Settlement Payments to Settlement Class Members, Individual PAGA Payments to PAGA Employees, LWDA Payment to the LWDA, and Enhancement Payment to Plaintiff.
- One (1) year after the funding of the Second Installment, Defendant will make a deposit of the remaining one-third

of the Total Settlement Amount (i.e., \$500,000.00), into the qualified settlement account established by the Settlement Administrator (“Third Installment”).

- Within seven (7) calendar days of the funding of the Third Installment, the Settlement Administrator will issue the Attorneys’ Fees and Costs to Class Counsel and the Settlement Administration Costs to itself.

The timing of these distributions will depend on the date of Final Approval of the Settlement and the dates on which Defendant funds the installments (and Defendant has a 14-day grace period to cure untimely payment).

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members and Individual PAGA Payments will be mailed to PAGA Employees at the address that is on file with the Settlement Administrator. **If the address to which this Notice was mailed is not correct, or if you move after you receive this Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

The first Individual Settlement Payment check issued to Settlement Class Members after the First Installment (“First Class Payment”), will be valid and negotiable for one hundred and eighty (180) calendar days from the date the check is issued, and thereafter, shall be canceled. The Individual PAGA Payment check issued to PAGA Employees after the Second Installment will be valid and negotiable for one hundred and eighty (180) calendar days from the date the check is issued, and thereafter, shall be canceled. The second Individual Settlement Payment check issued to Settlement Class Members after the Second Installment (“Second Class Payment”), will be valid and negotiable for one hundred and eighty (180) calendar days from the date the check is issued, and thereafter, shall be canceled. In recognition that The People Concern is one of Los Angeles County’s largest non-profit organization providing housing, social, legal, and advocacy services to the indigent, pursuant to California Code of Civil Procedure Section 384, all funds associated with the above-referenced canceled checks will be transmitted to The People Concern within ten (10) calendar days of cancellation of each set of checks, and The People Concern shall hold said funds until the date that is one hundred and eighty (180) calendar days after the issuance of the Second Class Payment, to pay the Settlement Class Members and/or PAGA Employees whose checks were canceled should they come forward to request payment from The People Concern, and thereafter, the funds will be used by The People Concern, as *cy pres* funds, for the sole purpose of financing the \$250 per person training fee usually charged to each volunteer by The People Concern to administer to volunteers, the domestic violence counselor training program that must be completed per California Evidence Code section 1037.1 in order for said volunteer to participate in The People Concern’s domestic violence program “Sojourn,” to finance Sojourn’s legal department’s offering referrals, assistance with restraining orders, support navigating the domestic violence-related housing environment, and court accompaniment, among other things, to individuals receiving The People Concern’s services, and to finance Sojourn’s outreach and education department’s providing trainings, technical assistance, advocacy events, and educational resources to clients, their families, Sojourn staff, organizational partners, and the community at-large.

B. Your Workweeks and/or PAGA Workweeks Based on Defendant’s Records

According to Defendant’s records,

- **From February 24, 2017, through January 28, 2022 (i.e., the Class Period), you are credited with [REDACTED] Workweeks.**
- **From February 19, 2020, through January 28, 2022 (i.e., the PAGA Period), you are credited with [REDACTED] PAGA Workweeks.**

If you wish to dispute the Workweeks and/or PAGA Workweeks credited to you, you may submit your dispute by way of written letter that is sent to the Settlement Administrator that: (a) contains the case name and number of the Action (*Shannon Bostic v. Lamp Community, et.al.*, Case No. 21STCV07381); (b) contains your full name, signature, address, telephone number, and last four digits of your Social Security Number; (c) clearly states that you dispute the number of Workweeks and/or PAGA Workweeks credited to you and what you contend is the correct number to be credited to you; (d) includes information and/or attaches documentation demonstrating that the number of Workweeks and/or PAGA Workweeks that you contend should be credited to you are correct (do not send original documents); and (e) is returned by mail to the Settlement Administrator at the specified address listed in Section IV.B below, postmarked **on or before [Response Deadline]**.

C. Your Estimated Individual Settlement Share and/or Individual PAGA Payment

As explained above, your estimated Individual Settlement Share and/or Individual PAGA Payment (if applicable) is based on the number of Workweeks and/or PAGA Workweeks credited to you.

Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ [REDACTED]. The Individual Settlement Share is subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

Under the terms of the Settlement, your Individual PAGA Payment is estimated to be \$ [REDACTED] and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

The settlement approval process may take multiple months. Your Individual Settlement Share and/or Individual PAGA Payment (if applicable) reflected in this Notice is only an estimate. Your actual Individual Settlement Share and/or Individual PAGA Payment (if applicable) may be higher or lower.

D. Release of Claims

Upon the Effective Date and full funding of the Second Installment, Plaintiff and all Class Members who do not submit a timely and valid Request for Exclusion (i.e., Settlement Class Members) will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims.

Upon the Effective Date and full funding of the Second Installment, Plaintiff, the State of California with respect to all PAGA Employees, and all PAGA Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims.

"Released Class Claims" means any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, or causes of action which were alleged or which could have been alleged based on the factual allegations in the Operative Complaint, arising during the period from February 24, 2017 through [Preliminary Approval], under any federal, state or local law, and shall specifically include claims for Defendant's alleged failure to pay overtime and minimum wages, pay reporting time pay, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide compliant wage-statements, maintain complete and accurate payroll records, and reimburse necessary business-related expenses in violation of California Labor Code §§ 201, 202, 203, 204, 210, 226, 226.7, 510, 512, 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, 2802, and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Orders 4-2001 and 5-2001, and all claims for attorneys' fees and costs and statutory interest in connection therewith, California Business and Professions Code sections 17200, *et seq.* based on the aforementioned, and any other claims, including claims for statutory penalties, pertaining to the Class Members.

"Released PAGA Claims" means any and all claims arising from any of the factual allegation in the PAGA Letter, arising during the period from February 19, 2020 through [Preliminary Approval], for civil penalties under the Private Attorneys General Act of 2004, codified in California Labor Code § 2698, *et seq.*, including all claims for attorneys' fees and costs related thereto, for Defendant's alleged failure to pay overtime and minimum wages, pay reporting time pay, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide compliant wage statements, maintain complete and accurate payroll records, and reimburse necessary business-related expenses in violation of California Labor Code §§ 201, 202, 203, 204, 210, 226, 226.7, 510, 512, 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, 2802, and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Orders 4-2001 and 5-2001.

"Released Parties" means Defendant and its respective owners, agents, attorneys, insurers, past, present and future companies, divisions, affiliates, DBAs (if any), predecessors, successors, shareholders, officers, directors, managers, management employees, trustees, representatives, administrators, fiduciaries, assigns, subrogees, executors, partners, parents, subsidiaries, privies, and/or any and all persons and/or corporate entities acting by, through, under or in concert with any of them.

E. Attorneys' Fees and Costs to Class Counsel

Class Counsel will seek attorneys' fees in an amount not to exceed one-third (33.33%) of the Total Settlement Amount (i.e., \$500,000 if the Total Settlement Amount is \$1,500,000) and reimbursement of litigation costs and expenses in an amount

not to exceed Twenty-Five Thousand Dollars (\$25,000) (collectively, “Attorneys’ Fees and Costs”), subject to approval by the Court. The Attorneys’ Fees and Costs granted by the Court will be paid from the Total Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiff, Class Members, and PAGA Employees on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payment to Plaintiff

Plaintiff will seek an amount of up to Seven Thousand Five Hundred Dollars (\$7,500) to Plaintiff Gamboa (“Enhancement Payment”), in recognition of her services in connection with the Action. The Enhancement Payment will be paid from the Total Settlement Amount, subject to approval by the Court, and if awarded, will be paid to Plaintiff in addition to any Individual Settlement Payment and/or Individual PAGA Payment that she may be entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Seventeen Thousand Dollars (\$17,000) (“Settlement Administration Costs”) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objection, and dispute of Workweeks and/or PAGA Workweeks, calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Total Settlement Amount, subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Class Settlement and receive money from the Class Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released Class Claims described in Section III.D above.

If you are a PAGA Employee, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released PAGA Claims described in Section III.D above.

As a Class Member or PAGA Employee, you will not be separately responsible for the payment of attorney’s fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney’s fees and expenses.

B. Request Exclusion from the Class Settlement

Class Members may request to be excluded from the Class Settlement by submitting a letter indicating a request to be excluded from the Class Settlement (“Request for Exclusion”) to the Settlement Administrator.

A Request for Exclusion must: (a) contain the case name and number of the Action (*Shannon Bostic v. Lamp Community, et.al.*, Case No. 21STCV07381); (b) contain your full name, signature, address, telephone number, and last four digits of your Social Security Number; (c) clearly state that you do not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address below, postmarked **on or before** **[Response Deadline]**.

[Settlement Administrator]

[Mailing Address]

If the Court grants final approval of the Settlement, any Class Member who submits a timely and valid Request for Exclusion will not be issued an Individual Settlement Payment, will not be bound by the Class Settlement (and the release of Released Class Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a timely and valid Request for Exclusion will be deemed Settlement Class

Members and will be bound by all terms of the Class Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon. PAGA Employees will be bound to the PAGA Settlement (and the release of Released PAGA Claims described in Section III.D above) and will still be issued an Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion.

C. Object to the Class Settlement

You can object to the Class Settlement as long as you have not submitted a Request for Exclusion from the Class Settlement, by, submitting a written objection (“Notice of Objection”) to the Settlement Administrator or presenting your objection at the Final Approval Hearing.

A Notice of Objection must: (a) contain the case name and number of the Action (*Shannon Bostic v. Lamp Community, et.al.*, Case No. 21STCV07381); (b) contain your full name, signature, address, telephone number, and last four digits of your Social Security Number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address listed in section IV.B above, postmarked **on or before [Response Deadline]**.

The Court will hear from any Settlement Class Member who attends the Final Approval Hearing and asks to speak regarding his or her objection, regardless of whether they first submitted a written objection.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 17 of the Los Angeles County Superior Court, located at the Spring Street Courthouse, 312 North Spring Street, Los Angeles, California 90012, on **[date]**, at **[time]**, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and grant the Attorneys’ Fees and Costs to Class Counsel, Enhancement Payment to Plaintiff, and Settlement Administration Costs to the Settlement Administrator.

The Final Approval hearing may be continued without further notice to Class Members and PAGA Employees. It is not necessary for you to appear at the Final Approval Hearing, although you may appear by audio or video if you wish to.

Please note, telephonic or remote appearances through audio and video conference, through the Court’s LA CourtConnect system, are an option. You can find information regarding the Court’s most recent guidelines for accessing court facilities online at: <https://www.lacourt.org/>.

You can find information regarding appearing remotely through LA CourtConnect for a civil case online at: <http://www.lacourt.org/lacceligibility/ui/civil.aspx?casetype=ci>.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers which are on file with the Court.

You may view the Settlement Agreement and other court records in the Action for a fee by making an appointment in advance and visiting the civil clerk’s office during business hours, located at the Los Angeles County Superior Court, Stanley Mosk Courthouse, 111 North Hill Street, California, 90012, or online by visiting the following website: <https://www.lacourt.org/casesummary/ui>.

You may also visit the Settlement Administrator’s website at **[redacted]** for more information and documents relating to the Settlement, including the Final Approval Order and Judgment.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE

FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.

EXHIBIT 2



May 31, 2023

BY ONLINE SUBMISSION

California Labor & Workforce Development Agency
PAGAfiling@dir.ca.gov

Re: LAMP COMMUNITY; LAMP, INC.; THE PEOPLE CONCERN

Dear Representative:

On February 19, 2021, we submitted written correspondence to you advising you of Shannon Bostic's intent to seek civil penalties for violations of the California Labor Code, which are recoverable under California Labor Code section 2698, *et seq.*, the Labor Code Private Attorneys General Act of 2004 ("PAGA") and all other remedies available under PAGA, on behalf of the State of California with respect to aggrieved employees against The People Concern, successor by merger to Lamp, Inc., dba Lamp Community (including any and all affiliates, subsidiaries, parents, directors, officers, and employees) (collectively referred to as "TPC"). Please find attached as "**Exhibit A**" said correspondence. Thereafter, Ms. Bostic commenced her lawsuit, *Shannon Bostic v. Lamp Community, et al.*, Los Angeles Superior Court Case No. 21CMCV00097 ("*Bostic* PAGA Action"), asserting a cause of action under PAGA against TPC. Please find attached hereto as "**Exhibit B**" the operative complaint in the *Bostic* PAGA Action. Additionally, Ms. Bostic asserted a cause of action under PAGA against TPC in the putative wage and hour class action entitled *Shannon Bostic v. Lamp Community, et al.*, Los Angeles Superior Court Case No. 21STCV07381 ("*Bostic* Class Action"). Please find attached hereto as "**Exhibit C**" the operative complaint in the *Bostic* Class Action. Ms. Bostic was assigned PAGA Case number LWDA-CM-822272-21 by your agency.

We write to you today to advise you that we have been retained to represent Socorro Gamboa against TPC, to pursue civil penalties and other claims for violations of the California Labor Code, and that Ms. Gamboa currently intends to be added as a named plaintiff in the *Bostic* Class Action, however, she may consider filing her own separate action if necessary. Ms. Gamboa intends to seek penalties for violations of the California Labor Code, which are recoverable under PAGA and all other remedies available under PAGA.

Ms. Gamboa intends to seek these remedies on behalf of the State of California and "aggrieved employees," as defined herein. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

TPC employed Ms. Gamboa as an hourly-paid, non-exempt employee from approximately November 2018 to approximately June 2020, in the State of California.

410 ARDEN AVE, SUITE 203 / GLENDALE, CA 91203
(818) 265-1020 / WWW.CALLJUSTICE.COM

The “aggrieved employees” with respect to whom Ms. Gamboa intends to seek civil penalties on behalf of are all current and former hourly-paid or non-exempt employees who worked for TPC within the State of California from the period February 19, 2020 to present.

Based on the following facts and theories, TPC has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201, 202, 203, 204, 210, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and Industrial Welfare Commission Wage Orders including *inter alia*, Wage Orders 4-2001 and 5-2001.

TPC required aggrieved employees to perform work off-the clock, before their scheduled shifts, after their scheduled shifts, and during meal breaks, and/or perform work during rest breaks, and failed to compensate aggrieved employees for this time. Such work included, but was not limited to, assisting patients and clients, answering phones, serving meals, taking vitals, performing patient and client rounds, and responding to work-related inquiries.

California Labor Code sections 510 and 1198 require employers to pay time-and-a-half or double time overtime wages, and make it unlawful to work employees for hours longer than eight (8) hours in one day, over forty (40) hours in one week, and/or more than six (6) consecutive days in one week, without paying the premium overtime rates at one-and-one-half times or double the regular rate of pay, including additional remuneration. During the relevant time period, Ms. Gamboa and other aggrieved employees worked in excess of eight (8) hours in a day, forty (40) hours in a week, and/or six (6) days in a workweek without overtime compensation. Therefore, Ms. Gamboa and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked. TPC effectively paid zero dollars per hour for time Ms. Gamboa and the other aggrieved employees worked off-the-clock performing work duties, which resulted in an underpayment of overtime wages to Ms. Gamboa and other aggrieved employees. Also, TPC’s failure to pay overtime wages also includes, and is not limited to, its failure to properly calculate the regular rate of pay and failure to include non-discretionary commission, bonus, production, performance, incentive (monetary and non-monetary), and/or shift differential pay in its calculation of the regular rate of pay used to calculate the overtime rate for the payment of overtime wages. For example, TPC failed to compensate aggrieved employees at one-and-one half times the appropriate regular rate of pay, instead paying them only their base hourly rate, or at times less than that rate, for hours worked in excess of eight (8) hours in a day, forty (40) hours in a week, and/or six (6) days in a workweek.

California Labor Code sections 226.7 and 512 require employers to pay an employee one additional hour of pay at the employee’s regular rate for each meal or rest period that is not provided. During the relevant time period, TPC required Ms. Gamboa and other aggrieved employees to work during meal and rest periods and failed to compensate them properly for non-compliant meal and rest periods including, *inter alia*, short, late, interrupted, and missed meal and rest periods. TPC required aggrieved employees to remain working through what should have been a duty-free meal or rest period, failed to relieve aggrieved employees of all duties and relinquish control over how they spent their meal and rest periods, and failed to provide compliant meal and rest periods. TPC required Ms. Gamboa and other aggrieved employees to remain on premises during meal and rest periods, and also required them to record 30-minute and 60-minute meal periods notwithstanding that said meal periods were interrupted, shortened, late, and/or

missed. Also, TPC failed to properly calculate the regular rate of pay, by failing to include non-discretionary commission, bonus, production, performance, incentive (monetary and non-monetary), and/or shift differential pay in its calculation of the regular rate of pay used to calculate and pay meal and rest premiums.

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. During the relevant time period, TPC failed to pay Ms. Gamboa and other aggrieved employees all wages due to them within any time period specified by California Labor Code sections 201 and 202, including earned and unpaid minimum, overtime, and premium wages as discussed above. For example, Ms. Gamboa and other aggrieved employees were not paid at the time of their discharge those wages earned and unpaid throughout their employment, including but not limited to, wages for time worked off-the-clock to perform work duties, for meal and rest period premium payments, and as a result of TPC's failure to properly calculate the regular rate of pay (for payment of overtime and meal and rest premiums), and requirement that 30-minute or 60-minute meal periods be recorded regardless of whether a compliant meal period was provided.

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, TPC failed to pay Ms. Gamboa and other aggrieved employees all wages due to them within any time period specified by California Labor Code section 204, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 226 requires employers to make, keep and provide complete and accurate itemized wage statements to their employees. During the relevant time period, TPC did not provide Ms. Gamboa and other aggrieved employees with complete and accurate itemized wage statements. The wage statements they received from TPC were in violation of California Labor Code section 226(a). The violations include, but are not limited to, the failure to include the total hours worked, the actual amount of gross and net wages earned, and the appropriate pay rate attributable to the actual hours worked by Ms. Gamboa and other aggrieved employees, as a result of, e.g., Defendant's requiring work off-the-clock and failure to correctly calculate the regular rate of pay as discussed above.

California Labor Code sections 551 and 552 require that every person employed in any occupation of labor is entitled to one day's rest in a seven-day workweek, that no employer of labor shall cause his employees to work more than six days in a workweek, and that an employer shall pay a civil

penalty in the amounts of fifty dollars (\$50) for each aggrieved employee per pay period for the initial violation and one hundred dollars (\$100) for each aggrieved employee per pay period for each subsequent violation. During the relevant time period, Ms. Gamboa and the aggrieved employees were required to regularly and/or consistently work in excess of six (6) days in a workweek. During the relevant time period, Ms. Gamboa and the aggrieved employees were required to work in excess of thirty (30) hours in a week and/or six (6) hours in any one (1) day thereof, during workweeks in which they were required to work in excess of six (6) days. During the relevant time period, Ms. Gamboa and the aggrieved employees were required to work in excess of six (6) days in a workweek without accumulating or being provided the opportunity to take at least one (1) day of rest, and when Ms. Gamboa and the aggrieved employees accumulated days of rest, they were not actually provided the opportunity to take the equivalent of one (1) day's rest in seven (7) during each calendar month.

California Labor Code sections 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case shall be kept on file for not less than two years. During the relevant time period, TPC failed to keep accurate and complete payroll records showing the actual hours worked daily and the wages earned by Ms. Gamboa and other aggrieved employees, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code sections 1194, 1197, and 1197.1 provide the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful. During the relevant time period, TPC did not provide Ms. Gamboa and other aggrieved employees with the minimum wages to which they were entitled for work performed "off-the-clock." For example, TPC effectively paid zero dollar per hour for time that Ms. Gamboa and other aggrieved employees worked off-the-clock to perform work duties, and to the extent it required 30-minute or 60-minute meal periods be recorded regardless of whether a compliant meal period was provided.

California Labor Code section 1198 provides that "The employment of any employee ... under conditions of labor prohibited by the [Industrial Wage Orders] is unlawful." The applicable Industrial Wage Orders, including *inter alia*, Wage Orders 4-2001, and 5-2001, require that for each workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work, the employee shall be paid for half the usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee's regular rate of pay. Further, if an employee is required to report for work a second time in any one workday and is furnished less than two (2) hours of work on the second reporting, said employee shall be paid for two (2) hours at the employee's regular rate of pay. During the relevant time period, TPC failed to pay Ms. Gamboa and other aggrieved employees half the usual or scheduled day's work in an amount no less than two (2) hours nor more than four (4) hours at the employee's regular rate of pay for workdays in which Ms. Gamboa and the other aggrieved employees reported to work and were furnished less than half the usual or scheduled day's work. During the relevant time period, TPC failed to pay Ms. Gamboa and other aggrieved employees for two (2) hours at the employee's regular rate of pay on days in which Ms. Gamboa and the other aggrieved employees were required to report for work a

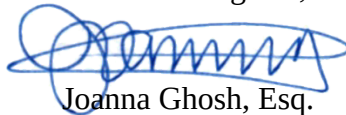
second time in one workday and were furnished less than two (2) hours of work upon the second reporting.

California Labor Code sections 2800 and 2802 require an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. During the relevant time period, Ms. Gamboa and other aggrieved employees incurred necessary business-related expenses and costs that were not fully reimbursed by TPC. These costs include, but are not limited to, the use of personal phones for work-related tasks, the use of personal vehicles for business-related tasks, purchase and maintenance of PPE, equipment, and supplies, and the purchase and maintenance of shoes or other footwear.

Therefore, on behalf of the State of California and with respect to all aggrieved employees, Ms. Gamboa seeks all applicable civil penalties arising out of the above-referenced wage, hour, and payroll practices, or which could be assessed and collected by the Labor and Workforce Development Agency, for violation of the California Labor Code pursuant to PAGA.

If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter and the noble cause you advance each and every day.

With kind regards,



Joanna Ghosh, Esq.

Cc: (By U.S. Certified Mail / Return Receipt Requested)

The People Concern, successor by merger to Lamp, Inc. dba Lamp Community
c/o John Maceri
2116 Arlington Ave., Suite 100
Los Angeles, California 90018

Marie Davis, Esq.
Evelyn Zarraga, Esq.
LANDEGGER RIVAS VERANO & DAVIS, ALC
15760 Ventura Blvd., Suite 1200
Encino, California 91436

Erin Ezra
Berger Kahn, A Law Corporation
1 Spectrum Pointe Dr., Suite 340
Lake Forest, CA 92630