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Attorneys for Plaintiff Efiong Alize McKelvy and Guadalupe Citlalli Saldana Ponce

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF FRESNO

EFIONG ALIZE MCKELVY and GUADALUPE CITLALLI SALDANA PONCE, individually, and on behalf of other members of the general public similarly situated and on behalf of other aggrieved employees pursuant to the California Private Attorneys General Act;

Plaintiff,

vs.

PBC SOLUTIONONE, INC., a California corporation; CCS FACILITY SERVICES – FRESNO, INC., a California corporation; CCS FACILITY SERVICES – ORANGE COUNTY, INC., a California corporation; CCS FACILITY SERVICES – LOS ANGELES, INC., a California corporation; CCS FACILITY SERVICES – SAN DIEGO, INC., a California corporation; CCS LOS ANGELES JANITORIAL, INC., a California corporation; CCS ORANGE COUNTY JANITORIAL, INC., a California corporation; CCS SAN DIEGO JANITORIAL, INC., a California corporation, CCS ENGINEERING LOS ANGELES, INC., a Delaware corporation; CCS ENGINEERING ORANGE COUNTY, INC., a Delaware corporation; CCS ENGINEERING SAN DIEGO, INC., a Delaware corporation; CCS ENGINEERING FRESNO, INC., a Delaware corporation; and DOES 1 through 100, inclusive,

Defendants.

Case No.: 23CECG03633

Honorable Jonathan M. Skiles
Department 503

CLASS ACTION

DECLARATION OF MARIA HALWADJIAN IN SUPPORT OF PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT

[Plaintiffs' Motion for Preliminary Approval of Class Action Settlement; Declaration of Proposed Class Representatives (Efiong Alize McKelvy and Guadalupe Citlalli Saldana Ponce); and [Proposed] Order filed concurrently herewith]

Hearing Date:	January 8, 2026
Hearing Time:	3:30 p.m.
Department:	503
Complaint Filed:	September 5, 2023
FAC Filed:	October 23, 2025
Trial Date:	None Set

DECLARATION OF MARIA HALWADJIAN

I, Maria Halwadjian, hereby declare as follows:

1. I am an attorney licensed to practice law in the State of California. I am a member of Lawyers *for* Justice, PC, attorneys of record for Plaintiff Efiong Alize McKelvy ("Plaintiff McKelvy") and Guadalupe Citlalli Saldana Ponce ("Plaintiff Ponce") (together, "Plaintiffs"). The facts set forth in this declaration are within my personal knowledge or based on information and belief, and if called as a witness, I could and would competently testify thereto.

PROCEDURAL HISTORY

2. On June 30, 2023, Plaintiff McKelvy provided written notice by certified mail to the LWDA and Defendants of specific provisions of the California Labor Code that were alleged to be violated ("McKelvy 2023 PAGA Notice"), a true and correct copy of which is attached hereto as "**EXHIBIT 2**". Aside from confirmation of receipt of the McKelvy 2023 PAGA Notice, the LWDA did not respond to the McKelvy 2023 PAGA Notice. On September 5, 2023, Plaintiff McKelvy filed a PAGA Complaint For Enforcement Under the Private Attorney Generals Act, California Labor Code § 2698*, Et Seq*. in the Superior Court for the County of Fresno, thereby commencing the above-captioned lawsuit.

3. On March 12, 2025, Plaintiff McKelvy provided an amended written notice by certified mail to the LWDA and Defendants ("McKelvy 2025 PAGA Notice"), a true and correct copy of which is attached hereto as "**EXHIBIT 3**," and Plaintiff Ponce provided written notice by certified mail to the LWDA and Defendants of the specific provisions of the California Labor Code that were alleged to be violated ("Ponce PAGA Notice) (collectively, the McKelvy 2023 PAGA Notice, McKelvy 2025 PAGA Notice, and Ponce PAGA notice are the "PAGA Notices"), a true and correct copy of which is attached hereto as "**EXHIBIT 4**". Aside from confirmation of receipt, the LWDA did not respond to the McKelvy 2025 PAGA Notice or Ponce PAGA Notice.

4. On October 23, 2025, pursuant to the Parties' joint stipulation, Plaintiffs filed a First Amended Complaint for Damages and Enforcement Under the Private Attorneys General Act, Cal. Lab. Code § 2698, *Et Seq*. ("Operative Complaint"), thereby adding Plaintiff Ponce as an additional named Plaintiff, Defendants CS Facility Services-Fresno, Inc., CCS Facility Services-

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Orange County, Inc., CCS Facility Services-Los Angeles, Inc., CCS Facility Services San Diego, Inc., CCS Los Angeles Janitorial, Inc., CCS Orange County Janitorial, Inc., CCS San Diego Janitorial, Inc., CCS Engineering Los Angeles, Inc., CCS Engineering Orange County, Inc., CCS Engineering San Diego, Inc.; and CCS Engineering Fresno, Inc. as additional named Defendants, and additional claims and causes of action consistent with the settlement reached by the Parties.

5. The Parties have actively litigated the Action since it was commenced on September 5, 2023. On June 10, 2024 and January 28, 2025, the Parties participated in arm's-length and informed negotiations with Mediator David Rotman, Esq. ("Mediator"), a respected mediator of complex wage and hour actions. With the aid of the mediator, the Parties reached the Settlement described herein to resolve the Action in its entirety.

THE PROPOSED SETTLEMENT

6. Marked and attached hereto as "**EXHIBIT 1**" is a true and correct copy of the Class Action and PAGA Settlement Agreement ("Settlement," "Agreement," or "Settlement Agreement") entered into by and between Plaintiffs, individually and on behalf of all others similarly situated and other aggrieved employees, on the one hand, and Defendants CCS Facility Services-Fresno, Inc., CCS Facility Services-Orange County, Inc., CCS Facility Services-Los Angeles, Inc., CCS Facility Services-San Diego, Inc., CCS Los Angeles Janitorial, Inc., CCS Orange County Janitorial, Inc., CCS San Diego Janitorial, Inc., PBC SolutionOne, Inc., CCS Engineering Los Angeles, Inc., CCS Engineering Orange County, Inc., CCS Engineering San Diego, Inc.; and CCS Engineering Fresno, Inc. (collectively, "Defendants"), on the other hand (together, the "Parties"). The Parties and their counsel have approved the proposed Court Approved Notice of Class Action Settlement and Hearing Date for Final Court Approval ("Class Notice"), which is attached to the Settlement Agreement as "Exhibit A" and respectfully request that the Court approve it as well.

7. The Settlement provides for a Gross Settlement Amount of $2,500,000.00 to be paid in a single payment on a non-reversionary basis. The Net Settlement Amount is the Gross Settlement Amount less the following amounts, subject to approval by the Court: attorneys' fees in an amount not to exceed thirty-five percent (35%) of the Gross Settlement Amount (i.e.,

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$875,000.00 if the Gross Settlement Amount remains $2,500,000.00) ("Class Counsel Fees Payment") and litigation costs and expenses in an amount not to exceed $35,000.00 ("Class Counsel Litigation Expenses Agreement") to Class Counsel, payments in the amount of up to $10,000.00 each to Plaintiffs ("Class Representative Service Payments"), Administration Expenses Payment, which are currently estimated not to exceed $20,000.00 to the Settlement Administrator ("Administration Expenses Payment"), and PAGA Amount of $375,000.00 ("PAGA Amount"). Assuming that the amounts allocated under the Settlement toward these payments are awarded by the Court, the Net Settlement Amount that will be available for distribution to Settlement Class Member is currently estimated to be $1,180,000.00. Additionally, 25% of the PAGA Amount (the "Aggrieved Employee Amount"), which is $93,750.00 out of $375,000.00, will be distributed to the Aggrieved Employees, for their respective portion of the PAGA Amount. The Gross Settlement Amount will be fully distributed in accordance with the terms of the Settlement and there is no reversion to Defendants.

8. The Settlement Agreement provides for Class Counsel to apply for attorneys' fees in an amount of up to thirty-five percent (35%) of the Gross Settlement Amount (i.e., $875,000.00, if the Gross Settlement Amount remains $2,500,000.00) and expenses and costs of not more than $35,000.00, which will be paid out of the Gross Settlement Amount, subject to approval by the Court. It should be noted that Class Counsel has borne all of the risks and costs of litigation and will not receive any compensation until recovery is obtained. A description of the qualifications of Class Counsel, the work performed by Class Counsel, and the results achieved by Class Counsel in this matter can be found in paragraphs 16 through 24, *infra*.

9. The Settlement Agreement provides for payment of up to $10,000.00 to each Plaintiff as Class Representative Service Payments, to be paid out of the Gross Settlement Amount subject to approval by the Court. Plaintiffs spent considerable time and effort to produce relevant documents and past employment records and to provide the facts and evidence necessary to attempt to prove the allegations. Plaintiffs were available whenever Class Counsel needed them and actively tried to obtain information that would benefit the Class. Accordingly, it is appropriate and just for Plaintiffs to receive a Class Representative Service Payment each, in addition to their

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individual settlement payments, for their services on behalf of the Class, PAGA Employees, and the State of California.

10. The Parties have agreed to retain Simpluris, Inc., ("Settlement Administrator") to handle the notice and settlement administration process. The Parties respectfully request that the Court appoint Simpluris, Inc. to handle these procedures and serve as the Settlement Administrator. Defendants will provide the Settlement Administrator with the Class List, and the Settlement Administrator will calculate each Class Member's estimated share of the Net Settlement Amount ("Individual Settlement Share") and each PAGA Aggrieved Employee's estimated *pro rata* share of the 25% portion of the PAGA Amount. The Settlement Administrator will be responsible for printing, distributing, and tracking Class Notices and other documents for the Settlement, calculating and distributing payments due under the Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings, and remittances, providing necessary reports and declarations, transmitting funds representing uncashed checks after the void date to the California Controller's Unclaimed Property Fund in the name of each Class Member and/or PAGA Aggrieved Employee to whom the checks were issued, and other duties and responsibilities set forth to process the Settlement, and as requested by the Parties. Settlement Administration Costs are currently estimated not to exceed $20,000.00 and will be paid out of the Gross Settlement Amount, subject to approval of the Court.

11. Under the Settlement Agreement, Defendants are responsible for any employer-side tax obligations associated with the Gross Settlement Amount and will deposit that amount into the settlement fund in addition to the Gross Settlement Amount. Each Settlement Class Member's Individual Settlement Share will be allocated 25% to wages and 75% to penalties and interest. The Settlement Administrator will withhold the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares.

CONDITIONAL CERTIFICATION OF THE PROPOSED CLASS IS APPROPRIATE

12. **<u>Ascertainability:</u>** The proposed Class is defined as all non-exempt/hourly employees who worked for Defendants in California at any time during the Class Period, which is as follows: (1) for employees of Fresno CCS Entities, from August 15, 2019 to (a) the date of

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preliminary approval of the settlement, or (b) the Alternate End Date, whichever is sooner; and (2) for employees of non-Fresno CCS Entities in California, from July 19, 2020 to (a) the date of preliminary approval of the settlement or (b) the Alternate End Date, whichever is sooner.

13. **Numerosity:** Based on data provided by Defendants, the Class is estimated to be approximately 5,100 individuals who worked an estimated total of 290,000 workweeks.

14. **Commonality:** Based on investigation and information discovered, Class Counsel believes that there is sufficient evidence to support the allegations made in the lawsuit, including the allegations that Defendants, with respect to Plaintiffs, Class Members, and PAGA Employees, *inter alia*, failed to properly pay overtime and minimum wages and associated premium pay, failed to provide compliant meal and rest periods and to provide accurate wage statements, failed to pay timely wages upon termination, failed to maintain requisite payroll records, and failed to reimburse necessary business expenses, and thereby engaged in unfair business practices and conduct giving rise to civil penalties recoverable under the Private Attorneys General Act of 2004 (California Labor Code sections 2698, *et seq*.). Plaintiffs also asserted that Class Members were expected to perform similar job duties and were subject to the same or similar operations and employment policies, practices, and procedures. Additionally, Plaintiffs asserted that Defendants' recordkeeping practices with respect to Plaintiffs, Class Members, and PAGA Aggrieved Employees were substantially the same during the time period at issue. As a result of said alleged uniform practices, Plaintiffs claim that the Class Members were not paid all of the compensation that was owed to them by Defendants. Thus, in Class Counsel's view, it is clear that the outcome of this litigation would be determined by Defendants' uniform operations and employment practices, policies, and procedures that Plaintiffs allege applied across their hourly-paid or non-exempt employees in California during the relevant time period.

15. **Adequacy and Typicality:** Plaintiffs undertook the responsibilities of representing a class action against their former employer. Plaintiffs spent considerable time and effort to produce relevant documents and past employment records and to provide the facts and evidence necessary to attempt to prove the allegations. Plaintiffs were available whenever Class Counsel needed her and actively tried to obtain information that would benefit the Class. Plaintiffs have no

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interests that are adverse to the Class. Plaintiffs were employed by Defendants during the Class Period and subject to the same alleged violations and the same policies, practices, and procedures. Plaintiffs took on the challenge and risk of commencing and maintaining this action, and they have not yet received any monetary benefit for their service to date. Plaintiffs put their own interests aside and brought a publicly filed lawsuit against an employer not just for their own benefit, but, instead, on behalf of other hourly-paid employees and the State of California.

EXPERIENCE AND ADEQUACY OF LAWYERS *for* JUSTICE, PC

16. For over a decade, Lawyers *for* Justice, PC has almost exclusively focused on the prosecution of consumer and employment class actions, involving wage-and-hour claims, race discrimination, unfair business practices, or consumer fraud. Currently, Lawyers *for* Justice, PC is the attorney of record in well over a dozen employment-related putative class actions in both state and federal courts in the State of California. Lawyers *for* Justice, PC is comprised of attorneys who focus on litigating complex wage-and-hour class and Private Attorneys General Act (“PAGA”) representative actions. Lawyers *for* Justice, PC has successfully litigated cases involving the executive, administrative, and other overtime exemptions to the State of California and federal overtime compensation requirements. During a relatively short time, in association with other law firms, Lawyers *for* Justice, PC has recovered millions of dollars on behalf of thousands of individuals in California.

17. Joanna is a Managing Member of Lawyers *for* Justice, PC. She received a Bachelor of Arts degree from California State University, Los Angeles in 2006, a Master of Science degree from the London School of Economics in 2007, and a Juris Doctor degree from Georgetown University Law Center in 2010. She is admitted to practice in California (since 2010) and in New York (since 2013), and admitted to practice in all U.S. District Courts in California, the U.S. Bankruptcy Court for the Central District of California, and the U.S. Supreme Court. She has taken and defended dozens of depositions and successfully handled motion practice in class action cases regarding discovery (including and not limited to, regarding class contact information), class certification (both contested class certification and stipulated class certification), arbitration agreements, coordination, and intervention. She successfully handled briefing and oral argument

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on appeal and obtained notable decisions regarding the Private Attorneys General Act and employer efforts to compel arbitration of PAGA claims, e.g., *Roberto Betancourt v. Prudential Overall Supply*, (Cal. Ct. App., Mar. 7, 2017) 9 Cal.App.5th 439, cert. denied (Cal., May 24, 2017), cert. denied (U.S., Dec. 11, 2017) and *ZB, N.A. v. Superior Court*, (2019) 8 Cal.5th 175. She has significant experience with class actions, including and not limited to working on cases to obtain class certification through contested motion practice and working on cases in the post-certification stage (e.g., post-certification discovery, appeal, statistical sampling and pilot study, and trial preparation in conjunction with co-counsel in a case involving a certified class consisting of approximately 2,600 individuals). She also has extensive experience with class action and/or representative action settlements, and she has handled this process in over 500 cases. Under Edwin Aiwazian, Arby Aiwazian, and her supervision, Lawyers *for* Justice, PC has handled the class certification and court approval process for hundreds of class action and/or representative action matters that have successfully resolved. She is a member of the California Employment Lawyers Association and, on several occasions, has been a speaker regarding topics in wage and hour law at the organization's continuing legal education events.

18. Brian J. St. John is a Member of Lawyers *for* Justices, PC. He received his Bachelor's degree from the University of California, San Diego in 2010 and earned his Juris Doctor degree from the University of California, Berkeley, School of Law in 2013. He was admitted to practice law in California in 2015. He was admitted to practice before all courts of the State of California and all federal district courts in the State of California. He has worked on many wage and hour class action and PAGA representative matters, and his work has included, *inter alia*, researching and drafting pleadings, administrative notice exhaustion, drafting, negotiating, and finalizing stipulations and settlement agreements, engaging in motion practice, claims evaluation and analysis, and making court appearances. Prior to working at Lawyers *for* Justice, PC, he spent several years working for a boutique employment and labor law firm representing employers, and, in 2019 and 2020, he was employed as general counsel for a DMHC licensed discount dental plan.

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19. I have been a Member of Lawyers *for* Justice, PC since November 2024. I received my Bachelor's degree from the University of California, Santa Barbara in 2019, and earned my Juris Doctor degree from the Southwestern Law School in 2024. I was admitted to practice law in California in November of 2024. From approximately May 2022 to approximately August 2022, I served as a Judicial Extern to the Honorable Andre Birotte Jr. at the United States District Court for the Central District of California. I am admitted to practice before all courts of the State of California and all federal district courts in the State of California. Since joining Lawyers *for* Justice, PC, I have worked on wage and hour class action and PAGA representative matters. My work has included, inter alia, researching and drafting pleadings, administrative notice exhaustion, drafting, negotiating, and finalizing stipulations and settlement agreements, engaging in motion practice, claims evaluation and analysis, and making court appearances.

THE SETTLEMENT AND SUMMARY OF WORK PERFORMED

20. The effectiveness of Lawyers *for* Justice, PC ("Class Counsel") in prosecuting this matter has translated into tangible monetary benefits in the following respects: (1) Class Members, PAGA Aggrieved Employees, and the State of California recover over a reasonably short period of time as opposed to waiting additional years for the same, or possibly worse, result; (2) a guaranteed result that compares favorably with other similar class action settlements of this type given the strengths and weaknesses of the case; and (3) significant savings in Class Counsel's fees and/or costs that would have only increased significantly had the case progressed through certification, trial, and/or appeals.

21. Class Counsel has litigated the case for over two years and was actively preparing the matter for class certification and trial. The Parties have engaged in extensive settlement negotiations and participated in two full-days of mediation conducted by mediator Daivd Rotman, a well-respected mediator experienced in mediating complex labor and employment matters. In the course of the this lawsuit and in connection with the mediation and settlement negotiations, the Parties exchanged extensive information and engaged in discussions regarding their evaluations of the case and various aspects of the case, including but not limited to, the risks and delays of further

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litigation, the law relating to failing to pay overtime and minimum wages and associated premium pay, failed to provide compliant meal and rest periods and to provide accurate wage statements, failed to pay timely wages upon termination, failed to maintain requisite payroll records, and failed to reimburse necessary business expenses, and thereby engaged in unfair business practices and conduct giving rise to civil penalties recoverable under the Private Attorneys General Act of 2004 (California Labor Code sections 2698, *et seq;* the evidence produced and analyzed; and the possibility of appeals, among other things. During all settlement discussions, the Parties conducted their negotiations at arm's length in an adversarial position. Arriving at a settlement that was acceptable to all Parties was not easy. Defendants and its counsel felt strongly about its ability to prevail on the merits, and Plaintiffs and Class Counsel believed that they would be able to prevail at trial. After conducting investigations, formal and informal discovery, exchange of information, extensive settlement negotiations, and with the aid of the mediator's evaluation, the Parties have agreed that the matter is well-suited for settlement given the legal issues relating to Plaintiffs' principal claims, as well as the costs and risks to both sides that would attend further litigation. The Settlement is a fair, reasonable, and adequate resolution of the Released Class Claims of Plaintiff and Participating Class Members, and of the Released PAGA Claims of Plaintiff, Aggrieved Employees, and the State of California, with respect to aggrieved employees, Released Parties.

22. Prior to reaching the Settlement, Class Counsel investigated the veracity, strength, and scope of the claims, and was preparing the action for class certification and trial. Plaintiffs conducted significant investigation and formal and informal discovery regarding the facts of the case, including and not limited to, the exchange, review, and analysis of thousands of pages of documents and data obtained from Defendants, Plaintiffs, and other sources. The volume of data and documents that Class Counsel reviewed and analyzed included and was not limited to: Plaintiffs' employment records, a detailed sampling of Plaintiffs' and other Class Members' time data and pay records, Defendants' California Employee Handbook and California Handbook Addendum, internal memoranda, job descriptions, company policy acknowledgements, forms, procedures and policies (including but not limited to Mutual Agreement to Arbitration Agreement, CA Meal Break Waiver Agreements, Meal Periods and Rest Breaks Policy, Overtime Policy, and

Attendance and Punctuality Policy), among other information and documents. Class Counsel had the opportunity to interview Plaintiffs and other Class Members to gather facts and to identify potential witnesses. Counsel for the Parties met and conferred on numerous occasions, e.g., to discuss issues relating to the pleadings, and the production of documents and data prior to the mediations. Class Counsel drafted Plaintiffs' pleadings and mediation briefs and prepared for and attended court proceedings, settlement negotiations, and the mediations, among other tasks.

23. Counsel for the Parties have also invested time researching and investigating the applicable law, which is constantly evolving as it relates to failing to properly pay overtime and minimum wages and associated premium pay, failed to provide compliant meal and rest periods and to provide accurate wage statements, failed to pay timely wages upon termination, failed to maintain requisite payroll records, and failed to reimburse necessary business expenses, and thereby engaged in unfair business practices and conduct giving rise to civil penalties recoverable under the Private Attorneys General Act of 2004 (California Labor Code sections 2698, *et seq;*, PAGA representative claims, and wage-and-hour enforcement; the evidence produced and analyzed; and the possibility of appeals, among other things, Plaintiffs' claims and damages, and Defendants' defenses thereto, as well as facts discovered. Based on Class Counsel's analysis, the result achieved in this lawsuit is fair, adequate, and reasonable.

24. Class Counsel is aware of the defenses and position of Defendants, but believes that Plaintiffs could potentially obtain class certification despite many obstacles. Plaintiffs and Class Counsel have also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation. Plaintiffs further recognize the burdens of proof necessary to establish liability for the claims asserted in the lawsuit, Defendants' defenses, and the difficulties in establishing entitlement to monetary recovery. Plaintiffs and Class Counsel have also considered the Parties' settlement discussions, as well as the evaluations of the mediator, who is experienced and well-regarded in complex labor and employment matters.

25. Defendants, on the other hand, denied and continue to deny any liability and wrongdoing of any kind associated with the claims alleged in the lawsuit, and further denies that this lawsuit is appropriate for class treatment or representative adjudication for any purpose other

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than this Settlement. Defendants believe that they would ultimately succeed in the matter. Both sides have also had the opportunity to interview witnesses and review documents and information relating to Plaintiffs', Class Members', and PAGA Aggrieved Employees' employment with Defendants, and Defendants' operations and employment policies, practices, and procedures. The Parties also reviewed and analyzed thousands of pages of documents and data to determine the potential value and strength of the claims. The available information enabled Class Counsel to assess and value the class and PAGA claims and prepare violation, damages, and penalties analyses models. Accordingly, counsel for the Parties have conducted adequate investigation and discovery to be sufficiently informed of the nature and extent of the Class Members' claims, and to enable both sides to fully evaluate the Settlement for its fairness, adequacy, and reasonableness. The Settlement takes into account the strengths and weaknesses of each side's position and the uncertainty of how the case might have concluded at trial and/or appeals.

26. Class Counsel submits that the Settlement is fair, reasonable, and adequate, and is in the best interest of Plaintiffs, the Class, and the State of California. Class Counsel further submits that the Settlement is within an acceptable range of recovery for this type of litigation given the strengths and weaknesses of the case, the inherent costs and risks of further litigation, and the costs and risks associated with class certification, representative adjudication, trial, and/or appeals.

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

Executed on this 13th day of November 2025, at Glendale, California.

Maria Halwadjian

Maria Halwadjian

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EXHIBIT 1

SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement ("Agreement") is made by and between Plaintiffs Efiong Alize McKelvy ("Plaintiff McKelvy") and Guadalupe Citlalli Saldana Ponce ("Plaintiff Ponce") (together, "Plaintiffs") and Defendants CCS Facility Services-Fresno, Inc., CCS Facility Services-Orange County, Inc., CCS Facility Services-Los Angeles, Inc., CCS Facility Services-San Diego, Inc., CCS Los Angeles Janitorial, Inc., CCS Orange County Janitorial, Inc., CCS San Diego Janitorial, Inc., PBC SolutionOne, Inc., CCS Engineering Los Angeles, Inc., CCS Engineering Orange County, Inc., CCS Engineering San Diego, Inc.; and CCS Engineering Fresno, Inc. (collectively referred to as "Defendants"). The Agreement refers to Plaintiffs and Defendants collectively as "Parties," or individually as "Party." The Agreement refers to Defendants CCS Facility Services-Fresno, Inc., CCS Engineering Fresno, Inc., and PBC SolutionOne, Inc. collectively as "Fresno CCS Entities" and Defendants CCS Facility Services-Orange County, Inc., CCS Facility Services-Los Angeles, Inc., CCS Facility Services-San Diego, Inc., CCS Los Angeles Janitorial, Inc., CCS Orange County Janitorial, Inc., CCS San Diego Janitorial, Inc., CCS Engineering Los Angeles, Inc., CCS Engineering Orange County, Inc., and CCS Engineering San Diego, Inc. collectively as "Non-Fresno CCS Entities,"

1. <u>DEFINITIONS</u>.

1.1. "Action" means the Plaintiffs' lawsuit (including any amended and operative complaint) alleging wage and hour violations against Defendants captioned *Efiong Alize McKelvy, et al. v. PBC SolutionOne, Inc.*, *et al.*, Case Number 23 CECG03633 initiated on September 5, 2023 and pending in Superior Court of the State of California, County of Fresno.

1.2. "Administrator" means Simpluris, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in administering the Settlement.

1.4. "Aggrieved Employees" mean all non-exempt/hourly employees who worked for Defendants in California during the PAGA Period.

1.5. "Class" means all non-exempt/hourly employees who worked for Defendants in California during the Class Period.

1.6. "Class Counsel" means Arby Aiwazian, Joanna Ghosh, Brian J. St. John, and Maria Halwadjian of Lawyers *for* Justice, PC.

1.7. "Class Counsel Fees Payment" and "Class Counsel Litigation Expenses Payment" mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.

1.8. “Class Data” means Class Member identifying information in Defendants’ possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.

1.9. “Class Member” means a member of the Class.

1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English and Spanish in a form agreed to by the Parties and approved by the Court.

1.12. “Class Period” means: (1) for employees of Fresno CCS Entities, from August 15, 2019 to (a) the date of preliminary approval of the settlement, or (b) the Alternate End Date (defined in Section 4.1 below), whichever is sooner; and (2) for employees of Non-Fresno CCS Entities in California, from July 19, 2020 to (a) the date of preliminary approval of the settlement, or (b) the Alternate End Date (defined in Sectio 4.1 below), whichever is sooner.

1.13. “Class Representative” means the named Plaintiffs in the operative complaint in the Action seeking Court approval to serve as a Class Representatives.

1.14. “Class Representative Service Payment” means the payment to the Class Representatives for initiating the Action and providing services in support of the Action, as well as providing a general release of claims.

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

1.16. “Court” means the Superior Court of California, County of Fresno.

1.17. “Defense Counsel” means Robin Largent and Martenson, Hasbrouck & Simon LLP.

1.18. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Class Member or the LWDA objects to the Settlement, the day the Court enters Judgment; (b) if one or more Class Members or the LWDA objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.19. "Final Approval" means the Court's order granting final approval of the Settlement.

1.20. "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval of the Settlement.

1.21. "Final Judgment" means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.

1.22. "Gross Settlement Amount" means $2,500,000.00 which is the total amount Defendants agree to pay under the Settlement except as provided in Sections 4.1 and 8 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payments and the Administrator's Expenses.

1.23. "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

1.24. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods worked during the PAGA Period.

1.25. "Judgment" means the judgment entered by the Court based upon the Final Approval.

1.26. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.27. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.28. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.29. "Non-Participating Class Member" means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

1.30. "PAGA Pay Period" means any pay period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.

1.31. “PAGA Period” means: (1) for employees of the Fresno CCS Entities, from June 11, 2022 to (a) the date of preliminary approval of the settlement, or (b) the Alternate End Date (defined in Section 4.1 below), whichever is sooner; and (2) for employees of all Non-Fresno CCS Entities in California, from July 17, 2023 to (a) the date of preliminary approval of the settlement, or (b) the Alternate End Date (defined in Section 4.1 below), whichever is sooner (collectively the “PAGA Period”).

1.32. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

1.33. “PAGA Notices” mean Plaintiff McKelvy’s initial June 30, 2023 letter to Defendant and the LWDA, Plaintiff McKelvy’s amended March 12, 2025 letter to Defendants and the LWDA, and Plaintiff Saldana-Ponce’s March 12, 2025 letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.34. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees and the 75% to the LWDA in settlement of PAGA claims.

1.35. “PAGA Settlement” means the settlement and resolution of Released PAGA Claims.

1.36. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.37. “Preliminary Approval” means the Court’s Granting of Preliminary Approval of the Class Action Settlement and Approval of the PAGA Settlement.

1.38. "Preliminary Approval Order" means the Order Granting Preliminary Approval of the Class Action Settlement and Approval of PAGA Settlement.

1.39. “Released Class Claims” means the claims being released as described in Section 5.2 below.

1.40. “Released PAGA Claims” means the claims being released as described in Section 5.3 below.

1.41. “Released Parties” means: CCS Facility Services-Fresno, Inc., CCS Facility Services-Orange County, Inc., CCS Facility Services-Los Angeles, Inc., CCS Facility Services-San Diego, Inc., CCS Los Angeles Janitorial, Inc., CCS Orange County Janitorial, Inc., CCS San Diego Janitorial, Inc., PBC SolutionOne, Inc., CCS Engineering Los Angeles, Inc., CCS Engineering Orange County, Inc., CCS Engineering San Diego, Inc.; and CCS Engineering Fresno, Inc., and each of their former and present directors, officers, shareholders, owners, managing agents, attorneys, insurers, predecessors, successors, assigns, parents, subsidiaries, and/or affiliated entities, including but not limited to Commercial Cleaning Systems, LLC and Pacific Building Care, Inc.

1.42. "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.

1.43. "Response Deadline" means 60 days after the Administrator mails Notice to Class Members, and shall be the last date on which Class Members may: (a) email or mail Requests for Exclusion from the Settlement, or (b) email or mail his or her Objection to the Class Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.

1.44. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

1.45. "Workweek" means any week during which a Class Member worked for Defendant for at least one day, during the Class Period.

2. **RECITALS**.

2.1. On September 5, 2023, Plaintiff McKelvy commenced this Action by filing a Complaint alleging a PAGA cause of action against Defendant PBC SolutionOne, Inc. for failure to pay all overtime wages owed, failure to pay all minimum wages owed, failure to provide compliant meal periods, failure to provide compliant rest periods, failure to timely pay all wages owed on termination of employment, failure to timely pay all wages owed during employment, failure to provide accurate and complete wage statements, failure to keep accurate and complete payroll records, and failure to reimburse business expenses. As part of this Agreement, within 15 days of execution of this Agreement, Plaintiffs will file (with stipulation of Defendant) a First Amended Complaint in a form agreed to by Defendants to conform to the scope of the Settlement herein, including adding the second Plaintiff, Guadalupe Citlalli Saldana Ponce, and alleging class and PAGA causes of action against Defendants for failure to pay all wages owed for all hours worked (whether during the workday, pre-shift, post-shift, travel, training/orientation, attending meetings or other time when suffered or permitted to work and/or subject to the control of the employer), including minimum, straight, and overtime wages at correct rates; failure to provide compliant meal and rest breaks; failure to pay all missed meal and/or rest break premium pay; failure to timely pay all wages owed during employment; failure to maintain accurate records; failure to produce records, failure to timely pay all wages owed on separation of employment, including but not limited to any accrued, unused vacation/paid time off; inaccurate and/or incomplete wage statements; failure to provide a day of rest; failure to pay reporting time pay; failure to pay split shift pay; failure to provide expense reimbursement (including but not limited to use of personal cell phones or other personal devices, work attire and footwear, mileage, tools, equipment, supplies, and/or stools); failure to provide required written wage notices to employees, and unfair competition. The First Amended Complaint will be the operative complaint in the Action (the "Operative Complaint.") Defendants deny the allegations in the Complaint and Operative Complaint, deny any failure to comply with the laws identified in in the Complaint and Operative Complaint and deny any and all liability for the causes of action alleged. Should the Settlement not be approved, the pleadings shall revert back to the Original Complaint and status prior to Settlement.

2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiffs gave timely written notice to Defendants and the LWDA by submitting and sending the PAGA Notices.

2.3. On June 10, 2024 and January 28, 2025, the Parties participated in all-day mediations presided over by David Rotman which led to this Agreement to settle the Action.

2.4. Prior to each of these mediation sessions, Defendants produced informal discovery including timekeeping and pay data for the Class and Aggrieved Employees, as well as employment-related policies and, to enable Plaintiffs to investigate. Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar"*).

2.5. The following are other pending actions alleging duplicative claims that will be extinguished and/or could be affected by the Settlement: (1) Sandra Bassett v. CCS Engineering Fresno, Inc., et al., Fresno Superior Court Case Number 23CECG03339; (2) Jazmin Ayala Ventura v. CCS Facility Services-Fresno, Inc., et al., Fresno Superior Court Case Number 24CECG03802; (3) Juan Venegas Munoz v CCS Facility Services-Orange County, Inc., Orange County Superior Court Case Number 30-2024-01413284-CU-OE-CXC; (4) Overton, et al. v CCS Facility Services-Los Angeles, Inc., et al., Los Angeles Superior Court Case Number 24STCV22299; (5) Yadira Garcia Rocha v. CCS Facility Services-Los Angeles, Inc., et al., Los Angeles Superior Court Case Number 25STCV00680; (6) Cutberto Cortes Herrera v. CCS Facility Services-Los Angeles, Inc., Los Angeles Superior Court Case Number 24STCV24579; and (7) Steven Dovalina v CCS Facility Services-Los Angeles, Inc., Los Angeles Superior Court Case Numbers 24STCV25409 and 24STCV31985.

2.6. The Court has not granted class certification. However, the Parties stipulate to certification of the Class solely for purposes of approval of the Settlement. Should the Settlement not be approved, Defendants do not stipulate to class certification and Plaintiffs will have to move for class certification in order to obtain certification of a class.

3. MONETARY TERMS.

3.1. <u>Gross Settlement Amount</u>. Except as otherwise provided by Sections 4.1 and 8 below, Defendants promise to pay $2,500,000.00 and no more as the Gross Settlement

Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendants have no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Section 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval Order:

3.2.1. To Plaintiffs: Class Representative Service Payments to the Class Representatives of not more than $10,000.00 each (in addition to any Individual Class Payment and any Individual PAGA Payment each Class Representative is entitled to receive as a Participating Class Member). Defendants will not oppose Plaintiffs' request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payments. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 35% of the Gross Settlement Amount, which is currently estimated to be $875,000.00 and a Class Counsel Litigation Expenses Payment of not more than $35,000.00. Defendants will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiffs' Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. With respect to the Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment to Class Counsel, the Settlement Administrator may purchase an annuity to utilize United States Treasuries and bonds or utilize other attorney fee deferral vehicles, for Class Counsel, and any additional expenses for doing so shall be paid separately by Class Counsel and shall not be included within the Administrator Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed $20,000.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than $20,000.00, the Administrator will retain the remainder in the Net Settlement Amount.

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

3.2.4.1. Tax Allocation of Individual Class Payments. Twenty-five percent (25%) of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The remaining seventy-five percent (75%) of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for penalties and interest (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Class Members who submit a valid and timely Request for Exclusion will not receive any Individual Class Payments, will not participate in the Class Settlement, and will not release the Released Class Claims.

3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of $375,000.00 to be paid from the Gross Settlement Amount, with 75% ($281,250.00) allocated to the LWDA PAGA Payment and 25% ($93,750.00) allocated to the Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties ($93,750.00) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2. Tax Allocation of Individual PAGA Payments. One hundred percent (100%) of each Aggrieved Employee's Individual PAGA Payment will be allocated settlement of claims for penalties and interest and will be reported on IRS 1099 Forms.

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

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of their records, Defendants estimate that there are 291,000 Total Workweeks from the start of the Class Period through January 28, 2025. If there is a ten percent (10%) increase in the number of reported class workweeks, such increase shall, at CCS's option, trigger an escalation of the Gross Settlement Amount in the amount equivalent to one percent (1%) for every one percent (1%) increase in workweeks over the ten percent (10%) threshold, or CCS may choose to have the Class Period end on the last workweek prior to exceeding the 10% threshold (the "Alternate End Date").

4.2. Class Data. Not later than 15 days after the Court grants Preliminary Approval of the Settlement, Defendants will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. The Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3. Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendants' share of payroll taxes by transmitting the funds to the Administrator no later than 14 days after the Effective Date (and/or being notified by the Administrator of the amount owed in payroll taxes).

4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payments.

Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payments shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.4.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Class Members who submitted a Request for Exclusion from the Settlement Class but who qualify as Aggrieved Employees (and including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are retuned undelivered without USPS forwarding address. Within [7] days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

4.4.3. For any Class Member whose Individual Class Payment check and/or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).]

4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

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

5.1 Plaintiffs' Release. Upon full funding of the Gross Settlement Amount by Defendants, and in consideration of Plaintiffs' Class Representative Service Payments, as well as Individual Class and PAGA Payments, Plaintiffs and each of their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally release and discharge Released Parties from all claims, transactions, or occurrences, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiffs' PAGA Notices, or ascertained during the Action and released under 5.2 and 5.3 below; and (c) all known or unknown claims arising out of or related to Plaintiffs' employment with Defendants, whether based on statute, common law, or tort, to the full extent permitted by law ("Plaintiffs' Release.") Plaintiffs' Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers' compensation benefits. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agrees, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

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

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

5.2 Release by Participating Class Members: Upon full funding of the Gross Settlement Amount by Defendants, all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, shall release Released Parties from the "Released Class Claims." The Released Class Claims means any and all claims and relief asserted or that could have been asserted in the Action (including in any amended Complaint) that arise out of or relate to the factual allegations in the Action during the Class Period, including for alleged failure to pay all wages owed for all hours worked (whether during the workday, pre-shift, post-shift, travel, training/orientation, attending meetings or other time when suffered or permitted to work and/or subject to the control of the employer), including minimum, straight, and overtime wages at correct rates; failure to provide compliant meal and rest breaks; failure to pay all missed meal and/or rest break premium pay; failure to timely pay all wages owed during employment; failure to maintain accurate records; failure to produce personnel and/or pay records, failure to correctly and timely pay all wages owed on separation of employment, including but not limited to any accrued, unused vacation/paid time off; failure to provide accurate and/or complete wage statements; failure to provide a day of rest; failure to pay reporting time pay; failure to pay split shift pay; failure to provide expense reimbursement (including but not limited to use of personal cell phones or other personal devices, work attire and footwear, mileage, tools, equipment, supplies, and/or stools); and failure to provide required written wage notices to employees. The Released Class Claims expressly include, without limitation, all such claims under the California Labor Code including, but not limited to, California Labor Code sections 201-204, 210, 213, 218.5, 223, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 256, 432, 510, 512, 551, 552, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 1198.5, 1199, 2698 et seq., 2800, 2802, 2810.5, and IWC wage orders 4 and 5 and CCR Title 8 section 11010 et seq., California Business and Professions Code section 17200, as well as any tort, contract, and/or common law claims arising out these allegations and theories. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

5.3 Release by Aggrieved Employees: Upon full funding of the Gross Settlement Amount by Defendants, all Aggrieved Employees, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, shall release the Released Parties from the "Released PAGA Claims." The Released PAGA Claims means all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notices and/or ascertained in the course of the Action, including any and all claims involving alleged failure to pay all wages owed for all hours worked (whether during the workday, pre-shift, post-shift, travel, training/orientation, attending meetings or other time when suffered or permitted to work and/or subject to the control of the employer), including minimum, straight, and overtime wages at correct rates; failure to provide compliant meal and rest breaks; failure to pay all missed meal and/or rest break premium pay; failure to timely pay all wages owed during employment; failure to maintain accurate records; failure to produce personnel and/or pay records, failure to timely and correctly pay all wages owed on separation of employment, including but not limited to any accrued, unused vacation/paid time off; failure to provide accurate and/or complete wage statements; failure to provide a day of rest; failure to pay reporting time pay; failure to pay split shift pay; failure to provide expense reimbursement (including but not limited to use of personal cell phones or other personal devices, work attire and footwear, mileage, tools, equipment, supplies, and/or stools); and failure to provide required written wage notices to employees. The Released PAGA Claims expressly include, without limitations, claims arising under California Labor Code sections 201-204, 210, 213, 218.5, 223, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 256, 432, 510, 512, 551, 552, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 1198.5, 1199, 2698 et seq., 2800, 2802, 2810.5, and IWC wage orders 4 and 5; and CCR Title 8 section 11010 et seq.

6. MOTION FOR PRELIMINARY APPROVAL. Within 30 days of execution of this Agreement, Plaintiffs' Counsel will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum and declarations in support, of the Motion for Preliminary Approval; (ii) a draft proposed Order Granting Preliminary Approval; and (iii) a draft proposed Class Notice. Plaintiff shall also be responsible for providing notice to the LWDA of the PAGA Settlement in accordance with law. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns. Class Counsel shall deliver the Preliminary Approval Order to the Administrator.

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected Simpluris, Inc. to serve as the Administrator and verified that, as a condition of appointment, Simpluris, Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4 Notice to Class Members.

7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.

7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice with Spanish translation. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

7.4.3 Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4 The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5 If the Administrator, Defendants or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5 <u>Requests for Exclusion (Opt-Outs).</u>

7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by email or mail, a signed written Request for Exclusion by the Response Deadline (i.e., no later than 60 days after the Administrator mails the Class Notice, plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely emailed or postmarked by the Response Deadline.

7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the

Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

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

7.5.4 Every Class Member who submits a valid and timely Request for Exclusion shall not receive an Individual Class Payment nor have the right to object to the Class Settlement. Because PAGA claims are subject to claim preclusion upon entry of the Judgment, Class Members who submit a timely and valid Request for Exclusion from the Class Settlement but who are Aggrieved Employees are still deemed to release the claims identified in Section 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.6 Challenges to Calculation of Workweeks/Pay Periods. Each Class Member may challenge the number of Workweeks and Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via email or mail by the Response Deadline (i.e., no later than 60 days after the Administrator's mailing of the Class Notice, plus an additional 14 days for Class Members whose Class Notice was re-mailed). The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

7.7 Objections to Settlement.

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

7.7.2 Participating Class Members may send written objections to the

Administrator, by email or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so by the Response Deadline (i.e., not later than 60 days after the Administrator's mailing of the Class Notice, plus an additional 14 days for Class Members whose Class Notice was re-mailed).

7.7.3 Class Members who submit a timely and valid Request for Exclusion have no right to object to the Class Settlement.

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

7.8.1 Email Address and Toll-Free Number. The Administrator will maintain and monitor an email address and a toll-free telephone number to receive Class Member calls and emails.

7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

7.8.5 Administrator's Declaration. Not later than 14 days before the date by which Plaintiffs are required to file the Motion for Final Approval of the

Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

7.8.6 <u>Final Report by Settlement Administrator</u>. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. DEFENDANTS' RIGHT TO WITHDRAW. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Class Members, Defendants may, but are not obligated to, elect to withdraw from the Settlement. The Parties agree that, if Defendants withdraw, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendants will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendants must notify Class Counsel and the Court of its election to withdraw not later than 10 days after the Administrator sends the final Exclusion List to Defense Counsel.

9. MOTION FOR FINAL APPROVAL. Not later than 16 court days before the calendared Final Approval Hearing, Plaintiffs will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiffs shall provide drafts of these documents to Defense Counsel not later than 7 days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

9.1 <u>Response to Objections</u>. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later that 5 court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

9.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

9.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

9.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final.

9.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

10. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

11. ADDITIONAL PROVISIONS.

11.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Action or Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval or enter Judgment, Defendants reserve the right to contest certification of any class for any reasons, and Defendants reserve all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendants' defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

11.2 Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendants and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiffs, Class Counsel, Defendants and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

11.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

11.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

11.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

11.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of mediator David Rotman and/or the Court for resolution.

11.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

11.8 No Tax Advice. Neither Plaintiffs, Class Counsel, Defendants nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

11.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

11.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

11.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

11.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

11.13 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

11.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to

Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court.

11.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

11.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

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

To Plaintiffs:

Arby Aiwazian
Joanna Ghosh
Brian J. St. John
LAWYERS *for* JUSTICE, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203
arby@calljustice.com
joanna@calljustice.com
brian@calljustice.com

To Defendants:

Robin Largent
MARTENSON HASBROUCK & SIMON LLP
455 Capitol Mall, Suite 400
Sacramento, California 95814
rlargent@martensonlaw.com

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

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

IT IS SO AGREED.

Date: 06/02/25, 2025

Plaintiff Efiong McKelvy

Date: 06/03/2025, 2025

Plaintiff Guadalupe Citlalli Saldana Ponce

Date: 6/11, 2025

By: Rob Carlson, CFO
on behalf of Defendants
CCS Facility Services-Fresno, Inc., CCS Facility Services-Orange County, Inc., CCS Facility Services-Los Angeles, Inc., CCS Facility Services-San Diego, Inc., CCS Los Angeles Janitorial, Inc., CCS Orange County Janitorial, Inc., CCS San Diego Janitorial, Inc., PBC SolutionOne, Inc., CCS Engineering Los Angeles, Inc., CCS Engineering Orange County, Inc., CCS Engineering San Diego, Inc., and CCS Engineering Fresno, Inc.

Approved as to form:

Lawyers *for* Justice PC Counsel For Plaintiffs

Martenson Hasbrouck & Simon LLP,
Counsel For Defendants

EXHIBIT A

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

Efiong Alize McKelvy, et al. v. PBC SolutionOne, Inc., et al.
(Filed September 5, 2023; Case No. 23CECG03633)

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

You may be eligible to receive money from an employee class action lawsuit ("Lawsuit") against PBC SolutionOne, Inc., CCS Facility Services – Fresno, Inc., CCS Facility Services – Orange County, Inc., CCS Facility Services – Los Angeles County, Inc., CCS Facility Services – San Diego, Inc., CCS Los Angeles Janitorial, Inc., CCS Orange County Janitorial, Inc., CCS San Diego Janitorial, Inc., CCS Engineering Los Angeles, Inc., CCS Engineering Orange County, Inc., CCS Engineering San Diego, Inc., and CCS Engineering Fresno, Inc. (collectively, "CCS") for alleged wage and hour violations. The Lawsuit was filed by two former CCS employees ("Plaintiffs") and seeks payment of back wages, expense reimbursement, associated penalties, and other relief for a class of hourly non-exempt employees ("Class Members") who worked for CCS in California during the applicable Class Period (August 15, 2019 to present for the Fresno CCS entities (CCS Facility Services – Fresno, Inc., CCS Engineering Fresno, Inc., and PBC SolutionOne, Inc.); and/or all other CCS entities in California from July 19, 2020 to present). The Lawsuit also seeks penalties under the Private Attorneys General Act ("PAGA") based on the aforementioned alleged violations. The PAGA Class consists of all hourly non-exempt employees in California from: (a) for employees of the Fresno CCS entities from June 11, 2022 to the date of preliminary approval of the settlement; and (b) for employees of all other CCS entities in California, from July 17, 2023 to the date of preliminary approval of the settlement ("PAGA Members").

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

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

The above estimates are based on CCS' records showing that **you worked _______ workweeks** during the Class Period and _______ **Pay Periods** during the PAGA Period. If you believe that you worked more workweeks and/or pay periods during these periods, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiffs and Plaintiffs' attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires CCS to make payments under the Settlement and requires Class Members and PAGA Members to give up their rights to assert certain claims against CCS.

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

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

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

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment. In exchange, you will give up your right to assert the wage claims against CCS that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement **The Opt-out Deadline is _______________**	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section **6** of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. CCS must pay Individual PAGA Payments to all PAGA Members and the PAGA Members must give up their rights to pursue Released Claims (defined below).

Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement **Written Objections Must be Submitted by ______________**	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Class Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiffs who pursued the Lawsuit on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiffs, but every dollar paid to Class Counsel and Plaintiffs reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiffs if you think they are unreasonable. See Section **7** of this Notice.
You Can Participate in the ______________ Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on ______________. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section **8** of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods **Written Challenges Must be Submitted by ______________**	The amount of your Individual Class Payment and PAGA Payment (if any) depends on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number of Class Period Workweeks and number of PAGA Pay Periods you worked according to CCS' records is stated on the first page of this Notice. If you disagree with this number, you must challenge it by ______________. See Section **4** of this Notice.

1. WHAT IS THE LAWSUIT ABOUT?

Plaintiffs are former CCS employees. The Lawsuit accuses CCS of violating California labor laws by failing to pay all wages owed during employment (including overtime wages, straight time wages, and minimum wages), failing to pay all wages due upon separation, failing to timely pay wages during employment, failing to reimburse expenses, failing to provide compliant meal periods and rest breaks, failing to provide accurate itemized wage statements, failing to keep complete and accurate payroll records, and failing to produce requested employment records. Based on the same claims, Plaintiffs have also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiffs are represented by attorneys in the Lawsuit: <u>Lawyers for Justice, PC</u> ("Class Counsel").

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

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

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

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

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

1. <u>CCS Will Pay $2,500,000.00 (Two Million Five Hundred Thousand Dollars) as the Gross Settlement Amount (Gross Settlement)</u>. CCS has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments and Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorney's fees and expenses, and the Administrator's expenses, and penalties to be paid to the California Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, CCS will fund the Gross Settlement not more than 14 days after the Judgment entered by the Court become final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

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

   A. Up to $875,000.00 (35% of the Gross Settlement) to Class Counsel for attorneys' fees and up to $35,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Lawsuit without payment.

   B. Up to $10,000.00 per Plaintiff as a Class Representative Award for filing the Lawsuit, working with Class Counsel, representing the Class, and generally releasing claims against CCS. A Class Representative Award will be the only monies Plaintiffs will receive other than Plaintiffs' Individual Class Payment and any Individual PAGA Payment.

   C. Up to $20,000.00 to the Administrator for services administering the Settlement.

   D. Up to $375,000.00 for PAGA Penalties, allocated 75% to the LWDA and 25% in Individual PAGA Payments to the PAGA Members based on their PAGA Period Pay Periods.

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

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.

4. Taxes Owed on Payments to Class Members. Plaintiffs and CCS are asking the Court to approve an allocation of twenty-five percent (25%) of each Individual Class Payment to taxable wages ("Wage Portion") and seventy-five percent (75%) to penalties, interest, and non-wage recovery ("Non-Wage Portion.). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. CCS will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

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

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check

expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name.

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

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

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

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

8. Administrator. The Court has appointed a neutral company, Simpluris, Inc. (the "Administrator"), to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks and Pay Periods, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement.
   The Administrator's contact information is contained in Section 9 of this Notice.

9. Participating Class Members' Release. After the Judgment is final and CCS has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against CCS or related entities for claims released by the Settlement.

   The Released Class Claims means any and all claims and relief asserted or that could have been asserted in the Lawsuit that arise out of or relate to the factual allegations in the Lawsuit during the Class Period, including for alleged failure to pay all wages owed for all hours worked (whether during the workday, pre-shift, post-shift, travel, training/orientation, attending meetings or other time when suffered or permitted to work and/or subject to the control of the employer), including minimum, straight, and overtime wages at correct rates; failure to provide compliant meal and rest breaks; failure to pay all missed meal and/or rest break premium pay; failure to timely pay all wages owed during employment; failure to maintain accurate records; failure to produce personnel and/or pay records, failure to correctly and timely pay all wages owed on separation of employment, including but not limited to any accrued, unused vacation/paid time off; failure to provide accurate and/or complete wage statements; failure to provide a day of rest; failure to pay reporting time pay; failure to pay split shift pay; failure to provide expense reimbursement (including but not limited to use of personal cell phones or other personal devices, work attire and footwear, mileage, tools, equipment, supplies, and/or stools); and failure to provide required written wage notices to employees. The Released Class Claims expressly include, without limitation, all such claims under the California Labor Code including, but not limited to, California Labor Code sections 201-204, 210, 213, 218.5, 223, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 256, 432, 510, 512, 551, 552, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 1198.5, 1199, 2698 et seq., 2800, 2802, 2810.5, and IWC wage orders 4 and 5 and CCR Title 8 section 11010 et seq., California Business and Professions Code section 17200, as well as any tort, contract, and/or common law claims arising out these allegations and theories. Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

10. <u>PAGA Members' PAGA Release</u>. After the Court's judgment is final, and CCS has paid the Gross Settlement (and separately paid the employer-sided payroll taxes), all PAGA Members will be barred from asserting PAGA claims against CCS, whether or not they exclude themselves from the Settlement. This means that all PAGA Members, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against CCS or its related entities based on the PAGA Period facts alleged in the Lawsuit or resolved by this Settlement.

    The Released PAGA Claims means all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Lawsuit and the PAGA Notices and/or ascertained in the course of the Lawsuit, including any and all claims involving alleged failure to pay all wages owed for all hours worked (whether during the workday, pre-shift, post-shift, travel, training/orientation, attending meetings or other time when suffered or permitted to work and/or subject to the control of the employer), including minimum, straight, and overtime wages at correct rates; failure to provide compliant meal and rest breaks; failure to pay all missed meal and/or rest break premium pay; failure to timely pay all wages owed during employment; failure to maintain accurate records; failure to produce personnel and/or pay records, failure to timely and correctly pay all wages owed on separation of employment, including but not limited to any accrued, unused vacation/paid time off; failure to provide accurate and/or complete wage statements; failure to provide a day of rest; failure to pay reporting time pay; failure to pay split shift pay; failure to provide expense reimbursement (including but not limited to use of personal cell phones or other personal devices, work attire and footwear, mileage, tools, equipment, supplies, and/or stools); and failure to provide required written wage notices to employees. The Released PAGA Claims expressly include, without limitations, claims arising under California Labor Code sections 201-204, 210, 213, 218.5, 223, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 256, 432, 510, 512, 551, 552, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 1198.5, 1199, 2698 et seq., 2800, 2802, 2810.5, and IWC wage orders 4 and 5; and CCR Title 8 section 11010 et seq.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.

2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing the PAGA portion of the Settlement by the total number of PAGA Pay Periods worked by all PAGA Members, and (b) multiplying the result by the number of PAGA Pay Period worked by each individual PAGA Member.

3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in CCS' records, are stated in the first page of this Notice. You have until __________________ to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

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

5. HOW WILL I GET PAID?

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

2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every PAGA Member who opts out of the Class

Settlement (i.e., every Non-Participating Class Member).

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

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

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Lawsuit as *Efiong McKelvy, et al. v. PBC SolutionOne, Inc., et al.*, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by _, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

4. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiffs and CCS are asking the Court to approve. At least 16 court days before the _______________ Final Approval Hearing, Class Counsel and/or Plaintiffs will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiffs are requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website https://www.simpluris.com/ or the Court's website https://www.fresno.courts.ca.gov/.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is ______________**. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Lawsuit as *Efiong McKelvy, et al. v. PBC SolutionOne, Inc., et al.*, and include your name, current address, telephone number, and approximate dates of employment for CCS and sign the objection. Section 9 of this Notice has the Administrator's contact information.

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

5. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on ______________ at (time) in Department 403 of the Fresno County Superior Court, located at 1100 Van Ness Ave., Fresno, CA 93724. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiffs, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via CourtCall (https://www.fresno.courts.ca.gov/system/files/general/court-call-information_1.pdf). Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website https://www.simpluris.com/ beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

6. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything CCS and Plaintiffs have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to Simpluris, Inc.'s website at https://www.simpluris.com/. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (https://www.fresno.courts.ca.gov/online-services/case-information) and entering the Case Number for the Lawsuit, Case No. 23CECG03633. You can also personally review court documents at the Courthouse Archives Facility located at 1963 E Street in Fresno, California.

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

Class Counsel:

Arby Aiwazian, Esq. (arby@calljustice.com)
Joanna Ghosh, Esq. (joanna@calljustice.com)
Brian J. St. John, Esq. (brian@calljustice.com)
Maria Halwadjian, Esq. (maria@calljustice.com)
Lawyers *for* Justice, PC
450 North Brand Boulevard, Suite 900
Glendale, California 91203
Telephone: (818) 265-1020 / Fax: (818) 265-1021

Settlement Administrator:

Name of Company: Simpluris, Inc.
Email Address: CaseSupport@Simpluris.com
Mailing Address: P.O. Box 26170
Santa Ana, CA 92799
Telephone: 888-369-3780

7. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the California Controller's Unclaimed Property Fund for instructions on how to retrieve the funds.WHAT IF I CHANGE MY ADDRESS?

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

EXHIBIT 2

June 30, 2023

BY ONLINE SUBMISSION

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

Re: ***PBC SOLUTIONONE, INC.***

Dear Representative:

We have been retained to represent Efiong Alize McKelvy against PBC SolutionOne Inc. (including any and all affiliates, subsidiaries, parents, directors, officers, agents, and executive employees) (collectively referred to as "PBC") for violations of California wage-and-hour laws. Mr. McKelvy seeks penalties for violations of the California Labor Code, which are recoverable under California Labor Code section 2698, et seq., the Labor Code Private Attorneys General Act of 2004 ("PAGA") and all other remedies available under PAGA.

Mr. McKelvy seeks these remedies on behalf of the State of California and "aggrieved employees," as defined herein. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

PBC employed Mr. McKelvy as an hourly-paid, non-exempt employee from approximately July 2022 to approximately February 2023, in the State of California.

The "aggrieved employees" that Mr. McKelvy may seek penalties on behalf of are all current and former hourly-paid or non-exempt employees who worked for any of the above-referenced entities within the State of California.

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

PBC required aggrieved employees to perform work before their scheduled shifts, after their scheduled shifts, during off-the-clock meal breaks, and/or during rest breaks and failed to compensate aggrieved employees for this time. Such work included, but was not limited to, responding to work-related inquiries.

California Labor Code sections 510 and 1198 require employers to pay time-and-a-half or double time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates at one-and-one-half times or double the regular rate of pay, including additional remuneration. During the relevant time period, Mr. McKelvy and other aggrieved employees worked in excess of 8 hours in a day and 40 hours in a week. Therefore, Mr. McKelvy and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked.

California Labor Code sections 226.7 and 512 require employers to pay an employee one additional hour of pay at the employee's regular rate for each meal or rest period that is not provided. During the relevant time period, PBC required Mr. McKelvy and other aggrieved employees to work during meal and rest periods and failed to compensate them properly for non-compliant meal and rest periods including, *inter alia*, short, late, interrupted, and missed meal and rest periods.

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. During the relevant time period, PBC failed to pay Mr. McKelvy and other aggrieved employees all wages due to them within any time period specified by California Labor Code sections 201 and 202, including earned and unpaid minimum, overtime, and premium wages as discussed above.

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

California Labor Code section 226 requires employers to make, keep and provide complete and accurate itemized wage statements to their employees. During the relevant time period, PBC did not provide Mr. McKelvy and other aggrieved employees with complete and accurate itemized wage statements. The wage statements they received from PBC were in violation of California Labor Code section 226(a). The violations include, but are not limited to, the failure to include the total hours worked by Mr. McKelvy and other aggrieved employees, including time spent working off-the-clock and during meal and rest periods as discussed above, and the naming of the incorrect business entity on Plaintiff's records.

California Labor Code sections 551 and 552 require that every person employed in any occupation of labor is entitled to one day's rest in a seven-day workweek, that no employer of labor shall cause his employees to work more than six days in a workweek, and that an employer shall pay a civil penalty in the amounts of fifty dollars ($50) for each aggrieved employee per pay period for the initial violation and one hundred dollars ($100) for each aggrieved employee per pay period for each subsequent violation. During the relevant time period, Mr. McKelvy and the aggrieved employees were required to regularly and/or consistently work in excess of six (6) days in a workweek. During the relevant time period, Mr. McKelvy and the aggrieved employees were required to work in excess of thirty (30) hours in a week and/or six (6) hours in any one (1) day thereof, during workweeks in which they were required to work in excess of six (6) days. During the relevant time period, Mr. McKelvy and the aggrieved employees were required to work in excess of six (6) days in a workweek without accumulating or being provided the opportunity to take at least one (1) day of rest, and when Mr. McKelvy and the aggrieved employees accumulated days of rest, they were not actually provided the opportunity to take the equivalent of one (1) day's rest in seven (7) during each calendar month.

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

California Labor Code section 2810.5 requires an employer to provide written notice to an employee, at the time of hiring, containing the following information:

> The rate or rates of pay and basis thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for overtime, as applicable. Allowances, if any, claimed as part of the minimum wage, including meal or lodging allowances. The regular payday designated by the employer in accordance with the requirements of this code. The name of the employer, including any "doing business as" names used by the employer. The physical address of the employer's main office or principal place of business, and a mailing address, if different. The telephone number of the employer. The name, address, and telephone number of the employer's workers' compensation insurance carrier. That an employee: may accrue and use sick leave; has a right to request and use accrued paid sick leave; may not be terminated or retaliated against for using or requesting the use of accrued paid sick leave; and has the right to file a complaint against an employer who retaliates. Any other information the Labor Commissioner deems material and necessary.

PBC failed to accurately provide aggrieved employees with the requisite notice in violation of California Labor Code section 2810.5.

California Labor Code sections 1194, 1197, and 1197.1 provide the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful. During the relevant time period, PBC did not provide Mr. McKelvy and other aggrieved employees with the minimum wages to which they were entitled for work performed "off-the-clock."

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

California Labor Code sections 2800 and 2802 require an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. During the relevant time period, Mr. McKelvy and other aggrieved employees incurred necessary business-related expenses and costs that were not fully reimbursed by PBC. These costs include, but are not limited to, the use of a personal phone for work-related tasks, the purchasing and maintenance of footwear in compliance with the dress code, and the purchasing and maintenance of tools, equipment, and supplies.

Therefore, on behalf of all aggrieved employees, Mr. McKelvy seeks all applicable penalties arising out of the above-referenced wage, hour, and payroll practices, or which could be assessed and collected by the Labor and Workforce Development Agency, for violation of the California Labor Code pursuant to PAGA, including civil penalties pursuant to Labor Code section 558.

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

With kind regards,

Gabriella Solé

Gabriella Sole, Esq.

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

PBC SolutionOne Inc.
c/o CSC – Lawyers Incorporating Service
Agent for Service of Process
2710 Gateway Oaks Drive, Suite 150N
Sacramento, CA 95833

EXHIBIT 3

LAWYERS FOR JUSTICE PC

March 12, 2025

BY ONLINE SUBMISSION

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

Re: ***CCS FACILITY SERVICES***

Dear Representative:

On June 30, 2023**,** we submitted a PAGA Notice on behalf of Efiong Alize McKelvy against PBC SolutionOne, Inc. dba CCS Facility Services and any affiliated entities that employ non-exempt employees in California, seeking penalties under California Labor Code section 2698, et seq., the Labor Code Private Attorneys General Act of 2004 ("PAGA") on behalf of Mr. McKelvy and all aggrieved employees working for these entities in California.

The purpose of this letter is to supplement the prior notice to name the affiliated entities of PBC SolutionOne, Inc. referenced in the original notice and clarify and amend certain facts and theories. With respect to the affiliated entities, Mr. McKelvy asserts that these include CCS Engineering Fresno, Inc. and CCS Facility Services-Fresno, Inc. (collectively referred to herein as "CCS"), which entities Mr. McKelvy alleges were predecessor, successor, and affiliated integrated and/or joint employers that engaged in violations against Mr. McKelvy and other aggrieved employees.

Mr. McKelvy continues to seek these remedies on behalf of the State of California and "aggrieved employees," as defined previously and herein to include all current and former hourly-paid or non-exempt employees working for CCS within the State of California. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3. It incorporates the allegations in Mr. McKelvy's original PAGA notice.

CCS employed Mr. McKelvy as an hourly-paid, non-exempt employee beginning in July 2022 in the State of California.

Based on the following facts and theories, CCS has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201-204, 213, 226, 226.7, 227.3, 432, 510, 512, 551, 552, 558, 1174(d), 1194, 1197,1197.1, 1198, 1198.5, 2800, 2802, 2810.5 and IWC Wage Orders including *inter alia*, Wage Orders 4-2001 and 5-2001.

<u>Failure to Pay All Minimum, Straight, and Overtime Wages</u>

CCS required Mr. McKelvy and aggrieved employees to perform uncompensated work before, during, and/or after their scheduled shifts, during off-the-clock meal breaks, and/or during rest breaks and failed to compensate aggrieved employees for this time. Such work included, but was not limited to, responding to work-related inquiries, traveling during the workday, and performing other work and/or being subject to the control of CCS.

California Labor Code sections 510, 1194, 1197, 1197.1 and 1198 require employers to pay employees for all hours worked at no less than the minimum wage rates fixed by state and local law and further require employers to pay time-and-a-half or double time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates at one-and-one-half times or double the regular rate of pay, including additional remuneration. During the relevant time period, Mr. McKelvy and other aggrieved employees worked in excess of 8 hours in a day and 40 hours in a week. Therefore, Mr. McKelvy and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked and/or overtime was not calculated correctly based on the "regular rate of pay" as defined by California law.

Failure to Provide Compliant Meal and Rest Breaks and Premium Pay for Missed Breaks

California Labor Code section 512 and the IWC Wage Orders require that employers provide employees with an uninterrupted meal period of at least 30 minutes after no more than five hours of work and a second 30-minute meal period after no more than ten hours of work. The IWC Wage Orders also require that employers authorize and permit an uninterrupted 10-minute rest period for each four-hour period (or major fraction thereof) that an employee works. Labor Code section 226.7 and the IWC Wage Orders require employers to pay an employee one additional hour of pay at the employee's regular rate for each meal or rest period that is not provided. During the relevant time period, CCS failed to provide Mr. McKelvy and other aggrieved employees with compliant meal and rest breaks by failing to completely and timely relieve them of duties and employer control during these breaks and causing them to work and/or remain on call and/or on the premises during meal and rest periods. CCS failed to compensate them properly and at the correct rate for non-compliant meal and rest periods including, *inter alia*, short, late, interrupted, and missed meal and rest periods.

Failure to Timely Pay All Wages Owed on Separation of Employment

California Labor Code sections 20l through 204 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. Final wages must include any accrued, unused vacation. Cal. Labor Code § 227.3. During the relevant time period, CCS failed to timely pay Mr. McKelvy and other aggrieved employees all wages due to them on separation of employment, including earned and unpaid minimum, overtime, premium and vacation wages as discussed herein. CCS also violated Labor Code section 213(d) by paying final wages via direct deposit without obtaining Mr. McKelvy's and other aggrieved employees' authorization to do so.

Failure to Timely Pay All Wages Owed During Employment

California Labor Code sections 201-204 require payment of all wages for non-exempt employees at least twice each calendar month and further require that all wages due must be paid not more than seven calendar days following the close of the payroll period. Labor Code section 210 provides that "every person who fails to pay the wages of an employee as provided in Section … 204 … shall be subject to a civil penalty" of

$100 for an initial violation and $200 plus 25% of the amount unlawfully withheld for a subsequent violation. During the relevant time period, CCS failed to pay Mr. McKelvy and other aggrieved employees all wages due to them within any time period specified by California Labor Code sections 201-204, including earned and unpaid minimum, overtime, and premium wages as discussed herein.

Failure to Provide Accurate and Complete Wage Statements

California Labor Code sections 226 and 226.3 require employers to make, keep and provide complete and accurate itemized wage statements to their employees each pay period that show (1) gross wages earned, (2) total hours worked, (3) the number of piece rate units earned and applicable piece-rate in effect, (4) all deductions, (5) net wages earned, (6) the inclusive dates of the pay period, (7) the name of the employee and last four digits of SSN or an EIN, (8) the name and address of the legal name of the employer, and (9) all applicable hourly rates in effect during the pay period and the number of hours worked at each hourly rate by the employee. During the relevant time period, CCS did not provide Mr. McKelvy and other aggrieved employees with complete and accurate itemized wage statements. The violations include, but are not limited to, the failure to include the total hours actually worked and the applicable hourly rates and wages actually earned by Mr. McKelvy and other aggrieved employees, including time spent working off-the-clock and during meal and rest periods as discussed herein, as well as the naming of the incorrect business entity and/or address.

Failure to Provide Day of Rest

California Labor Code sections 551 and 552 require that every person employed in any occupation of labor is entitled to one day's rest in a seven-day workweek, that no employer of labor shall cause his employees to work more than six days in a workweek, and that an employer shall pay a civil penalty in the amounts of fifty dollars ($50) for each aggrieved employee per pay period for the initial violation and one hundred dollars ($100) for each aggrieved employee per pay period for each subsequent violation. During the relevant time period, Mr. McKelvy and the aggrieved employees were required to regularly and/or consistently work in excess of six (6) days in a workweek. During the relevant time period, Mr. McKelvy and the aggrieved employees were required to work in excess of thirty (30) hours in a week and/or six (6) hours in any one (1) day thereof, during workweeks in which they were required to work in excess of six (6) days. During the relevant time period, Mr. McKelvy and the aggrieved employees were required to work in excess of six (6) days in a workweek without accumulating or being provided the opportunity to take at least one (1) day of rest, and when Mr. McKelvy and the aggrieved employees accumulated days of rest, they were not actually provided the opportunity to take the equivalent of one (1) day's rest in seven (7) during each calendar month.

Failure to Maintain Accurate Records of Hours Worked and Meal Periods

California Labor Code section 1174(d) and 1174.5 require an employer to-keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. IWC Order section 7(A)(3) requires employers to keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked each day are also to be recorded. These records shall be kept with rules established for this purpose by the commission, but in any case, shall be kept on file for not less than two years. During the relevant time period, CCS failed to keep accurate and complete payroll records showing the actual hours worked daily and the wages earned by Mr. McKelvy and other aggrieved employees, including earned and unpaid minimum, overtime, and premium wages as discussed herein.

Failure to Provide Wage Theft Act Notices

California Labor Code section 2810.5 requires an employer to provide written notice to an employee, at the time of hiring, containing specified information, including

the rate or rates of pay and basis thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for overtime, as applicable; allowances, if any, claimed as part of the minimum wage, including meal or lodging allowances; the regular payday designated by the employer; the name of the employer, including any "doing business as" names used by the employer, the physical address of the employer's main office or principal place of business, and a mailing address, if different; the telephone number of the employer; the name, address, and telephone number of the employer's workers' compensation insurance carrier; information regarding paid sick leave; and any other information the Labor Commissioner deems material and necessary.

CCS failed to provide Mr. McKelvy and aggrieved employees with the requisite notice accurately containing all information required in violation of California Labor Code section 2810.5.

Failure to Provide Reporting Time and Split Shift Pay

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

Section 4(C) of the applicable IWC Wage Orders requires that when “an employee works a split shift” the employer must pay one additional hour’s pay at the minimum wage “in addition to the minimum wage for that workday.” A “split shift” is defined as a work schedule that is “interrupted by non-paid non-working periods established by the employer, other than bona fide rest or meal periods.” During the relevant period, Mr. McKelvy and the aggrieved employees at times worked split shifts but were not paid the required split shift premiums.

Failure to Reimburse Business Expenses

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

Failure to Produce Personnel and Pay Records

Labor Code section 226 provides current and former employees with the right to inspect or receive a copy of payroll records pertaining to their employment no later than twenty-one (21) calendar days from the date of the request. Labor Code section 1198.5(a) provides current and former employees with the right to inspect and receive a copy of personnel records the employer maintains relating to the employee’s performance or to any grievance concerning the employee not later than thirty (30) calendar days from the date the employer receives the written request with certain limited exceptions. Labor Code section 432 provides that if an employee or applicant signs any instrument relating to obtaining or holding employment, they shall be given a copy upon request. CCS failed to timely and completely respond to records requests made by Mr. McKelvy and other aggrieved employees in accordance with these laws.

Civil Penalties Under PAGA

Based on the foregoing, on behalf of all aggrieved employees, Mr. McKelvy seeks all applicable penalties arising out of the above-referenced violations, or which could be assessed and collected by the Labor and Workforce Development Agency, for violation of the California Labor Code pursuant to PAGA, including civil penalties under Labor Code sections 210, 225.5, 226.3, 558, 1174.5, 1197.1, 2699, and any other applicable penalty provision.

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

With kind regards,

Melissa LeBlanc-Mansell, Esq.

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

PBC SolutionOne Inc. dba CCS Facility Services
CCS Facility Services Fresno, Inc.
CCS Engineering Fresno, Inc.
c/o Robin E. Largent
MARTENSON, HASBROUCK & SIMON LLP
455 Capitol Mall, Suite 400
Sacramento, California 95814

EXHIBIT 4

March 12, 2025

BY ONLINE SUBMISSION
California Labor & Workforce Development Agency PAGA

Re: NOTICE PURSUANT TO LABOR CODE §§ 2698 *et seq*
CCS FACILITY SERVICES

Dear Representative:

We have been retained to represent Guadalupe Citlalli Saldana Ponce on claims against CCS Facility Services-Orange County, Inc. and its predecessors and affiliated entities that have employed non-exempt employees in California, for penalties under California Labor Code section 2698, et seq., the Labor Code Private Attorneys General Act of 2004 ("PAGA"). These predecessor and affiliated entities include CCS Orange County Janitorial, Inc., CCS Engineering Orange County, Inc., CCS Facility Services-Fresno, Inc., PBC SolutionOne, Inc. dba CCS Facility Services, CCS Engineering Fresno, Inc., CCS Facility Services-Los Angeles, Inc., CCS Los Angeles Janitorial, Inc., CCS Engineering Los Angeles, Inc., CCS Facility Services-San Diego, Inc., CCS San Diego Janitorial, Inc., and CCS Engineering San Diego, Inc. (collectively referred to herein as “CCS”), which entities Ms. Saldana Ponce alleges were and/or are integrated and/or joint employers that engaged in violations against Ms. Saldana Ponce and other aggrieved employees during the relevant time period.

Ms. Saldana Ponce seeks remedies on behalf of the State of California and "aggrieved employees," as defined herein to include all current and former hourly-paid or non-exempt employees working for CCS within the State of California. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

CCS employed Ms. Saldana Ponce as an hourly-paid, non-exempt employee from June 2023 to February 2025 in California.

Based on the following facts and theories, CCS has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201-204, 213, 226, 226.7, 227.3, 432, 510, 512, 551, 552, 558, 1174(d), 1194, 1197,1197.1, 1198, 1198.5, 2800, 2802, 2810.5 and IWC Wage Orders including *inter alia*, Wage Orders 4-2001 and 5-2001.

Failure to Pay All Minimum, Straight, and Overtime Wages

CCS required Ms. Saldana Ponce and aggrieved employees to perform uncompensated work before, during, and/or after their scheduled shifts, during off-the-clock meal breaks, and/or during rest breaks and failed to compensate aggrieved employees for this time. Such work included, but was not limited to, responding to work-related inquiries, traveling during the workday, and performing other work and/or being subject to the control of CCS.

California Labor Code sections 510, 1194, 1197, 1197.1 and 1198 require employers to pay employees for all hours worked at no less than the minimum wage rates fixed by state and local law and further require employers to pay time-and-a-half or double time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates at one-and-one-half times or double the regular rate of pay, including additional remuneration. During the relevant time period, Ms. Saldana Ponce and other aggrieved employees worked in excess of 8 hours in a day and 40 hours in a week. Therefore, Ms. Saldana Ponce and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked and/or overtime was not calculated correctly based on the "regular rate of pay" as defined by California law.

<u>Failure to Provide Compliant Meal and Rest Breaks and Premium Pay for Missed Breaks</u>

California Labor Code section 512 and the IWC Wage Orders require that employers provide employees with an uninterrupted meal period of at least 30 minutes after no more than five hours of work and a second 30-minute meal period after no more than ten hours of work. The IWC Wage Orders also require that employers authorize and permit an uninterrupted 10-minute rest period for each four-hour period (or major fraction thereof) that an employee works. Labor Code section 226.7 and the IWC Wage Orders require employers to pay an employee one additional hour of pay at the employee's regular rate for each meal or rest period that is not provided. During the relevant time period, CCS failed to provide Ms. Saldana Ponce and other aggrieved employees with compliant meal and rest breaks by failing to completely and timely relieve them of duties and employer control during these breaks and causing them to work and/or remain on call and/or on the premises during meal and rest periods. CCS failed to compensate them properly and at the correct rate for non-compliant meal and rest periods including, *inter alia,* short, late, interrupted, and missed meal and rest periods.

<u>Failure to Timely Pay All Wages Owed on Separation of Employment</u>

California Labor Code sections 20l through 204 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. Final wages must include any accrued, unused vacation. Cal. Labor Code § 227.3. During the relevant time period, CCS failed to timely pay Ms. Saldana Ponce and other aggrieved employees all wages due to them on separation of employment, including earned and unpaid minimum, overtime, premium and vacation wages as discussed herein. CCS also violated Labor Code section 213(d) by paying final wages via direct deposit without obtaining Ms. Saldana Ponce's and other aggrieved employees' authorization to do so.

<u>Failure to Timely Pay All Wages Owed During Employment</u>

California Labor Code sections 201-204 require payment of all wages for non-exempt employees at least twice each calendar month and further require that all wages due must be paid not more than seven calendar days following the close of the payroll period. Labor Code section 210 provides that "every person who fails to pay the wages of an employee as provided in Section … 204 … shall be subject to a civil penalty" of $100 for an initial violation and $200 plus 25% of the amount unlawfully withheld for a subsequent violation. During the relevant time period, CCS failed to pay Ms. Saldana Ponce and other aggrieved employees all wages due to them within any time period specified by California Labor Code sections 201-204, including earned and unpaid minimum, overtime, and premium wages as discussed herein.

Failure to Provide Accurate and Complete Wage Statements

California Labor Code sections 226 and 226.3 require employers to make, keep and provide complete and accurate itemized wage statements to their employees each pay period that show (1) gross wages earned, (2) total hours worked, (3) the number of piece rate units earned and applicable piece-rate in effect, (4) all deductions, (5) net wages earned, (6) the inclusive dates of the pay period, (7) the name of the employee and last four digits of SSN or an EIN, (8) the name and address of the legal name of the employer, and (9) all applicable hourly rates in effect during the pay period and the number of hours worked at each hourly rate by the employee. During the relevant time period, CCS did not provide Ms. Saldana Ponce and other aggrieved employees with complete and accurate itemized wage statements. The violations include, but are not limited to, the failure to include the total hours actually worked and the applicable hourly rates and wages actually earned by Ms. Saldana Ponce and other aggrieved employees, including time spent working off-the-clock and during meal and rest periods as discussed herein, as well as the naming of the incorrect business entity and/or address.

Failure to Provide Day of Rest

California Labor Code sections 551 and 552 require that every person employed in any occupation of labor is entitled to one day's rest in a seven-day workweek, that no employer of labor shall cause his employees to work more than six days in a workweek, and that an employer shall pay a civil penalty in the amounts of fifty dollars ($50) for each aggrieved employee per pay period for the initial violation and one hundred dollars ($100) for each aggrieved employee per pay period for each subsequent violation. During the relevant time period, Ms. Saldana Ponce and the aggrieved employees were required to regularly and/or consistently work in excess of six (6) days in a workweek. During the relevant time period, Ms. Saldana Ponce and the aggrieved employees were required to work in excess of thirty (30) hours in a week and/or six (6) hours in any one (1) day thereof, during workweeks in which they were required to work in excess of six (6) days. During the relevant time period, Ms. Saldana Ponce and the aggrieved employees were required to work in excess of six (6) days in a workweek without accumulating or being provided the opportunity to take at least one (1) day of rest, and when Ms. Saldana Ponce and the aggrieved employees accumulated days of rest, they were not actually provided the opportunity to take the equivalent of one (1) day's rest in seven (7) during each calendar month.

Failure to Maintain Accurate Records of Hours Worked and Meal Periods

California Labor Code section 1174(d) and 1174.5 require an employer to-keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. IWC Order section 7(A)(3) requires employers to keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked each day are also to be recorded. These records shall be kept with rules established for this purpose by the commission, but in any case, shall be kept on file for not less than two years. During the relevant time period, CCS failed to keep accurate and complete payroll records showing the actual hours worked daily and the wages earned by Ms. Saldana Ponce and other aggrieved employees, including earned and unpaid minimum, overtime, and premium wages as discussed herein.

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CCS failed to provide Ms. Saldana Ponce and aggrieved employees with the requisite notice accurately containing all information required in violation of California Labor Code section 2810.5.

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

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Civil Penalties Under PAGA

Based on the foregoing, on behalf of all aggrieved employees, Ms. Saldana Ponce seeks all applicable penalties arising out of the above-referenced violations, or which could be assessed and collected by the Labor and Workforce Development Agency, for violation of the California Labor Code pursuant to PAGA, including civil penalties under Labor Code sections 210, 225.5, 226.3, 558, 1174.5, 1197.1, 2699, and any other applicable penalty provision.

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

With kind regards,

Melissa LeBlanc-Mansell

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

CCS Facility Services-Orange County, Inc.
CCS Facility Services-Los Angeles, Inc.
CCS Facility Services-San Diego, Inc.
CCS Facility Services-Fresno, Inc.
CCS Los Angeles Janitorial, Inc.
CCS Orange County Janitorial, Inc.
CCS San Diego Janitorial, Inc.
CCS Engineering Los Angeles, Inc.,
CCS Engineering Fresno, Inc.
CCS Engineering San Diego, Inc.
CCS Engineering Orange County, Inc.
PBC SolutionOne, Inc. dba CCS Facility Services

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