

D.LAW, INC.

Roman Shkodnik (SBN 285152)

r.shkodnik@d.law

Enoch J. Kim (SBN 261146)

e.kim@d.law

Amanda Fazio (SBN 346350)

a.fazio@d.law

Antonia McKee (SBN 344511)

a.bliznets@d.law

250 N Madison Ave, 2nd Floor

Pasadena, CA 91101

Telephone: (818) 962- 6465

Facsimile: (818) 962-6469

[Additional Counsel listed on following page]

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SOLANO

BLANCA RIVERA and GUSTAVO
HERNANDEZ, on behalf of themselves
and others similarly situated,

Plaintiffs,

v.

LEGENDARY STAFFING, INC. dba
FOR LEGENDARY STAFFING, a
California corporation; ATLANTIC
SOLUTIONS GROUP, INC., a Delaware
Corporation; EMPIRE WORKFORCE
SOLUTIONS, an entity of unknown form;
BARONHR, LLC dba THE BARONHR
FAMILY OF STAFFING COMPANIES,
a Delaware limited liability company;
VALLEY FINE FOODS COMPANY,
LLC, a California limited liability
company; and DOES 1 through 50,
inclusive,

Defendants.

Case No.: CU23-01485

CLASS ACTION

Assigned for All Purposes To:

Hon. Stephen Gizzi

Dept.: 3

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

Hearing Information:

Date: September 18, 2026

Time: 9:00 a.m.

Dept.: 3

Original Complaint Filed: May 17, 2023

First Amended Complaint Filed: August 23, 2023

Trial Date: None Set

DAVID YEREMIAN & ASSOCIATES, INC.

David Yeremian (SBN 226337)

d.yeremian@d.law

250 N Madison Ave, 2nd Floor

Pasadena, CA 91101

Telephone: (818) 962- 6465

Facsimile: (818) 962-6469

Attorneys for Plaintiff GUSTAVO HERNANDEZ on
behalf of himself and others similarly situated

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 0
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 0
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8

1. I am an attorney licensed and admitted to practice before all courts of the State of California and the United States District Courts for the Central, Southern, Eastern and Northern Districts of California. I am Senior Counsel at D.Law, Inc. (“D.Law”), and attorney of record for Plaintiff GUSTAVO HERNANDEZ (“Plaintiff Hernandez” or referred specifically in singular as “Plaintiff”) on behalf of similarly situated employees of Defendants LEGENDARY STAFFING, INC. dba FOR LEGENDARY STAFFING (“Legendary Staffing”), Defendant ATLANTIC SOLUTIONS GROUP INC. (“Defendant Atlantic Solutions”), Defendant EMPIRE WORKFORCE SOLUTIONS (“Defendant Empire Workforce”), Defendant BARONHR, LLC dba THE BARONHR FAMILY OF STAFFING COMPANIES (“Defendant” BaronHR”), and Defendant VALLEY FINE FOODS COMPANY, LLC (“Defendant Valley Fine Foods Company, LLC”) (together referred to as “Defendants,” Defendants and Plaintiff together referred to as the “Parties”).

2. All of the matters set forth herein are within my personal knowledge, except those matters that are stated to be upon information and belief. As to such matters, I believe them to be true. I submit this Declaration in support of the Motion for Preliminary Approval, filed by Plaintiff, on behalf of himself and other similarly situated employees of Defendants, and without opposition from Defendants, for preliminary approval of the Parties' Joint Stipulation of Class and PAGA Settlement ("Settlement Agreement" or "Settlement"), a true and correct copy of which is attached hereto as **Exhibit 1**.

22
23
24
25
26
27
28

3. D.Law (formerly known as Davtyan Law Firm) prosecutes wage and hour cases, including class actions and PAGA actions on behalf of employees and others who have had their rights violated. D.Law, either on its own or with co-counsel, is currently serving as plaintiffs' counsel of record in numerous wage and hour and employment class action and PAGA action cases pending in both state and federal court.

1 4. D.Law is well-qualified and has ample experience, knowledge, and resources to act as
2 counsel and represent Plaintiff and the putative Class and aggrieved employees in this action. Our
3 practice is exclusively focused on employment matters and representing plaintiffs in wage and
4 hour actions with the same or similar causes of actions brought forth in the matter pending before
5 this Court.

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

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

27 6. As Senior Counsel at D.Law, I manage the class action and PAGA settlement
28 department. I was admitted to the California Bar in December 2008. I received my J.D. from

1 Pepperdine University School of Law and B.S. from University of Southern California. Since
2 graduating from law school, I have dedicated virtually my entire career on the practice of
3 employment law. I have practiced employment law from the plaintiff's side, defense side, and
4 from an in-house position. I have significant experience specifically working on wage and hour
5 class actions from the plaintiff's side as well as the defense side, with the majority of my
6 experience coming from the plaintiff's side representing employees and obtaining significant
7 settlements on their behalf.

8 7. Attorney David Yeremian is Managing Attorney at D.Law and counsel of record for
9 Plaintiff. Mr. Yeremian graduated from UC Berkeley in 1997 and received his law degree and
10 MBA from UCLA in 2001. Mr. Yeremian has been honored as a Super Lawyers Rising Star in
11 2009, 2010, 2012-2015 and has been named and honored as a Super Lawyer. Since 2007, Mr.
12 Yeremian has focused exclusively on representing employees, including in wage-and-hour class
13 actions. During his career, Mr. Yeremian has represented employees in hundreds of wage-and-
14 hour class action lawsuits as lead or co-lead counsel (including in the Central, Southern, Eastern,
15 and Northern Districts of California), and has obtained six and seven-figure settlements against a
16 range of defendants, including Fortune 500 companies.

17 8. The collective experience of the D.Law attorneys in litigating employment wage and
18 hour matters has been integral in identifying legal issues, evaluating the strengths and weaknesses
19 of a case, and generally negotiating fair and reasonable class and representative action
20 settlements. Practice in the narrow field of wage and hour litigation requires skill and knowledge
21 concerning the constantly evolving substantive law (state and federal), as well as the procedural
22 law of class and representative action litigation. In this action, the attorneys at D.Law are fully
23 equipped to use the skills and knowledge developed over decades of prosecuting and defending
24 wage and hour class actions to fairly and adequately represent the interests of the class members.
25 Therefore, based on our resources, experience, and knowledge, the attorneys at D.Law are well-
26 qualified to act as class counsel and represent Plaintiff and the putative class members in this
27 action.

28 9. For purposes of this motion, the "Class" or "Class Members" consist of "all temporary

1 non-exempt individuals who were placed by Defendant BaronHR and/or Legendary Staffing to
2 work at Defendant Valley Fine Foods Company, LLC in California during the Class Period,”
3 which is the period “from May 17, 2019, to November 5, 2024.” (Exh. 1 §§ 9 and 10.) For
4 purposes of this motion, an “PAGA Member(s)” means “all temporary non-exempt individuals
5 who were placed by Defendant BaronHR and/or Legendary Staffing to work at Defendant Valley
6 Fine Foods Company, LLC in California during the during the PAGA Period,” which is the
7 period beginning “May 17, 2022 to November 5, 2024.” (Exh. 1 §§ 29 and 30.)

8 10. I do not believe that I have any conflicts of interest with the Class or with the Class
9 Representative. I am not related to the Class Representatives. I have not previously represented
10 Defendants in any matter. I respectfully submit that I, and D.Law are well suited to act as Class
11 Counsel in this action, and we have and will continue to vigorously represent the interests of the
12 Class Members.

13 **PROCEDURAL HISTORY**

14 11. On May 17, 2023, Plaintiff Hernandez and Plaintiff Blanca Rivera (“Plaintiff Rivera”)
15 (together “Plaintiffs”) filed a class action complaint in Solano Superior Court alleging the
16 following claims: (1) failure to pay minimum wages; (2) failure to pay wages and overtime under
17 Labor Code section 510; (3) meal-period liability under Labor Code section 226.7; (4) rest-break
18 liability under Labor Code section 226.7; (5) violation of Labor Code section 226; (6) failure to
19 keep required payroll records under Labor Code section 1174 and 1174.5; (7) penalties pursuant
20 to Labor Code section 203; (8) violation of the Unfair Competition Law. (Exh. 1, § 45.) On
21 August 22, 2023, Plaintiffs filed the operative first amended complaint adding a claim for civil
22 penalties under PAGA (“Operative Complaint”). The PAGA Notice submitted on behalf of
23 Plaintiff is attached hereto as **Exhibit 2**.

24 12. Plaintiffs have not filed a motion for class certification in the Action, nor has a date
25 been set by the Court for the filing of such a motion.. (Exh. 1, § 47.)

26 **PLAINTIFF’S CLAIMS AND DEFENDANTS’ DENIALS**

27 13. Plaintiff’s claims are based on Defendants’ alleged failure to pay Class Members all
28 wages due and owing (including off-the-clock work, and overtime), failure to provide meal and

1 rest breaks, failure to furnish accurate wage statements, failure to timely pay wages including
2 final wages, and largely derivative claims under the Unfair Competition Law (“UCL”) and
3 PAGA.

4 14. Specifically, Plaintiff alleges that Defendants required Plaintiff and Class Members to
5 perform pre-shift off-the-clock work, including making Plaintiff and Class Members to stand in
6 lines to clock in.

7 15. Plaintiff also alleges that Defendants systematically denied Plaintiff and Class
8 Members the opportunity to take meal periods and rest periods, as Plaintiff and Class members
9 were required to work during their meal and rest breaks. Furthermore, Defendants failed to
10 compensate Plaintiff and Class Members for each meal period or rest period not provided at
11 regular rates.

12 16. Defendants deny each and all the allegations in the Operative Complaint and PAGA
13 Notice, deny any failure to comply with the laws identified in the Operative Complaint, and
14 denies any and all liability for the causes of action alleged.

15 **INVESTIGATION AND DISCOVERY**

16 17. Before filing the lawsuit, Class Counsel investigated and researched the facts and
17 circumstances underlying the pertinent issues and the law applicable thereto. This required
18 thorough discussions and interviews between Class Counsel and Plaintiff, as well as preliminary
19 research into the various legal issues involved in the case. After conducting their initial
20 investigation, Class Counsel determined that Plaintiff’s claims were well-suited for class and
21 representative action adjudication owing to what appeared to be a common course of conduct
22 affecting a similarly situated group of employees.

23 18. After filing the lawsuit, Class Counsel conducted a thorough investigation of the facts
24 and claims giving rise to the action, including: (1) conducting informal discovery and meeting
25 and conferring with defense counsel about the same; (2) hiring an expert to review and analyze a
26 sampling of time records; (3) researching the applicable law and potential defenses; (4)
27 constructing damage models based on interpretations of California law; and (5) reviewing
28 information provided by Defendants at mediation.

19. Defendants, for their part, vigorously contested liability, the amount of claimed damages, and the propriety of class certification. After Class Counsel analyzed the relevant documents and other gathered data, Class Counsel believed that this case was appropriate for resolution via mediation. Given the high level of risk present for both sides, the Parties elected to mediate Plaintiff's claims and explore the possibility of settlement.

20. On November 5, 2024, the Parties participated in private mediation before well-respected mediator Brandon McKelvey and reached a settlement of the claims in the Action. During mediation, Plaintiff's and Defendants' counsel discussed all aspects of the case, including the risks of litigation and the risks to both parties of proceeding with a motion for class certification as well as the law relating to unpaid wages, meal periods, rest periods, wage statements, and final pay. As a result of the mediation, the Parties agreed to settle the lawsuit according to the terms set forth in the Settlement Agreement.

21. From Class Counsel's review of the strengths and weaknesses of the case and the risks and delays posed by further litigation, Class Counsel believes that the Settlement is fair and reasonable. Further, and based on the settlement negotiations, which were extensive and conducted in good faith and at arm's length between attorneys with substantial experience litigating class actions and wage and hour cases, the Settlement Agreement was the product of a non-collusive settlement process in which the Parties were forced to make significant compromises in the interest of reaching a full and complete settlement of the lawsuit.

SUMMARY OF SETTLEMENT

22. Under the terms of the proposed Settlement Agreement, Defendant Valley Fine Foods Company, LLC has agreed to pay \$160,000.00 as the Maximum Settlement Amount on a non-reversionary basis. (Exh. 1, § 54.) Defendant Valley Fine Foods Company, LLC shall fully fund the Maximum Settlement Amount, which is inclusive of all amounts Defendants are required to pay under the Settlement except that Defendants will fund Employer portion of applicable taxes. (Exh. 1 § 54.)

23. The Settlement Agreement defines the “Class” as “means all temporary non-exempt individuals who were placed by Defendant BaronHR and/or Legendary Staffing to work at

1 Defendant Valley Fine Foods Company, LLC in California during the Class Period,” which is the
2 period from May 17, 2019 to November 5, 2024. (Exh. 1 §§ 9 and 10.) However, it does not
3 include any person who submits a timely and valid request for exclusion. (Exh. 1, § 59.)

4 24. The “Net Settlement Amount” means the amount from the Maximum Settlement
5 Amount that is available for distribution as Individual Class Payments for Participating Class
6 Members after deducting (1) the PAGA Allocation (which includes the LWDA Payment and the
7 Individual PAGA Payments), (2) Plaintiff’s Enhancement Payment, (3) Class Counsel’s
8 Attorneys’ Fees and Costs, and (4) Administration Expenses. (Exh. 1, § 25.) These amounts are
9 detailed as follows:

- 10 • Class Counsel’s Attorneys’ Fees of one-third of the Maximum Settlement Amount,
11 which is currently estimated to be \$53,333.33 and reasonable costs and expenses not
12 to exceed \$25,000.00; (Exh. 1, § 54(b).)
- 13 • Administration Expenses of not more than \$13,200.00 to Apex to serve as the
14 Administrator; (Exh. 1, § 54(a).);
- 15 • Plaintiff’s Enhancement Payment of \$7,500.00 to Plaintiff; and (Exh. 1, § 54(c).)
- 16 • PAGA Penalties in the amount of \$10,000.00 for civil penalties under PAGA, with
17 75% (\$7,500.00) paid to the LWDA for the LWDA PAGA Payment and 25%
18 (\$2,500.00) paid to PAGA Members for their Individual PAGA Payments. (Exh. 1,
19 §§ 54(d)(i) and 54(d)(ii).)

20 25. The “Individual Class Payment(s)” means the Participating Class Members’ pro rata
21 shares of the Net Settlement Amount calculated based on the number of workweeks worked
22 during the Class Period. (Exh. 1, §20.)

23 26. The “Individual PAGA Payment(s)” means PAGA Members’ pro rata shares of
24 twenty-five percent (25%) of the PAGA Allocation based on the number of pay periods each
25 PAGA Member worked during the PAGA period. (Exh. 1, § 21.)

26 27. Defendants will pay their employer-side payroll tax obligations on the Wage Portion of
27 the Individual Class Payments in addition to the Gross Settlement Amount. (Exh. 1, § 54.) Each
28 Individual Class Payment to a Participating Class Member will be attributed 20% as wages and

1 80% as penalties and interest. (54(e)).

2 28. The settlement amount was a compromise figure, factoring in the inherent risks related
3 to certification, liability and damages. However, taking into account all of the circumstances of
4 the action and the defenses raised by Defendants against certification, liability and damages,
5 Class Counsel believes that the settlement is fair and reasonable.

6 29. Class Members will receive the Class Notice via first class mail (after the Settlement
7 Administrator conducts a national change of address search). (Exh. 1, § 68.) If the Class Notice is
8 returned as non-deliverable on or before the Response Deadline and a new address is obtained by
9 way of a returned Class Notice, then the Settlement Administrator will promptly forward the
10 original Class Notice to the updated address via first-class regular U.S. mail. (Exh. 1, § 69.) If
11 there is no forwarding address, the Administrator will do a skip-trace search for a more recent
12 address associated with the Class Member whose Notice Packet was returned, and re-mail the
13 Notice Packet within five (5) calendar days; this search and re-mailing will be performed only
14 once per Class Member by the Administrator. (Exh. 1, § 69.)

15 30. Class Members will have an opportunity to dispute the Workweeks and PAGA Pay
16 Period information provided in their Class Notice and produce evidence to support their
17 contentions. (Exh. 1, § 68(a).) The Settlement Administrator shall decide and resolve the dispute.
18 (Exh. 1, § 68(a).)

19 31. Class Members wishing to opt out from the Settlement Agreement must send a signed
20 written request for exclusion to the Settlement Administrator within 60 days from the initial
21 mailing of the Class Notice. (Exh. 1, § 68(b).) Participating Class Members will also have the
22 opportunity to object to the Settlement Agreement by filing a written objection with the Court and
23 mailing a copy to the Settlement Administrator, no later than the Response Deadline. (Exh. 1, §
24 68(c).)

25 **THE STRENGTH OF PLAINTIFF'S CASE**
26 **IN LIGHT OF THE SETTLEMENT AMOUNT**

27 32. Because the class consists of numerous employees, it was unlikely that the potential
28 monetary claims of individual Class Members would have proved viable without the class-action

1 mechanism. The Settlement Agreement should be approved in light of two California appellate
2 decisions: *Clark v. American Residential Services LLC* (2009) 175 Cal.App.4th 785 and *Kullar v.*
3 *Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116.

4 33. The strength of the plaintiffs' case in light of the settlement amount is deemed by
5 courts to be the "most important." *Clark v. American Residential Services, LLC* (2009) 175
6 Cal.App.4th 785, 799 (citing *Kullar*). Here, Plaintiff alleges that Defendants failed to pay Class
7 Members all wages due and owing (including off-the-clock work, and overtime), failed to provide
8 meal and rest breaks, failed to furnish accurate wage statements, and failure to timely pay wages
9 including final wages. Plaintiff seeks related violations of California's Business & Professions
10 Code, and penalties pursuant to Labor Code § 2699 *et seq.* Plaintiff conducted discovery and
11 investigated each of the claims they alleged. Specifically, Defendant Valley Fine Foods
12 Company, LLC produced a sample of time records; (b) information on the class demographics
13 including the total number of Class Members, and total number of workweeks. The merits of each
14 of these claims will be addressed separately below.

15 34. Based on the data provided, Class Counsel estimated the realistic exposure on the
16 primary claims in this case as follows: unpaid minimum wage claims at **\$20,897.20**, meal period
17 claim at **\$6,774.20**, rest period claim at **\$85,806.00**, wage statement claim at **\$44,250.00**, waiting
18 time penalties at **\$173,374.85**, and on PAGA at **\$28,789.00**, for a total realistic maximum
19 exposure of **\$359,882.25**.

20 35. Class Counsel believes that the settlement is fair and reasonable and serves the best
21 interests of Class Members. Although the recommendations of counsel proposing the class
22 settlement are not conclusive, the Court can properly take the recommendations into account,
23 particularly if counsel has been involved in litigation for some period of time, appear to be
24 competent, and have experience with this type of litigation, and significant discovery has been
25 completed. *See Newberg*, §11.47.

26 **Minimum Wages and Overtime**

27 36. Plaintiff alleges that Defendants failed to pay Plaintiff and Class Members proper
28 minimum wages for all hours worked and proper overtime wages for hours worked in excess of

1 eight hours in a day and 40 hours a week. Specifically, Plaintiff alleges that Plaintiff and Class
2 Members were required to work “pre-shift” off-the clock without compensation by standing in
3 lines to clock-in. Furthermore, Plaintiff alleges that Plaintiff and Class Members regularly worked
4 over 8 hours on a given day without receiving overtime compensation.

5 37. Defendants contended that they paid for all reported hours worked, that they instructed
6 Class Members to record all hours worked, that any off-the-clock work performed was without
7 Defendants’ knowledge and de minimis, and that they paid proper minimum and overtime wages.
8 Defendants argued that given their written policies and practices, any unrecorded hours were
9 likely subject to individualized inquiry and unlikely to be certified. Given the difficulty in
10 certifying this claim, Class Counsel had to apply a significant discount to damages based on this
11 theory.

12 38. Based on the above detailed facts, Class Counsel’s expert estimated Defendants’
13 exposure on unpaid wages claims to be approximately \$104,486.00 (based on 10 minutes off the
14 clock work per shift and assuming 90.8% of off the clock hours attributable to overtime).
15 However, given Defendant’s defenses and the potential hurdles facing certification of this claim,
16 Class Counsel applied an 80% discount making for an adjusted exposure of \$20,897.20 for
17 Defendants.

18 **Meal Periods and Rest Breaks**

19 39. Plaintiff alleged that Defendants consistently failed to provide timely and uninterrupted
20 meal breaks to Class Members. *See Brinker Restaurant Corp. v. Super. Ct.* (2012) 53 Cal.4th
21 1004, 1040 (“[T]he wage order’s meal period requirement is satisfied if the employee (1) has at
22 least 30 minutes uninterrupted, (2) is free to leave the premises, and (3) is relieved of all duty for
23 the entire period.”).

24 40. Plaintiff argued that Defendants had a common practice and policy of denying
25 compliant meal periods, and failed to pay premium wages at applicable regular rates of pay in lieu
26 thereof. Specifically, Plaintiff alleges that Plaintiff and Class Members were consistently required
27 to work through their meal periods which they were consistently denied. On the occasions when
28 Defendants did pay any meal period premiums, Plaintiff alleges that Defendants did not factor in

1 all forms of remuneration to calculate the proper regular rate.

2 41. Defendants disagreed with Class Counsel's interpretation of the law and facts.
3 Defendants contended that Class Members were given a reasonable opportunity to take their meal
4 periods, and in fact received their meal periods most of the time. Defendants argued they have a
5 high meal period compliance rate and paid meal period premiums when meal periods were not
6 provided.

7 42. Class Counsel's expert calculated Defendants' maximum total exposure on the meal
8 break claim at approximately \$33,871.00. However, Class Counsel believes this estimate is high
9 given Defendants' defenses and potential hurdles facing certification of this claim and thus
10 provided an 80% discount making Defendants' adjusted exposure \$6,774.20.

11 43. The same argument applied to rest breaks. Plaintiff contended that Defendants did not
12 provide Class Members with paid 10-minute rest breaks for every four hours or major fraction
13 thereof. Plaintiff alleged that Class Members consistently worked in excess of consecutive four-
14 hour shifts and were entitled to paid rest breaks of not less than ten minutes for each consecutive
15 four-hour shift which they were denied. Plaintiff alleges that Defendants failed to provide
16 Plaintiff and Class Members with timely rest breaks, and failed to properly compensate Plaintiff
17 and Class Members for each rest period not provided. On the occasions when Defendants did pay
18 any rest period premiums, Plaintiff alleges that Defendants did not factor in all forms of
19 remuneration to calculate the proper regular rate.

20 44. Defendants maintained that they did provide the reasonable opportunity for Class
21 Members to take duty-free rest breaks. Defendants also pointed out that, unlike meal periods, rest
22 breaks need not be recorded, so any rest break violations would likely be difficult to prove at trial
23 and difficult to certify. Defendants dispute all allegations that breaks were not received. As these
24 considerations would likely depress the damages *vel non* ultimately awarded, Class Counsel
25 applied significant and appropriate discounts to the rest-break claim.

26 45. Based on Class Counsel's expert's analysis, Class Counsel estimated Defendant's
27 maximum total exposure on the rest break claim at approximately \$429,030.00 (23,835 rest break
28 violations x \$18.00 average rate of pay). However, Class Counsel believes this estimate is high

1 given the difficulty of proving rest break violations at trial and the potential hurdles facing
2 certification of this claim difficult to achieve, and thus applied an 80% discount making
3 Defendant's exposure more likely to be \$85,806.00.

4 **Paystub Violations**

5 46. Plaintiff also contended that Defendants failed to provide Class Members with
6 accurate, itemized wage statements in writing as required by California Labor Code § 226(a)
7 because the wage statements failed to accurately account for unpaid minimum wages and
8 overtime due to underreporting of hours and off the clock work. Moreover, Plaintiff contended
9 the wage statements failed to accurately account for premium pay for deficiently provided meal
10 and rest breaks which Defendants knew or reasonably should have known were owed to Plaintiff
11 and Class Members. As a direct and proximate cause of Defendants' violation of Labor Code §
12 226(a), the Class Members suffered injuries, including among other things confusion over
13 whether they received all wages owed them. Pursuant to Labor Code §§ 226(a) and 226(e),
14 employees are entitled to recover the greater of all actual damages or fifty dollars (\$50) for the
15 initial pay period in which a violation occurs and one hundred dollars (\$100) for each violation in
16 a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars (\$4,000).
17 They are also entitled to an award of costs and reasonable attorneys' fees.

18 47. Defendants contend that Plaintiff's claim for further Labor Code § 226(e) penalties
19 would depend in large part on their underlying meal period and wage claims, and thus be subject
20 to the same defenses. Additionally, Defendants argue this claim has little or no value. *See*
21 *Maldonado v. Epsilon Plastics, Inc.*, 22 Cal. App. 5th 1308, 1336-1337 (2018) (wage statements
22 that accurately report wages paid to employees do not violate Labor Code § 226, even if it is later
23 determined that employer did not properly pay all wages due). Defendants further contend that
24 Labor Code § 226(e) penalties are not automatic. Rather, the employee must show (1) that he or
25 she "suffered injury" from the employer's failure to provide compliant wage statements, *see*
26 *Elliot v. Spherion Pacific Work, LLC* (2008) 572 F.Supp.2d 1169, 1181 (applying California law)
27 (holding employee was not entitled to penalties because no injury was shown), and (2)
28 Defendants' noncompliance was "knowing and intentional." Finally, because the damages for this

1 cause of action are penalties, the statute of limitations only runs from one year prior to the filing
2 of the original complaint. *See* Cal. Civ. Pro. § 340.

3 48. Class Counsel expert estimated Defendants' maximum total exposure on the section
4 226 claim at approximately \$221,250.00. Class Counsel believes it may be difficult to prevail on
5 this claim because Class Members would need to show that they suffered an injury and that
6 Defendants' noncompliance was knowing and intentional (on top of the challenges described
7 above with the underlying wage and break claims) which are both subject to individualized issues
8 making certification of this claim difficult to achieve. Thus, Class Counsel applied a 80%
9 discount making Defendants' adjusted exposure \$44,250.00.

10 **Failure to Pay Final Wages**

11 49. In failing to pay the California Class Members their minimum wages, overtime wages,
12 and premium pay for deficiently provided meal periods and rest breaks, all discussed above,
13 Defendants willfully failed to pay these the California Class Members all wages due and certain
14 at the time of termination or within seventy-two (72) hours of resignation, as required under
15 Labor Code § 203.

16 50. Labor Code § 203 provides that if an employer willfully fails to pay an employee all
17 wages due at termination or within 72 hours of resignation, then that employee's wages shall
18 continue as a penalty until paid for a period of up to thirty (30) days from the date they were due.
19 Because Class Members stopped working for Defendants but again were not paid their full
20 compensation for the reasons discussed above, Class Members did not receive all wages due upon
21 termination of employment.

22 51. Defendants argued that, under Labor Code § 203, employers are only obligated to pay
23 waiting-time penalties if they "willfully" fail to pay wages due and owing at the time of
24 termination or resignation. As Title 8, California Code of Regulations, § 13520 states:

25 A willful failure to pay wages within the meaning of Labor Code Section 203
26 occurs when an employer intentionally fails to pay wages to an employee when
27 those wages are due. However, a good faith dispute that any wages are due will
preclude imposition of waiting time penalties under Section 203.

28 A "good faith dispute" that any wages are due occurs when an employer presents
a defense, based in law or fact, which, if successful, would preclude any recovery

1 on the part of the employee. The fact that a defense is ultimately unsuccessful will
2 not preclude a finding that a good faith dispute did exist. Defenses presented
3 which, under all the circumstances, are unsupported by any evidence, are
unreasonable, or are presented in bad faith, will preclude a finding of a “good
faith dispute.”

4 Defendants maintained that because they had viable defenses in both law and fact, especially
5 in light of the *Brinker* holding, that waiting-time penalties could not be awarded and, in any case,
6 such penalties were subject to a three-year limitations period under Labor Code § 203(b).

7 52. Class Counsel estimated Defendants’ maximum total exposure on the section 203 claim
8 at approximately \$3,467,497.00. Class Counsel believed it would be difficult to recover waiting
9 time penalties given that Plaintiff would need to show willfulness on top of proving the
10 underlying wage and break claims which are also potentially subject to individualized issues
11 making certification of this claim difficult to achieve. Thus, Class Counsel applied a 95%
12 discount making Defendants’ adjusted exposure \$173,374.85.

13 **PAGA Penalties**

14 53. The Labor Code Private Attorneys General Act, Labor Code § 2699 et seq., allows
15 Plaintiff to obtain civil penalties on behalf of themselves and other Class Members for
16 Defendant’s violation of any provision of the Labor Code enumerated under Labor Code §
17 2699.5. Where civil penalties are provided in the statute, those civil penalties are recoverable;
18 where no civil penalties are recoverable, Labor Code § 2699(f) establishes civil penalties of one
19 hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation and
20 two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent
21 violation. Pursuant to Labor Code § 2699(i), seventy-five (75) percent of the penalties recovered
22 must be allocated to the Labor and Workforce Development Agency (LWDA), with the
23 remaining twenty-five (25) percent allocated to the affected employees. The limitations period as
24 for all penalties is one year prior to the filing of the complaint.

25 54. The provisions of the Labor Code potentially triggering PAGA penalties in this case
26 include but are not limited to Labor Code §§ 203, 204, 226(a), 226.2, 226.7, 510, and 1194,
27 Defendants asserted that if PAGA penalties were mandatory, an employer’s PAGA liability
28 would be huge because of the possibility of collecting multiple civil penalties for a single

1 violation, and thus such penalties would almost always dwarf the damages available under the
2 causes of action proper. However, PAGA penalties are not mandatory but permissive. Labor
3 Code § 2699(e)(2) states that “a court may award a lesser amount than the maximum civil penalty
4 amount specified by this part if, based on the facts and circumstances of the particular case, to do
5 otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory.” *See,*
6 *e.g., Lopez v. Friant & Assocs., LLC*, 15 Cal. App. 5th 773, 788 (2017), *rev. denied* (2018),
7 (recognizing court’s ability to reduce PAGA penalties). Courts have held that situations similar to
8 the current one (e.g. injuryless violations, technical errors, and substantial compliance) should
9 lead to reductions in penalties. *See Thurman v. Bayshore Transit Management, Inc.*, 203 Cal.
10 App. 4th 1112, 1134-1135 (2012) (holding that reduction was justified when employer
11 “attempted to comply with the law”); *Fleming v. Covdien, Inc.*, No. ED CV10-01487 RGK
12 (OPx), 2011 U.S. Dist. LEXIS 154590 at *8-9 (C.D. Cal. August 12, 2011) (reducing PAGA
13 penalties more than 80% – from \$2.8 million to \$500,000 – when “employees suffered no injury”
14 employers were “not aware” of the violation and “took prompt steps to correct all violations once
15 notified”). Defendants here maintained that it had a strong argument that it would be unjust to
16 award maximum PAGA penalties.

17 55. Furthermore, PAGA penalties are also derivative of each and every other claim, and
18 Defendants therefore argued the PAGA claims would be subject to the same defenses to the
19 underlying claims. Finally, under *Amaral v. Cintas Corp.* (2008) 163 Cal.App.4th 1157, it can be
20 argued that penalties under PAGA could, at best, be awarded only at the rates obtainable for
21 initial violations under the applicable statutes, because Defendant have never been notified of the
22 alleged violations. *Id.* at 1208-1209. Moreover, Section 2699(e)(1) authorizes the Court to
23 exercise the same discretion as the DLSE whether to award civil penalties. *Amaral* 163 Cal. App.
24 4th 1157, 1211-12. Therefore, if Labor Commissioner - on whose behalf Plaintiffs are
25 prosecuting this action for civil penalties - would not impose civil penalties in a case like this, the
26 Court may not award civil penalties. Moreover, in *Thurman v. Bayshore Transit Mgmt., Inc.*
27 (2012) 203 Cal.App.4th 1112, 1136, the Court of Appeal affirmed the trial court’s reduction of
28 PAGA civil penalties by 30 percent, finding that awarding the full penalties would have been

1 “unjust” because “...a court may award a lesser amount than the maximum civil penalty amount
2 specified by this part if, based on the facts and circumstances of the particular case, to do
3 otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory.”
4 Additionally, the amended PAGA statute (applicable here) applies mandatory discounts of up to
5 85% when a defendant establishes that it took “all reasonable steps” to comply with Labor Code
6 obligations. (Labor Code § 2699(g)). Defendants argued that due to their lawful and compliant
7 policies, trainings, and audits, they would be entitled to PAGA’s mandatory discounts.

8 56. Class Counsel’s estimated Defendants’ maximum total exposure on the PAGA claim at
9 approximately \$287,800.00 (\$100 x 2,878 pay periods (no stacking)) However, Class Counsel
10 notes that owing to the discretionary nature of PAGA penalties and the foregoing case law it is
11 unlikely the Court would award the full penalty and that it would be substantially reduced to
12 something more like \$28,780.00 if awarded a violation rate of \$10 per pay period. Class Counsel
13 applied discounts in light of the countervailing arguments with regard to the primary causes of
14 action, and moreover the Court’s power to award “a lesser amount than the maximum civil
15 liability.” The parties also considered that the purpose of PAGA is to “achieve maximum
16 compliance with state labor laws,” *Iskanian v. CLS Transp. Los Angeles, LLC* (2014) 59 Cal. 4th
17 348, 379. This makes the Settlement’s proposed PAGA payment of **\$10,000.00** appropriate.

18 **Unfair Business Practices**

19 57. Plaintiff pleads this cause of action in order to augment her other causes of action and
20 aid in their prosecution. Business & Professions Code § 17208 extends the statute of limitations
21 on Plaintiff’s wage claims, which qualify as unfair business practices, to four years rather than the
22 three years provided by statute.

23 **Summary**

24 58. The foregoing discussion has sought to explain how the settlement amount is adequate
25 in light of the merits of Plaintiff’s case. It has done this by explaining the legal basis for each of
26 Plaintiff’s causes of action, summarizing the evidence that Class Counsel gathered in support of
27 those causes of action, and relating Defendants’ legal and factual arguments that worked to
28 derogate from the strength of Plaintiff’s case.

1 59. Class Counsel had to apply appropriate discounts in light of the facts and law as
2 discussed above. Thus, this settlement, like most others, was the product of compromise. The
3 Gross Settlement Amount of \$160,000.00 represents a recovery for the Class of approximately
4 45% of the total realistic exposure Class Counsel estimated that Defendants could face on the
5 primary claims in this case. Plaintiff and Class Counsel submit that this is an excellent result in
6 the face of uncertainty and the prospects of protracted and contested litigation through class
7 certification, summary judgment, and trial, and particularly in light of all of the factors described
8 above.

9 **THE RISK, EXPENSE, AND LIKELY DURATION OF FURTHER LITIGATION,**

10 **AS WELL AS THE RISK OF MAINTAINING CLASS ACTION**

11 **STATUS THROUGH TRIAL**

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

16 61. Further litigation of this case posed real risks for a number of reasons. First, there were
17 the risks of unfavorable rulings on the merits of the various indeterminate legal issues outlined in
18 the previous section. In that section, it was observed that almost every cause of action was subject
19 to some unique indeterminacy of its own, and that the derivative causes of action were thus
20 subject to a double indeterminacy, both their own and those of the causes of action on which they
21 were based.

22 62. The parties disputed the effect of these and other issues on class certification and
23 decertification. Class Counsel maintained that there were several legal and factual questions at
24 issue in the case that could best be decided on a class wide basis. Class Counsel contended that
25 the same policies and practices applied to all Class Members and therefore common questions
26 obtained and were likely to predominate over individual inquiries. Defendants disputed these
27 contentions and insisted that the *Brinker* decision called into question the certifiability of cases
28 such as this one. Defendants also argued that its policies were compliant with the law, while

1 Plaintiff disputed that the policies were lawful, and argued the lawfulness of such policies would
2 give rise to common questions amenable to certification. Thus, the parties had set positions on the
3 propriety of certifiability and liability that did not admit of an easy resolution.

4 63. Finally, it is always preferable to reach a resolution of a dispute because, in addition to
5 what has already been said, such resolutions save time and money that would otherwise go to
6 litigation. In light of the risk and expense of the lawsuit proceeding to trial there was a need to
7 resolve this matter soon than later. If this case settled after further litigation, the settlement
8 amount would have taken into account the additional costs incurred, and there might have been
9 less available for Class Members after all was said and done. This is not just an abstract
10 contention. The parties were moving into the phase of this litigation where they would have had
11 to depose a number of people such as managers, supervisors, and employees in order to establish
12 liability for trial. Discovery disputes would have been in the offing. The parties were also aware
13 that a class action trial would be a complicated and expensive proceeding, and then there was the
14 likelihood of a long, drawn-out appeals process. In contrast, the settlement provides real benefits
15 for Class Members in the immediate future. The benefits are not insignificant for anyone,
16 especially given the current economic climate. Consequently, the risk and expense of further
17 litigation outweighed any benefit that might have been gained otherwise.

18 **NOTICE TO AND REACTION OF CLASS MEMBERS**
19 **TO THE PROPOSED SETTLEMENT**

20 64. While premature to address this factor at the preliminary approval stage, some
21 observations are appropriate. First, the notification procedure set out in the Settlement Agreement
22 provides the greatest likelihood that each and every Class Member will receive the Notice of
23 Settlement (“Class Notice”), attached to the Settlement Agreement as **Exhibit A**. Under the
24 Settlement Agreement, the Settlement Administrator will send the Class Notice to each Class
25 Member via First Class U.S. mail. (Exh. 1, §68). Before mailing, the Settlement Administrator
26 will perform a skip trace search based on the National Change of Address Database for
27 information to update and correct for any known or identifiable address changes. (Exh. 1, §67.) If
28 the Class Notice is returned as non-deliverable on or before the Response Deadline and a new

1 address is obtained by way of a returned Class Notice, then the Settlement Administrator will
2 forward the original Class Notice to the updated address via first-class regular U.S. mail. (Exh. 1,
3 §69.) If there is no forwarding address, the Administrator will do a skip-trace search for a more
4 recent address associated with the Class Member whose Notice Packet was returned, and re-mail
5 the Notice Packet within five (5) calendar days; this search and re-mailing will be performed only
6 once per Class Member by the Administrator. (Exh. 1, § 69.) Thus, most, if not all, Class
7 Members will likely receive the Class Notice.

8 65. The Class Notice itself fully apprises Class Members of the nature of the lawsuit, the
9 claims involved, the terms of the settlement, and their options thereunder. They provide for a
10 specific procedure to seek exclusion from the Class, and for lodging objections to the settlement.
11 The efforts taken to ensure that Class Members receive the Class Notice and are well informed
12 about the settlement augur a favorable response rate.

13 66. If a Class Member disputes the number of workweeks stated for that Class Member in
14 the Class Notice, the Class Member must ask the Settlement Administrator to resolve the matter
15 by submitting in writing under penalty of perjury the workweeks that the Class Member claims to
16 have actually worked for Defendants during the Class Period. (Exh. 1, §68(a).). Unless a
17 disputing Class Member submits documentary evidence in support of her or her dispute, the
18 Defendants' records will be determinative. (Exh. 1, §68(a).). All Workweek Disputes will be
19 resolved and decided by the Administrator, and the Administrator's decision on all disputes will
20 be final and binding. (Exh. 1, §68(a).).

21 **CONCLUSION OF THE CLARK/KULLAR ANALYSIS**

22 67. The foregoing discussion establishes the fairness of the class-action settlement in the
23 instant case. It has done this by analyzing the settlement in light of the appellate decisions in
24 *Clark* and *Kullar*. This analysis has concluded that the settlement is fair, reasonable, and
25 adequate. Class Counsel conducted a thorough investigation of the subject wage-and-hour
26 practices and engaged in non-collusive, arm's-length negotiations in order to reach a settlement.
27 Defendants have agreed to pay fair value to settle Plaintiff's claims given the existence of legal
28 uncertainty. From Class Counsel's substantial experience with wage-and-hour class action

1 lawsuits Class Counsel believes that this case could not have settled on better terms under the
2 circumstances. Request therefore is made that the settlement be granted preliminary approval so
3 that those persons whom it was intended to benefit shall be afforded the opportunity to determine
4 its adequacy.

5 **REQUEST FOR ATTORNEYS' FEES**

6 68. Under the Settlement, Class Counsel also requests, without opposition from
7 Defendants, an award of Class Counsel's Attorneys' Fees and Costs consisting of: (1) not more
8 than \$53,333.33, in attorneys' fees and (2) reasonable costs and expenses not to exceed
9 \$25,000.00. (Exh. 1, §54(b).). This request is fair, reasonable, and adequate to compensate Class
10 Counsel for the substantial work they have put into this case and, moreover, the risk they assumed
11 by taking it in the first place. The attorneys' fees award is intended to reimburse Class Counsel
12 for all uncompensated work that they have already done and for all the work they will continue to
13 do in carrying out and overseeing the notification to Class Members, communicating with Class
14 Members regarding their claims, and assisting in the administration of the settlement if it is
15 preliminarily approved. Defendants will not oppose Class Counsel's above fees and cost request.

16 69. D.Law, Inc. took this case on a contingent-fee basis against a business represented by a
17 reputable defense firm. When we take contingent cases, we must pay careful attention to the
18 economics involved or one bad case can destroy years of work. Accordingly, when we take
19 contingency cases, we anticipate that we shall, if successful, receive a fee that exceeds our normal
20 hourly rate; otherwise, the risk is often too great to bear. Even when we work long hours, the
21 number of hours in a day is limited. Because of this, when we take on one particular matter, we
22 are unable to take on other matters. In sum, this case claimed a significant portion of Class
23 Counsel's time and attention throughout its pendency.

24 70. The requested fee is reasonable for the services provided to Class Members and for the
25 benefits they are to receive. Indeed, even with a modest multiplier under the lodestar theory, *see*
26 *Bihun v. AT&T Information System* (1993) 13 Cal.App.4th 976, 997, Class Counsel's fees would
27 still be justified. Here, the lodestar may exceed the requested fees. Class Counsel will more fully
28 brief the Court on its lodestar in the motion for final approval.

1 **ENHANCEMENT TO PLAINTIFF AS THE CLASS REPRESENTATIVES**

2 71. Plaintiff herein is entitled to reasonable service payment for his efforts and initiative in
3 bringing and helping to prosecute this action. Plaintiff spent a considerable amount of time better
4 apprising himself of his rights, deciding whether remedial action should be taken, how it should
5 be taken, searching for attorneys, and finally contacting Class Counsel, who spent many hours
6 with Plaintiff discussing the case and the law. In the end, Plaintiff decided to vindicate not only
7 his own rights but also those of co-workers by filing a class action lawsuit.

8 72. The courage it took to stand up to Defendants by filing and litigating this action in this
9 way should not be underestimated. By suing Defendants, Plaintiff increased the risk of retaliation
10 by prospective employers.

11 73. But Plaintiff did not allow his fear of the potential repercussions of being a class
12 representative deter him from acting for the benefit of Class Members. To the contrary, Plaintiff
13 has been intimately involved in this case since its inception. He has devoted a substantial amount
14 of time to helping Class Counsel effectively develop and prosecute this action at every stage of
15 the litigation. Both before and after the filing of this lawsuit, Plaintiff conferred with Class
16 Counsel on numerous occasions to discuss every aspect of his case. Plaintiff provided Class
17 Counsel with information about Defendants and about the industry generally, reviewed
18 documents, consulted Class Counsel throughout the litigation repeatedly and at length,
19 participated in the mediation process, monitored the progress of the litigation with Class Counsel,
20 and reviewed and signed the Settlement Agreement.

21 74. Plaintiff has spent a significant amount of time with Class Counsel detailing his
22 knowledge of Defendants' practices and helping Class Counsel with the prosecution of this
23 action. He has diligently, adequately, and fairly represented Class Members, and has not placed
24 his interest above any member of the putative class. The payment to Plaintiff is intended to
25 recognize his time and effort on behalf of the Class. The amount requested is fair and appropriate
26 based on his contribution and involvement. For example, Plaintiff instigated the lawsuit by
27 bringing these violations to the attention of Class Counsel. He spent several hours answering
28 questions and providing information to Class Counsel throughout the pendency of this action. He

1 identified witnesses, explained to Class Counsel day to day business practices of Defendants with
2 regard to work schedules and meal breaks, etc. The parties are in agreement that Plaintiff is
3 entitled to an enhancement for his time and efforts in this matter. This sort of payment to a class
4 representative has been a common feature of settlements negotiated by Class Counsel and has
5 been routinely approved by trial courts.

6 75. In light of the foregoing, Class Counsel believes that the Class Representative Service
7 payments in the amount of \$7,500.00 to Plaintiff as a Class Representative is fair and reasonable.

8 **CRITERIA SATISFIED FOR CERTIFICATION OF SETTLEMENT CLASS**

9 76. The proposed Class satisfies the criteria for certification of a settlement class under
10 California law, as embodied in California Code of Civil Procedure § 382. Defendants have agreed
11 to the certification of the class for settlement purposes. In general, courts may take a proposed
12 settlement into account in evaluating the propriety of class certification. *See Dunk v. Ford Motor*
13 *Co.* (1996) 48 Cal.App.4th 1794, 1807 fn. 19. Indeed, a “lesser standard” of scrutiny applies in
14 certifying classes for settlement purposes. *Ibid.* Therefore the Court should take into
15 consideration the fact that the parties have settled their claims and stipulated to certification for
16 settlement purposes when assessing typicality and adequacy.

17 a. Numerosity. The putative class is so numerous that joinder of all members is
18 impractical. Class Members are “all temporary non-exempt individuals who were placed by
19 Defendant BaronHR and/or Legendary Staffing to work at Defendant Valley Fine Foods
20 Company, LLC in California during the Class Period,” which is the period from May 17, 2019, to
21 November 5, 2024. There are approximately 527 persons answering to this definition. Thus, there
22 are a sufficient number of Class Members to warrant certifying this as a class action for
23 settlement purposes.

24 b. Ascertainability. The putative class is defined in a manner that is precise,
25 objective, and ascertainable. The Class Members have already been identified by reference to
26 Defendants’ payroll and personnel records.

27 c. Typicality. A class representative’s claims are typical when they arise from the
28 same event, practice, or course of conduct that gives rise to the claims of other putative class

1 members, and if their claims rest on the same legal theories. The class representative's claims
2 must be "typical" but not necessarily identical to the claims of other class members. It is
3 sufficient that the representative is similarly situated so that he or she will have the motive to
4 litigate on behalf of all Class Members. *Classen v. Weller* (1983) 145 Cal.App.3d 27, 47; *B.W.I.*
5 *Custom Kitchens v. Owens-Illinois, Inc.* (1987) 191 Cal.App.3d 1341, 1347 ("[I]t has never been
6 the law in California that the class representative must have identical interests with the class
7 members."). Thus, it is not necessary that the class representative should have personally incurred
8 all of the damages suffered by each of the other class members. *Wershba v. Apple Computer, Inc.*
9 (2001) 91 Cal.App.4th 224, 228.

10 Plaintiff's claims are typical of Class Members' claims because they arose from the same
11 factual basis and are based on the same legal theories. Plaintiff was employed by Defendants
12 during the Class Period and subject to the allegedly unlawful meal and rest break policies and pay
13 practices at issue in this litigation. Accordingly, Plaintiff is a member of the Class. The central
14 issues of this litigation (whether Defendants failed to pay all wages, whether Defendants failed to
15 provide meal and rest periods etc.), which would arise if this were an individual action brought by
16 Plaintiff, apply to the other Class Members as well. Thus, Plaintiff's claims are typical of the
17 claims of the putative class.

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

24 Plaintiff does not have any conflicts with the class and in fact his interests are aligned with
25 those of the class. Because Plaintiff's claims are identical to those that would be asserted by the
26 unnamed Class Members were they before the Court, Plaintiff has every interest in zealously
27 representing the unnamed class members. Plaintiff has not shrunk from this responsibility.
28 Indeed, Plaintiff has devoted a substantial amount of time and energy to litigating this action and

1 effecting a settlement. Furthermore, as detailed above, Class Counsel are experienced in wage-
2 and-hour litigation, especially class actions, and have zealously represented the interests of the
3 class in litigating this case. *See infra* ¶¶3-8. Accordingly, the adequacy requirement is satisfied.

4 e. Commonality. Common questions of law or fact in this case predominate over
5 individual questions. This action involves, *inter alia*, a determination about Defendants' alleged
6 failure to pay minimum wages and overtime, failure to provide meal periods and rest periods,
7 failure to pay final wages when required, failure to provide accurate written wage statements, and
8 largely derivative claims under the Business & Professions Code and PAGA. Plaintiff contends
9 these practices affected Class Members in the same way. Therefore, the Operative Complaint
10 delineates a common course of conduct applicable to all Class Members. Therefore, based on
11 Class Counsel's investigation, the review of the discovery produced by Defendants, and their
12 discussions with Plaintiff, Plaintiff contends the evidence supports his position that the
13 employment practices and policies of Defendants' business were consistent and uniform.

14 f. Predominance. Individualized issues do not predominate over the issues of law and
15 fact that are common to the class as a whole. The principal issues of controversy are whether
16 Class Members were paid for all hours worked and provided lawful meal breaks. As explained,
17 *supra*, there are common issues of law and fact given that Plaintiff and all Class Members were
18 subjected to the same policies and pay practices during the relevant time period. Plaintiff and
19 Class Members seek meal and rest break premiums, unpaid wages and overtime, and penalties for
20 work performed as non-exempt employees for Defendants. These issues are suitable for common
21 adjudication because all Class Members were subject to the same employment policies and
22 Plaintiff contends the practices applied uniformly to all Class Members.

23 g. Superiority. Class resolution is superior to other available methods for the fair and
24 efficient adjudication of the controversy. There is little interest or incentive for Class Members to
25 individually control the prosecution of separate actions. Although the injury resulting from
26 Defendants' policies and practices are real and significant, the cost of individually litigating each
27 such case against Defendants would easily exceed the value of any relief that could be obtained
28 by any one Class Member individually. If Class Members are forced to litigate their claims

1 individually this would result in about 527 individual actions against Defendants. Here, the
2 alternative methods of resolution are individual suits for relatively small amounts. Hence, an
3 individual suit would prove uneconomical for a potential plaintiff because litigation costs would
4 dwarf a potential recovery.

5 h. Except for Plaintiff's case before this Court, Plaintiff is unaware of any other
6 actions by Class Members against Defendants asserting similar claims as here. Furthermore,
7 Solano County is a compelling forum for this action given that Defendants' offices and facilities
8 location is in Solano County and numerous Class Members work in this County.

9 i. There are no serious manageability difficulties presented by preliminarily
10 approving the case for settlement purposes. As this case will not go to trial if finally approved, all
11 that would remain is settlement administration and responding to possible objectors.

12 77. On March 10, 2026, Plaintiff submitted the Class Action and PAGA Settlement
13 Agreement and Plaintiff's Motion for Preliminary Approval of Class Action and PAGA
14 Settlement and supporting documents to the LWDA. A true and correct copy of the confirmatory
15 email from the LWDA is attached hereto as **Exhibit 3.**

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

18 Executed this 10th day of March, at Pasadena, California.

19 

20 Enoch J. Kim

EXHIBIT 1

CDF LABOR LAW LLP
 Joel Van Parys, State Bar No. 227387
 jvanparys@cdflaborlaw.com
 Dalia Z. Khatib, State Bar No. 323712
 dkhatib@cdflaborlaw.com
 900 University Avenue, Suite 200
 Sacramento, CA 95825
 Telephone: (916) 361-0991

Attorneys for Defendant
 VALLEY FINE FOODS COMPANY, LLC

D.LAW, INC.
 Emil Davtyan, State Bar No. 299363
 emil@d.law
 Roman Shkodnik, State Bar No. 285152
 r.shkodnik@d.law
 Amanda Fazio, State Bar No. 346350
 a.fazio@d.law
 450 N. Brand Blvd., Suite 840
 Glendale, CA 91203
 Telephone: (818) 962-6465

Attorneys for Plaintiffs
 BLANCA RIVERA and GUSTAVO HERNANDEZ

[Additional counsel listed on following page]

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SOLANO

BLANCA RIVERA AND GUSTAVO
 HERNANDEZ, on behalf of themselves and
 others similarly situated,

Plaintiffs,

vs.

LEGENDARY STAFFING, INC. dba FOR
 LEGENDARY STAFFING, a California
 corporation; ATLANTIC SOLUTIONS
 GROUP INC., a Delaware corporation;
 EMPIRE WORKFORCE SOLUTIONS, an
 entity of unknown form; BARONHR, LLC dba
 THE BARONHR FAMILY OF STAFFING
 COMPANIES, a Delaware limited liability
 company; VALLEY FINE FOODS
 COMPANY, LLC, California limited liability
 company; and DOES 1 through 50, inclusive,

Defendants.

) Case No. CU23-01485

) Assigned for All Purposes To:

) Judge: Hon. Stephen Gizzi

) Dept: 3

) **JOINT STIPULATION OF CLASS AND
) PAGA SETTLEMENT**

) Action Filed: May 17, 2023

1 DAVID YEREMIAN & ASSOCIATES, INC.

David Yeremian, State Bar No. 226337

2 david@yeremianlaw.com

450 N. Brand Blvd., Suite 840

3 Glendale, CA 91203

Telephone: (818) 962-6465

4 Attorneys for Plaintiffs

5 BLANCA RIVERA and GUSTAVO HERNANDEZ

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

This Joint Stipulation of Class and PAGA Settlement is made by and between Plaintiff Gustavo Hernandez (formerly known as Mario Hernandez), on behalf of himself, the Class and the State of California pursuant to the Private Attorneys General Act, on the one hand, and defendants Legendary Staffing, Inc. dba For Legendary Staffing (Legendary Staffing), BaronHR, LLC dba The BaronHR Family of Staffing Companies (BaronHR), and Valley Fine Foods Company, LLC on the other hand.

In consideration of the mutual covenants, promises, and agreements set forth in this Joint Stipulation of Class and PAGA Settlement, the Parties agree, subject to the Court's approval, to the resolution of the Action, the Released Claims, and the Released PAGA Claims, subject to the following terms and conditions.

DEFINITIONS

1. **"Action"** means the civil action titled *Blanca Rivera and Gustavo Hernandez v. Legendary Staffing, Inc. dba for Legendary Staffing, et. al.*, Case No. CU23-01485 filed in Solano County Superior Court.
2. **"Administration Expenses"** means the amount to be paid to the Administrator from the Maximum Settlement Amount for its services in administering the settlement.
3. **"Administrator"** means Apex, or any other third-party class action administrator agreed to by the Parties and approved by the Court for the purposes of administering this Settlement.
4. **"Agreement"** and **"Settlement"** means this Joint Stipulation of Class and PAGA Settlement.
5. **"Class and PAGA Members"** means all Class Members and/or PAGA Members.
6. **"Class Counsel"** means David Yeremian, Roman Shkodnik, and Amanda Fazio of D. Law and David Yeremian & Associates, Inc.
7. **"Class Counsel's Attorneys' Fees and Costs"** means the Court-approved attorneys' fees, expenses, and costs incurred by Class Counsel for Class Counsel's litigation and resolution of the Action.
8. **"Class Data"** means Class Members' name, last-known mailing address, Social

Security Number, number of PAGA Period pay periods and/or Class Period work weeks.

9. **“Class Members”** and **“Class”** means all temporary non-exempt individuals who were placed by Defendant BaronHR and/or Legendary Staffing to work at Defendant Valley Fine Foods Company, LLC in California during the Class Period.

10. **“Class Period”** means from May 17, 2019 to November 5, 2024.

11. **“Court”** refers to the court having jurisdiction over the Action, which is presently the Solano Superior Court.

12. **“Valley Fine Foods Defendant”** means Defendant Valley Fine Foods Company, LLC.

13. **“BaronHR Defendant”** means Defendants Legendary Staffing, Inc. dba For Legendary Staffing and BaronHR, LLC dba The BaronHR Family of Staffing Companies.

14. **“Defendants”** means collectively Defendant Valley Fine Foods, Defendant Legendary Staffing, Inc. dba For Legendary Staffing, and BaronHR, LLC dba The BaronHR Family of Staffing Companies.

15. **“Valley Fine Foods Defense Counsel”** means Joel Van Parys and Dalia Z. Khatib of the law firm CDF Labor Law LLP.

16. **“Dispute Deadline”** means thirty (30) calendar days after the Administrator mails the Class Notice to Class Members.

17. **“Effective Date”** means the date of filing of the Notice of Entry of Order on the Court’s order granting Final Approval of the Settlement and Judgment in the absence of any objection or intervention to the Settlement. If an objection or intervention to the Settlement is filed and not later withdrawn, the Effective Date is the later of the following events: (i) when the period for filing any appeal, writ or other appellate proceeding opposing the Settlement has elapsed without any appeal, writ or other appellate proceeding having been filed; or (ii) any appeal, writ or other appellate proceeding opposing the Settlement has been dismissed finally and conclusively with no right to pursue further remedies or relief; or any appeal, writ or other appellate proceeding has upheld the Court’s final order with no right to pursue further remedies or relief. In this regard, in the event an objection or intervention is filed and not later withdrawn, the Parties hereby state

1 their intention that the Settlement will not become effective until the Court's order granting final
2 approval of the Settlement is completely final, and there is no further recourse by any appellant or
3 objector who seeks to contest the finality of the Settlement.

4 18. **"Final Approval Motion"** means Plaintiff's motion for final approval of the
5 Settlement and judgment.

6 19. **"Final Approval Order and Judgment"** means the Court's Order Granting Final
7 Approval of the Settlement and Judgment.

8 20. **"Individual Class Payment(s)"** means the Participating Class Members' pro rata
9 shares of the Net Settlement Amount calculated based on the number of workweeks worked during
10 the Class Period.

11 21. **"Individual PAGA Payment(s)"** means PAGA Members' pro rata shares of
12 twenty-five percent (25%) of the PAGA Allocation, which is Twenty-Five Hundred Dollars (\$2,500.00)
13 to PAGA Members on a pro-rata basis based on the number of pay periods each PAGA Member worked
14 during the PAGA period.

15 22. **"LWDA"** means the California Labor and Workforce Development Agency.

16 23. **"LWDA Payment"** means the seventy-five percent (75%) of the PAGA Allocation
17 to be paid to the LWDA under the Agreement which, subject to Court approval, is Seventy-Five
18 Hundred Dollars (\$7,500.00)

19 24. **"Maximum Settlement Amount"** means One Hundred Sixty Thousand Dollars
20 (\$160,000.00) ("Maximum Settlement Amount"), which is inclusive of all amounts Valley Fine
21 Foods Defendant is required to pay under the Settlement, except as otherwise provided below,
22 including all Individual Class Payments to Participating Class Members, all Individual PAGA
23 Payments to PAGA Members, the LWDA Payment, Plaintiff's Enhancement Payment, Class
24 Counsel's Attorneys' Fees and Costs, and Administration Expenses.

25 25. **"Net Settlement Amount"** means the amount from the Maximum Settlement
26 Amount that is available for distribution as Individual Class Payments for Participating Class
27 Members after deducting 1) the PAGA Allocation (which includes the LWDA Payment and the
28

Individual PAGA Payments), (2) Plaintiff's Enhancement Payment, (3) Class Counsel's Attorneys' Fees and Costs, and (4) Administration Expenses.

26. **"PAGA"** means California's Labor Code Private Attorneys General Act, Cal. Lab. Code § 2699, et seq.

27. **"PAGA Allocation"** means, subject to Court approval, the allocation of Ten Thousand Dollars (\$10,000.00) of the Maximum Settlement Amount as PAGA penalties.

28. **"PAGA Pay Periods"** refers to the number of pay periods a PAGA Member who was placed by Defendants BaronHR or Legendary Staffing to work at Defendant Valley Fine Foods Company, LLC in California during the during the PAGA Period. Each PAGA Member will be credited with at least one (1) PAGA Pay Period.

29. **"PAGA Period"** means the period beginning May 17, 2022 to November 5, 2024.

30. **"PAGA Class"** and **"PAGA Member(s)"** means all temporary non-exempt individuals who were placed by Defendant BaronHR and/or Legendary Staffing to work at Defendant Valley Fine Foods Company, LLC in California during the during the PAGA Period.

31. **"Participating Class Member(s)"** means all Class Members who do not opt out of the Settlement.

32. **"Parties"** means Plaintiff and Defendants collectively.

33. **"Plaintiff"** and **"Class Representative"** means Gustavo Hernandez (formerly known as Mario Hernandez).

34. **"Plaintiff's Enhancement Payment"** means, subject to Court approval, Seventy-Five Hundred Dollars (\$7,500.00) of the Maximum Settlement Amount for Plaintiff in recognition of his effort and work in prosecuting the Action and in consideration for an individual general release of all claims with a waiver of California Code of Civil Procedure Section 1542.

35. **"Preliminary Approval"** means the Court's Order Granting Preliminary Approval of the Settlement.

36. **"Preliminary Approval Motion"** means Plaintiff's motion for preliminary approval of the Settlement.

37. **"Released Claims"** means all claims under the California Labor Code, Wage

Orders, regulations, and/or any other provisions of state or federal law against the Released Parties that were alleged in the Action and those that reasonably could have been alleged in the Action based on the allegations contained in the operative complaint in the Action and any amendments thereto, including, without limitation, all claims for (1) failure to pay minimum wages; (2) failure to pay wages and overtime under Labor Code § 510; (3) meal-period liability under Labor Code § 226.7; (4) rest-break liability under Labor Code § 226.7; (5) violation of labor code § 226(a); (6) penalties pursuant to Labor Code § 203; (7) violation of Business & Professions Code § 17200 et seq.; and 8) penalties pursuant to Labor Code § 2699, et seq. (PAGA), and any other Labor Code violations that were alleged in the Action, or that could have been alleged in the Action based on the facts alleged in the Action, which includes, but is not limited to, alleged violations of Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, 2699, and 17200-17208 during the Class Period.

38. **“Released PAGA Claims”** means all claims for civil penalties under the California Labor Code, Wage Orders, regulations, and/or any other provisions of state and federal law against the Released Parties that were alleged in the Action and those that reasonably could have been alleged in the Action based on the allegations contained in the May 17, 2023 LWDA Letter and the operative complaint in the Action and any amendments thereto, including, without limitation, all claims for civil penalties under PAGA (Labor Code § 2698 *et seq.*) related (1) failure to pay minimum wages, (2) failure to pay wages and overtime in violation of Labor Code §§ 510, (3) meal period liability under Labor Code §§ 226.7 and 512, and penalties, (4) rest break liability under Labor Code § 226.7 and penalties, (5) failure to issue accurate and itemized wage statements in violation of Labor Code § 226, (6) failure to issue semimonthly payments in violation of Labor Code § 204, (7) failure to keep records in accordance with Labor Code § 1174, (8) waiting time penalties pursuant to Labor Code § 203, (9) unfair competition under Business and Professions Code § 17200, *et seq.*, and any other Labor Code violations that were alleged in the Action, or that could have been alleged in the Action based on the facts alleged in the Action, which includes, but is not limited to, alleged violations of Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5,

1 1199, 2698, 2699, 2699.5, *et seq*, 2926, 2927, during the PAGA Period.

2 39. **“Released Parties”** means (i) Defendants, (ii) Defendants’ past and present direct
3 and indirect parents; (iii) the respective past and present direct and indirect subsidiaries and
4 affiliates of any of the foregoing; (iv) the past and present shareholders, directors, officers, agents,
5 employees, attorneys, insurers, members, partners, managers, contractors, agents, consultants,
6 representatives, administrators, fiduciaries, benefit plans, transferees, predecessors, successors and
7 assigns of any of the foregoing; and (v) any individual or entity which could be jointly liable with
8 any of the foregoing.

9 40. **“Request(s) for Exclusion”** refers to a Class Member’s written request to be
10 excluded (i.e., opt-out) from the Settlement.

11 41. **“Response Deadline”** means sixty (60) calendar days after the Administrator mails
12 the Class Notice to Class Members.

13 42. **“Workweek(s)”** refers to the number of weeks a Class Member worked Defendant
14 BaronHR of Legendary Staffing placed at Defendant Valley Fine Foods as a non-exempt or hourly-
15 paid employee in California during the Class Period, excluding any week(s) during which the Class
16 Member did not work or was on a leave of absence. Each Class Member will be credited with at
17 least one (1) Workweek.

18 43. **“Workweek Dispute(s)”** refers to a Class Member’s written dispute of the pre-
19 printed information in the Class Notice as to his or her Workweeks and/or PAGA Pay Periods.

20 **FACTUAL BACKGROUND**

21 44. Plaintiff Hernandez and Plaintiff Rivera filed a letter with the LWDA on May 17,
22 2023 alleging various wage and hour violations by Defendants.

23 45. On May 17, 2023 Plaintiff Hernandez and Plaintiff Rivera filed a civil complaint in
24 Solano Superior Court alleging the following claims: (1) failure to pay minimum wages; (2) failure
25 to pay wages and overtime under Labor Code section 510; (3) meal-period liability under Labor
26 Code section 226.7; (4) rest-break liability under Labor Code section 226.7; (5) violation of Labor
27 Code section 226; (6) failure to keep required payroll records under Labor Code section 1174 and
28

1 1174.5; (7) penalties pursuant to Labor Code section 203; (8) violation of the Unfair Competition
2 Law.

3 46. On August 22, 2023, Plaintiff Hernandez and Plaintiff Rivera filed the operative
4 first amended complaint entitled *Blanca Rivera and Gustavo Hernandez, on behalf of themselves*
5 *and others similarly situated v. Legendary Staffing, Inc. dba For Legendary Staffing, Atlantic*
6 *Solutions Group Inc., Empire Workforce Solutions, BaronHR, LLC dba The BaronHR Family of*
7 *Staffing Companies, Valley Fine Foods Company, LLC, and Does 1 through 50*, Superior Court
8 Case No.: CU23-01485 alleging the following claims: (1) failure to pay minimum wages; (2)
9 failure to pay wages and overtime under Labor Code section 510; (3) meal-period liability under
10 Labor Code section 226.7; (4) rest-break liability under Labor Code section 226.7; (5) violation of
11 Labor Code section 226; (6) penalties pursuant to Labor Code section 203; (7) violation of the
12 Unfair Competition Law; and (8) PAGA.

13 47. Plaintiff Hernandez and Plaintiff Rivera have not filed a motion for class
14 certification in the Action, nor has a date been set by the Court for the filing of such a motion.

15 48. The Action has been actively litigated. There have been on-going investigations,
16 and there has been an exchange of extensive documentation and information.

17 49. On November 5, 2024, the Parties participated in a mediation with well-respected
18 mediator Brandon McKelvey and reached a settlement of the claims in the Action as specified in
19 this Agreement.

20 **INADMISSIBILITY OF SETTLEMENT AGREEMENT/DENIAL OF LIABILITY**

21 50. **No Determination on the Merits.** There has been no determination on the merits
22 of the Action, but, in order to avoid additional cost and the uncertainty of litigation, it is the desire
23 of the Parties to fully, finally, and forever settle, compromise, discharge, and release of any and all
24 disputes and claims against the Released Parties arising from or related to the Action.

25 51. **Defendants Deny Liability and Wrongdoing.** This Agreement represents a full
26 and good-faith compromise and settlement of highly disputed claims. Nothing in this Agreement
27 or any statement or conduct in furtherance of the Settlement is intended or will be construed as an
28 admission by Defendants that Plaintiff's claims in the Action have merit or that Defendants have

any liability to Plaintiff, any Class Members, or any PAGA Members. Defendants deny any liability and wrongdoing of any kind associated with the alleged claims. Defendants further deny that, for any purpose other than settling the Action, the Action is appropriate for class or representative treatment. Defendants contend that they have complied with California and Federal employment laws at all times and that employees have been paid all wages owed.

CLASS CERTIFICATION FOR SETTLEMENT PURPOSES

52. Solely for purposes of settling the Action, the Parties stipulate that the requisites for class certification with respect to the Class Members are met. The Parties stipulate that certification for settlement purposes is in no way an admission that class certification is proper for litigation purposes, and that evidence of this limited stipulation for settlement purposes will not be deemed admissible in this or any other proceeding. More specifically, the Parties stipulate that, solely for settlement purposes:

- A. The Class is ascertainable and so numerous as to make it impracticable to join all Class Members;
- B. With respect to the Class, common questions of law and fact predominate over questions affecting any individual member in the Class, including, but not limited to: whether Defendants failed to pay employees minimum wages; whether Defendants failed to pay employees wages for all hours worked; whether Defendants failed to pay employees overtime as required under Labor Code section 510; whether Defendants violated Labor Code sections 226.7 and 512, and the applicable IWC Wage Orders, by failing to provide employees with requisite meal periods or premium pay in lieu thereof; whether Defendants violated Labor Code sections 226.7, and the applicable IWC Wage Orders, by failing to provide employees with requisite rest breaks or premium pay in lieu thereof; whether Defendants violation Labor Code section 226(a); whether Defendants violated Labor Code sections 201, 202, and 203 by failing to pay wages and compensation due and owing at the time of termination of employment; whether Defendants are liable for penalties under Labor Code section 2699, *et seq.*; and whether

employees are entitled to equitable relief pursuant to Business and Professions Code section 17200, *et. seq.*

C. Plaintiff's claims are typical of the claims of the Class Members;

D. Plaintiff and Class Counsel will fairly and adequately protect the interests of the Class; and

E. A class action is superior to other available means for the fair and efficient adjudication of the controversy, as the prosecution of separate actions by individual members of the Class would create the risk of inconsistent or varying adjudications, which would establish incompatible standards of conduct.

53. Class Counsel has conducted a thorough investigation into the facts of the Action, including an extensive review of relevant documents, and has diligently pursued an investigation of the claims of the Class against Defendants. Based on its own independent investigation and evaluation, Class Counsel is of the opinion that the Settlement with Defendants for the consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the Class in light of all known facts and circumstances, including the risk of significant delay, the risk the Class will not be certified by the Court, defenses asserted by Defendants, and numerous potential appellate issues. Defendants and Defense Counsel also agree that the Settlement is fair and in the best interest of the Class.

SETTLEMENT AMOUNT

54. **Maximum Settlement Amount.** In consideration for the resolution and release of claims provided for by this Settlement, Valley Fine Foods Defendant will pay the Maximum Settlement Amount of One Hundred Sixty Thousand Dollars (\$160,000.00), which is inclusive of all amounts Defendants are required to pay under the Settlement except that Defendants will fund Employer portion of applicable taxes. The Maximum Settlement Amount is non-reversionary and will be used for the payment of the following:

a. Administration Expenses. The Administrator will be paid for the costs of administration of the Settlement from the Maximum Settlement Amount.

The Administrator has provided a not-to-exceed bid for Administration

1 Expenses in the amount of Thirteen Thousand Two Hundred Dollars
2 (\$13,200.00).

3 b. Class Counsel's Attorneys' Fees and Costs. Defendants agree not to oppose
4 or object to any application or motion by Class Counsel for attorneys' fees
5 not to exceed one-third of the Maximum Settlement Amount, which is Fifty-
6 Three Thousand and Three Hundred and Thirty-Three Dollars and Thirty-
7 Three Cents (\$53,333.33), plus reasonable costs and expenses not to exceed
8 Twenty-Five Thousand Dollars (\$25,000.00), subject to approval by the
9 Court. This Agreement is not contingent upon the Court awarding Class
10 Counsel any particular amount in attorneys' fees and costs. If the Court
11 reduces or does not approve the requested Class Counsel's Attorneys' Fees
12 and Costs, the Agreement will remain binding on the Parties. Any amount
13 requested by Class Counsel for the Class Counsel's Attorneys' Fees and
14 Costs and not granted by the Court will be added to the Net Settlement
15 Amount and be distributed as provided in this Agreement. The
16 Administrator will issue an IRS Form 1099-MISC to Class Counsel for the
17 payments made pursuant to this paragraph.

18 c. Plaintiff's Enhancement Payment. The Parties agree to the designation of
19 Plaintiff Gustavo Hernandez as the Class Representative. Defendants agree
20 not to oppose or object to any application or motion by Class Counsel for an
21 enhancement payment not to exceed Seventy-Five Hundred Dollars
22 (\$7,500.00) of the Maximum Settlement Amount for Plaintiff in recognition of
23 her effort and work in prosecuting the Action and in consideration for an
24 individual general release of all claims with a waiver of California Code of
25 Civil Procedure Section 1542. Plaintiff's Enhancement Payment is a part of,
26 and is to be deducted from, the Maximum Settlement Amount. If the Court
27 approves an enhancement payment to Plaintiff in an amount less than that set
28 forth above, the difference between the amount set forth above and the

amount approved by the Court will be added to the Net Settlement Amount and distributed as provided in this Agreement. In addition to the Court-approved Plaintiff's Enhancement Payment, Plaintiff will receive her pro-rata Individual Class Payment and pro-rata Individual PAGA Payment. Plaintiff's Enhancement Payment will be paid within 30 days after the Effective Date of the Settlement. The Administrator will issue IRS Forms 1099-MISC for the Plaintiff's Enhancement Payment. Plaintiff assumes full responsibility and liability for taxes owed on Plaintiff's Enhancement Payment.

d. PAGA Allocation. Subject to Court approval, the Parties agree to allocate Ten Thousand Dollars (\$10,000.00) of the Maximum Settlement Amount as PAGA penalties. The PAGA Allocation will be distributed as follows:

i. LWDA Payment. This is 75% of the PAGA Allocation. Subject to Court approval of the PAGA Allocation, and per California Labor Code section 2699(s)(3), the Administrator will mail the LWDA Payment to the LWDA along with a copy the Order Granting Final Approval of the Settlement and Judgment to:

Department of Industrial Relations
Accounting Unit
455 Golden Gate Avenue, 10th Floor
San Francisco, CA 94102

ii. Individual PAGA Payments. This is 25% of the PAGA Allocation. Subject to Court approval of the PAGA Allocation, and per California Labor Code section 2699(s)(2), the Administrator will distribute Individual PAGA Payments to PAGA Members on a pro-rata basis based on the number of pay periods worked by all PAGA Members during the PAGA Period. The Administrator will calculate the number of pay periods worked by the PAGA Members during the PAGA Period, and the amount to be paid to PAGA Members per pay

period based on information to be provided by Defendants. When making Individual PAGA Payment disbursements to Class Members, the Administrator may pay an Individual PAGA Payment and an Individual Class Payment as one sum, concurrently, to the extent appropriate. The PAGA Allocation is included in and will not increase the Maximum Settlement Amount. The Administrator will issue IRS Forms 1099-MISC to PAGA Members for their Individual PAGA Payments.

- e. Net Settlement Amount. The Administrator will distribute the Net Settlement Amount as Individual Class Payments to Participating Class Members. The Individual Class Payments to Participating Class Members are calculated on a pro-rata basis based on the number of Workweeks worked by all Participating Class Members during the Class Period based on the Class Data provided by Defendants. Each Individual Class Payment to a Participating Class Member will be attributed 20% as wages and 80% as penalties and interest. The Administrator will report the portions paid as penalties and interest via IRS 1099 form, along with the Class Members' PAGA Payments (if applicable), and will report portions attributed to wages via IRS form W-2. Participating Class Members are responsible for their share of the payroll taxes, which will be deducted by the Administrator from their Individual Class Payments.

55. **Escalator Clause.** Valley Fine Foods Defendant estimated for purposes of mediation that during the Class Period there were 527 Class Members with an associated 5,632 workweeks and 2,878 pay periods. If the number of workweeks during the Class Period exceeds 6,195 (i.e., an increase greater than 10% of the 5,632 estimated workweeks), Defendant may either: (1) revise the class period end date to a date where the workweek does not exceed 5,632 workweeks or (2) increase the Maximum Settlement Amount proportionally according to the number of additional workweeks above 5,632 workweeks.

56. **Taxability of Settlement Payments.** Plaintiff, Class Counsel, Participating Class

Members, and the PAGA Members are each solely responsible for correctly characterizing any payments made pursuant to this Agreement for tax purposes and for paying any taxes on the amounts received. Defendants make no representations as to the taxability of any portions of the settlement payments, and it is understood and agreed that Defendants have made no such representations. Neither Class Counsel nor Defense Counsel intend anything in this Agreement to constitute advice regarding taxes or taxability; nothing in this Agreement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

57. **Settlement Payments Do Not Trigger Additional Benefits.** It is expressly understood and agreed that the receipt of any payment pursuant to this Agreement will not entitle any Participating Class Member, PAGA Member, or Plaintiff to additional compensation or benefits under any company bonus, contest or other compensation or benefit plan or agreement in place during the period covered by the Agreement, nor will it entitle them to any increased retirement, 401(k) benefits or matching benefits, or deferred compensation benefits. It is the intent of the Parties that the payments provided for in this Agreement are the sole payments to be made by Defendants to the Participating Class Members, PAGA Members, and Plaintiff in connection with this Agreement, and that they are not entitled to any new or additional compensation or benefits as a result of having received the payments provided for in this Agreement (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the period covered by this Agreement).

RELEASES

58. **Release By Participating Class Members.** As of the Effective Date, Plaintiff and all Participating Class Members fully, finally, and forever release, compromise, and discharge the Released Parties from the Released Claims for the Class Period.

59. **Settlement Terms Bind All Class Members Who Do Not Opt-Out.** Any Class Member who does not affirmatively opt-out of the Settlement by submitting a valid and timely Request for Exclusion will be deemed a Participating Class Member and will be bound by all terms of the Agreement, including those pertaining to the Released Claims, as well as the Final

1 Approval Order and Judgment that may be entered by the Court if it grants final approval to the
2 Settlement.

3 **60. Release By PAGA Members and State of California.** As of the Effective Date,
4 Plaintiff, all PAGA Members, and the State of California fully, finally, and forever release,
5 compromise, and discharge the Released Parties from the Released PAGA Claims for the PAGA
6 Period. This release is binding on the State of California, which includes the LWDA and its
7 departments, divisions, commissions, boards, agencies, and employees, and any of Defendants'
8 current or former employees who may seek to represent the State of California to recover civil
9 penalties pursuant to PAGA based on alleged violations of the Released PAGA Claims during the
10 PAGA Period.

11 **61. No Right to Opt Out of PAGA Release.** The Parties agree that there is no
12 statutory right for any PAGA Member to opt out or otherwise exclude himself or herself from the
13 Agreement.

14 **62. General Release by Plaintiff.** As of the Effective Date, Plaintiff fully, finally,
15 and forever releases, compromises, and discharges the Released Parties from all causes of action,
16 claims, judgments, obligations, damages or liabilities of whatever kind and character. Plaintiff
17 understands and expressly agrees that this general release extends to all claims of every nature
18 and kind whatsoever, known or unknown, suspected or unsuspected, past or present, which
19 Plaintiff has or may have against the Released Parties, and all rights under Section 1542 of the
20 California Civil Code are hereby expressly waived. That Section reads as follows:

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

24 Plaintiff acknowledges that she has read this general release, including the waiver of California
25 Civil Code section 1542, and that she has consulted counsel about the general release and
26 specifically about the waiver of section 1542, and that she understands the general release and the
27 section 1542 waiver, and freely and knowingly enters into this Agreement. Plaintiff acknowledges
28 that she may later discover facts different from or in addition to those Plaintiff knows or now

believes to be true with respect to the matters released or described in this Agreement, and Plaintiff agrees that the general release will remain effective in all respects notwithstanding any later discovery of any such different or additional facts.

63. **Labor Code § 206.5 Inapplicable.** It is acknowledged that all individual settlement payments made pursuant to this Agreement are on disputed claims and that Plaintiff, each Participating Class Member, and each PAGA Member will be deemed to have acknowledged and agreed that California Labor Code § 206.5 is not applicable. That section provides:

An employer shall not require the execution of a release of a claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of those wages has been made. A release required or executed in violation of the provisions of this section shall be null and void as between the employer and the employee. Violation of this section by the employer is a misdemeanor.

PROCEDURE FOR PRELIMINARY COURT APPROVAL OF AGREEMENT

64. **Seeking Preliminary Approval.** Plaintiff will promptly submit this Agreement to the Court in support of Plaintiff's Motion for Preliminary Approval of the Settlement. Plaintiff agrees to provide Defendants the opportunity to review, and to seriously consider Defendants' comments before filing Plaintiff's Motion for Preliminary Approval. Plaintiff will apply to the Court for the entry of an order preliminarily approving the Settlement, substantially in the following form and as attached hereto as **Exhibit A**, which provides, *inter alia*, for:

- a. Scheduling a Final Approval Hearing on the question of whether the Settlement, including payment of Attorneys' Fees and Costs, Settlement Administration Costs, and Enhancement Payments should be finally approved as fair, reasonable and adequate;
- b. Certifying the Settlement Class, designating Plaintiff as the Class Representative, and designating Plaintiff's counsel as Class Counsel;
- c. Approving as to form and content the Class Notice;

- d. Approving the manner and method for Class Members to request exclusion from the Settlement, object to the Settlement, and/or dispute the Workweeks credited to them, as contained herein and within the Class Notice;
- e. Directing the mailing of the Notice Packet by First Class U.S. mail to the Class Members; and
- f. Preliminarily approving the Settlement subject only to the objections of Class Members and final review by the Court.

65. **Submission of Settlement to LWDA.** This Agreement is subject to and conditioned upon obtaining Court approval under Labor Code Section 2699(s)(2). At the same time Plaintiff files with the Court the Preliminary Approval Motion accompanied with this Agreement, Class Counsel will submit the Agreement to the LWDA through its on-line procedures, and will provide Defense Counsel with a copy of the LWDA's acknowledgment of receipt of the Agreement.

CLASS NOTICE AND SETTLEMENT ADMINISTRATION

66. **Class Data.** Within 30 calendar days after Preliminary Approval, Defendants will provide the Class Data to the Administrator. The Class Data will be based on Defendants' payroll and other business records and will be provided in a format reasonably acceptable to the Administrator. The Parties agree the Class Members' contact information and Social Security numbers will be used only by the Administrator for the sole purpose of effectuating the Settlement, and will not be provided to Plaintiff or Class Counsel at any time or in any form. The Administrator will take reasonable steps to protect the confidential and private information of the Class Members. To the extent Class Counsel possesses or comes to possess the Class Members' contact information and/or social security numbers, Class Counsel will immediately return all such information (including copies and data or information derived therefrom), will not retain copies of such information, and will not maintain or use such information for any purpose.

67. **NCOA Check.** Prior to mailing of Class Notices, the Administrator will run a check of the Class Members' addresses that are contained in the Class Data against those on file with the U.S. Postal Service's National Change of Address ("NCOA") List; this check will be performed

only once per Class Member by the Settlement Administrator.

68. **Class Notice.** Within 45 calendar days after Preliminary Approval, the Administrator will send by first-class mail a Class Notice to each Class Member in substantially the form attached hereto as **Exhibit B**, and as approved by the Court. The Class Notice will include the following information on Class Members' rights to respond to the Class Notice:

a. **Workweek Disputes.** A Class Member may dispute the pre-printed information on the Class Notice as to their Workweeks and/or PAGA Pay Periods by submitting a timely written Workweek Dispute to the Administrator. The Workweek Dispute must be signed, dated, and mailed by First Class U.S. Mail, or the equivalent, to the Administrator. All Workweek Disputes must be postmarked no later than the Dispute Deadline. Unless a disputing Class Member submits documentary evidence in support of his or her dispute, the Defendants' records will be determinative. All Workweek Disputes will be resolved and decided by the Administrator, and the Administrator's decision on all disputes will be final and binding. The date of the postmark on the Workweek Dispute return envelope will be the exclusive means used to determine whether a Workweek Dispute has been timely submitted. No Workweek Dispute will be honored if it is postmarked after the Dispute Deadline unless the Parties mutually agree to accept the untimely dispute.

b. **Opting Out of the Settlement.** Any Class Member may exclude themselves, if they do not wish to participate in the Settlement, by submitting a timely written Request for Exclusion to the Administrator. The Request for Exclusion must contain: the individual's full name, signature with date, the case name and number of the Action; and a clear statement indicating that he or she desires to be excluded from the Settlement. The Request for Exclusion must be signed, dated, and mailed by First Class U.S. Mail, or the equivalent, to the Administrator. All Requests for Exclusion

1 must be postmarked no later than the Response Deadline. Any individual
2 who submits a Request for Exclusion will not be allowed to object to the
3 terms of the Settlement.

4 c. **Objecting to the Settlement.** Any Class Member who does not exclude
5 himself/herself from the Settlement (i.e., a Participating Class Member) may
6 object to the terms of the Settlement by filing a written objection with the
7 Court and mailing a copy to the Settlement Administrator, no later than the
8 Response Deadline. A written objection must contain: the Participating
9 Class Member's full name, signature with date, the case name and number of
10 the Action, a clear statement indicating that he or she objects to the
11 Settlement, each specific reason in support of the objection along with any
12 legal support for each objection, a clear statement indicating whether he or
13 she is represented by counsel and whether he or she intends to appear at the
14 Final Approval Hearing. Alternatively, any Participating Class Member may
15 object orally at the Final Approval Hearing. If the Court rejects the
16 objection, the individual will nevertheless be bound by the terms of the
17 Settlement. At no time will any of the Parties or their counsel seek to solicit
18 or otherwise encourage Participating Class Members to submit written
19 objections to the Settlement Agreement or appeal from the Final Approval
20 Order and Judgment. Class Counsel will not represent any Class Members
21 with respect to any such objections to this Settlement.

22 69. **Non-Deliverable Class Notices.** Class Notices returned to the Administrator as
23 non-deliverable before the Response Deadline will be re-sent to the forwarding address, if any,
24 on the returned envelope. A returned Class Notice will be forwarded only once per Class
25 Member by the Administrator. If there is no forwarding address, the Administrator will do a
26 skip-trace search for a more recent address associated with the Class Member whose Notice
27 Packet was returned, and re-mail the Notice Packet within five (5) calendar days; this search and
28 re-mailing will be performed only once per Class Member by the Administrator. If a Class

Member's notice is re-mailed, the Class Member will have fifteen (15) calendar days from the re-mailing, or sixty (60) calendar days from the date of the initial mailing, whichever is later, in which to postmark objections or submit a Request for Exclusion. Upon completion of these steps by the Administrator, Defendants and the Administrator are deemed to have satisfied their obligations to provide the Class Notice to Class Members. Irrespective of whether or not a Class Member receives a Class Notice, they will remain a Class Member and will be bound by all the terms of the Settlement and the contemplated Final Approval Order and Judgment, unless they submit a valid and timely Request for Exclusion. The cost of all Return Envelopes or deficiency notices are a part of the Administration Expenses to be paid out of the Maximum Settlement Amount.

70. **Class Administration Webpage.** From the date Class Notices are mailed through two hundred (200) calendar days following the disbursement of Individual Class Payments and Individual PAGA Payments, the Administrator will post and permit Class Members to access the Agreement, Preliminary Approval Order, and Final Approval Order and Judgment at no charge via a webpage on its website.

71. **Right to Rescission.** If more than ten percent (10%) of Class Members opt out of the Settlement by submitting valid and timely Requests for Exclusion, Defendants have the right (but need not) in their sole discretion to rescind and void the Settlement, before final approval by the Court, by providing written notice to Class Counsel at least ten (10) calendar days after the Administrator furnishes Defendants with the number and percentage of valid and timely Requests for Exclusion following the expiration of the Response Deadline. If Defendants exercise this option, Defendants will pay all Settlement Administration Costs incurred through such date. If the Settlement is rescinded pursuant to this provision, this Settlement will be considered null and void, neither the Settlement or any of the related negotiations or proceedings will have any force or effect and no party will be bound by any of its terms, and all Parties to this Settlement will stand in the same position, without prejudice, as if the Settlement had been neither entered into nor filed with the Court.

PROCEDURE FOR FINAL COURT APPROVAL OF AGREEMENT

72. **Seeking Final Approval.** Plaintiff will prepare and file a motion for final approval of the Settlement. Plaintiff agrees to provide Defendants the opportunity to review the Final Approval Motion, and to seriously consider Defendants' comments before filing the Final Approval Motion. In conjunction with the Final Approval Motion, Class Counsel will submit a proposed Final Approval Order and Judgment, in substantially the form attached hereto as **Exhibit C**, that provides, *inter alia*, as follows:

- A. Making final the conditional certification of the Class for settlement purposes only;
- B. Approving the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions;
- C. Approving an award of Attorneys' Fees and Costs to Class Counsel;
- D. Approving the Enhancement Payment to the Class Representative;
- E. Approving the Administration Expenses to be paid to the Administrator;
- F. Approving the PAGA Allocation and LWDA Payment to the LWDA;
- G. Entry of judgment in the Action with continuing jurisdiction of the Court in conformity with California Rules of Court Rule 3.769 and California Code of Civil Procedure Section 664.6 as necessary to enforce the terms of the Agreement.

73. **Declaration of Due Diligence.** In connection with and in support of Plaintiff's Final Approval Motion, Class Counsel will file with the Court a declaration by the Settlement Administrator of due diligence and proof of mailing with regard to the mailing of the Class Notice to Class Members.

74. **Submission of Judgment to LWDA.** Within 10 calendar days after Class Counsel's receipt of the Court's approval of the Agreement and entry of a signed Final Approval Order and Judgment, Class Counsel will submit the Final Approval Order and Judgment to the LWDA through its on-line procedures, and will provide Defense Counsel with a copy of the LWDA's acknowledgment of receipt of the Final Approval Order and Judgment.

SETTLEMENT FUNDING AND PAYMENTS DISBURSEMENTS

1 75. **Accounting of Disbursement.** Within 15 calendar days after the Effective Date,
2 the Administrator will provide Defendants with payment instructions and a report listing the
3 amount of all payments to be made.

4 76. **Payment of Maximum Settlement Amount.** Within 30 calendar days after the
5 Effective Date, Defendants, on behalf of the Released Parties, will pay to the Administrator the
6 Maximum Settlement Amount. The Administrator will establish a Qualified Settlement Fund
7 (“QSF”) for purposes of disbursing the Maximum Settlement Amount per the terms of this
8 Agreement. The Administrator will undertake all required withholding, remittances, reporting of
9 taxes, and issuance of the appropriate tax forms for payments required under this Agreement in
10 accordance with local, state, and federal laws.

11 77. **Disbursement of Maximum Settlement Amount.** Within 40 calendar days after
12 the Effective Date, the Administrator will disburse the Maximum Settlement Amount as specified
13 in this Agreement and as approved by the Court in the Final Approval Order and Judgment. The
14 Administrator will be responsible for making payment of any court-approved Class Counsel’s
15 Attorneys’ Fee and Costs, any court-approved Plaintiff’s Enhancement Payment to the Class
16 Representative, Administration Expenses, the LWDA Payment, issuing the Individual Class
17 Payments to Participating Class Members, issuing Individual PAGA Payments to PAGA
18 Members, and meeting any reporting obligations.

19 78. **Default on Payment.** Defendants’ failure to timely pay to the Administrator the
20 Maximum Settlement Amount will be considered a default. In the event Defendants fail to
21 timely fund the Maximum Settlement Amount, the Administrator will provide notice to Class
22 Counsel and Defendants’ counsel within three (3) business days of the missed payment.
23 Thereafter, Defendants will have seven (7) calendar days to cure the default and tender payment
24 to the Administrator.

25 79. **Individual Class and PAGA Payment Disbursements.** The Administrator will
26 distribute Individual Class Payments, subject to applicable taxes and withholdings, and
27 Individual PAGA Payments by way of check(s) mailed to the Participating Class Member and/or
28 PAGA Member at the last known address that the Administrator has on file. Settlement payment

18 80. **Declaration of Compliance.** Within one hundred ninety (190) days from the date
19 of issuance of settlement payment checks, the Administrator will provide a declaration of
20 compliance with the terms of the Agreement and detailing proof of payment and the numbers of
21 cashed and uncashed checks (without disclosing or identifying information of Class Members).
22 Class Counsel will file the Administrator's declaration of compliance with the Court, as ordered
23 by the Court.

25 81. **Stay of Discovery.** To effectuate the terms of the Settlement, the Parties agree all
26 formal and informal discovery is stayed pending final Court approval of the Settlement.

82. **Limited Public Comment.** With the exception of court filings and notice to the
LWDA, the Class Representative and Class Counsel will not make: (1) any comments to the

public or the media; (2) engage in any mass communications or other publicity, including, but not limited to, website, blog, or social media postings, and (3) public disclosure of the terms of this Settlement (including, but not limited to, the Maximum Settlement Amount), the negotiations leading to this Settlement, and all documents related to the Settlement. The Parties will use their best efforts to reach agreement on all Court filings. Class Counsel will take all steps necessary to ensure that Plaintiff is aware of, and will ensure that Plaintiff adheres to, the restriction against public comment of the Settlement. Class Counsel further agrees to cease all affirmative mass communication (oral and written) with the Class Members, other than through Court-approved notices. This provision does not prevent Class Counsel from communicating with any Class Members who may contact Class Counsel. Also, nothing in this Agreement restricts Class Counsel from disclosing and including all publicly available information regarding this case and the settlement in any documents filed with any court and/or judicial submissions (e.g., CV's, declarations regarding adequacy or experience, etc.).

83. **Media Communications / No Attorney Advertising.** The Parties will not initiate any communications (directly or indirectly) with the media regarding the Action. Notwithstanding the foregoing, the Class Representative and Class Counsel may, in response to a communication initiated by the media, direct the inquiring media member to the public records of the Action on file with the Court and respond only with "The matter has been resolved." Class Counsel will take all steps necessary to ensure that Plaintiff is aware of, and will ensure that Plaintiff adheres to, the restriction against any media comment on the Settlement and its terms. Class Counsel also agrees that their law firm will not specifically refer to this case, this settlement, or the names of Released Parties in any advertising or promotional material of any kind on their website, on any social media platform, or in any other written or electronic communications of any kind or nature.

84. **No Assignment of Claims.** The Parties and their counsel represent, covenant and warrant that they have not directly or indirectly, assigned, transferred, encumbered or purported to assign, transfer or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged except as set forth herein.

85. **Construction.** The Parties agree that the terms and conditions of this Agreement are the result of lengthy, intensive arms-length negotiations between the Parties and this Agreement will not be construed in favor of or against any party by reason of the extent to which any party or his, her, or its counsel participated in the drafting of this Agreement.

86. **No Admission.** Nothing contained in this Agreement, nor the consummation of this Agreement, is to be construed or deemed an admission of liability, culpability, negligence or wrongdoing on the part of Plaintiff, Defendants, or Released Parties. Each of the Parties hereto has entered into this Agreement solely with the intention to avoid further disputes and litigation with the attendant inconvenience and expenses.

87. **Captions and Interpretations.** Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend or describe the scope of this Agreement or any provision of it.

88. **Modification and Waiver.** This Agreement may not be changed, altered or modified, except in writing specifically referencing this Agreement, signed by the Parties, and approved by the Court. No rights under this Agreement may be waived except in writing specifically referencing this Agreement, signed by the waiving Party or Parties.

52. **Notice to Counsel.** Unless otherwise specifically provided herein, all notices, demands, or other communications provided for in this Agreement will be in writing and will be both emailed and mailed by United States registered or certified mail, return receipt requested, addressed as follows:

Class Counsel:

Emil Davtyan

emil@d.law

Roman Shkodnik

r.shkodnik@d.law

Amanda Faizo

a.faizo@d.law

D.Law

450 N. Brand Blvd, Suite 840

Glendale, California 91203

David Yeremian

david@yeremianlaw.com

David Yeremian & Associates, Inc.

Defense Counsel:

Joel Van Parys

jvanparys@cdfsflaborlaw.com

Dalia Z. Khatib

dkhatib@cdfsflaborlaw.com

CDF Labor Law LLP

900 University Avenue, Suite 200

Sacramento, California 95825

1 450 N. Brand Blvd, Suite 840
2 Glendale, California 91203
3
4

5 89. **Mutual Full Cooperation.** The Parties agree to fully cooperate with each other to
6 accomplish the terms of this Agreement, including, but not limited to, execution of such
7 documents and taking such other action as reasonably may be necessary to implement the terms
8 of this Agreement. The Parties will use their best efforts, including all efforts contemplated by
9 this Agreement and any other efforts that may become necessary by order of the Court, or
10 otherwise, to effectuate this Agreement and the terms set forth herein. As soon as practicable
11 after execution of this Agreement, Class Counsel will, with the assistance and cooperation of
12 Defendants and Defense Counsel, take all necessary steps to secure the Court's approval of this
13 Agreement. If the Court does not issue an order approving the Agreement under the specific
14 terms requested, the Parties agree to meet and confer to address the Court's concerns in good
15 faith and determine whether resolution of the claims encompassed by the Agreement can be
16 obtained in a manner consistent with the Court's concerns. The Parties, Class Counsel, and
17 Defense Counsel agree that they will not attempt to encourage or discourage Class Members
18 from filing Requests for Exclusion.

19 90. **Disputes.** Should any dispute(s) arise among the Parties or their respective
20 counsel regarding the implementation or interpretation of this Agreement that they are unable to
21 resolve cooperatively, the Parties agree to submit any such dispute(s) to mediator Brandon
22 McKelvey. To the extent any Party seeks to enforce any of the terms of this Agreement in Court
23 or before the Court, the prevailing party will be entitled to recover reasonable attorneys' fees and
24 costs.

25 91. **Parties' Authority.** It is agreed that because the Class and PAGA Members are
26 so numerous, it is impossible or impractical to have each Class and PAGA Member execute this
27 Agreement. The Class Notice will advise all Class and PAGA Members of the binding nature of
28 the releases of claims provided for by the Settlement, and that the releases will have the same

1 force and effect as if this Agreement were executed by each Participating Class Member and
2 PAGA Member. The signatories to this Agreement represent that they are fully authorized to
3 enter into this Agreement and bind the Parties to its terms and conditions.

4 **92. Agreement Binding on Successors.** This Agreement is binding on and inures to
5 the benefit of the Parties, and the Released Parties and their respective heirs, trustees, executors,
6 administrators, successors and assigns.

7 **93. Integration Clause.** This Agreement contains the entire agreement between the
8 Parties relating to any and all matters addressed in the Agreement, and all prior or
9 contemporaneous agreements, understandings, representations, and statements, whether oral or
10 written and whether by a party or such party's legal counsel, are merged herein.

11 **94. Attorneys' Fees and Costs.** Except as expressly provided in this Agreement,
12 Defendants and Plaintiffs will each bear their own attorney's fees and costs.

13 **95. Counterparts.** This Agreement may be executed in counterparts and by original
14 or electronic signatures consistent with the Uniform Electronic Transactions Act (Civil Code §
15 1633.1-1633.17) sent via PDF through email, and when each party has signed and delivered at
16 least one such counterpart, each counterpart, including e-mail and PDF versions, will be deemed
17 an original and, when taken together with other signed counterparts, will constitute one
18 Agreement binding upon and effective as to all Parties.

19 **96. Extension of Deadlines.** If the date by which any court filing, mailing, or
20 deadline is to occur per the terms and conditions of this Agreement falls on a Saturday, Sunday,
21 or legal holiday in the State of California, the date of the court filing, mailing, or deadline is
22 extended to the next following day which is not a Saturday, Sunday, or legal holiday in the State
23 of California.

24 **97. California Law.** All terms of this Agreement will be governed by and interpreted
25 according to the laws of the State of California.

26 **98. Voluntary Agreement.** The Parties expressly declare and represent that they have
27 read this Agreement and have consulted with counsel, or had the opportunity to consult with
28 counsel, regarding the meaning of the provisions, terms, and conditions contained in this

1 Agreement. The Parties further expressly declare and represent that they fully understand the
2 content and effect of this Agreement, that they approve and accept its terms and conditions, and
3 that the Agreement is executed freely and voluntarily.

4 IN WITNESS WHEREOF, the Parties knowingly and voluntarily execute this Agreement
5 as of the date(s) set forth below:

6
7 Dated: 02/27/2025

DocuSigned by:

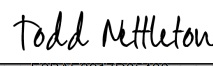


Plaintiff Gustavo Hernandez

Defendant Valley Fine Foods Company, LLC

10 Dated: 3/4/2025

DocuSigned by:



Todd Nettleton

CEO

Valley Fine Foods Company, LLC

12 **AGREED AS TO FORM AND CONTENT:**

14 Dated: March 4, 2025

CDF LABOR LAW LLP

16 By: 

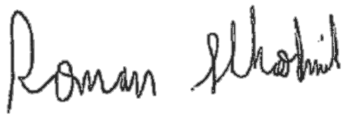
Joel Van Parys
Dalia Z. Khatib

Attorneys for Defendant

VALLEY FINE FOODS COMPANY, LLC

20 Dated: 03/03/2025

D.LAW, INC.

22 By: 

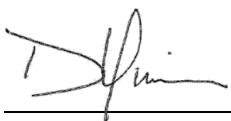
Emil Davtyan
Roman Shkodnik
Amanda Fazio

Attorneys for Plaintiffs

BLANCA RIVERA AND GUSTAVO HERNANDEZ

1 Dated: 03/03/2025

DAVID YEREMIAN & ASSOCIATES, INC.

2
3 By: 

David Yeremian

4 Attorneys for Plaintiffs
5 BLANCA RIVERA AND GUSTAVO HERNANDEZ
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF ORANGE.

I, the undersigned, declare that I am employed in the aforesaid County, State of California. I am over the age of 18 and not a party to the within action. My business address is 18300 Von Karman Avenue, Suite 800, Irvine, CA 92612. On February 14, 2025, I served upon the interested party(ies) in this action the following document described as:

JOINT STIPULATION OF CLASS AND PAGA SETTLEMENT

By the following method:

☒ **(Electronic service)** Pursuant to CCP 1010.6, I caused the documents to be sent to the persons at the electronic service addresses listed in the attached service list. For represented parties, I confirmed the appropriate electronic service address for the counsel being served. For unrepresented parties, if any, the unrepresented party(ies) have expressly consented to electronic service.

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

Executed on February 14, 2025, at Irvine, California.

_____	_____
(Type or print name)	(Signature)

SERVICE LIST

Emil Davtyan
Roman Shkodnik
Amanda Fazio
D.LAW, INC.
450 N. Brand Blvd., Suite 840
Glendale, CA 91203

Attorneys for Plaintiffs Blanca Rivera and
Gustavo Hernandez

TEL: (818) 962-6465
EMAIL: emil@d.law;
r.shkodnik@d.law; a.fazio@d.law;
n.bermudes@d.law

David Yeremian,
David Yeremian & Associates, Inc.
david@yeremianlaw.com
450 N. Brand Blvd., Suite 840
Glendale, CA 91203

TEL: (818) 962-6465
EMAIL: david@yeremianlaw.com

Eric M. Welch
President of Legal Affairs
The BaronHR Family of Staffing Companies
8101 E. Kaiser Avenue
Anaheim, CA 92808

Attorneys for Defendants Legendary Staffing,
Inc. and BaronHR, LLC

TEL: (714) 860-7800
EMAIL: eric@baronhr.com;
kjimenez@baronhr.com;
jespinoza@baronhr.com

Damion Robinson
David Markevitch
ROBINSON MARKEVITCH LLP
1261 Lincoln Avenue, Suite 208,
San Jose, CA 95125

Attorney for Defendant Atlantic Solutions
Group, Inc. d/b/a Empire Workforce Solutions

TEL: (213) 757-7778
EMAIL: dr@robinsonmarkevitch.com; and
dm@robinsonmarkevitch.com;
cc: Prabhjot Kaur Bains,
pb@robinsonmarkevitch.com

EXHIBIT A

CDF LABOR LAW LLP
Joel Van Parys, State Bar No. 227387
jvanparys@cdflaborlaw.com
Dalia Z. Khatib, State Bar No. 323712
dkhatib@cdflaborlaw.com
900 University Avenue, Suite 200
Sacramento, CA 95825
Telephone: (916) 361-0991

Attorneys for Defendant
VALLEY FINE FOODS COMPANY, LLC

D.LAW, INC.
Emil Davtyan, State Bar No. 299363
emil@d.law
Roman Shkodnik, State Bar No. 285152
r.shkodnik@d.law
Amanda Fazio, State Bar No. 346350
a.fazio@d.law
450 N. Brand Blvd., Suite 840
Glendale, CA 91203
Telephone: (818) 962-6465

Attorneys for Plaintiffs
BLANCA RIVERA and GUSTAVO HERNANDEZ

[Additional counsel listed on following page]

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SOLANO

BLANCA RIVERA AND GUSTAVO
HERNANDEZ, on behalf of themselves and
others similarly situated,

Plaintiffs,

vs.

LEGENDARY STAFFING, INC. dba FOR
LEGENDARY STAFFING, a California
corporation; ATLANTIC SOLUTIONS
GROUP INC., a Delaware corporation;
EMPIRE WORKFORCE SOLUTIONS, an
entity of unknown form; BARONHR, LLC dba
THE BARONHR FAMILY OF STAFFING
COMPANIES, a Delaware limited liability
company; VALLEY FINE FOODS
COMPANY, LLC, California limited liability
company; and DOES 1 through 50, inclusive,

Defendants.

) Case No. CU23-01485

) Assigned for All Purposes To:

) Judge: Hon. Stephen Gizzi

) Dept: 3

) **[PROPOSED] ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
AND PAGA SETTLEMENT**

) Action Filed: May 17, 2023

**[PROPOSED] ORDER GRANTING PREL
APPROVAL OF CLASS AND PAGA
SETTLEMENT**

1 DAVID YEREMIAN & ASSOCIATES, INC.
2 David Yeremian, State Bar No. 226337
3 david@yeremianlaw.com
4 450 N. Brand Blvd., Suite 840
5 Glendale, CA 91203
6 Telephone: (818) 962-6465
7
8 Attorneys for Plaintiffs
9 BLANCA RIVERA and GUSTAVO HERNANDEZ
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

1 **TO ALL PARTIES AND THEIR RESPECTIVE COUNSEL OF RECORD:**

2 Plaintiff GUSTAVO HERNANDEZ's ("Plaintiff") Motion for Preliminary Approval of
3 Class and PAGA Settlement ("Motion for Preliminary Approval") came before this Court in
4 Department 3 before the Honorable Stephen Gizzi. The Court having reviewed the Joint
5 Stipulation of Class and PAGA Settlement ("Agreement" or "Settlement") and considered the
6 papers, the arguments of counsel, and all other evidence and matters presented, and good cause
7 appearing:

8 **IT IS ORDERED** that the Motion for Preliminary Approval of Class and PAGA
9 Settlement is **GRANTED**, subject to the following findings and orders:

10 1. The Court grants preliminary approval of the Parties' settlement based upon the
11 terms set forth in the Agreement. All terms used herein have the same meaning as defined in
12 the Agreement. The settlement terms set forth in the Agreement appears to be fair, adequate
13 and reasonable to the Class and PAGA Members.

14 2. It appears to the Court on a preliminary basis that (a) the Settlement is fair,
15 adequate and reasonable; (b) the Maximum Settlement Amount and Net Settlement Amount are
16 fair, adequate and reasonable when balanced against the probable outcome of further litigation
17 relating to liability and damages issues; (c) sufficient investigation and research have been
18 conducted such that counsel for the Parties at this time are able to reasonably evaluate their
19 respective positions; (d) settlement at this time will avoid additional costs by all Parties, as well
20 as avoid the delay and risks that would be presented by the further prosecution of the Action; and
21 (e) the Settlement has been reached as the result of non-collusive, arms-length negotiations.

22 3. A final fairness hearing on the question of whether the Settlement, Attorneys' Fees
23 and Costs to Class Counsel, Plaintiff's Enhancement Payment, PAGA Allocation, and
24 Administration Expenses should be finally approved as fair, reasonable and adequate as to the
25 members of the Class is scheduled in Department 3 on the date and time set forth below.

26 4. This Court approves, as to form and content, the Class Notice, in substantially the
27 form attached hereto and to the Agreement as **Exhibit B**. The Court approves the procedure for
28 Class Members to participate in, to opt out of, and/or to object to, the Settlement as set forth in

1 the Agreement and the Class Notice.

2 5. The Court directs the mailing of the Class Notice by first class mail to the Class
3 and PAGA Members in accordance with the Implementation Schedule set forth below. The
4 Court finds the dates selected for the mailing and distribution of the Class Notice, as set forth in
5 the Implementation Schedule, meet the requirements of due process and provide the best notice
6 practicable under the circumstances and will constitute due and sufficient notice to Class and
7 PAGA members.

8 6. The Court concludes that, for settlement purposes only, the Class is preliminarily
9 and conditionally certified and meets the requirements for certification under section 382 of
10 California Code of Civil Procedure in that: (1) the Class is ascertainable and so numerous that
11 joinder of all members of the Class is impracticable; (b) common questions of law and fact
12 predominate, and there is a well-defined community of interest amongst the members of the
13 Class with respect to the subject matter of the litigation; (c) Plaintiff's claims are typical of the
14 claims of the members of the Class; (d) Plaintiff will fairly and adequately protect the interest of
15 the members of the Class; (e) a class action is superior to other available methods for the
16 efficient adjudication of the controversy; and (f) Class Counsel is qualified to act as counsel for
17 the Plaintiff in her individual capacity and as the representative of the Class. The Class is defined
18 as all temporary non-exempt individuals who were placed by Defendant BaronHR and/or
19 Defendant Legendary Staffing to work at Defendant Valley Fine Foods Company, LLC in
20 California from May 17, 2019 through November 5, 2024.

21 7. The Court confirms Plaintiff Hernandez as the Class Representative, and David
22 Yeremian, Esq. of the law firm David Yeremian & Associates, Inc. and Roman Shkodnik, Esq.
23 and Amanda Fazio, Esq. of the law firm D.Law, Inc. as Class Counsel.

24 8. The Court confirms [REDACTED] as the Administrator.

25 9. The Court approves the proposed procedures, as set forth in the Agreement for:
26 seeking exclusion from the Settlement by submitting to the Administrator a valid and timely
27 Request for Exclusion; objecting to the Settlement by filing with the Court and submitting to the
28

1 Administrator a written objection; and disputing credited workweeks by submitting to the
2 Administrator a valid and timely Workweek Dispute.

3 10. A Final Approval Hearing will be held before this Court on the date and time
4 indicated in the Implementation Schedule below in Department 3 of the Superior Court of
5 California for the County of Solano located at 580 West Texas St., Fairfield California 94533,
6 to determine all necessary matters concerning the Settlement, including: whether the proposed
7 settlement of the Action on the terms and conditions provided for in the Agreement is fair,
8 adequate, and reasonable and should be finally approved by the Court; whether a judgment, as
9 provided in the Agreement, should be entered; whether the plan of allocation contained in the
10 Settlement should be approved as fair, adequate, and reasonable to the Class Members; and
11 determine whether to finally approve the allocations and requests for Class Counsel's Fees and
12 Costs, Plaintiff's Enhancement Payment, Administration Expenses, and PAGA Allocation.
13 Class Counsel will file a motion for final approval of the Settlement and for Class Counsel's
14 Fees and Costs, Plaintiff's Enhancement Payment, and Administration Expenses, along with the
15 appropriate declarations and supporting evidence, including the Administrator's declaration in
16 accordance with California Code of Civil Procedure section 1005(b) (i.e., 16 court days prior to
17 the Final Approval Hearing).

18 The Court orders the following **Implementation Schedule** for further proceedings:

	Event	Date
a.	Deadline for Defendants to Submit Class Data to Administrator	[30 calendar days after Order granting preliminary Approval]
b.	Deadline for Administrator to Mail Class Notice to Class and PAGA Members	[45 calendar days after Order granting preliminary Approval]
c.	Deadline for Class Members to Postmark Workweek Dispute	[30 calendar days after mailing of the Class Notice]

d.	Deadline for Class Members to Postmark Requests for Exclusion	[60 calendar days after mailing of the Class Notice]
e.	Deadline for Receipt by Court and Administrator of any objections to Settlement	[60 calendar days after mailing of the Class Notice]
f.	Deadline for Class Counsel to file Motion for Final Approval of Settlement, including Request for Class Counsel's Attorneys' Fees and Costs and Plaintiff's Enhancement Payment	[16 Court days before Final Approval Hearing]
g.	Deadline for filing of Declaration by Administrator of Due Diligence and Proof of Mailing	[16 Court days before Final Approval Hearing]
h.	Deadline for Defendants to provide written Notice of Rescission of Settlement to Class Counsel (if applicable)	[10 calendar days before Final Approval Hearing, provided number and percentage of opt outs previously provided to Defendants]
i.	Final Approval Hearing	Date: Time:

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

IT IS SO ORDERED.

Dated: _____

Hon. Stephen Gizzi
Judge of the Superior Court

PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF ORANGE.

I, the undersigned, declare that I am employed in the aforesaid County, State of California. I am over the age of 18 and not a party to the within action. My business address is 18300 Von Karman Avenue, Suite 800, Irvine, CA 92612. On March 10, 2026, I served upon the interested party(ies) in this action the following document described as:

[PROPOSED] ORDER GRANTING PRELIMINARY APPROVAL OF CLASS AND PAGA SETTLEMENT

By the following method:

☒ **(Electronic service)** Pursuant to CCP 1010.6, I caused the documents to be sent to the persons at the electronic service addresses listed in the attached service list. For represented parties, I confirmed the appropriate electronic service address for the counsel being served. For unrepresented parties, if any, the unrepresented party(ies) have expressly consented to electronic service.

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

Executed on March 10, 2026, at Irvine, California.

(Type or print name)

(Signature)

SERVICE LIST

Emil Davtyan
David Yeremian
Roman Shkodnik
Amanda Fazio
D.LAW, INC.
450 N. Brand Blvd., Suite 840
Glendale, CA 91203

Attorneys for Plaintiffs Blanca Rivera and
Gustavo Hernandez

TEL: (818) 962-6465
EMAIL: emil@d.law;
david@yeremianlaw.com; r.shkodnik@d.law;
a.fazio@d.law; n.bermudes@d.law

Eric M. Welch
President of Legal Affairs
The BaronHR Family of Staffing Companies
8101 E. Kaiser Avenue
Anaheim, CA 92808

Attorneys for Defendants Legendary Staffing,
Inc. and BaronHR, LLC

TEL: (714) 860-7800
EMAIL: eric@baronhr.com;
kjimenez@baronhr.com;
jespinoza@baronhr.com

Damion Robinson
David Markevitch
ROBINSON MARKEVITCH LLP
1261 Lincoln Avenue, Suite 208,
San Jose, CA 95125

Attorney for Defendant Atlantic Solutions
Group, Inc. d/b/a Empire Workforce Solutions

TEL: (213) 757-7778
EMAIL: dr@robinsonmarkevitch.com; and
dm@robinsonmarkevitch.com;
cc: Prabhjot Kaur Bains,
pb@robinsonmarkevitch.com

EXHIBIT B

<<First Name>> <<Last Name>>
<<Address 1>>
<<Address 2>>

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

Blanca Rivera and Gustavo Hernandez v. Legendary Staffing, Inc. dba for Legendary Staffing, et. al.; and Does 1 through 50, inclusive; Solano Superior Court Case No. CU23-01485.

PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE RELATES TO A SETTLEMENT OF CLASS ACTION AND PAGA LITIGATION.

I. BACKGROUND OF THE CASE

On August 22, 2023, former employee Gustavo Hernandez (“Plaintiff”) filed a lawsuit alleging wage and hour violations on a class-wide basis and seeking penalties under the California Private Attorney General Act (“PAGA”) against Valley Fine Foods Company, LLC and Legendary Staffing, Inc. dba For Legendary Staffing and BaronHR, LLC dba The BaronHR Family of Staffing Companies (“Defendants”) (Plaintiff and Defendant are collectively referred to as the “Parties”). The lawsuit was filed in Superior Court of the State of California for Solano County (“Court”), Case No. CU23-01485 (the “Action”).

The Action alleges Defendants failed to pay minimum wages, regular wages, and overtime, failed to provide compliant meal periods and associated premiums; failed to provide compliant rest periods and associated premiums; failed to provide compliant wage statements; failed to timely pay wages upon termination; and therefore, engaged in unfair competition and owes penalties under PAGA.

Defendants deny all claims, deny that Plaintiff and the Class Members are entitled to any recovery, and assert affirmative defenses in response to Plaintiff’s claims.

The Action has been actively litigated. There have been on-going investigations, and an exchange of extensive documentation and information. Furthermore, the Parties have engaged in arms-length private mediation before a well-respected mediator. Based upon the negotiations, and all known facts and circumstances, including the various risks and uncertainties related to legal actions, the Parties reached a class-wide Settlement based upon the recommendation of the mediator. By settling, the Parties will avoid the risks associated with a lengthy litigation process. Despite agreeing to and supporting the Settlement, Defendants continue to deny all allegations and claims.

The Parties have entered into a Joint Stipulation of Class and PAGA Settlement (“Settlement,” or “Agreement”), which has been preliminarily approved by the Court. The Settlement has been reached between the Parties on behalf of:

- (1) all temporary non-exempt individuals who were placed by Defendant BaronHR and or Legendary Staffing to work at Defendant Valley Fine Foods Company, LLC in California during the Class Period (defined as May 17, 2019 through November 5, 2024) (“Class Members”); and
- (2) all temporary non-exempt individuals who were placed by Defendant BaronHR and/or Legendary Staffing to work at Defendant Valley Fine Foods Company, LLC in California during the PAGA Period (defined as May 17, 2022 through November 5, 2024) (“PAGA Members”)

II. ESTIMATED INDIVIDUAL PAYMENT

You have received this notice because Defendants' records indicate you are a Class Member and/or PAGA Member. This notice is to advise you of how you can participate in or be excluded from the Settlement.

Based on Defendants' records, your Individual Class Payment is estimated to be \$ [REDACTED] (less applicable withholdings) and your Individual PAGA Payment is estimated to be \$ [REDACTED]. The actual amount you may receive may be more or less than the amount estimated depending on the number of Class Members who choose to exclude themselves from the Settlement, the actual number of Workweeks worked by Participating Class Members, and on the distributions approved and allocated by the Court. If no amount is stated for your Individual PAGA Payment, then you are not eligible for an Individual PAGA Payment under the Settlement because you did not work during the PAGA Period.

The above estimates are based on Defendants' records showing that you worked [REDACTED] workweeks during the Class Period, and you worked [REDACTED] pay periods during the PAGA Period.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether or not you act. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement. The Court will also decide whether to enter a judgment that approves the releases of claims by Class Members and PAGA Members in accordance with the terms of the Settlement.

III. SUMMARY OF SETTLEMENT

1. Under the terms of the Settlement, Defendant Valley Fine Foods Company, LLC agrees to pay the Maximum Settlement Amount of One Hundred Sixty Thousand Dollars (\$160,000.00), which is inclusive of all amounts Defendant Valley Fine Foods Company, LLC is required to pay under the Settlement, including all Individual Class Payments to Participating Class Members, all Individual PAGA Payments to PAGA Members, the LWDA Payment, Plaintiff's Enhancement Payment, Class Counsel's Attorneys' Fees and Costs, and Administration Expenses. The entire Maximum Settlement Amount will be fully paid out and no portion of the Maximum Settlement Amount will revert back to Defendant.

2. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Maximum Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:

a. Up to \$13,200.00 in Administration Expenses to the Administrator for costs of administration of the Settlement.

b. Up to \$10,000.00 as allocated as PAGA penalties, 75% of which will be paid to the LWDA and 25% of which will be distributed as Individual PAGA Payments to PAGA Members on a pro-rata basis based on the number of pay periods worked by all PAGA Members during the PAGA Period.

c. Up to \$53,333.33.00 (one-third of the Maximum Settlement Amount) to Class Counsel for attorneys' fees and up to \$25,000.00 for litigation costs and expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

d. Up to \$7,500.00 as Plaintiff's Enhancement Payment for Plaintiff in recognition of his effort and work in prosecuting the Action and in exchange for an individual general release of all claims.

3. After making the above deductions in amounts approved by the Court the Administrator will distribute the remaining amount (the “Net Settlement Amount”) as Individual Class Payments to Participating Class Members. The Individual Class Payments to Participating Class Members are calculated on a pro-rata basis based on the number of Workweeks worked by all Participating Class Members during the Class Period based on the Class Data provided by Defendants.

4. Each Individual Class Payment to a Participating Class Member will be attributed 20% as wages and 80% as penalties and interest. The Administrator will report the portions paid as penalties and interest via IRS 1099 form, along with the Class Members’ PAGA Payments (if applicable), and will report portions attributed to wages via IRS form W-2. The Administrator will pay employer payroll taxes owed on the wage portion of Individual Class Payments. The Administrator will deduct employee payroll taxes from the wage portion of Individual Class Payments. Although the Parties have agreed to these allocations, neither side is giving you any advice on whether your payment(s) are taxable or how much you might owe in taxes. You are solely responsible for correctly characterizing any payments made pursuant to the Settlement for tax purposes and for paying any taxes on the amounts received. You should consult a tax advisor if you have any questions about the tax consequences of the Settlement.

5. Releases of Claims. Upon Final Approval being granted by the Court, every Class Member who does not opt out of the Settlement (i.e., Participating Class Member), will release Defendants and the Released Parties from the Released Claims as described below. Additionally, every PAGA Member will release Defendants and the Released Parties from the Released PAGA Claims as described below. In other words, if you are a Class Member and you do not exclude yourself from the Settlement Class, you will be deemed to have entered into the release and to have released the below-described Released Claims. If the Settlement is not approved by the Court or does not become final for some other reason, the Action will continue as though the Settlement never occurred and without prejudice to any Party.

a. “Released Parties” means (i) Defendants, (ii) Defendants’ past and present direct and indirect parents; (iii) the respective past and present direct and indirect subsidiaries and affiliates of any of the foregoing; (iv) the past and present shareholders, directors, officers, agents, employees, attorneys, insurers, members, partners, managers, contractors, agents, consultants, representatives, administrators, fiduciaries, benefit plans, transferees, predecessors, successors and assigns of any of the foregoing; and (v) any individual or entity which could be jointly liable with any of the foregoing.

b. Release By Plaintiff and all Participating Class Members. As of the Effective Date, Plaintiff and all Participating Class Members fully, finally, and forever release, compromise, and discharge the Released Parties from all claims under the California Labor Code, Wage Orders, regulations, and/or any other provisions of state or federal law against the Released Parties that were alleged in the Action and those that reasonably could have been alleged in the Action based on the allegations contained in the operative complaint in the Action and any amendments thereto, including, without limitation, all claims for (1) failure to pay minimum wages; (2) failure to pay wages and overtime under Labor Code § 510; (3) meal-period liability under Labor Code § 226.7; (4) rest-break liability under Labor Code § 226.7; (5) violation of labor code § 226(a); (6) penalties pursuant to Labor Code § 203; (7) violation of Business & Professions Code § 17200 et seq.; and 8) penalties pursuant to Labor Code § 2699, et seq. (PAGA), and any other Labor Code violations that were alleged in the Action, or that could have been alleged in the Action based on the facts alleged in the Action, which includes, but is not limited to, alleged violations of Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, 2699, and 17200-17208 during the Class Period (May 17, 2019 to November 5, 2024) (“Released Claims”).

c. Release By Plaintiff, PAGA Members and State of California. As of the Effective Date, Plaintiff, all PAGA Members, and the State of California fully, finally, and forever release, compromise, and discharge the Released Parties from all claims for civil penalties under the California Labor Code, Wage Orders, regulations, and/or any other provisions of state and federal law against the Released Parties that were alleged in the Action and those that reasonably could have been alleged in the Action based on the allegations contained in the May 17, 2023 LWDA Letter and the operative complaint in the Action and any amendments thereto, including, without limitation, all claims for civil penalties under PAGA (Labor Code § 2698 et seq.) related (1) failure to pay minimum wages, (2) failure to pay wages and overtime in violation of Labor Code §§ 510, (3) meal period liability under Labor Code §§ 226.7 and 512, and penalties, (4) rest break liability under Labor Code § 226.7 and penalties, (5) failure to issue accurate and itemized wage statements in violation of Labor Code § 226, (6) failure to issue semimonthly payments in violation of Labor Code § 204, (7) failure to keep records in accordance with Labor Code § 1174, (8) waiting time penalties pursuant to Labor Code § 203, (9) unfair competition under Business and Professions Code § 17200, et seq., and any other Labor Code violations that were alleged in the Action, or that could have been alleged in the Action based on the facts alleged in the Action, which includes, but is not limited to, alleged violations of Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2698, 2699, 2699.5, et seq, 2926, 2927, during the PAGA Period (May 17, 2022 to November 5, 2024) (“Released PAGA Claims”). This release is binding on the State of California, which includes the LWDA and its departments, divisions, commissions, boards, agencies, and employees, and any of Defendants’ current or former employees who may seek to represent the State of California to recover civil penalties pursuant to PAGA based on alleged violations of the Released PAGA Claims during the PAGA Period.

IV. YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

If you worked for Defendants during the Class Period and/or the PAGA Period, your options under the Settlement are as follows:

Do Nothing	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if applicable). In exchange, you will give up your right to assert the Released Claims against the Defendants and the Released Parties (defined above), and if applicable, the Released PAGA Claims. Your check(s) will be sent to the same address as this notice. If you move or change your mailing address be sure to notify the Administrator as soon as possible.
You can exclude yourself (i.e., opt-out) of the Class Settlement but not the PAGA Settlement Response Deadline is [DATE]	If you do not wish to participate in the Class Settlement, you can opt-out by sending the Administrator a written Request for Exclusion. The Request for Exclusion must contain: your full name, signature with date, the case name and number of the Action, and a clear statement indicating that you want to be excluded from the Settlement. The Request for Exclusion must be signed, dated, and mailed by First Class U.S. Mail, or the equivalent, to the Administrator. All Requests for Exclusion must be postmarked no later than the Response Deadline. Any individual who submits a Request for Exclusion will not be allowed to object to the terms of the Settlement. PAGA Members may not opt out of the PAGA

	Settlement and will receive an Individual PAGA Payment and be deemed to release the Released PAGA Claims.
Participating Class Members can object to the Class Settlement but not the PAGA Settlement Response Deadline is [DATE]	Any Class Member who does not exclude himself/herself from the Settlement (i.e., a Participating Class Member) may object to the terms of the Settlement by filing a written objection with the Court and mailing a copy to the Administrator, no later than the Response Deadline. A written objection must contain: your full name, signature with date, the case name and number of the Action, a clear statement indicating that you object to the Settlement, each specific reason in support of the objection along with any legal support for each objection, a clear statement indicating whether you are represented by counsel and whether you intend to appear at the Final Approval Hearing. If the Court rejects the objection, you will nevertheless be bound by the terms of the Settlement.
Participating Class Members can participate in the Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [DATE] at [TIME] in Department 3 of the Superior Court of California for the County of Solano located at 580 Texas St., Fairfield, California 94533. You don't have to attend, but you have the right to appear (or hire an attorney to appear on your behalf at your own cost) at the Final Approval Hearing. If you do not exclude yourself from the settlement, you may object orally at the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts and legal support for your objection. If the Court rejects the objection, you will nevertheless be bound by the terms of the Settlement. It is possible the Court will reschedule the Final Approval Hearing. Check the Court's website for the most current information or contact Class Counsel to verify the date and time of the Final Approval Hearing.
You can dispute the calculation of your Workweeks / Pay Periods Dispute Deadline is [DATE]	The number of Class Period workweeks and/or PAGA Period Pay Periods you worked based on Defendant's records are stated above. If you disagree with either of these numbers, you can dispute them by submitting a timely written Workweek Dispute to the Administrator. The Workweek Dispute must be signed, dated, and mailed by First Class U.S. Mail, or the equivalent, to the Administrator. All Workweek Disputes must be postmarked no later than the Dispute Deadline. Unless you submit documentary evidence in support of your dispute, Defendants' records will be determinative. All Workweek Disputes will be resolved and decided by the Administrator, and the Administrator's decision on all disputes will be final and binding.

V. HOW TO CONTACT THE ADMINISTRATOR

[ADMINISTRATOR]

[ADDRESS 1]

[ADDRESS 2]

Telephone: [NUMBER]

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you should consult the detailed “Joint Stipulation of Class Action and PAGA Settlement” which can be accessed at <<[ADMIN’S WEBSITE]>>. The pleadings and other records in this Action, including the Settlement, may be examined at any time during regular business hours at the Office of the Clerk of the Solano County Superior Court at 580 Texas St, Fairfield, California 94533.

If you want additional information about this Action and its proceedings, you can contact the Administrator or Class Counsel in this Action:

David Yeremian, Esq.
Roman Shkodnik, Esq.
Enoch J. Kim, Esq.
Amanda Fazio, Esq.
250 N. Madison Ave., 2nd Floor
Telephone: (818) 962-6465
david@yeremianlaw.com
r.shkodnik@d.law
a.fazio@d.law
e.kim@d.law

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

BY ORDER OF THE SUPERIOR COURT.

EXHIBIT C

CDF LABOR LAW LLP
Joel Van Parys, State Bar No. 227387
jvanparys@cdflaborlaw.com
Dalia Z. Khatib, State Bar No. 323712
dkhatib@cdflaborlaw.com
900 University Avenue, Suite 200
Sacramento, CA 95825
Telephone: (916) 361-0991

Attorneys for Defendant
VALLEY FINE FOODS COMPANY, LLC

D.LAW, INC.
Emil Davtyan, State Bar No. 299363
emil@d.law
Roman Shkodnik, State Bar No. 285152
r.shkodnik@d.law
Amanda Fazio, State Bar No. 346350
a.fazio@d.law
450 N. Brand Blvd., Suite 840
Glendale, CA 91203
Telephone: (818) 962-6465

Attorneys for Plaintiffs
BLANCA RIVERA and GUSTAVO HERNANDEZ

[Additional counsel listed on following page]

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SOLANO

BLANCA RIVERA AND GUSTAVO
HERNANDEZ, on behalf of themselves and
others similarly situated,

Plaintiffs,

vs.

LEGENDARY STAFFING, INC. dba FOR
LEGENDARY STAFFING, a California
corporation; ATLANTIC SOLUTIONS
GROUP INC., a Delaware corporation;
EMPIRE WORKFORCE SOLUTIONS, an
entity of unknown form; BARONHR, LLC dba
THE BARONHR FAMILY OF STAFFING
COMPANIES, a Delaware limited liability
company; VALLEY FINE FOODS
COMPANY, LLC, California limited liability
company; and DOES 1 through 50, inclusive,

Defendants.

) Case No. CU23-01485

) Assigned for All Purposes To:

) Judge: Hon. Stephen Gizzi

) Dept: 3

) **[PROPOSED] ORDER GRANTING FINAL**
) **APPROVAL OF CLASS AND PAGA**
) **SETTLEMENT AND JUDGMENT**

) Action Filed: May 17, 2023

[PROPOSED] ORDER GRANTING FINAL
APPROVAL OF CLASS AND PAGA
SETTLEMENT & JUDGMENT

1 DAVID YEREMIAN & ASSOCIATES, INC.
2 David Yeremian, State Bar No. 226337
3 david@yeremianlaw.com
4 450 N. Brand Blvd., Suite 840
5 Glendale, CA 91203
6 Telephone: (818) 962-6465
7
8 Attorneys for Plaintiffs
9 BLANCA RIVERA and GUSTAVO HERNANDEZ
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

1 **TO ALL PARTIES AND THEIR RESPECTIVE COUNSEL OF RECORD:**

2 This matter has come before the Honorable Stephen Gizzi in Department 3 of the above-
3 entitled Court for a hearing on Plaintiff GUSTAVO HERNANDEZ's ("Plaintiff") Motion for
4 Final Approval of Class and PAGA Settlement ("Motion for Final Approval") came before this
5 Court, on [DATE].

6 On [DATE], the Court entered the Order Granting Preliminary Approval of Class and
7 PAGA Action Settlement ("Preliminary Approval Order") preliminarily approving the
8 settlement of the above-captioned action ("Action") in accordance with the Joint Stipulation of
9 Class and PAGA Settlement ("Settlement" or "Agreement"), which together with its attached
10 exhibits, set forth the terms and conditions for settlement of the Action.

11 Due and adequate notice having been given to all Class and PAGA Members as
12 required in the Preliminary Approval Order, and the Court having reviewed the Agreement and
13 considered the papers, the arguments of counsel, and all other evidence and matters presented,
14 and good cause appearing:

15 **IT IS ORDERED** that the Motion for Final Approval of Class and PAGA Settlement is
16 **GRANTED**, subject to the following findings and orders:

17 1. All terms used herein have the same meaning as defined in the Agreement and
18 Preliminary Approval Order.

19 2. The Court finds that, for settlement purposes only, the applicable requirements of
20 California Code of Civil Procedure section 382 and California Rule of Court 3.769, *et seq.* have
21 been satisfied with respect to the Class and the Settlement. The Court makes final its earlier
22 provisional certification of the Class for settlement purposes, as set forth in the Preliminary
23 Approval Order.

24 a. The Class is defined as: all temporary non-exempt individuals who were
25 placed by Defendant BaronHR and/or Legendary Staffing to work at Defendant Valley Fine
26 Foods Company, LLC in California during the Class Period (May 17, 2019 through November 5,
27 2024).

28 b. The PAGA Class is defined as: all temporary non-exempt individuals who

1 were placed by Defendant BaronHR and/or Legendary Staffing to work at Defendant Valley Fine
2 Foods Company, LLC in California during the PAGA Period (May 17, 2022 through
3 November 5, 2024).

4 c. The Released Parties are defined as: (i) Defendant Valley Fine Foods
5 Company, LLC, Defendant Legendary Staffing, Inc. dba For Legendary Staffing, BaronHR, LLC
6 dba The BaronHR Family of Staffing Companies (“Defendants”), (ii) Defendants’ past and
7 present direct and indirect parents; (iii) the respective past and present direct and indirect
8 subsidiaries and affiliates of any of the foregoing; (iv) the past and present shareholders,
9 directors, officers, agents, employees, attorneys, insurers, members, partners, managers,
10 contractors, agents, consultants, representatives, administrators, fiduciaries, benefit plans,
11 transferees, predecessors, successors and assigns of any of the foregoing; and (v) any individual
12 or entity which could be jointly liable with any of the foregoing.

13 3. This Court has jurisdiction over the Action and over all Parties to this Action,
14 including all Class and PAGA Members.

15 4. Distribution of the Class Notice directed to the Class and PAGA Members as set
16 forth in the Agreement has been completed in conformity with the Preliminary Approval Order,
17 including individual notice to all Class and PAGA Members who could be identified through
18 reasonable effort, and was the best notice practicable under the circumstances. The Class
19 Notice fully and accurately informed the Class of all material elements of the Settlement and of
20 their opportunity to participate in, object to, or comment thereon, or to seek exclusion from the
21 Settlement; provided due and adequate notice of the proceedings related to the Settlement; and
22 fully satisfied the requirements of due process.

23 5. The Court grants final approval of the Settlement and finds that the Settlement is
24 fair, adequate, and reasonable and that Plaintiff has satisfied the standards and applicable
25 requirements for final approval of this class action settlement under California law, including the
26 provisions of California Code of Civil Procedure section 382. The Court hereby finds the
27 Settlement was entered into in good faith pursuant to and within the meaning of California Code
28 of Civil Procedure section 877.6.

1 6. The Court finds that the Settlement has been reached as a result of intensive,
2 serious and non-collusive arms-length negotiations. The Court has considered all of the evidence
3 presented and further finds that the Parties have conducted extensive investigation and research,
4 and counsel for the Parties are able to reasonably evaluate their respective positions. The Court
5 also finds that the Settlement at this time will avoid additional substantial costs, as well as avoid
6 the delay and risks that would be presented by the further prosecution of the Action. The Court
7 has considered the benefits that are being provided as part of the Settlement and the significant
8 value to the Class and PAGA Members, the absence of objections to the Settlement, and that
9 there were only [REDACTED] Requests for Exclusion from the Settlement by Class Members.
10 Accordingly, the Court directs that the Settlement be affected in accordance with the Agreement
11 and the following terms and conditions.

12 7. A full opportunity has been afforded to the Class and PAGA Members to
13 participate in the Final Approval Hearing, and all Class and PAGA Members and other persons
14 wishing to be heard have been heard. The Class Members also have had a full and fair
15 opportunity to exclude themselves from the Settlement. Accordingly, the Court determines that
16 all Class Members who did not submit a timely and valid Request for Exclusion to the
17 Administrator (“Participating Class Members”) and PAGA Members are bound by this Final
18 Approval Order and Judgment.

19 8. The Court finds that [number] Class Members have timely and validly opted out
20 of the Settlement and will not be bound by this Final Order Approving Class Action Settlement
21 and Judgment (“Final Approval Order and Judgment”).

22 9. The Court finds the Individual Class Payments to Participating Class Members
23 provided for under the Settlement to be fair and reasonable in light of all of the circumstances.
24 The Court directs the Administrator to calculate and distribute payments to Participating Class
25 Members for Individual Class Payments, in accordance with the terms of the Agreement.

26 10. The Court finds that the request for an award of attorneys’ fees in the amount of
27 \$ [REDACTED].00 to Class Counsel falls within the range of reasonableness, and the results
28 achieved justify the award sought. The requested attorneys’ fees to Class Counsel are fair and

1 reasonable; and are approved. The Court directs the Administrator to issue payment in the
2 amount of \$.00 to D.Law, Inc. and David Yeremian & Associates, Inc. for
3 attorneys' fees, in accordance with the terms of the Agreement.

4 11. The Court finds that reimbursement of litigation costs and expenses in the
5 amount of \$.00 to Class Counsel is reasonable; and is approved. The Court directs the
6 Administrator to issue payment in the amount of \$.00 to D.Law, Inc. and David
7 Yeremian & Associates, Inc. for reimbursement of litigation costs and expenses, in accordance
8 with the terms of the Agreement.

9 12. The Court finds that Plaintiff's Enhancement Payment in the amount of
10 \$.00 for the work performed by Plaintiff on behalf of the Class is fair and
11 reasonable; and is approved. The Court directs the Administrator to issue payment of Plaintiff's
12 Enhancement Payment in the amount of \$.00 to Plaintiff Hernandez, in
13 accordance with the terms of the Agreement.

14 13. The Court finds that the PAGA Allocation in the amount of \$.00
15 for penalties under the California Private Attorneys General Act of 2004, is fair and reasonable;
16 and is approved. The Court directs the Administrator to issue payment of the PAGA Allocation
17 as follows: the amount of \$.00 (75 percent of \$.00) to the
18 California Labor Workforce Development Agency and the amount of \$.00 (25
19 percent of \$.00) as Individual PAGA Payments to PAGA Members, in
20 accordance with the terms of the Agreement.

21 14. The Court finds that payment of Administration Expenses in the amount of
22 \$.00 to the Administrator is fair, reasonable, and appropriate for the services
23 performed and costs incurred and to be incurred for the notice and settlement administration
24 process; and is approved. The Court directs the Administrator to issue payment of
25 Administration Expenses in the amount of \$.00 to itself, in accordance with the
26 terms of the Agreement.

27 15. The Court directs the Administrator to cancel any Individual Class Payment
28 and/or Individual PAGA Payment checks issued to Class and PAGA Members that are not

1 cashed or deposited within one hundred eighty (180) calendar days after they are issued, and
2 transmit the funds associated with such cancelled checks to the California State Controller's
3 Office's Unclaimed Property Division to be held as unclaimed funds in the Class and/or PAGA
4 Member's name.

5 16. The Court directs Class Counsel to file the Administrator's Declaration of
6 Compliance and Proof of Payment within two hundred forty (240) calendar days of the notice of
7 entry of this Final Approval Order and Judgment.

8 17. Neither the Settlement nor any of the terms set forth in the Stipulation is an
9 admission by Defendants, or any of the other Released Parties, nor is this Final Approval Order
10 and Judgment a finding of the validity of any claims in the Action or of any wrongdoing by
11 Defendants, or any of the other Released Parties. Neither this Final Approval Order and Judgment,
12 the Agreement, any document related to the Settlement, nor any action taken to carry out the
13 Settlement is, may be construed as, or may be used as, an admission by or against Defendants, or
14 any of the other Released Parties, of any fault, wrongdoing or liability. The entering into or
15 carrying out of the Settlement, and any related negotiations or proceedings, will not in any event
16 be construed as, or deemed to be evidence of, an admission or concession with regard to the
17 denials or defenses by Defendants, or any of the other Released Parties, and will not be offered in
18 evidence in any action or proceeding in any court, administrative agency or other tribunal for any
19 purpose whatsoever other than to enforce the provisions of this Final Approval Order and
20 Judgment, the Agreement, the Released Claims, Released PAGA Claims, or any related
21 agreement or release. Notwithstanding these restrictions, any of the Released Parties may file in
22 the Action, or submit in any other proceeding, the Final Approval Order and Judgment, the
23 Agreement, and any other papers and records on file in the Action as evidence of the Settlement to
24 support a defense of res judicata, collateral estoppel, release, or other theory of claim or issue
25 preclusion or similar defense.

26 18. The Court orders, adjudges and decrees that:
27
28

1 a. Plaintiff and all Participating Class Members fully, finally, and forever
2 release, compromise, and discharge the Released Parties from the Released Claims for the Class
3 Period, in accordance with the terms of the Agreement;

4 b. Plaintiff, all PAGA Members, and the State of California fully, finally, and
5 forever release, compromise, and discharge the Released Parties from the Released PAGA
6 Claims for the PAGA Period, in accordance with the terms of the Agreement; and

7 c. Plaintiff fully, finally, and forever releases, compromises, and discharges
8 the Released Parties from all causes of action, claims, judgments, obligations, damages or
9 liabilities of whatever kind and character and waives all rights under California Civil Code section
10 1542, in accordance with the terms of the Agreement.

11 19. The Court hereby enters final judgment in accordance with the terms of the
12 Agreement, the Order Granting Preliminary Approval of Class and PAGA Settlement, and this
13 Order.

14 20. The Court retains continuing jurisdiction, pursuant to California Rules of Court,
15 Rule 3.769(h) and Code of Civil Procedure section 664.6, to enforce the settlement until
16 performance in full of the terms of the Agreement.

17 **IT IS SO ORDERED ADJUDGED AND DECREED.**

18 The Clerk of the Court is directed to enter this Judgment.

19
20 Dated: _____

Hon. Stephen Gizzi
Judge of the Superior Court

PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF ORANGE.

I, the undersigned, declare that I am employed in the aforesaid County, State of California. I am over the age of 18 and not a party to the within action. My business address is 18300 Von Karman Avenue, Suite 800, Irvine, CA 92612. On February 14, 2025, I served upon the interested party(ies) in this action the following document described as:

[PROPOSED] ORDER GRANTING FINAL APPROVAL OF CLASS AND PAGA SETTLEMENT AND JUDGMENT

By the following method:

☒ **(Electronic service)** Pursuant to CCP 1010.6, I caused the documents to be sent to the persons at the electronic service addresses listed in the attached service list. For represented parties, I confirmed the appropriate electronic service address for the counsel being served. For unrepresented parties, if any, the unrepresented party(ies) have expressly consented to electronic service.

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

Executed on February 14, 2025, at Irvine, California.

(Type or print name)

(Signature)

SERVICE LIST

Emil Davtyan
David Yeremian
Roman Shkodnik

Attorneys for Plaintiffs Blanca Rivera and
Gustavo Hernandez

Amanda Fazio
D.LAW, INC.
450 N. Brand Blvd., Suite 840
Glendale, CA 91203

TEL: (818) 962-6465
EMAIL: emil@d.law;
david@yeremianlaw.com; r.shkodnik@d.law;
a.fazio@d.law; n.bermudes@d.law

Eric M. Welch
President of Legal Affairs
The BaronHR Family of Staffing Companies
8101 E. Kaiser Avenue
Anaheim, CA 92808

Attorneys for Defendants Legendary Staffing,
Inc. and BaronHR, LLC

TEL: (714) 860-7800
EMAIL: eric@baronhr.com;
kjimenez@baronhr.com;
jespinoza@baronhr.com

Damion Robinson
David Markevitch
ROBINSON MARKEVITCH LLP
1261 Lincoln Avenue, Suite 208,
San Jose, CA 95125

Attorney for Defendant Atlantic Solutions
Group, Inc. d/b/a Empire Workforce Solutions

TEL: (213) 757-7778
EMAIL: dr@robinsonmarkevitch.com; and
dm@robinsonmarkevitch.com;
cc: Prabhjot Kaur Bains,
pb@robinsonmarkevitch.com

EXHIBIT 2

THE LAW OFFICES OF

**DAVID YEREMIAN
& ASSOCIATES INC**

2540 Foothill BLVD STE 201
La Crescenta CA 91214

818 230 8380
818 230 0308 FAX

DAVID@YEREMIANLAW.COM

May 16, 2023

VIA ON-LINE SUBMISSION ONLY TO:

<https://dir.tfaforms.net/128> (copy by certified mail to all Defendants)

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

Legendary Staffing, Inc. dba For Legendary Staffing
8101 E. Kaiser Blvd., Suite 130
Anaheim, CA 92808
Certified Mail Tracking Number: 7019 2970 0000 5059 6493

Pacific Registered Agents, Inc., Agent for Service
Legendary Staffing, Inc. dba For Legendary Staffing
Four Embarcadero Center, Suite 1400 #85
San Francisco, CA 94111
Certified Mail Tracking Number: 7019 2970 0000 5059 6465

Adam Kidan, Agent for Service
Atlantic Solutions Group Inc.
402 South Milliken Avenue, Suite G
Ontario, CA 91761
Certified Mail Tracking Number: 7019 2970 0000 5059 6462

Empire Workforce Solutions
8101 E. Kaiser Blvd., Suite 130
Anaheim, CA 92808
Certified Mail Tracking Number: 7019 2970 0000 5059 6465

BaronHR, LLC dba The BaronHR Family of Staffing Companies
8101 E. Kaiser Blvd., Suite 130
Anaheim Hills, CA 92808
Certified Mail Tracking Number: 7019 2970 0000 5059 6493

Pacific Registered Agents, Inc., Agent for Service
BaronHR, LLC dba The BaronHR Family of Staffing Companies
Four Embarcadero Center, Suite 1400 #85
San Francisco, CA 94111

Certified Mail Tracking Number: 7019 2970 0000 5059 6465

Valley Fine Foods Company, LLC

3909 Park Road

Benicia, CA 94510

Certified Mail Tracking Number: 7019 2970 0000 5059 6479

CT Corporation System, Agent for Service

Valley Fine Foods Company, LLC

330 N. Brand Blvd.

Glendale, CA 91203

Certified Mail Tracking Number: 7019 2970 0000 5059 6489

**Re: Labor Code § 2698, et seq. Penalties – PAGA Notice Letter to the LWDA
Bianca Rivera et al. v. Legendary Staffing, Inc. dba For Legendary Staffing et al.
Superior Court for the County of Solano**

Gentlepersons:

This office represents Plaintiffs Bianca Rivera and Gustavo Hernandez formerly known as Mario Hernandez (collectively “Plaintiffs”) and other similarly situated aggrieved non-exempt, hourly employees aggrieved employees (collectively “Aggrieved Employees”) for violations of California Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, and 2699, *et seq.*; provisions of the Industrial Welfare Commission (IWC) Wage Order(s); and California Business & Professions Code § 17200 *et seq.*

The purpose of this letter is to comply with the Private Attorneys General Act of 2004, pursuant to California Labor Code § 2698 *et. seq.* (“the Act”). Plaintiffs would like to bring a representative action, pursuant to the Act, on behalf of themselves and all other similarly situated Aggrieved Employees, and the State of California, against Defendants Legendary Staffing, Inc. dba For Legendary Staffing, Atlantic Solutions Group Inc., Empire Workforce Solutions, BaronHR, LLC dba The BaronHR Family of Staffing Companies, Valley Fine Foods Company, LLC, and DOES 1 through 50 inclusive (all defendants being referred to herein collectively as “Defendants”).

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

We also set forth herein the facts and theories and the California Labor Code violations which Defendants engaged in with respect to Plaintiffs and all of their Aggrieved Employees in California. The attached Class Action Complaint provides the details of Plaintiffs’ class-wide claims and claims under the Act, and the applicable California law governing them. It, along

with this Notice Letter, addresses in detail numerous violations that subject Defendants to civil and statutory penalties under the Act.

Relevant Facts

Aggrieved Employees were employed by Defendants as non-exempt employees within the state of California within the statutory time period who suffer or suffered from the same wage and hour violations outlined below. Defendants had a common policy and/or practice of failing to pay Aggrieved Employees minimum wages for all hours worked.

Additionally, Aggrieved Employees were not paid for the time that they worked “pre-shift” without compensation by standing in lines to clock-in. Thus, Aggrieved Employees were required to work hours, under the control of Defendants, without wages.

Because of the foregoing understatement of hours worked, Defendants also failed to pay Plaintiffs and Aggrieved Employees proper overtime wages. Plaintiffs and Aggrieved Employees consistently worked in excess of eight (8) hours a day, and/or forty (40) hours a week. However, Plaintiffs and Aggrieved Employees were not paid overtime wages for hours worked in excess of 8 hours a day. Moreover, the uncompensated time, discussed above, was worked by Aggrieved Employees in excess of 8 hours a day and/or 40 hours a week, further entitling Aggrieved Employees overtime wages which they were consistently denied, all in violation of Labor Code and applicable Wage Orders.

Defendants had a common policy and/or practice of denying Plaintiffs and Aggrieved Employees proper meal periods. Specifically, Plaintiffs and Aggrieved Employees were required to work through their meal periods which they were consistently denied. Also, what meal periods Plaintiffs and Aggrieved Employees did take, were consistently less than 30 minutes, and taken well after their fifth consecutive hour of work, all in violation of Labor Code and applicable Wage Orders. Similarly, Plaintiffs and Aggrieved Employees were required to work in excess of ten (10) hours a day, without ever receiving a second meal compliant period, all in violation of Labor Code and applicable Wage Orders.

Defendants have consistently failed to provide Plaintiffs and Aggrieved Employees with paid rest breaks of not less than 10 minutes for every work period of 4 or more consecutive hours, as required by Labor Code. Specifically, Plaintiffs and Aggrieved Employees who often worked at least twelve (12) hours in a day were entitled to at least two breaks but were required to work through their periods which they were continuously denied.

Defendants consistently failed to issue accurate itemized wage statements as required by Labor Code § 226(a). Specifically, Defendants failed to provide Employees with accurate itemized wage statements in writing, as required by the Labor Code. The wage statements given to Aggrieved Employees failed to accurately account for unpaid wages, overtime, premium pay for deficiently provided meal periods and rest breaks, discussed above.

Moreover, Defendants failed to pay Plaintiffs and Aggrieved Employees all wages owed at the time of their termination or within seventy-two (72) hours of their resignation as required by Labor Code §§ 201-203. Defendants also consistently failed to pay Aggrieved Employees all wages due on a semi-monthly basis.

///

PAGA Claim Details, Legal Bases for Violations and Penalties:

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

Failure to Pay Minimum Wages

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

In California, employees must be paid at least the then applicable state minimum wage for all hours worked, including under Labor Code § 1197, IWC Wage Order MW-2014, and paragraphs 2(K), 2(S), and 4(A)-4(C) of the applicable IWC Wage Orders. Paragraph 2(H) of the applicable IWC Wage Orders defines “Hours Worked” as “the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.” Additionally, pursuant to Labor Code § 204, other applicable laws and regulations, and public policy, an employer must timely pay its employees for all hours worked. Defendants failed to do so.

California Labor Code § 1197, entitled “Pay of Less Than Minimum Wage” states: “The minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful.” The minimum wage provisions of California Labor Code are enforceable by private civil action pursuant to Labor Code § 1194(a) which states: “Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney’s fees and costs of suit.”

As described in California Labor Code §§ 1185 and 1194.2, any action for wages incorporates the applicable Wage Order of the California Industrial Welfare Commission. Also, California Labor Code §§ 1194, 1197, 1197.1 and those Industrial Welfare Commission Wage Orders entitle non-exempt employees to an amount equal to or greater than the minimum wage for all hours worked. All hours must be paid at the statutory or agreed rate, or at the minimum rate in the absence of a contractually agreed upon one. The underpayment of wages to Aggrieved Employees is and has been a direct consequence of Defendants’ unlawful compensation policies and practices, which applied uniformly to the Aggrieved Employees working at locations and work sites throughout California.

Defendants thus failed to pay Employees minimum wages they were owed, including by their consistent policy of failing to pay Employees for all hours worked. Specifically, Aggrieved Employees were not paid for the time that they worked “pre-shift” without compensation by

standing in lines to clock-in. Accordingly, Plaintiffs and Aggrieved Employees were required to work without pay. Thus, Plaintiffs and Aggrieved Employees were required to work hours without wages. Additionally, Defendants did not pay Plaintiffs and Aggrieved Employees at the applicable minimum wage for all hours worked. Defendants have the ability to pay minimum wages for all time worked and have willfully refused to pay such wages with the intent to secure for Defendants a discount upon this indebtedness with the intent to annoy, harass, oppress, hinder, delay, or defraud Plaintiffs and Aggrieved Employees.

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

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

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

Defendants violated the law by failing to pay Plaintiffs and Aggrieved Employees earned wages and overtime. Specifically, Plaintiffs and Aggrieved Employees consistently worked in excess of eight (8) hours a day, and/or forty (40) hours a week. However, Plaintiffs and Aggrieved Employees were not paid overtime wages for hours worked in excess of 8 hours a day. Moreover, the uncompensated time, discussed above including the time they worked "pre-shift" without compensation by standing in lines to clock-in, caused Plaintiffs and Aggrieved Employees to work in excess of 8 hours a day and/or 40 hours a week, further entitling Plaintiffs and Aggrieved Employees overtime wages which they were consistently denied, all in violation of Labor Code § 510 and applicable Wage Orders.

Defendants have violated Labor Code § 1194 and Labor Code § 510 (and paragraphs 2(K), 2(S), 3(A) and 4(A)-4(B) of the relevant orders of the Industrial Welfare Commission) by failing to pay Employees: (a) time and one-half their regular hourly rates for hours worked in excess of

eight hours in a workday or in excess of forty hours in any workweek or for the first eight hours worked on the seventh day of work in any one workweek; or (b) twice their regular rate of pay for hours worked in excess of twelve hours in any one day or for hours worked in excess of eight hours on any seventh day of work in a workweek. Defendants had a consistent policy of not paying Employees wages for all hours worked, including by requiring off the clock work as addressed above and by under-reporting actual hours worked. With work shifts generally requiring eight hours or more of work on a given day, this unpaid off the clock work resulted in Aggrieved Employees working past eight hours on a shift or more than forty hours in a week, which required that they be paid at the correct overtime rate of 1.5 times their regular rate.

When considered in combination with the other wage violations addressed above, Aggrieved Employees were not properly compensated, nor were they paid overtime and double time rates for hours worked in excess of eight hours or twelve hours in a given day, and/or forty hours in a given week. Defendants did not make available to Employees a reasonable protocol for correcting time records when Employees worked overtime hours or to fix incorrect time entries or those that Defendants unlawfully under-recorded to the Employee's detriment. Defendants have also violated these provisions by requiring Plaintiffs and other similarly situated Aggrieved Employees to work through meal periods when they were required to be clocked out or to otherwise work off the clock to complete their daily job duties.

In light of the forgoing, Aggrieved Employees seek to recover wages and penalties pursuant to the California Labor Code, including Labor Code §§ 204, 510, 558, 1174, 1194, 1198, 1199, and the relevant paragraphs of the IWC Wage Orders, including paragraphs 2(K), 2(S), 3(A), 4, and 20. Defendants are liable to Employees for the full amount of all their unpaid wages and overtime compensation, with interest, plus their reasonable attorneys' fees and costs, as well as the assessment of any statutory penalties against Defendants, and each of them, and any additional sums as provided by the Labor Code and/or other statutes and Wage Order provisions.

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

Meal-Period Liability Under Labor Code §§ 226.7 and 512 and Penalties

Defendants have regularly required Aggrieved Employees to work shifts in excess of five hours without providing them with uninterrupted meal periods of not less than thirty minutes as required under Labor Code §§ 226.7, 512, and paragraph 11 of the applicable Wage Orders. Specifically, Aggrieved Employees were forced to incur shortened meal periods, were provided with breaks late and well after the fifth hour of work, could not be relieved to take breaks, or were required to remain on-duty at all times and were unable to take off-duty breaks or were otherwise not provided with the opportunity to take required breaks.

On the occasions when Aggrieved Employees were provided with a meal period, it was often untimely or interrupted by having to respond to work demands or remain under Defendant's control, in violation of the Labor Code and applicable Wage Orders. On shifts over ten hours, second meal periods were not provided. Defendants also failed to pay Aggrieved Employees

“premium pay,” i.e. one hour of wages at each Aggrieved Employee’s effective regular rate of pay, for each meal period that Defendants failed to provide or deficiently provided, including by miscalculating any premium payments they did make. Therefore, pursuant to Labor Code § 226.7 and paragraphs 11 and 20 of the applicable IWC Wage Order, Aggrieved Employees are entitled to damages in an amount equal to one hour of wages at their correctly calculated regular rate of compensation for each meal period not provided or deficiently provided, as well as the assessment of any statutory penalties against the Defendants, and each of them, in a sum as provided by the Labor Code, including Labor Code § 558 and other applicable statutes and Wage Order provisions.

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

Rest-Break Liability Under Labor Code § 226.7 and Penalties

Defendants have consistently failed to provide Aggrieved Employees with paid rest breaks of not less than ten minutes for every work period of four or more consecutive hours, as required under Labor Code § 226.7. Specifically, Defendants provided rest periods untimely or for shortened durations, and Defendants’ policies and procedures required Aggrieved Employees to remain under Defendants’ control during breaks to respond to job requirements.

Defendants also failed to pay Aggrieved Employees premium pay for each day on which requisite rest breaks were not provided or were deficiently provided, or miscalculated any premiums paid. Therefore, pursuant to Labor Code § 226.7 and paragraphs 12 and 20 of the applicable IWC Wage Order, Aggrieved Employees are entitled to damages in an amount equal to one hour of wages at their correctly calculated regular rate of compensation for each rest period not provided or deficiently provided, as well as the assessment of any statutory penalties against the Defendants, and each of them, in a sum as provided by the Labor Code, including Labor Code § 558 and other applicable statutes and Wage Order provisions.

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

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

California Labor Code § 226(a) requires an employer to furnish each employee with an accurate, itemized wage statements in writing. These statements must be appended to the detachable part of the check, draft, voucher, or whatever else serves to pay the employee’s wages; or, if wages are paid by cash or personal check, these statements may be given to the employee separately from the payment of wages; in either case the employer must give the employee these statements twice a month or each time wages are paid. As a direct and proximate cause of Defendants’ violation of Labor Code § 226(a), Aggrieved Employees suffered injuries, including among other things confusion over whether they received all wages owed them, the difficulty and expense

involved in reconstructing pay records, and forcing them to make mathematical computations to analyze whether the wages paid in fact compensated them correctly for all hours worked. Defendants failed to provide Aggrieved Employees with accurate itemized wage statements in writing, as required by the Labor Code. Specifically, Defendants failed to provide Employees with accurate itemized wage statements in writing, as required by the Labor Code. The wage statements given to Aggrieved Employees failed to accurately account for unpaid wages, overtime, premium pay for deficiently provided meal periods and rest breaks.

In light of these violations, and pursuant to Labor Code §§ 226(a) and 226(e) and paragraphs 4(b), 7, and 20 of the applicable IWC Wage Orders, Aggrieved Employees are entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) for each violation in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars (\$4,000). They are also entitled to an award of costs and reasonable attorneys' fees.

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

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

In failing to pay Aggrieved Employees wages, overtime, premium pay, etc., and failing to provide them with checks and wage statements, Defendants failed to timely pay Aggrieved Employees wages on a semimonthly basis as required under Labor Code § 204. Defendants failed to maintain records showing accurate hours worked daily and the wages paid to Aggrieved Employees, as well as the meal and rest periods taken by Aggrieved Employees, as required by Labor Code § 1174 and the applicable IWC wage orders.

Defendants also required Aggrieved Employees to work hours off the clock for which they were not compensated, including during interrupted or otherwise on-duty meal and rest periods. Defendants also failed to pay all overtime premium wages owed for work conducted on a work shift and a workday, or miscalculated these premiums by not including all forms of remuneration in the regular rate, as addressed above. Therefore, when Aggrieved Employees received wage statements and pay checks, they did not compensate all hours worked on a timely basis, resulting in Defendants' systematic failure to pay all wages owed to Aggrieved Employees twice monthly in accordance with the requirements of Labor Code § 204. Additionally, by not providing wage

statements as required under section 204, Defendants systematically violated Labor Code § 204 and § 226.

Given the above described off the clock work, Plaintiffs were not paid at the correct overtime rate for all hours they worked after eight hours into a shift or over forty in a work week and that he was not paid all double time owed either. Defendants' uniformly applied payroll policies and practices thus resulted in further systematic and ongoing violations of the requirements of Labor Code § 204.

In light of the foregoing, Plaintiffs and Aggrieved Employees seek to recover wages and penalties, interest, fees and costs pursuant to Labor Code §§ 201.3, 210, 218.5, 558, and 1194. In failing to pay Aggrieved Employees minimum wages and overtime, by unlawful rounding and off the clock work, by not providing proper meal and rest periods, failing to provide accurate itemized wage statements, and failing to pay Employees wages upon termination or timely upon resignation, all discussed above, Defendants failed to timely pay Aggrieved Employees wages on a semimonthly basis as required under Labor Code § 204. Defendants also failed to maintain records showing accurate hours worked daily and the wages paid to Aggrieved Employees, as required by Labor Code § 1174 and paragraph 7 of the applicable IWC Wage Orders, entitling Aggrieved Employees to recover penalties pursuant to paragraph 20 of the applicable IWC Wage Orders.

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

Failure to Keep Records In Accordance With Labor Code § 1174

Labor Code § 1174 requires employers to keep records showing payroll data and the hours worked daily by and the wages paid to employees. By failing to pay Aggrieved Employees proper wages, overtime, double time, premium pay, etc., and by not recording meal period start and end times, all discussed herein, Defendants failed to maintain proper employment records in accordance with Section 1174. In light of the forgoing, Plaintiffs and Aggrieved Employees seek to recover penalties pursuant to Labor Code §§ 1174.5 and 2699, *et seq.* Defendants have also failed to comply with paragraph 7 of the applicable California IWC Wage Orders by failing to maintain time records showing when the employee begins and ends each work period, meal periods, wages earned pursuant to Labor Code § 226.7, and total daily hours worked by itemizing in wage statements all deductions from payment of wages and accurately reporting total hours worked by the Aggrieved Employees, and they are entitled to recover penalties pursuant to paragraph 20 of the applicable IWC Wage Orders.

Under the PAGA, and following exhaustion of the notice period, Plaintiffs assert PAGA claims for failure to provide Plaintiffs and the Aggrieved Employees with accurate, itemized wage statements and failure to maintain employment records for Plaintiffs and Aggrieved Employees under Labor Code §§ 226, 1174, 1198, and 1198.5, and Sections 7(A), 7(B), and 7(C) of the

applicable IWC Wage Order(s) seeking all civil and statutory penalties and wages available and applicable under Labor Code §§ 558, 1174.5, 1199, and 2699(f)(2), 2699.5, and paragraph 20 of the applicable IWC Wage Order, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Waiting Time Penalties Pursuant to Labor Code § 203

Some Aggrieved Employees no longer work for Defendants; they either resigned or were terminated from Defendants' employ. Based on the forgoing, Defendants have had a consistent policy of failing to pay all wages earned by and owed to Aggrieved Employees at the time of their termination of within seventy-two hours of their resignation, as required by California under Labor Code § 203. In light of the forgoing, Plaintiffs and Aggrieved Employees seek to recover wages and penalties pursuant to Labor Code § 558 and further specifically seek penalties and wages under Labor Code § 203, which provides that an employee's wages shall continue until paid for up to thirty (30) days from the date they were due.

Under the PAGA, and following exhaustion of the notice period, Plaintiffs assert PAGA claims for failure to timely pay all wages owed, including at least semi-monthly and upon separation or termination, under Labor Code §§ 201, 201, 203, 204, 1197.5, 2926, and 2927 seeking all civil penalties available and applicable under Labor Code §§ 201, 202, 203, 210, 558, 1197, 1198, 1199, 2699(f)(2), 2699.5, and paragraph 20 of the applicable IWC Wage Orders, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

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

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

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

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

Plaintiffs and the Aggrieved Employees seek penalties under Labor Code §§ 2698 and 2699 for Defendants' violation of Labor Code provisions included under Labor Code § 2699.5, including the penalty provisions, without limitation, based, *inter alia*, on the following California Labor Code sections: §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, and 2699, et seq., including as follows:

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

civil and statutory penalties available and applicable under Labor Code §§ 510, 558, 1194.2, 1197.1, 1198, 1199, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

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

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

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

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

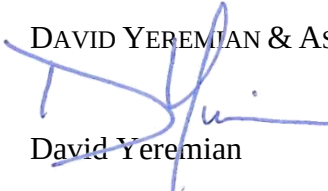
We have been constrained to initially move forward with the filing of this Complaint, alleging the causes of action discussed herein, without the PAGA claim. Thus, any action by the LWDA would not resolve the entirety of the case, and the interest of judicial economy will be served by allowing the case to proceed as a cohesive whole.

This letter and the attached Complaint therefore provide the requisite notice under the Act to the LWDA and Defendants by setting forth the specific provisions of the Labor Code and related provisions Plaintiffs allege have been violated, including the facts and relevant theories alleged against Legendary Staffing, Inc. dba For Legendary Staffing, Atlantic Solutions Group Inc., Empire Workforce Solutions, BaronHR, LLC dba The BaronHR Family of Staffing Companies, Valley Fine Foods Company, LLC, and any other named Defendants and joint employers. To prevent the violations described in the Complaint and herein from occurring, and to remedy past violations, Plaintiffs respectfully request that the LWDA conduct an investigation into Defendants' employment practices in accordance with the Act.

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

Regards,

DAVID YEREMIAN & ASSOCIATES, INC.



David Yeremian

Cc: Legendary Staffing, Inc. dba For Legendary Staffing, Atlantic Solutions Group Inc., Empire Workforce Solutions, BaronHR, LLC dba The BaronHR Family of Staffing Companies, and Valley Fine Foods Company, LLC by Certified Mail

DAVID YEREMIAN & ASSOCIATES, INC.
David Yeremian (SBN 226337)
david@yeremianlaw.com
Roman Shkodnik (SBN 285152)
roman@yeremianlaw.com
2540 Foothill Blvd., Suite 201
La Crescenta, California 91214
Telephone: (818) 230-8380
Facsimile: (818) 230-0308

Attorneys for Plaintiffs BIANCA RIVERA AND GUSTAVO HERNANDEZ,
on behalf of themselves and others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SOLANO

BIANCA RIVERA AND GUSTAVO
HERNANDEZ, on behalf of themselves and
others similarly situated,

Plaintiffs,

vs.

LEGENDARY STAFFING, INC. dba FOR
LEGENDARY STAFFING, a California
corporation; ATLANTIC SOLUTIONS
GROUP INC., a Delaware corporation;
EMPIRE WORKFORCE SOLUTIONS, an
entity of unknown form; BARONHR, LLC dba
THE BARONHR FAMILY OF STAFFING
COMPANIES, a Delaware limited liability
company; VALLEY FINE FOODS
COMPANY, LLC, California limited liability
company; and DOES 1 through 50, inclusive,

Defendants.

Case No.

CLASS ACTION

Assigned for All Purposes To:

Hon.

Dept.:

CLASS ACTION COMPLAINT FOR:

1. Failure to Pay Minimum Wages;
2. Failure to Pay Wages and Overtime Under Labor Code § 510;
3. Meal-Period Liability Under Labor Code § 226.7;
4. Rest-Break Liability Under Labor Code § 226.7;
5. Violation of Labor Code § 226(a);
6. Failure to Keep Required Payroll Records Under Labor Code §§ 1174 and 1174.5;
7. Penalties Pursuant to Labor Code § 203; and
8. Violation of Business & Professions Code § 17200 et seq.

DEMAND FOR JURY TRIAL

1 Plaintiffs BIANCA RIVERA and GUSTAVO HERNANDEZ formerly known as Mario
2 Hernandez, (hereinafter collectively “Plaintiffs”) on behalf of themselves and all others similarly
3 situated (collectively, “Employees”; individually, “Employee”) complains of Defendants, and each
4 of them, as follows:

5 **INTRODUCTION**

6 1. Plaintiffs brings this action on behalf of themselves and all current and former
7 Employees within the State of California who, at any time four (4) years prior to the filing of this
8 lawsuit, are or were employed as non-exempt, hourly employees by Defendants LEGENDARY
9 STAFFING, INC. dba FOR LEGENDARY STAFFING, a California corporation, ATLANTIC
10 SOLUTIONS GROUP INC., a Delaware corporation, EMPIRE WORKFORCE SOLUTIONS, an
11 entity of unknown form, BARONHR, LLC dba THE BARONHR FAMILY OF STAFFING
12 COMPANIES, a Delaware limited liability company, VALLEY FINE FOODS COMPANY, LLC,
13 California limited liability company, and DOES 1 through 50 (all defendants being collectively
14 referred to herein as “Defendants”). Plaintiffs allege that Defendants, and each of them, violated
15 various provisions of the California Labor Code, relevant orders of the Industrial Welfare
16 Commission (IWC) and California Business & Professions Code, and seeks redress therefore.

17 2. Plaintiffs are residents of California and during the time period relevant to this
18 Complaint was employed by Defendants as a non-exempt hourly employee within the State of
19 California at Defendants’ facilities and offices in California. Plaintiffs and the other Class
20 members worked for Defendants in Solano County, and in other nonexempt positions, throughout
21 California and, and consistently worked at Defendants’ behest without being paid all wages due.
22 More specifically, Plaintiffs and the other similarly situated Class members were employed by
23 Defendants and worked at Defendants’ offices and other facilities where the conduct giving rise to
24 the allegations in this Class Action Complaint occurred. Upon information and belief, Plaintiffs
25 was employed by Defendants and (1) shared similar job duties and responsibilities, (2) was
26 subjected to the same policies and practices, and (3) endured similar violations at the hands of
27 Defendants as the other Employee Class members who served in similar and related positions.

28 ///

3. Defendants required Plaintiffs and the Employees in the Class to perform work while remaining under Defendants' control before and after being on the clock for their daily work shift. Defendants thus failed to pay Plaintiffs and the Class members for all hours worked, and provided them with inaccurate wage statements that prevented Plaintiffs and the Class from learning of these unlawful pay practices. Defendants also failed to provide Plaintiffs and the Class with lawful meal and rest periods, as employees were not provided with the opportunity to take timely, uninterrupted, and duty-free meal and rest periods as required by the Labor Code.

THE PARTIES

A. The Plaintiffs

4. Plaintiffs BIANCA RIVERA and GUSTAVO HERNANDEZ has resided in California and during the time period relevant to this Complaint was employed by Defendants as a non-exempt hourly employee within the State of California.

B. The Defendants

5. Defendant LEGENDARY STAFFING, INC. dba FOR LEGENDARY STAFFING, ("LS") is a California corporation with its principle executive office in Anaheim, California, and has been listed as the employer on the wage statements issued to Plaintiffs during the relevant time period. LS lists a California address in Anaheim, California with the California Secretary of State, and employs Class members in Solano County, including at Defendants' offices and facilities in Benicia, California, and throughout California and conducts business throughout California.

6. Defendant ATLANTIC SOLUTIONS GROUP INC., ("ASG") is a Delaware corporation with its principle executive office in Ontario, California, and has been listed as the employer on the wage statements issued to Plaintiffs during the relevant time period. ASG lists a California address in Ontario, California with the California Secretary of State, and employs Class members in Solano County, including at Defendants' offices and facilities in Benicia, California, and throughout California and conducts business throughout California.

7. Defendant EMPIRE WORKFORCE SOLUTIONS, ("EWS") is an entity of unknown form with its principle executive offices in Ontario, California and has been listed on Plaintiff's personnel file during the relevant time period. EWS does not list a California address

1 with the California Secretary of State, but upon information and belief, employs Plaintiff and the
2 Aggrieved Employees in Solano County, including at Defendants' offices and facilities in Benicia,
3 California, and throughout California and conducts business throughout California.

4 8. Defendant BARONHR, LLC dba THE BARONHR FAMILY OF STAFFING
5 COMPANIES, a Delaware limited liability company ("BARONHR") is a California corporation
6 with its principle executive office in Anaheim Hills, California, and has been listed as the
7 employer on the wage statements issued to Plaintiffs during the relevant time period. BARONHR
8 lists a California address in Anaheim Hills, California with the California Secretary of State, and
9 employs Class members in Solano County, including at Defendants' offices and facilities in
10 Benicia, California, and throughout California and conducts business throughout California.

11 9. Defendant VALLEY FINE FOODS COMPANY, LLC, a California limited
12 liability company ("VFFC") is a California corporation with its principle executive office in
13 Benicia, California, and has been listed as the employer on the wage statements issued to Plaintiffs
14 during the relevant time period. VFFC lists a California address in Benicia, California with the
15 California Secretary of State, and employs Class members in Solano County, including at
16 Defendants' offices and facilities in Benicia, California, and throughout California and conducts
17 business throughout California.

18 10. The true names and capacities, whether individual, corporate, associate, or
19 whatever else, of the Defendants sued herein as Does 1 through 50, inclusive, are currently
20 unknown to Plaintiffs, who therefore sues these Defendants by such fictitious names under Code
21 of Civil Procedure § 474. Plaintiffs are informed and believes and thereon alleges that Defendants
22 designated herein as Does 1 through 50, inclusive, and each of them, are legally responsible in
23 some manner for the unlawful acts referred to herein. Plaintiffs will seek leave of court to amend
24 this Complaint to reflect the true names and capacities of the Defendants designated herein as
25 Does 1 through 50 when their identities become known.

26 11. Plaintiffs are informed and believe and thereon allege that each Defendant acted in
27 all respects pertinent to this action as the agent of the other Defendants, that Defendants carried
28 out a joint scheme, business plan, or policy in all respects pertinent hereto, and that the acts of

1 each Defendant are legally attributable to the other Defendants. Furthermore, Defendants acted in
2 all respects as the employers or joint employers of Employees. Defendants, and each of them,
3 exercised control over the wages, hours or working conditions of Employees, or suffered or
4 permitted Employees to work, or engaged, thereby creating a common law employment
5 relationship, with Employees. Therefore, Defendants, and each of them, employed or jointly
6 employed Employees.

7 **JURISDICTION AND VENUE**

8 12. This Court has jurisdiction over this Action pursuant to California Code of Civil
9 Procedure § 410.10 and California Business & Professions Code § 17203. This Action is brought
10 as a Class Action on behalf of similarly situated Employees of Defendants pursuant to California
11 Code of Civil Procedure § 382. Venue as to Defendants is also proper in this judicial district
12 pursuant to California Code of Civil Procedure § 395 *et seq.* Upon information and belief, the
13 obligations and liabilities giving rise to this lawsuit occurred at least in part in Solano County and
14 Defendants maintain and operate company offices and facilities in Solano County, and employ
15 Plaintiffs and other Class members in Solano County and throughout California.

16 **FACTUAL BACKGROUND**

17 13. The Employees who comprise the Class and Collective, including Plaintiffs, are
18 nonexempt employees pursuant to the applicable Wage Order of the IWC. Defendants hire
19 Employees who work in nonexempt positions at the direction of Defendants in the State of
20 California. Plaintiffs and the Class members were either not paid by Defendants for all hours
21 worked or were not paid at the appropriate minimum, regular and overtime rates. Specifically,
22 Plaintiffs and Employees were not paid for the time that they worked “pre-shift” without
23 compensation by standing in lines to clock-in. Plaintiffs also contend that Defendants failed to pay
24 Plaintiffs and the Class members all wages due and owing, failed to provide meal and rest breaks,
25 and failed to furnish accurate wage statements, all in violation of various provisions of the
26 California Labor Code and applicable Wage Orders.

27 14. During the course of Plaintiffs and the Class members’ employment with
28 Defendants, they were not paid all wages they were owed, including for all work performed and

1 for all overtime hours worked and were forced to work during their meal and rest breaks to keep
2 labor budgets low.

3 15. As a matter of uniform Company policy, Plaintiffs and the Class members were
4 required to work during their meal and rest breaks which were not compensated by Defendants in
5 violation of the California Labor Code. Plaintiffs and the Class members were also not paid
6 regular wages and overtime for the time they were required to comply with other requirements
7 imposed upon them, which they had to complete while working through their meal and rest
8 breaks and without compensation. As a result Plaintiffs and the Class members worked shifts
9 over eight (8) hours in a day and over forty (40) hours in a work week, but they were not paid at
10 the appropriate overtime rate for all such hours, including by being required to perform work
11 duties and tasks without pay and while off-the-clock. As a result, Plaintiffs and the Class
12 members worked substantial overtime hours during their employment with Defendants for which
13 they were not compensated, in violation of the California Labor Code, applicable IWC Wage
14 Orders.

15 16. As a result of the above described the daily work demands and pressures to work
16 through breaks, and the other wage violations they endured at Defendants' hands, Plaintiffs and
17 the Class members were not properly paid for all wages earned and for all wages owed to them by
18 Defendants, including when working more than eight (8) hours in any given day and/or more than
19 forty (40) hours in any given week. As a result of Defendants' unlawful policies and practices,
20 Plaintiffs and Class members incurred overtime hours worked for which they were not adequately
21 and completely compensated. To the extent applicable, Defendants also failed to pay Plaintiffs and
22 the Class members at an overtime rate of 1.5 times the regular rate for the first eight hours of the
23 seventh consecutive work day in a week and overtime payments at the rate of 2 times the regular
24 rate for hours worked over eight (8) on the seventh consecutive work day, as required under the
25 Labor Code, applicable IWC Wage Orders.

26 17. Therefore, from at least four (4) years prior to the filing of this lawsuit and
27 continuing to the present, Defendants had a consistent policy or practice of failing to pay
28 Employees for all hours worked, and failing to pay minimum wage for all time worked as required

1 by California Law.

2 18. Additionally from at least four (4) years prior to the filing of this lawsuit and
3 continuing to the present, Defendants had a consistent policy or practice of failing to pay
4 Employees overtime compensation at premium overtime rates for all hours worked in excess of
5 eight (8) hours a day and/or forty (40) hours a week, and double-time rates for all hours worked in
6 excess of twelve (12) hours a day, in violation of Labor Code § 510 and the corresponding
7 sections of IWC Wage Orders.

8 19. Additionally from at least four (4) years prior to the filing of this lawsuit and
9 continuing to the present, Defendants have regularly required Employees to work shifts in excess
10 of five (5) hours without providing them with uninterrupted meal periods of not less than thirty
11 (30) minutes and shifts in excess of ten (10) hours without providing them with second meal
12 periods of not less than thirty minutes; nor did Defendants pay Employees “premium pay,” i.e. one
13 hour of wages at each Employee’s effective regular rate of pay, for each meal period that
14 Defendants failed to provide or deficiently provided.

15 20. From at least four (4) years prior to the filing of this lawsuit and continuing to the
16 present, Defendants have consistently failed to provide Employees with paid rest breaks of not less
17 than ten (10) minutes for every work period of four (4) or more consecutive hours; nor did
18 Defendant pay Employees premium pay for each day on which requisite rest breaks were not
19 provided or were deficiently provided at one hour of wages at each Employee’s effective regular
20 rate of pay, for each rest period that Defendants failed to provide or deficiently provided.

21 21. Additionally, from at least four (4) years prior to the filing of this lawsuit, and
22 continuing to the present, Defendants have consistently failed to provide Employees with timely,
23 accurate, and itemized wage statements as required by California wage-and-hour laws.
24 Specifically, the wage statements given to Employees by Defendants failed to accurately account
25 for wages, overtime, and premium pay for deficient meal periods and rest breaks all of which
26 Defendants knew or reasonably should have known were owed to Employees, as alleged
27 hereinabove. The wage statements provided to Employees were confusing and required
28 Employees to engage in discovery and refer to outside sources to verify whether their pay was

1 correct and potentially resulting in a miscalculation by the Employees.

2 22. Additionally, from at least four (4) years prior to the filing of this lawsuit, and
3 continuing to the present, Defendants have consistently failed to provide Employees with timely,
4 accurate, and itemized wage statements, in writing, as required by California wage-and-hour laws.

5 23. Additionally, from at least three (3) years prior to the filing of this lawsuit, and
6 continuing to the present, Defendants have consistently failed to keep accurate time and wage
7 records as required by California wage-and-hour laws.

8 24. Additionally, from at least four (4) years prior to filing this lawsuit and continuing
9 to the present, Defendants have had a consistent policy of failing to pay all wages fur and owed to
10 Employees at the time of their termination of within seventy-two (72) hours of their resignation, as
11 required by California wage-and-hour laws.

12 25. In light of the foregoing, Employees bring this action pursuant to, inter alia, Labor
13 Code §§ 201, 202, 203, 204, 226, 226.4, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12,
14 1185, 1194, 1194.2 1197, and 1199.

15 26. Furthermore, pursuant to Business and Professions Code §§ 17200-17208,
16 Employees seek injunctive relief, restitution, and disgorgement of all benefits Defendants have
17 enjoyed from their violations of Labor Code.

18 **CLASS ALLEGATIONS**

19 27. Plaintiffs bring this class action on behalf of themselves and all others similarly
20 situated pursuant to Code of Civil Procedure § 382. Plaintiffs seek to represent a class defined as
21 follows: all individuals employed by Defendants, at any time within four (4) years of the filing of
22 this lawsuit, and have been employed by Defendants within the State of California.

23 28. Further, plaintiffs seeks to represent the following Subclasses composed of and
24 defined as follows:

25 a. Subclass 1. Minimum Wages Subclass. All Class members who were not
26 compensated for all hours worked for Defendants at the applicable minimum wage.

27 b. Subclass 2. Wages and Overtime Subclass. All Class members who were not
28 compensated for all hours worked for Defendants at the required rates of pay, including for all

hours worked in excess of eight in a day and/or forty in a week.

e. Subclass 3. Meal Period Subclass. All Class members who were subject to Defendants' policy and/or practice of failing to provide unpaid 30-minute uninterrupted and duty free meal periods or one hour of pay at the Employee's regular rate of pay in lieu thereof.

f. Subclass 4. Rest Break Subclass. All Class members who were subject to Defendants' policy and/or practice of failing to authorize and permit Employees to take uninterrupted, duty-free, 10-minute rest periods for every four hours worked, or major fraction thereof, and failing to pay one hour of pay at the Employee's regular rate of pay in lieu thereof.

g. Subclass 5. Payroll Records Subclass. All Class members who were subject to Defendants' policy and/or practice of failing to keep accurate time and wage records as required by California wage-and-hour laws.

h. Subclass 6. Wage Statement Subclass. All Class members who, within the applicable limitations period, were not provided with accurate itemized wage statements.

i. Subclass 7. Termination Pay Subclass. All Class members who, within the applicable limitations period, either voluntarily or involuntarily separated from their employment and were subject to Defendants' policy and/or practice of failing to timely pay wages upon termination.

j. Subclass 8. UCL Subclass. All Class members who are owed restitution as a result of Defendants' business acts and practices, to the extent such acts and practices are found to be unlawful, deceptive, and/or unfair.

29. Plaintiffs reserve the right under California Rule of Court 3.765 to amend or modify the class description with greater particularity or further division into subclasses or limitation to particular issues.

30. This action has been brought and may properly be maintained as a class action under the provisions of Code of Civil Procedure § 382 because there is a well-defined community of interest in litigation and proposed class is easily ascertainable.

A. Numerosity

31. The potential members of the class as defined are so numerous that joinder of all

1 the member of the class is impracticable. While the precise number of class member has not been
2 determined at this time, Plaintiffs are informed and believe that Defendants employ or, during the
3 time period relevant to this lawsuit, employed more than 100 individuals were employed by
4 Defendant's within the State of California.

5 32. Accounting for employee turnover during the relevant time period increases this
6 number substantially. Plaintiffs allege that Defendants' employment records will provide
7 information as to the number and location of all class members.

8 **B. Commonality**

9 33. There are questions of law and fact common to the class that predominate over any
10 questions affecting only individual class members. These common questions of law and fact
11 include:

- 12 a. Whether Defendants failed to pay Employees minimum wages;
- 13 b. Whether Defendants failed to pay Employees wages for all hours worked;
- 14 c. Whether Defendants failed to pay Employees overtime as required under Labor
15 Code § 510;
- 16 e. Whether Defendants violated Labor Code §§ 226.7 and 512, and the applicable
17 IWC Wage Orders, by failing to provide Employees with requisite meal periods or
18 premium pay in lieu thereof;
- 19 f. Whether Defendants violated Labor Code §§ 226.7, and the applicable IWC Wage
20 Orders, by failing to provide Employees with requisite rest breaks or premium pay
21 in lieu thereof;
- 22 g. Whether Defendants violated Labor Code § 226(a);
- 23 h. Whether Defendants violated Labor Code §§ 1174 and 1174.5;
- 24 i. Whether Defendants violated Labor Code §§ 201, 202, and 203 by failing to pay
25 wages and compensation due and owing at the time of termination of employment;
- 26 j. Whether Defendants violated Business and Professions Code § 17200 et seq.; and
- 27 k. Whether Employees are entitled to equitable relief pursuant to Business and
28 Professions Code § 17200 et seq.

1 **C. Typicality**

2 34. The claims of the named plaintiffs are typical of those of the other Employees.
3 Employees all sustained injuries and damages arising out of and caused by Defendant's common
4 course of conducts in violation of statutes, as well as regulations that have the force and effect of
5 law, as alleged herein.

6 **D. Adequacy of Representation**

7 35. Plaintiffs will fairly and adequately represent and protect the interest of Employees.
8 Counsel who represents Employees are experienced and competent in litigating employment class
9 actions.

10 **E. Superiority of Class Action**

11 36. A class action is superior to other available means for the fair and efficient
12 adjudication of this controversy. Individual joinder of all Employees is not practicable, and
13 questions of law and fact common to all Employees predominate over any questions affecting only
14 individual Employees. Each Employee has been damaged and is entitled to recovery by reason of
15 Defendants' illegal policies or practices of failing to compensate Employees properly.

16 37. Class action treatment will allow those persons similarly situated to litigate their
17 claims in the manner that is most efficient and economical for the parties and the judicial system.
18 Plaintiffs are unaware of any difficulties in managing this case that should preclude class action.

19 **FIRST CAUSE OF ACTION**

20 **FAILURE TO PAY MINIMUM WAGES**

21 **(Against All Defendants)**

22 38. Plaintiffs re-allege and incorporate all preceding paragraphs, as though set forth in
23 full herein.

24 39. Defendants failed to pay Employees minimum wages for all hours worked.
25 Defendants had a consistent policy of misstating Employees time records and failing to pay
26 Employees for all hours worked. Employees would work hours and not receive wages, including
27 as alleged above in connection with working during meal breaks, worked "pre-shift" without
28 compensation by standing in lines to clock-in. Additionally, Defendants had a consistent policy

1 of failing to pay Employees for hours worked during alleged meal periods for which Employees
2 were consistently denied, as also addressed herein. Moreover, Defendants did not pay Plaintiffs
3 and Employees at the applicable minimum wage for all hours worked. Defendants' uniform
4 pattern of unlawful wage and hour practices manifested, without limitation, applicable to the
5 Class as a whole, as a result of implementing a uniform policy and practice that denied accurate
6 compensation to Plaintiffs and the other members of the Class as to minimum wage pay.

7 40. California Labor Code § 1197, entitled "Pay of Less Than Minimum Wage"
8 states:

9 The minimum wage for employees fixed by the commission is the
10 minimum wage to be paid to employees, and the payment of a less
11 wage than the minimum so fixed is unlawful.

12 41. The applicable minimum wages fixed by the commission for work during the
13 relevant period is found in the Wage Orders. Pursuant to the Wage Orders, Employees are
14 therefore entitled to double the minimum wage during the relevant period.

15 42. The minimum wage provisions of California Labor Code are enforceable by private
16 civil action pursuant to California Labor Code § 1194(a) which states:

17 Notwithstanding any agreement to work for a lesser wage, any
18 employee receiving less than the legal minimum wage or the legal
19 overtime compensation applicable to the employee is entitled to
20 recover in a civil action the unpaid balance of the full amount of
21 this minimum wage or overtime compensation, including interest
22 thereon, reasonable attorney's fees and costs of suit.

23 43. As described in California Labor Code §§ 1185 and 1194.2, any action for wages
24 incorporates the applicable Wage Order of the California Industrial Welfare Commission.

25 44. California Labor Code § 1194.2 also provides for the following remedies:

26 In any action under Section 1194 . . . to recover wages because of
27 the payment of a wage less than the minimum wages fixed by an
28 order of the commission, an employee shall be entitled to recover
liquidated damages in an amount equal to the wages unlawfully
unpaid and interest thereon.

45. Defendants have the ability to pay minimum wages for all time worked and have
willfully refused to pay such wages with the intent to secure for Defendants a discount upon this
indebtedness with the intent to annoy, harass, oppress, hinder, delay, or defraud Employees.

1 46. Wherefore, Employees are entitled to recover the unpaid minimum wages
2 (including double minimum wages), liquidated damages in an amount equal to the minimum
3 wages unlawfully unpaid, interest thereon and reasonable attorney's fees and costs of suit pursuant
4 to California Labor Code § 1194(a).

5 **SECOND CAUSE OF ACTION**

6 **FAILURE TO PAY WAGES AND OVERTIME UNDER LABOR CODE § 510**

7 **(Against All Defendants)**

8 47. Plaintiffs re-allege and incorporate all preceding paragraphs, as though set forth in
9 full herein.

10 48. By their conduct, as set forth herein, Defendants violated California Labor Code §
11 510 (and the relevant orders of the Industrial Welfare Commission) by failing to pay Employees:
12 (a) time and one-half their regular hourly rates for hours worked in excess of eight (8) hours in a
13 workday or in excess of forty (40) hours in any workweek or for the first eight (8) hours worked
14 on the seventh day of work in any one workweek; or (b) twice their regular rate of pay for hours
15 worked in excess of twelve (12) hours in any one (1) day or for hours worked in excess of eight
16 (8) hours on any seventh day of work in a workweek. Defendants had a consistent policy of not
17 paying Employees wages for all hours worked including time off the clock working "pre-shift"
18 without compensation by standing in lines to clock-in. Employees regularly worked over 8 hours
19 on a given day without receiving overtime compensation.

20 49. Defendants' failure to pay compensation in a timely fashion also constituted a
21 violation of California Labor Code § 204, which requires that all wages shall be paid
22 semimonthly. From four (4) years prior to the filing of this lawsuit to the present, in direct
23 violation of that provision of the California Labor Code, Defendants have failed to pay all wages
24 and overtime compensation earned by Employees. Each such failure to make a timely payment of
25 compensation to Employees constitutes a separate violation of California Labor Code § 204.

26 50. Employees have been damaged by these violations of California Labor Code §§
27 204 and 510 (and the relevant orders of the Industrial Welfare Commission).

28 51. Consequently, pursuant to California Labor Code §§ 204, 510, and 1194 (and the

relevant orders of the Industrial Welfare Commission), Defendants are liable to Employees for the full amount of all their unpaid wages and overtime compensation, with interest, plus their reasonable attorneys' fees and costs.

THIRD CAUSE OF ACTION

MEAL-PERIOD LIABILITY UNDER LABOR CODE § 226.7

(Against All Defendants)

52. Plaintiffs re-allege and incorporate all preceding paragraphs, as though set forth in full herein.

53. Employees regularly worked shifts greater than five (5) hours and greater than ten (10) hours. Pursuant to Labor Code § 512 an employer may not employ someone for a shift of more than five (5) hours without providing him or her with a meal period of not less than thirty (30) minutes or for a shift of more than ten (10) hours without providing him or her with a second meal period of not less than thirty (30) minutes.

54. Defendants failed to provide Employees with meal periods as required under the Labor Code. Employees were consistently required to work through their meal periods which they were consistently denied. Employees were also required to take meal periods after working well beyond the five (5) hour shifts. Furthermore, Employees were regularly required to work for more than 10 hours in a given shift without receiving a second uninterrupted thirty (30) minute meal period as required by law.

55. Moreover, Defendants failed to compensate Employees for each meal period not provided or inadequately provided, as required under Labor Code § 226.7 and paragraphs 11 and 20 of the applicable IWC Wage Orders, which provide that, if an employer fails to provide an employee a meal period in accordance with this section, the employer shall pay the employee one hour of pay at the employee's regular rate of compensation for each workday that the meal period is not provided. Defendants failed to compensate the Employees in the Class for each meal period not provided or inadequately provided, as required under Labor Code § 226.7 and paragraphs 11 and 20 of the applicable IWC Wage Order. Additionally, as detailed above, when Defendants did pay meal period premiums, they did so at the normal regular rate of pay without factoring in all

1 forms or remuneration/compensation or by otherwise incorrectly calculating the regular rate.

2 56. Therefore, pursuant to Labor Code § 226.7, Employees are entitled to damages in
3 an amount equal to one (1) hour of wages at their effective hourly rates of pay for each meal
4 period not provided or deficiently provided, a sum to be proven at trial.

5 **FOURTH CAUSE OF ACTION**

6 **REST-BREAK LIABILITY UNDER LABOR CODE § 226.7**

7 **(Against All Defendants)**

8 57. Plaintiffs re-allege and incorporate all preceding paragraphs, as though set forth in
9 full herein.

10 58. Employees consistently worked consecutive four (4) hour shifts. Pursuant to the
11 Labor Code and the applicable IWC Wage Order, Employees were entitled to paid rest breaks of
12 not less than ten (10) minutes for each consecutive four (4) hour shift.

13 59. Defendants failed to provide Employees with timely rest breaks of not less than ten
14 (10) minutes for each consecutive four (4) hour shift.

15 60. Moreover, Defendants failed to compensate Employees for each rest period not
16 provided or inadequately provided, as required under Labor Code § 226.7 and the applicable IWC
17 Wage Orders, which provide that, if an employer fails to provide an employee a rest period in
18 accordance with this section, the employer shall pay the employee one hour of pay at the
19 employee's regular rate of compensation for each workday that the rest period is not provided.
20 Defendants failed to compensate the Employees in the Class for each rest period not provided or
21 inadequately provided, as required under Labor Code § 226.7 and the applicable IWC Wage
22 Order. Additionally, as detailed above, when Defendants did pay rest period premiums, they did
23 so at the normal regular rate of pay without factoring in all forms or remuneration/compensation
24 or by otherwise incorrectly calculating the regular rate.

25 61. Therefore, pursuant to Labor Code § 226.7, Employees are entitled to damages in
26 an amount equal to one (1) hour of wages at their effective hourly rates of pay for each day
27 worked without the required rest breaks, a sum to be proven at trial.

28 ///

FIFTH CAUSE OF ACTION
VIOLATION OF LABOR CODE § 226(a)
(Against All Defendants)

62. Plaintiffs re-allege and incorporate all preceding paragraphs, as though set forth in full herein.

63. California Labor Code § 226(a) requires an employer to furnish each of his or her employees with an accurate, itemized statement in writing showing the gross and net earnings, total hours worked, and the corresponding number of hours worked at each hourly rate; these statements must be appended to the detachable part of the check, draft, voucher, or whatever else serves to pay the employee's wages; or, if wages are paid by cash or personal check, these statements may be given to the employee separately from the payment of wages; in either case the employer must give the employee these statements twice a month or each time wages are paid.

64. Defendants failed to provide Employees with accurate itemized wage statements in writing, as required by the Labor Code. Specifically, the wage statements given to Employees by Defendants failed to accurately account for wages, overtime, and premium pay for deficient meal periods and rest breaks, all of which Defendants knew or reasonably should have known were owed to Employees, as alleged hereinabove. The wage statements provided to Employees were confusing and required Employees to engage in discovery and refer to outside sources to verify whether their pay was correct and potentially resulting in a miscalculation by the Employees.

65. As a direct and proximate cause of Defendants' violation of Labor Code § 226(a), Employees suffered injuries, including among other things confusion over whether they received all wages owed them, the difficulty and expense involved in reconstructing pay records, and forcing them to make mathematical computations to analyze whether the wages paid in fact compensated them correctly for all hours worked.

66. Pursuant to Labor Code §§ 226(a) and 226(e), Employees are entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) for each violation in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars (\$4,000). They are also entitled to an

1 award of costs and reasonable attorneys' fees.

2 67. With respect to violations of Labor Code § 226, Labor Code § 226.3 imposes a
3 civil penalty of two hundred and fifty dollars (\$250) for initial violations for each employee for
4 each pay period, and one thousand dollars (\$1000) for each subsequent violation for each
5 employee for each pay period.

6 68. Plaintiffs are seeking penalties against Defendants under Labor Code § 226.3, and
7 any other applicable statute allowing recovery of penalties as alleged herein in an amount to be
8 shown according to proof.

9 **SIXTH CAUSE OF ACTION**

10 **FAILURE TO KEEP REQUIRED PAYROLL RECORDS UNDER LABOR CODE § 1174**

11 **AND 1174.5**

12 **(Against All Defendants)**

13 69. Plaintiffs re-allege and incorporate all preceding paragraphs, as though set forth in
14 full herein.

15 70. California Labor Code § 1174 requires that all employers shall keep accurate time
16 and wage records for all employees. California Labor Code § 1174.5 further requires that any
17 employee suffering injury due to a willful violation of the aforementioned obligations may seek
18 damages, including civil penalties, from the employer.

19 71. During the course of Plaintiffs' and Employees' employment, Defendants
20 consistently failed to maintain accurate time and wage records for Plaintiffs and Employees as
21 required by California Labor Code § 1174 by failing to pay Plaintiffs and Employees proper
22 wages, overtime, and premium pay as discussed above.

23 72. Accordingly, Defendants are liable for civil penalties pursuant to the California
24 Labor Code §§ 1174.5. for the three (3) years prior to the filing of this Complaint.

25 **SEVENTH CAUSE OF ACTION**

26 **VIOLATION OF LABOR CODE § 203**

27 **(Against All Defendants)**

28 73. Plaintiffs re-allege and incorporate all preceding paragraphs, as though set forth in

1 full herein.

2 74. Numerous Employees are no longer employed by Defendants; they either quit
3 Defendants' employ or were fired therefrom.

4 75. Defendants failed to pay these Employees all wages due and certain at the time of
5 termination or within seventy-two (72) hours of resignation.

6 76. The wages withheld from these Employees by Defendants remained due and owing
7 for more than thirty (30) days from the date of separation of employment.

8 77. Defendants' failure to pay wages, as alleged above, was willful in that Defendants
9 knew wages to be due but failed to pay them; this violation entitles these Employees to penalties
10 under Labor Code § 203, which provides that an employee's wages shall continue until paid for up
11 to thirty (30) days from the date they were due.

12 **EIGHTH CAUSE OF ACTION**

13 **VIOLATION OF BUSINESS & PROFESSIONS CODE § 17200 ET SEQ.**

14 **(Against All Defendants)**

15 78. Plaintiffs re-allege and incorporate all preceding paragraphs, as though set forth in
16 full herein.

17 79. Plaintiffs, on behalf of themselves, Employees, and the general public, brings this
18 claim pursuant to Business & Professions Code § 17200 et seq. The conduct of Defendants as
19 alleged in this Complaint has been and continues to be unfair, unlawful, and harmful to Employees
20 and the general public. Plaintiffs seek to enforce important rights affecting the public interest
21 within the meaning of Code of Civil Procedure
22 § 1021.5.

23 80. Plaintiffs are a "person" within the meaning of Business & Professions Code
24 § 17204, has suffered injury, and therefore has standing to bring this cause of action for injunctive
25 relief, restitution, and other appropriate equitable relief.

26 81. Business & Professions Code § 17200 et seq. prohibits unlawful and unfair
27 business practices.

28 82. Wage-and-hour laws express fundamental public policies. Paying employees their

1 wages and overtime, providing them with meal and rest periods, etc., are fundamental public
2 policies of California. Labor Code § 90.5(a) articulates the public policies of this State vigorously
3 to enforce minimum labor standards, to ensure that employees are not required or permitted to
4 work under substandard and unlawful conditions, and to protect law-abiding employers and their
5 employees from competitors who lower costs to themselves by failing to comply with minimum
6 labor standards.

7 83. Defendants have violated statutes and public policies. Through the conduct alleged
8 in this Complaint Defendants have acted contrary to these public policies, have violated specific
9 provisions of the Labor Code, and have engaged in other unlawful and unfair business practices in
10 violation of Business & Professions Code § 17200 et seq.; which conduct has deprived Plaintiffs,
11 and all persons similarly situated, and all interested persons, of the rights, benefits, and privileges
12 guaranteed to all employees under the law.

13 84. Defendants' conduct, as alleged hereinabove, constitutes unfair competition in
14 violation of the Business & Professions Code § 17200 et seq.

15 85. Defendants, by engaging in the conduct herein alleged, by failing to pay wages and
16 overtime, failing to provide meal and rest periods, etc., either knew or in the exercise of reasonable
17 care should have known that their conduct was unlawful; therefore their conduct violates the
18 Business & Professions Code § 17200 et seq.

19 86. As a proximate result of the above-mentioned acts of Defendants, Employees have
20 been damaged, in a sum to be proven at trial.

21 87. Unless restrained by this Court Defendants will continue to engage in such
22 unlawful conduct as alleged above. Pursuant to the Business & Professions Code this Court should
23 make such orders or judgments, including the appointment of a receiver, as may be necessary to
24 prevent the use by Defendants or their agents or employees of any unlawful or deceptive practice
25 prohibited by the Business & Professions Code, including but not limited to the disgorgement of
26 such profits as may be necessary to restore Employees to the money Defendants have unlawfully
27 failed to pay.

28 ///

RELIEF REQUESTED

WHEREFORE, Plaintiffs prays for the following relief:

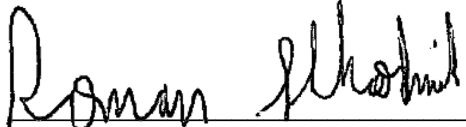
1. For an order certifying this action as a class action;
2. For compensatory damages in the amount of the unpaid minimum wages for work performed by Employees and unpaid overtime compensation from at least four (4) years prior to the filing of this action, as may be proven;
3. For liquidated damages in the amount equal to the unpaid minimum wage and interest thereon, from at least four (4) years prior to the filing of this action, according to proof;
4. For compensatory damages in the amount of the hourly wage made by Employees for each missed or deficient meal period where no premium pay was paid therefor from four (4) years prior to the filing of this action, as may be proven;
5. For compensatory damages in the amount of the hourly wage made by Employees for each day requisite rest breaks were not provided or were deficiently provided where no premium pay was paid therefor from at least four (4) years prior to the filing of this action, as may be proven;
6. For penalties pursuant to Labor Code § 226(e) for Employees, as may be proven;
7. For penalties pursuant to Labor Code § 226.3, as may be proven;
8. For penalties pursuant to Labor Code § 203 for all Employees who quit or were fired in an amount equal to their daily wage times thirty (30) days, as may be proven;
9. For penalties pursuant to Labor Code § 1174.5, as may be proven;
10. For restitution for unfair competition pursuant to Business & Professions Code § 17200 et seq., including disgorgement or profits, as may be proven;
11. For an order enjoining Defendants and their agents, servants, and employees, and all persons acting under, in concert with, or for them, from acting in derogation of any rights or duties adumbrated in this Complaint;
12. For all general, special, and incidental damages as may be proven;
13. For an award of pre-judgment and post-judgment interest;
14. For an award providing for the payment of the costs of this suit;

1 15. For an award of attorneys' fees; and

2 16. For such other and further relief as this Court may deem proper and just.

3
4 DATED: May 16, 2023

DAVID YEREMIAN & ASSOCIATES, INC.

5
6 By 

7 David Yeremian
8 Roman Shkodnik
9 Attorneys for Plaintiffs
10 BIANCA RIVERA and
11 GUSTAVO HERNANDEZ
12 and the putative class
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

DATED: May 16, 2023

By Roman Shohid

- 22 -

COMPLAINT

**DAVID YEREMIAN
& ASSOCIATES INC**

2540 Foothill BLVD STE 201
La Crescenta CA 91214

818 230 8380
818 230 0308 FAX

DAVID@YEREMIANLAW.COM

May 17, 2023

VIA ON-LINE SUBMISSION ONLY TO:

<https://dir.tfaforms.net/128> (copy by certified mail to all Defendants)

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

Legendary Staffing, Inc. dba For Legendary Staffing
8101 E. Kaiser Blvd., Suite 130
Anaheim, CA 92808
Certified Mail Tracking Number:

Pacific Registered Agents, Inc., Agent for Service
Legendary Staffing, Inc. dba For Legendary Staffing
Four Embarcadero Center, Suite 1400 #85
San Francisco, CA 94111
Certified Mail Tracking Number:

Adam Kidan, Agent for Service
Atlantic Solutions Group Inc.
402 South Milliken Avenue, Suite G
Ontario, CA 91761
Certified Mail Tracking Number:

Empire Workforce Solutions
8101 E. Kaiser Blvd., Suite 130
Anaheim, CA 92808
Certified Mail Tracking Number:

BaronHR, LLC dba The BaronHR Family of Staffing Companies
8101 E. Kaiser Blvd., Suite 130
Anaheim Hills, CA 92808
Certified Mail Tracking Number:

Pacific Registered Agents, Inc., Agent for Service
BaronHR, LLC dba The BaronHR Family of Staffing Companies
Four Embarcadero Center, Suite 1400 #85
San Francisco, CA 94111

Certified Mail Tracking Number:

Valley Fine Foods Company, LLC
3909 Park Road
Benicia, CA 94510

Certified Mail Tracking Number:

CT Corporation System, Agent for Service
Valley Fine Foods Company, LLC
330 N. Brand Blvd.
Glendale, CA 91203

Certified Mail Tracking Number:

**Re: Labor Code § 2698, et seq. Penalties – PAGA Notice Letter to the LWDA
Blanca Rivera et al. v. Legendary Staffing, Inc. dba For Legendary Staffing et al.
Superior Court for the County of Solano
LWDA Case No. LWDA-CM-955518-23**

Gentlepersons:

This office represents Plaintiffs Blanca Rivera and Gustavo Hernandez formerly known as Mario Hernandez (collectively “Plaintiffs”) and other similarly situated aggrieved non-exempt, hourly employees aggrieved employees (collectively “Aggrieved Employees”) for violations of California Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, and 2699, *et seq.*; provisions of the Industrial Welfare Commission (IWC) Wage Order(s); and California Business & Professions Code § 17200 *et seq.*

The purpose of this letter is to comply with the Private Attorneys General Act of 2004, pursuant to California Labor Code § 2698 *et. seq.* (“the Act”). Plaintiffs would like to bring a representative action, pursuant to the Act, on behalf of themselves and all other similarly situated Aggrieved Employees, and the State of California, against Defendants Legendary Staffing, Inc. dba For Legendary Staffing, Atlantic Solutions Group Inc., Empire Workforce Solutions, BaronHR, LLC dba The BaronHR Family of Staffing Companies, Valley Fine Foods Company, LLC, and DOES 1 through 50 inclusive (all defendants being referred to herein collectively as “Defendants”).

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

We also set forth herein the facts and theories and the California Labor Code violations which Defendants engaged in with respect to Plaintiffs and all of their Aggrieved Employees in California. The attached Class Action Complaint provides the details of Plaintiffs’ class-wide

claims and claims under the Act, and the applicable California law governing them. It, along with this Notice Letter, addresses in detail numerous violations that subject Defendants to civil and statutory penalties under the Act.

Relevant Facts

Aggrieved Employees were employed by Defendants as non-exempt employees within the state of California within the statutory time period who suffer or suffered from the same wage and hour violations outlined below. Defendants had a common policy and/or practice of failing to pay Aggrieved Employees minimum wages for all hours worked.

Additionally, Aggrieved Employees were not paid for the time that they worked “pre-shift” without compensation by standing in lines to clock-in. Thus, Aggrieved Employees were required to work hours, under the control of Defendants, without wages.

Because of the foregoing understatement of hours worked, Defendants also failed to pay Plaintiffs and Aggrieved Employees proper overtime wages. Plaintiffs and Aggrieved Employees consistently worked in excess of eight (8) hours a day, and/or forty (40) hours a week. However, Plaintiffs and Aggrieved Employees were not paid overtime wages for hours worked in excess of 8 hours a day. Moreover, the uncompensated time, discussed above, was worked by Aggrieved Employees in excess of 8 hours a day and/or 40 hours a week, further entitling Aggrieved Employees overtime wages which they were consistently denied, all in violation of Labor Code and applicable Wage Orders.

Defendants had a common policy and/or practice of denying Plaintiffs and Aggrieved Employees proper meal periods. Specifically, Plaintiffs and Aggrieved Employees were required to work through their meal periods which they were consistently denied. Also, what meal periods Plaintiffs and Aggrieved Employees did take, were consistently less than 30 minutes, and taken well after their fifth consecutive hour of work, all in violation of Labor Code and applicable Wage Orders. Similarly, Plaintiffs and Aggrieved Employees were required to work in excess of ten (10) hours a day, without ever receiving a second meal compliant period, all in violation of Labor Code and applicable Wage Orders.

Defendants have consistently failed to provide Plaintiffs and Aggrieved Employees with paid rest breaks of not less than 10 minutes for every work period of 4 or more consecutive hours, as required by Labor Code. Specifically, Plaintiffs and Aggrieved Employees who often worked at least twelve (12) hours in a day were entitled to at least two breaks but were required to work through their periods which they were continuously denied.

Defendants consistently failed to issue accurate itemized wage statements as required by Labor Code § 226(a). Specifically, Defendants failed to provide Employees with accurate itemized wage statements in writing, as required by the Labor Code. The wage statements given to Aggrieved Employees failed to accurately account for unpaid wages, overtime, premium pay for deficiently provided meal periods and rest breaks, discussed above.

Moreover, Defendants failed to pay Plaintiffs and Aggrieved Employees all wages owed at the time of their termination or within seventy-two (72) hours of their resignation as required by

Labor Code §§ 201-203. Defendants also consistently failed to pay Aggrieved Employees all wages due on a semi-monthly basis.

PAGA Claim Details, Legal Bases for Violations and Penalties:

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

Failure to Pay Minimum Wages

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

In California, employees must be paid at least the then applicable state minimum wage for all hours worked, including under Labor Code § 1197, IWC Wage Order MW-2014, and paragraphs 2(K), 2(S), and 4(A)-4(C) of the applicable IWC Wage Orders. Paragraph 2(H) of the applicable IWC Wage Orders defines “Hours Worked” as “the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.” Additionally, pursuant to Labor Code § 204, other applicable laws and regulations, and public policy, an employer must timely pay its employees for all hours worked. Defendants failed to do so.

California Labor Code § 1197, entitled “Pay of Less Than Minimum Wage” states: “The minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful.” The minimum wage provisions of California Labor Code are enforceable by private civil action pursuant to Labor Code § 1194(a) which states: “Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney’s fees and costs of suit.”

As described in California Labor Code §§ 1185 and 1194.2, any action for wages incorporates the applicable Wage Order of the California Industrial Welfare Commission. Also, California Labor Code §§ 1194, 1197, 1197.1 and those Industrial Welfare Commission Wage Orders entitle non-exempt employees to an amount equal to or greater than the minimum wage for all hours worked. All hours must be paid at the statutory or agreed rate, or at the minimum rate in the absence of a contractually agreed upon one. The underpayment of wages to Aggrieved Employees is and has been a direct consequence of Defendants’ unlawful compensation policies and practices, which applied uniformly to the Aggrieved Employees working at locations and work sites throughout California.

Defendants thus failed to pay Employees minimum wages they were owed, including by their consistent policy of failing to pay Employees for all hours worked. Specifically, Aggrieved

Employees were not paid for the time that they worked “pre-shift” without compensation by standing in lines to clock-in. Accordingly, Plaintiffs and Aggrieved Employees were required to work without pay. Thus, Plaintiffs and Aggrieved Employees were required to work hours without wages. Additionally, Defendants did not pay Plaintiffs and Aggrieved Employees at the applicable minimum wage for all hours worked. Defendants have the ability to pay minimum wages for all time worked and have willfully refused to pay such wages with the intent to secure for Defendants a discount upon this indebtedness with the intent to annoy, harass, oppress, hinder, delay, or defraud Plaintiffs and Aggrieved Employees.

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

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

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

Defendants violated the law by failing to pay Plaintiffs and Aggrieved Employees earned wages and overtime. Specifically, Plaintiffs and Aggrieved Employees consistently worked in excess of eight (8) hours a day, and/or forty (40) hours a week. However, Plaintiffs and Aggrieved Employees were not paid overtime wages for hours worked in excess of 8 hours a day. Moreover, the uncompensated time, discussed above including the time they worked “pre-shift” without compensation by standing in lines to clock-in, caused Plaintiffs and Aggrieved Employees to work in excess of 8 hours a day and/or 40 hours a week, further entitling Plaintiffs and Aggrieved Employees overtime wages which they were consistently denied, all in violation of Labor Code § 510 and applicable Wage Orders.

Defendants have violated Labor Code § 1194 and Labor Code § 510 (and paragraphs 2(K), 2(S), 3(A) and 4(A)-4(B) of the relevant orders of the Industrial Welfare Commission) by failing to

pay Employees: (a) time and one-half their regular hourly rates for hours worked in excess of eight hours in a workday or in excess of forty hours in any workweek or for the first eight hours worked on the seventh day of work in any one workweek; or (b) twice their regular rate of pay for hours worked in excess of twelve hours in any one day or for hours worked in excess of eight hours on any seventh day of work in a workweek. Defendants had a consistent policy of not paying Employees wages for all hours worked, including by requiring off the clock work as addressed above and by under-reporting actual hours worked. With work shifts generally requiring eight hours or more of work on a given day, this unpaid off the clock work resulted in Aggrieved Employees working past eight hours on a shift or more than forty hours in a week, which required that they be paid at the correct overtime rate of 1.5 times their regular rate.

When considered in combination with the other wage violations addressed above, Aggrieved Employees were not properly compensated, nor were they paid overtime and double time rates for hours worked in excess of eight hours or twelve hours in a given day, and/or forty hours in a given week. Defendants did not make available to Employees a reasonable protocol for correcting time records when Employees worked overtime hours or to fix incorrect time entries or those that Defendants unlawfully under-recorded to the Employee's detriment. Defendants have also violated these provisions by requiring Plaintiffs and other similarly situated Aggrieved Employees to work through meal periods when they were required to be clocked out or to otherwise work off the clock to complete their daily job duties.

In light of the forgoing, Aggrieved Employees seek to recover wages and penalties pursuant to the California Labor Code, including Labor Code §§ 204, 510, 558, 1174, 1194, 1198, 1199, and the relevant paragraphs of the IWC Wage Orders, including paragraphs 2(K), 2(S), 3(A), 4, and 20. Defendants are liable to Employees for the full amount of all their unpaid wages and overtime compensation, with interest, plus their reasonable attorneys' fees and costs, as well as the assessment of any statutory penalties against Defendants, and each of them, and any additional sums as provided by the Labor Code and/or other statutes and Wage Order provisions.

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

Meal-Period Liability Under Labor Code §§ 226.7 and 512 and Penalties

Defendants have regularly required Aggrieved Employees to work shifts in excess of five hours without providing them with uninterrupted meal periods of not less than thirty minutes as required under Labor Code §§ 226.7, 512, and paragraph 11 of the applicable Wage Orders. Specifically, Aggrieved Employees were forced to incur shortened meal periods, were provided with breaks late and well after the fifth hour of work, could not be relieved to take breaks, or were required to remain on-duty at all times and were unable to take off-duty breaks or were otherwise not provided with the opportunity to take required breaks.

On the occasions when Aggrieved Employees were provided with a meal period, it was often untimely or interrupted by having to respond to work demands or remain under Defendant's control, in violation of the Labor Code and applicable Wage Orders. On shifts over ten hours,

second meal periods were not provided. Defendants also failed to pay Aggrieved Employees “premium pay,” i.e. one hour of wages at each Aggrieved Employee’s effective regular rate of pay, for each meal period that Defendants failed to provide or deficiently provided, including by miscalculating any premium payments they did make. Therefore, pursuant to Labor Code § 226.7 and paragraphs 11 and 20 of the applicable IWC Wage Order, Aggrieved Employees are entitled to damages in an amount equal to one hour of wages at their correctly calculated regular rate of compensation for each meal period not provided or deficiently provided, as well as the assessment of any statutory penalties against the Defendants, and each of them, in a sum as provided by the Labor Code, including Labor Code § 558 and other applicable statutes and Wage Order provisions.

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

Rest-Break Liability Under Labor Code § 226.7 and Penalties

Defendants have consistently failed to provide Aggrieved Employees with paid rest breaks of not less than ten minutes for every work period of four or more consecutive hours, as required under Labor Code § 226.7. Specifically, Defendants provided rest periods untimely or for shortened durations, and Defendants’ policies and procedures required Aggrieved Employees to remain under Defendants’ control during breaks to respond to job requirements.

Defendants also failed to pay Aggrieved Employees premium pay for each day on which requisite rest breaks were not provided or were deficiently provided, or miscalculated any premiums paid. Therefore, pursuant to Labor Code § 226.7 and paragraphs 12 and 20 of the applicable IWC Wage Order, Aggrieved Employees are entitled to damages in an amount equal to one hour of wages at their correctly calculated regular rate of compensation for each rest period not provided or deficiently provided, as well as the assessment of any statutory penalties against the Defendants, and each of them, in a sum as provided by the Labor Code, including Labor Code § 558 and other applicable statutes and Wage Order provisions.

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

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

California Labor Code § 226(a) requires an employer to furnish each employee with an accurate, itemized wage statements in writing. These statements must be appended to the detachable part of the check, draft, voucher, or whatever else serves to pay the employee’s wages; or, if wages are paid by cash or personal check, these statements may be given to the employee separately from the payment of wages; in either case the employer must give the employee these statements twice a month or each time wages are paid. As a direct and proximate cause of Defendants’ violation of Labor Code § 226(a), Aggrieved Employees suffered injuries, including among other things confusion over whether they received all wages owed them, the difficulty and expense

involved in reconstructing pay records, and forcing them to make mathematical computations to analyze whether the wages paid in fact compensated them correctly for all hours worked. Defendants failed to provide Aggrieved Employees with accurate itemized wage statements in writing, as required by the Labor Code. Specifically, Defendants failed to provide Employees with accurate itemized wage statements in writing, as required by the Labor Code. The wage statements given to Aggrieved Employees failed to accurately account for unpaid wages, overtime, premium pay for deficiently provided meal periods and rest breaks.

In light of these violations, and pursuant to Labor Code §§ 226(a) and 226(e) and paragraphs 4(b), 7, and 20 of the applicable IWC Wage Orders, Aggrieved Employees are entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) for each violation in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars (\$4,000). They are also entitled to an award of costs and reasonable attorneys' fees.

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

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

In failing to pay Aggrieved Employees wages, overtime, premium pay, etc., and failing to provide them with checks and wage statements, Defendants failed to timely pay Aggrieved Employees wages on a semimonthly basis as required under Labor Code § 204. Defendants failed to maintain records showing accurate hours worked daily and the wages paid to Aggrieved Employees, as well as the meal and rest periods taken by Aggrieved Employees, as required by Labor Code § 1174 and the applicable IWC wage orders.

Defendants also required Aggrieved Employees to work hours off the clock for which they were not compensated, including during interrupted or otherwise on-duty meal and rest periods. Defendants also failed to pay all overtime premium wages owed for work conducted on a work shift and a workday, or miscalculated these premiums by not including all forms of remuneration in the regular rate, as addressed above. Therefore, when Aggrieved Employees received wage statements and pay checks, they did not compensate all hours worked on a timely basis, resulting in Defendants' systematic failure to pay all wages owed to Aggrieved Employees twice monthly in accordance with the requirements of Labor Code § 204. Additionally, by not providing wage

statements as required under section 204, Defendants systematically violated Labor Code § 204 and § 226.

Given the above described off the clock work, Plaintiffs were not paid at the correct overtime rate for all hours they worked after eight hours into a shift or over forty in a work week and that he was not paid all double time owed either. Defendants' uniformly applied payroll policies and practices thus resulted in further systematic and ongoing violations of the requirements of Labor Code § 204.

In light of the foregoing, Plaintiffs and Aggrieved Employees seek to recover wages and penalties, interest, fees and costs pursuant to Labor Code §§ 201.3, 210, 218.5, 558, and 1194. In failing to pay Aggrieved Employees minimum wages and overtime, by unlawful rounding and off the clock work, by not providing proper meal and rest periods, failing to provide accurate itemized wage statements, and failing to pay Employees wages upon termination or timely upon resignation, all discussed above, Defendants failed to timely pay Aggrieved Employees wages on a semimonthly basis as required under Labor Code § 204. Defendants also failed to maintain records showing accurate hours worked daily and the wages paid to Aggrieved Employees, as required by Labor Code § 1174 and paragraph 7 of the applicable IWC Wage Orders, entitling Aggrieved Employees to recover penalties pursuant to paragraph 20 of the applicable IWC Wage Orders.

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

Failure to Keep Records In Accordance With Labor Code § 1174

Labor Code § 1174 requires employers to keep records showing payroll data and the hours worked daily by and the wages paid to employees. By failing to pay Aggrieved Employees proper wages, overtime, double time, premium pay, etc., and by not recording meal period start and end times, all discussed herein, Defendants failed to maintain proper employment records in accordance with Section 1174. In light of the forgoing, Plaintiffs and Aggrieved Employees seek to recover penalties pursuant to Labor Code §§ 1174.5 and 2699, *et seq.* Defendants have also failed to comply with paragraph 7 of the applicable California IWC Wage Orders by failing to maintain time records showing when the employee begins and ends each work period, meal periods, wages earned pursuant to Labor Code § 226.7, and total daily hours worked by itemizing in wage statements all deductions from payment of wages and accurately reporting total hours worked by the Aggrieved Employees, and they are entitled to recover penalties pursuant to paragraph 20 of the applicable IWC Wage Orders.

Under the PAGA, and following exhaustion of the notice period, Plaintiffs assert PAGA claims for failure to provide Plaintiffs and the Aggrieved Employees with accurate, itemized wage statements and failure to maintain employment records for Plaintiffs and Aggrieved Employees under Labor Code §§ 226, 1174, 1198, and 1198.5, and Sections 7(A), 7(B), and 7(C) of the

applicable IWC Wage Order(s) seeking all civil and statutory penalties and wages available and applicable under Labor Code §§ 558, 1174.5, 1199, and 2699(f)(2), 2699.5, and paragraph 20 of the applicable IWC Wage Order, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Waiting Time Penalties Pursuant to Labor Code § 203

Some Aggrieved Employees no longer work for Defendants; they either resigned or were terminated from Defendants' employ. Based on the forgoing, Defendants have had a consistent policy of failing to pay all wages earned by and owed to Aggrieved Employees at the time of their termination of within seventy-two hours of their resignation, as required by California under Labor Code § 203. In light of the forgoing, Plaintiffs and Aggrieved Employees seek to recover wages and penalties pursuant to Labor Code § 558 and further specifically seek penalties and wages under Labor Code § 203, which provides that an employee's wages shall continue until paid for up to thirty (30) days from the date they were due.

Under the PAGA, and following exhaustion of the notice period, Plaintiffs assert PAGA claims for failure to timely pay all wages owed, including at least semi-monthly and upon separation or termination, under Labor Code §§ 201, 201, 203, 204, 1197.5, 2926, and 2927 seeking all civil penalties available and applicable under Labor Code §§ 201, 202, 203, 210, 558, 1197, 1198, 1199, 2699(f)(2), 2699.5, and paragraph 20 of the applicable IWC Wage Orders, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

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

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

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

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

Plaintiffs and the Aggrieved Employees seek penalties under Labor Code §§ 2698 and 2699 for Defendants' violation of Labor Code provisions included under Labor Code § 2699.5, including the penalty provisions, without limitation, based, *inter alia*, on the following California Labor Code sections: §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, and 2699, et seq., including as follows:

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

civil and statutory penalties available and applicable under Labor Code §§ 510, 558, 1194.2, 1197.1, 1198, 1199, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

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

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

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

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

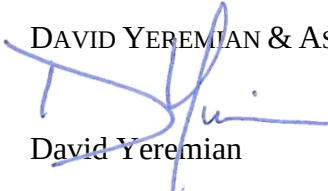
We have been constrained to initially move forward with the filing of this Complaint, alleging the causes of action discussed herein, without the PAGA claim. Thus, any action by the LWDA would not resolve the entirety of the case, and the interest of judicial economy will be served by allowing the case to proceed as a cohesive whole.

This letter and the attached Complaint therefore provide the requisite notice under the Act to the LWDA and Defendants by setting forth the specific provisions of the Labor Code and related provisions Plaintiffs allege have been violated, including the facts and relevant theories alleged against Legendary Staffing, Inc. dba For Legendary Staffing, Atlantic Solutions Group Inc., Empire Workforce Solutions, BaronHR, LLC dba The BaronHR Family of Staffing Companies, Valley Fine Foods Company, LLC, and any other named Defendants and joint employers. To prevent the violations described in the Complaint and herein from occurring, and to remedy past violations, Plaintiffs respectfully request that the LWDA conduct an investigation into Defendants' employment practices in accordance with the Act.

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

Regards,

DAVID YEREMIAN & ASSOCIATES, INC.



David Yeremian

Cc: Legendary Staffing, Inc. dba For Legendary Staffing, Atlantic Solutions Group Inc., Empire Workforce Solutions, BaronHR, LLC dba The BaronHR Family of Staffing Companies, and Valley Fine Foods Company, LLC by Certified Mail

EXHIBIT 3