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10 DAVID FREDERICK BITONTI, JR.,
11 MERRIT LYNN CHASSIE, and the Proposed Class

12 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
13 **FOR THE COUNTY OF ORANGE**

14 DAVID FREDERICK BITONTI JR. and
15 MERRIT LYNN CHASSIE, individually,
16 and on behalf of others similarly situated,
17 and on behalf of other aggrieved employees
18 pursuant to the Private Attorneys General
19 Act,

20 Plaintiffs,

21 vs.

22 TEEN ROAD TO SAFETY INC., a
23 California corporation; ANDREW
24 WUNDERLICH, an individual; and DOES
25 1 through 50, inclusive,

26 Defendants.

Case No. 30-2023-01333703-CU-OE-CXC

**DECLARATION OF DEVIN
RAUCHWERGER IN SUPPORT OF
PLAINTIFFS' MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Hearing Information:

Date: May 15, 2025
Time: 2:00 p.m.
Dept.: CX104
Judge: Hon. Melissa McCormick

RESERVATION NO.: 74458888

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1. I am an attorney at law duly licensed to practice before all of the courts of the State of California, and I am a partner at Domb & Rauchwerger LLP (“Class Counsel”) attorneys of record for Plaintiffs David Frederick Bitonti, Jr. and Merrit Lynn Chassie (“Plaintiffs” or “Class Representatives”) and the proposed settlement class (the “Class”) in the above-captioned matter. Except as otherwise indicated, I have personal knowledge of all matters set forth herein and, if called as a witness, could and would competently testify thereto under oath. I submit this declaration in support of Plaintiffs’ Motion for Preliminary Approval of Class Action and PAGA Settlement (the “Motion”).

3. Teen Road to Safety, Inc. was a company which provided automobile driving instruction to students in Orange County. TRTS employees (the class members) would drive to the customers' homes (using company vehicles) and provide them with two-hour lessons. Defendants ceased operations on or around August 1, 2023. Plaintiff Bitonti was employed by Defendant as a driving instructor from approximately November 2022 to August of 2023 (when Defendants ceased operations); Plaintiff Chassie was employed by Defendant as a driving instructor from approximately May of 2022 to April of 2023.

4. On June 27, 2023, my office filed a class action complaint alleging nine causes of action for: (1) Violation of Cal. Labor Code §§ 226.2, 510, 558, 558.1, 1194, and 1198 (Unpaid Overtime); (2) Violation of Cal. Labor Code §§ 226.7, 512(a), 558, and 558.1 (Unpaid Meal Period Premiums); (3) Violation of Cal. Labor Code § 226.7, 558, and 558.1 (Unpaid Rest Period Premiums); (4) Violation of Cal. Labor Code §§ 226.2, 558, 558.1, 1194, 1197 and 1197.1 (Unpaid Minimum Wages); (5) Violation of Cal. Labor Code §§ 201, 202, 203, 558, and 558.1 (Final Wages Not Timely Paid); (6) Violation of Cal. Labor Code §§ 558, 558.1, 2800 and 2802 (Failure to Reimburse Necessary Business Expenses); (7) Violation of Cal. Labor Code § 226(a), 558, and 558.1 (Failure to Provide Accurate Wage

Statements); (8) Violation of Labor Code §§ 226 and 246(i) (Failure to Provide Written Notice of Paid Sick Leave and Supplemental Paid Sick Leave); and (9) Violation of Cal. Business & Professions Code § 17200, et seq. On June 28, 2023, my office submitted a letter to the Labor and Workforce Development Agency alleging various violations of the California Labor Code. Attached hereto as **Exhibit 2** is a true and correct copy of the June 28, 2023 letter to the LWDA (the “PAGA Notice”). On December 19, 2023, my office submitted an amended letter to the Labor and Workforce Development Agency to add in additional Defendants Teen Road To Safety Irvine LLC, Teen Road to safety of Orange Inc, Teen Road To Safety Of Orange LLC, and Teen Road To Safety Upland LLC. Attached hereto as **Exhibit 3** is a true and correct copy of the December 19, 2023 letter to the LWDA (the “Amended PAGA Notice”).

5. On September 1, 2023, my office filed a First Amended Complaint to add a cause of action under the California Private Attorneys General Act (California Labor Code §§ 2699, et. seq.), for which penalties are provided in this Settlement Agreement. The First Amended Complaint is the operative complaint in the Action (the “Operative Complaint”).

6. After making a reasonable inquiry, I am not aware of any class, representative or other collective action in any other court that asserts claims similar to those asserted in the action being settled in this matter.

7. The parties engaged in extensive informal discovery leading up to the mediation on January 30, 2024. Prior to the mediation, Class Counsel requested and received class data for purposes of the mediation, including the number of Class Members, Aggrieved Employees, total Workweeks worked by the Class Members during the Class Period, total PAGA Pay Periods, applicable meal and rest period policies and practices, time keeping policies and practices, documents reflecting the Class Members schedules (including the number of lessons that each Class Member taught per day), applicable expense reimbursement policies and practices, and other documents relevant to the litigation. In total, Defendant produced hundreds of pages of relevant documents prior to the mediation. Defendant also provided my office with a sampling (10 out of the 29 putative class members) of the time sheets and payroll records for the Class.

8. The Parties held numerous meetings and informal conferences wherein they

1 exchanged information, additional class data, and theories of the case. The Parties also prepared
2 and submitted detailed mediation briefs, which outlined the Parties' respective positions in the
3 case.

4 9. On January 30, 2024, the Parties participated in a full-day mediation with Lisa
5 Klerman, Esq. Ms. Klerman was agreed to by the Parties based on her excellent skills and
6 experience as a mediator in wage-and-hour class actions such as this one. After contentious and
7 lengthy negotiations, the Parties accepted a settlement proposal of \$220,000 and thereafter
8 negotiated the long-form Settlement Agreement.

9 10. I believe the Settlement meets all criteria required by the Court, including having
10 been reached through an arms-length negotiation by an experienced mediator through a
11 mediator's proposal, having a sufficient investigation conducted to determine the settlement is
12 fair, and being agreed to by counsel who all have extensive experience with class actions.

13 11. I anticipate very few persons wishing to object to or opt out of the Settlement. The
14 potential claims of all Participating Class members were considered while working out the details
15 of the proposed Settlement. Therefore, objections and opt-outs are not generally anticipated and
16 would likely be the result of unique issues associated with the individual seeking to opt-out.

17 12. I believe that the settlement with Defendant for the consideration and on the terms
18 set forth in the Settlement Agreement is fair, reasonable, adequate and is in the best interest of the
19 Class in light of all known risks, facts and circumstances. These risks include: the risk of
20 significant delay in class members receiving any type of funds, particularly if the Defendants were
21 to declare bankruptcy given they are no longer in operation; risks associated with a contested class
22 certification; the defenses asserted by Defendants, including the argument that the matters at issue
23 will require individualized issues that make class certification inappropriate; the fact that
24 Defendants ceased operation and therefore no longer has any operating income with which to pay
25 a large settlement; the prospect of Defendants obtaining releases from putative class members;
26 Defendants having its employees sign arbitration agreements, exempting them from participation
27 in a class action lawsuit, and numerous potential appellate issues.

28 13. The key data points upon which I relied in analyzing Defendants' potential

exposure are listed as follows (which encompasses the data we received at the time of the mediation):

- Total Class Size: **29**.
- Total number of Workweeks worked by the Class Members during the Class Period: **2,877**.
- Total Aggrieved Employees: **19**.
- Total PAGA Pay Periods: **425**.
- Average Regular Rate: **\$33.45** per hour.

14. Defendants paid class members on a “per-lesson” (e.g., piece-rate) basis of \$60 per two-hour lesson. Plaintiffs contend that they and the other putative class members are owed additional compensation off-the-clock work because Defendants maintained a policy and practice of not paying employees for their drive time between lessons and for time spent taking rest breaks. Furthermore, Plaintiffs contend that they were entitled to overtime for work performed in excess of 8 hours per day and/or 40 hours in a week; however, due to Defendants’ policy of paying class members on a flat-rate basis, Defendants never paid class members overtime. To determine Defendants’ potential exposure for these claims, my office analyzed the sample time and pay records provided by Defendant and compared with the employee pay records.

15. The lessons that Plaintiffs and the class members taught were structured so that they took two hours each and employees were required to travel directly from one lesson to another lesson; lessons were scheduled so that there was 30 minutes between the end of one lesson and the beginning of the next lesson. Thus, my office calculated the uncompensated “drive time” on days in which class members taught more than one lesson as 30 minutes for each lesson beyond the first. By applying this formula to the sample data which Defendant provided for the purposes of mediation, we were able to determine that there was a total of 903 unpaid driving hours in the sample. Extrapolating that figure out to the full class, we estimated that there was a total of 2,709 unpaid driving hours for the class. My office then calculated the uncompensated drive time at the then-applicable minimum wage of \$14 (since this non-productive time does not need to be compensated at the regular rate) to reach an uncompensated drive time figure of \$37,926.

1 16. In addition to uncompensated drive time, the overtime and minimum wage claims also
2 include an estimated figure for damages incurred due to working through rest breaks without being
3 compensated for the time spent on authorized rest breaks. Based on my offices' analysis of the sample
4 data, we were able to determine that there were 268 hours and 20 minutes of uncompensated rest period
5 time at issue; extrapolated out to the entire class, the total rest break time owed for the entire class is 805
6 hours. Multiplied by the \$33.45 average hourly rate, the total potential loss to the employees for unpaid
7 rest break time is \$26,927.25.

8 17. The unpaid overtime claims were calculated by reviewing the records, allocating two
9 hours of work time for each lesson, an additional 30 minutes of work time for each scheduled lesson
10 beyond the first (for drive time, as discussed above), and then comparing these figures to the pay records.
11 Analysis of the sample data using this formula showed that there was a total of 531.5 hours of overtime
12 that should have been paid out; extrapolating the sample figure out to the full class results in 1,594.5 hours
13 which should have been paid as overtime. Multiplying the overtime hour figure by \$16.725 (1/2 of the
14 regular hourly rate of \$33.45, which is the unpaid portion) results in a potential damages exposure of
15 \$26,668.01 for unpaid overtime. In total, the estimated amount owed for all minimum and overtime wages
16 is approximately \$91,521.26.

17 18. The risks related to proving these off-the-clock wage, overtime and minimum wage
18 claims are significant. First of all, Plaintiffs would need to demonstrate that employees were actually
19 uncompensated for their drive time and/or rest break time. Defendants have alleged and have claimed that
20 employees were actually compensated for their drive time and that drive time was built-in to a flat rate
21 which Defendants paid its driving instructors for each lesson given. Further, it is impossible to discern
22 from the records the exact amount of off-the-clock work that each employee performed and what they are
23 entitled to; these questions could be viewed as creating individualized issues inappropriate for class
24 certification. Furthermore, the unpaid rest break claims are subject to a showing that employees both
25 actually received rest breaks and that they were uncompensated for their time spent on rest breaks.
26 Plaintiffs have also contended that Defendants did not provide rest breaks at all, which would be subject
27 to rest period premiums as discussed below rather than for off-the-clock work.

28 19. My offices calculated the amount of meal breaks at issue in this matter by analyzing the

1 sample set of Class Data to determine the number of occasions when an employee should have received
2 a meal break (which would have been when the employee taught at least three lessons in a day), and then
3 extrapolated the results out to the remainder of the Class Members not included in the data set. The data
4 showed that the employees should have received a meal break 22.5% of the time. Given this percentage,
5 we assumed that employees suffered one meal break violation per week. Using the above average rate of
6 \$33.45, the calculation of $\$33.45 \times 2,877$ workweeks in the class period results in a potential exposure of
7 \$96,235.65.

8 20. My office calculated the amount of rest breaks at issue in this matter by analyzing the
9 sample set of Class Data to determine the number of occasions when an employee should have received
10 at least one rest break (which would have been any occasion when an employee taught at least two lessons
11 in a day). The sample data showed that employees should have received at least one rest break in 75.4%
12 of instances. We calculated the potential exposure for missed rest periods by taking the number of
13 workweeks (2,877), multiplying that figure by 5 to get an approximate number of workdays (14,385).
14 Then, we took 75.4% of that amount to determine the expected number of days (10,846) where employees
15 would have been entitled to a rest break. Multiplying this figure by the average hourly rate ($\$33.45 \times$
16 10,846 days) results in a reasonable exposure of \$362,798.70.

17 21. Although Plaintiffs asserted causes of action for violation of California Labor
18 Code sections 1174 (failure to maintain accurate records) and 2802 (reimbursement), I do not
19 believe there are significant, if any, damages associated with these claims. First, California Labor
20 Code section 1174 does not contain a private right of action and penalties pursuant to Section
21 1174.5 are civil penalties only recoverable by the Labor Commissioner or through PAGA (Section
22 1174.5 provides that the total amount of such recoverable penalties is \$500). Based on my
23 investigation of the claims, I do not believe that there are any provable damages associated with
24 the cause of action for business expense reimbursement claim because it did not appear that Class
25 Members actually incurred business-related expenses as a part of their job duties as they drove
26 company cars rather than their own vehicles. As such, we did not allocate damages to these claims.

27 22. Plaintiffs contend that each paystub failed to include complete itemizations for monies
28 owed, including overtime, the number of hours the Class Members worked and the appropriate hourly

1 rates, the appropriate piece-rate shift information, and the meal and rest break premiums owed to the Class
2 Members. The Class Members worked 425 pay periods during the PAGA period (which coincides with
3 the same one-year statutory period) and there were 19 employees during that period. To calculate the
4 potential exposure for this claim, my offices assigned \$50 penalties for 19 pay periods for the first violation
5 (\$950), and the remaining 406 pay periods were assigned \$100 penalties as subsequent violations
6 (\$40,600). This results in a reasonable exposure of \$41,550.

7 23. All 29 Class Members are separated employees, as Defendants had fully shut down its
8 operations in August of 2023. An analysis of the sample data of all hours worked showed that class
9 members worked an average of 4.92 hours per day. Using the hourly rate of \$33.45, the potential
10 exposure for waiting time penalties is \$143,179.38 ($\$33.45/\text{hour} \times 4.92 \text{ hours/per} \times 30\text{-day maximum} \times$
11 $29 \text{ separated employees}$).

12 24. There are 425 pay periods in the PAGA period. Assuming that no penalty
13 “stacking” will apply (i.e. the imposition of multiple penalties per pay period) and that the Court
14 will use the violation rate of \$100 per pay period, potential PAGA penalties equal \$42,500.
15 Plaintiffs’ PAGA claims are also predicated on the violations described above, and thus subject
16 to the same disputes and defenses.

17 25. The Settlement Agreement has been provided to the Labor and Workforce
18 Development Agency and a proof of service has been concurrently filed and is also attached as
19 **Exhibit 4**.

20 26. Defendant has reserved all rights to dispute Plaintiffs’ ability to satisfy any of the
21 requirements for class certification; however, the Parties have agreed that for purposes of
22 settlement, Defendant will not raise such a dispute.

23 27. The class is sufficiently numerous because there are 29 employees in the Class,
24 and there is a common interest to many persons as this claim will confer significant benefits to
25 those persons. Furthermore, it would be impracticable to bring all of them before the Court on an
26 individual basis. Moreover, the Class is readily ascertainable as Defendant is in possession of
27 contact information for its current and former employees via regularly maintained employment
28 records.

1 28. Common questions of law and fact clearly exist, as the underlying dispute involves
2 Defendant's employment policies and practices which affected all the employees in the proposed
3 Class.

4 29. I graduated from USC School of Law in 2010. After law school, I was an
5 Associate Attorney at Lawyers for Justice, PC, the Mathews Law Group, the Rager Law Firm,
6 McCune & Harbor, Jackson Lewis LLP and Fisher & Phillips LLP, before becoming a Partner at
7 Fisher & Phillips LLP. During my career, I have represented numerous clients in class action
8 litigation.

9 30. I have represented both plaintiffs and defendants in numerous class actions and
10 other complex matters. These matters include *Eduardo Gaa, et al. v. Intercare Holdings Inc., et*
11 *al.*, Los Angeles County Superior Court Case No. BC489800; *Vikki Allen v. Covenant Security*
12 *Services*, Los Angeles County Superior Court Case No. 18STCV08573, *Angel Caracoza v. Ashley*
13 *Furniture Services, Inc.*, San Bernadino County Superior Court Case No. CIVSB2118827;
14 *Francisco Schiller v. Ashley Distribution Services, LTD et. al.*, San Bernadino County Superior
15 Court Case No. CIDVS2014776, US District Court for the Central District of California, Case
16 No. 5:2020cv02662; *James Thomas v. Crothall Healthcare, Inc.*, San Francisco County Superior
17 Court Case No. CGC-18-566489, *George Gonzalez v. Ashley Furniture Industries, Inc.*, San
18 Bernadino County Superior Court Case No. CIVDS2017425; *Cruzelm Martinez, et. al. v. Burger*
19 *Rehabilitation Systems, Inc.*, Sacramento County Superior Court Case No. 34-2020-00286930;
20 *Maritza Gutierrez, et al. v. La Clinica de la Raza, Inc.* Alameda County Superior Court Case No.
21 RG19010781. *Darrell Alexander v. Farndale Creamery, Inc.*, San Bernardino Superior Court
22 Case No. CIVSB2205382; *George Martinez v. Northwest Exteriors, Inc.*, Sacramento Superior
23 Court Case No. 34-2022-00318192; *Esmeralda Maken v. Ascencia*, Los Angeles Superior Court
24 Case No. 22STCV13406. I am qualified to evaluate the risks and benefits of both litigation and
25 settlement in this matter and recommend this Settlement as fair and reasonable to the Class.

26 31. To the best of my knowledge, neither the Plaintiffs nor I have any conflicts of
27 interest with the absent Class Members. I believe that Plaintiffs will be adequate Class
28 Representatives. Plaintiffs and the Class Members have strong and co-extensive interests in this

1 litigation because they all worked for Defendants during the relevant time period, suffered the
2 same alleged injuries from the same alleged course of conduct, and there is no evidence of any
3 conflict of interest between the Plaintiffs and the Class Members. Moreover, Plaintiffs have
4 demonstrated commitment to the Class by, among other things, retaining experienced counsel,
5 providing counsel with documents and extensively speaking with counsel to assist in identifying
6 the claims asserted in this case, meaningfully participating in the mediation, and exposing
7 themselves to the risk of attorneys' fees and costs awarded against them if this lawsuit had been
8 unsuccessful.

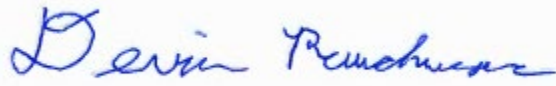
9 32. I calculate that the estimated Net Settlement Amount will be \$101,500. I calculated this
10 figure by taking the \$220,000 Gross Settlement Amount and subtracting: the requested attorneys' fees of
11 35% of the Gross Settlement Amount (\$77,000), reimbursement of litigation costs (in the maximum
12 amount of \$14,000), Class Representative Enhancement Payments of \$7,500 to the named Plaintiff Bitonti
13 and \$5,000 to the named Plaintiff Chassie, Settlement Administrator costs in the maximum amount of
14 \$5,000, and PAGA penalties in the amount of \$10,000. Using the remaining Net Settlement Amount of
15 \$101,500 and 29 Class Members, the average Individual Settlement Payment is approximately \$3,500.00.

16 33. The Parties agree that the formula for allocating the Individual Settlement
17 Payments to Participating Class Members is reasonable and that the payments provided herein
18 are designed to provide a fair settlement to such persons, in light of the uncertainties regarding
19 the calculation of alleged wages, penalties, interest, and expense reimbursement to each
20 Participating Class Member.

21 34. I believe that assigning monetary value to employees based on the number of
22 occasions they taught at least two lessons in a day more accurately compensates the Class
23 Members as opposed to using the standard work week calculation. It would be very unlikely that
24 a Class Member who only taught one lesson in a day would have incurred any violation on that
25 particular day as they would not have worked any non-compensated drive time between lessons
26 (since they only taught one lesson) and they would not have worked long enough to incur either
27 a rest break or meal break violation. As such, this manner of awarding the funds to Class Members
28 eliminates any shifts when an employee only taught one lesson.

1 35. Attached as **Exhibit 5** is the [Proposed] Notice of Class Action Settlement and
2 Hearing Date for Final Court Approval.

3 I declare under penalty of perjury under the laws of the United States and the State of
4 California that the foregoing is true and correct. Executed on January 3, 2025, in Orange County,
5 California.

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7 _____

8 Devin E. Rauchwerger
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EXHIBIT 1

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff David Frederick Bitonti Jr. and Merrit Lynn Chassie (“Plaintiffs”) and Defendants Teen Road to Safety, Inc., and Andrew Wunderlich (“Defendants”). The Agreement refers to Plaintiffs and Defendants collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against Defendants captioned *David Frederick Bitonti Jr. and Merrit Lynn Chassie, individually, and on behalf of others similarly situated, and on behalf of other aggrieved employees pursuant to the Private Attorneys General Act v. Teen Road To Safety Inc., a California corporation; Andrew Wunderlich, an individual; and DOES 1 through 50, inclusive*, Orange County Superior Court Case No. 30-2023-01333703-CU-OE-CXC, initiated on June 27, 2023, and pending in Superior Court of the State of California, County of Orange.
- 1.2. “Administrator” means Phoenix Settlement Administrators, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. “Aggrieved Employee” means “all non-exempt, non-union employees who worked for Defendants in California at any time during the PAGA Period.”
- 1.5. “Class” means “all current and former non-exempt employees of Defendants employed as driving instructors within the State of California during the Class Period.”
- 1.6. “Class Counsel” means Domb & Rauchwerger LLP, including Zack Domb, Devin Rauchwerger and Jeff Jackson.
- 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 Defendant’s possession including the Class Member’s name, last-known mailing address, Social Security number, hire date, termination date, any rehire date and any subsequent termination date, and number of Qualifying Shifts worked during the Class Period.

- 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English, in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12. “Class Period” means the period from June 27, 2019 to August 1, 2023.
- 1.13. “Class Representatives” means the named Plaintiffs David Bitonti Jr. and Merrit Chassie in the operative complaint in the Action seeking Court approval to serve as a Class Representatives.
- 1.14. “Class Representatives Service Payment” means the payments to the Class Representatives for initiating the Action and providing services in support of the Action.
- 1.15. “Court” means the Superior Court of California, County of Orange.
- 1.16. “TRTS” means the named Defendant Teen Road to Safety, Inc.
- 1.17. “Wunderlich” means the named Defendant Andrew Wunderlich.
- 1.18. “Defense Counsel” means O’Hagan Meyer, including Katherine C. Den Bleyker and Sohin Gautam.
- 1.19. “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 Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.20. “Final Approval” means the Court’s order granting final approval of the Settlement.

- 1.21. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.22. “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
- 1.23. “Gross Settlement Amount” means \$220,000 which is the total amount Defendants agree to pay under the Settlement, except as provided in Paragraph 8 below, and exclusive of Defendants’ share of payroll taxes. 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 Representatives Service Payment and the Administrator’s Expenses.
- 1.24. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Qualifying Shifts.
- 1.25. “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.
- 1.26. “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.27. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.28. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.29. “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.
- 1.30. “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.
- 1.31. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendants as an hourly, non-exempt employee in California for at least one day during the PAGA Period. PAGA Pay Periods may be based on either: (1) pay periods during at least one shift was worked; or (2) hire dates and, where applicable, last dates worked or separation dates, re-hire dates, and dates of any periods of leave.
- 1.32. “PAGA Period” means the period from June 28, 2022 through August 1, 2023.

- 1.33. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.34. "PAGA Notice" means Plaintiff's letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.35. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$2,500) and the 75% to LWDA (\$7,500) in settlement of 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. "Plaintiffs" means David Frederick Bitonti Jr. and Merritt Lynn Chassie, the named plaintiffs in the Action.
- 1.38. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement Agreement.
- 1.39. "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.40. "Qualifying Shift" is any day during the Class Period when a Class Member taught at least two (2) lessons in the same day.
- 1.41. "Released Class Claims" means the claims being released as described in Paragraph 5.2 below.
- 1.42. "Released PAGA Claims" means the claims being released as described in Paragraph 5.3 below.
- 1.43. "Released Parties" means: TRTS and each of its former and present owners, parents and subsidiaries, and all of their current, former and future spouse(s), children, officers, directors, members, managers, employees, consultants, partners, shareholders, joint venturers, agents, predecessors, successors, assigns, accountants, insurers, reinsurers and/or legal representatives; and Andrew Wunderlich.
- 1.44. "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.
- 1.45. "Response Deadline" means 60 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.

1.46. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

1.47. “Workweek” means any week during which a Class Member was employed by Defendants as an hourly, non-exempt employee in California. Workweeks may be based on either: (1) pay periods during at least one shift was worked; or (2) hire dates and, where applicable, last dates worked or separation dates, re-hire dates, and dates of any periods of leave.

2. RECITALS.

2.1. On June 27, 2023, Plaintiffs commenced this Action by filing a Complaint alleging causes of action against Defendants for (1) Violation of Cal. Labor Code §§ 226.2, 510, 558, 558.1, 1194, and 1198 (Unpaid Overtime); (2) Violation of Cal. Labor Code §§ 226.7, 512(a), 558, and 558.1 (Unpaid Meal Period Premiums); (3) Violation of Cal. Labor Code § 226.7, 558, and 558.1 (Unpaid Rest Period Premiums); (4) Violation of Cal. Labor Code §§ 226.2, 558, 558.1, 1194, 1197 and 1197.1 (Unpaid Minimum Wages); (5) Violation of Cal. Labor Code §§ 201, 202, 203, 558, and 558.1 (Final Wages Not Timely Paid); (6) Violation of Cal. Labor Code §§ 558, 558.1, 2800 and 2802 (Failure to Reimburse Necessary Business Expenses); (7) Violation of Cal. Labor Code § 226(a), 558, and 558.1 (Failure to Provide Accurate Wage Statements); (8) Violation of Labor Code §§ 226 and 246(i) (Failure to Provide Written Notice of Paid Sick Leave and Supplemental Paid Sick Leave); and (9) Violation of Cal. Business & Professions Code § 17200, et seq. On September 1, 2023, Plaintiffs filed a First Amended Complaint to add a cause of action under the California Private Attorneys General Act (California Labor Code §§ 2699, *et. seq.*), for which penalties are provided in this Settlement Agreement. The First Amended Complaint is the operative complaint in the Action (the “Operative Complaint.”) Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in in the Operative Complaint and deny any and all liability for the causes of action alleged.

2.2. On November 21, 2023, the Parties participated in an all-day mediation presided over by Lisa Klerman which led to this Agreement to settle the Action.

2.3. Prior to mediation, Plaintiffs obtained, through informal discovery, a sampling of the Class Data, as well as various supporting documents, including (1) Plaintiffs’ payroll records and work schedules; (2) various wage and hour policy documents in effect during the Class and PAGA Periods; (3) a representative randomized sampling of corresponding payroll records and work schedules for 1/3 of the putative Class; (4) Class data points, including, for both currently and formerly-employed Class Members between the start of the Class Period (June 27, 2019) and the end of the Class Period (August 1, 2023), total numbers of Class Members, and approximate numbers of workweeks worked, pay periods, and wage statements issued, and the average median hourly rate of the entire class; (5) PAGA (and wage statement penalty) group data points, including, for both current and formerly-employed Aggrieved Employees between the start of the PAGA Period (June 28, 2022) and the end of the PAGA Period (August 1, 2023), total numbers of Aggrieved Employees, and approximate numbers of workweeks worked, pay

periods, and wage statements issued; and (6) sensitive financial documents such as the tax returns, profit and loss statements, and balance sheets for TRTS during the class period and the previous four years of personal tax returns for Wunderlich. 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*").

- 2.4. The Court has not granted class certification.
- 2.5. The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendants promise to pay \$220,000, 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 Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to 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:
 - 3.2.1. To Plaintiffs: a Class Representative Service Payment to Class Representative Bitonti of not more than \$7,500 (in addition to any Individual Class Payment), and a Class Representative Service Payment to Class Representative Chassie of not more than \$5,000 (in addition to any Individual Class Payment), and any Individual PAGA Payment the Class Representatives are entitled to receive as Participating Class Members. Defendants will not oppose Plaintiffs' requests for Class Representative Service Payments that do not exceed these amounts. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves Class Representative Service Payments 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 Payments.

- 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 35%, which is currently estimated to be \$77,000.00 and a Class Counsel Litigation Expenses Payment of not more than \$14,000. 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 no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds 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 \$5,000 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$5,000, the Administrator will retain the remainder in the Net Settlement Amount.
- 3.2.4. To Each Participating Class Member: An Individual Class Payment calculated by taking the total number of days that a Class Member taught at least 2 lessons in a day during the Class Period and dividing that by the number of times that a particular Class Member taught two or more lessons in a day during the Class period.
- 3.2.4.1. Tax Allocation of Individual Class Payments. 33 1/3 % 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. 66 2/3 % of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.
- 3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$10,000 to be paid from the Gross Settlement Amount, with 75% (\$7,500) allocated to the LWDA PAGA Payment and 25% (\$2,500) allocated to the Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties \$2,500 by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

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

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendants estimate there are 29 Class Members who collectively worked a total of 2,877 Workweeks, and 19 Aggrieved Employees who worked a total of 425 PAGA Pay Periods.

4.2. Class Data. Not later than 21 days after the Court grants Preliminary Approval of the Settlement, Defendants will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify Class Counsel if they discover that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3. Funding of Gross Settlement Amount. 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 30 days after the Effective Date.

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

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

4.4.2. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within 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 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 Defendants 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 fund all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release

claims against all Released Parties as follows:

- 5.1 Plaintiffs' Release. Plaintiffs and 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 that occurred during the Class Period, 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 and Plaintiff's PAGA Notice. ("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, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiffs acknowledge that the 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 agree, 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 waive and relinquish the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

- 5.2 Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims that occurred during the Class Period and were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint, including: (1) Unpaid Overtime; (2) Unpaid Meal Period Premiums; (3) Unpaid Rest Period Premiums; (4) Unpaid Minimum Wages; (5) Final Wages Not Timely Paid; (6) Failure to Reimburse Necessary Business Expenses; (7) Failure to Provide Accurate Wage Statements; (8) Failure to Provide Written Notice of Paid Sick Leave and Supplemental Paid Sick Leave; and (9) Violation of Cal. Business & Professions Code § 17200, et seq. with respect to the business practices alleged in the Operative Complaint. 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 PAGA Released Claims: Upon final approval by the Court and upon funding of the Gross Settlement Amount, the claims released by Plaintiffs, as agents and proxies of the LWDA, in exchange for the consideration provided by this Agreement, will

include any and all claims for civil penalties under the California Labor Code Private Attorneys General Act of 2004 (“PAGA”), Labor Code section 2698, *et seq.*, against the Released Parties for work performed during the PAGA Period and based on or arising out of the alleged violations of the Labor Code sections alleged in Plaintiffs’ letter to the LWDA, including but not limited to claims for unpaid wages of any type, unpaid overtime, unpaid minimum wages, untimely wage payments both during and at the end of employment, non-compliant meal periods, non-compliant rest periods, non-compliant wage statements, unreimbursed business expenses, failure to maintain payroll records, failure to pay premiums, and claims for interest, penalties, or premiums in connection therewith.

6. MOTION FOR PRELIMINARY APPROVAL.

- 6.1 Plaintiffs’ Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) signed declarations from the Plaintiffs confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members and/or the Administrator; (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (vii) all facts relevant to any actual or potential conflict of interest with Class Members and/or the Administrator.
- 6.2 Responsibilities of Counsel. Class Counsel is responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court’s Preliminary Approval to the Administrator. Defense Counsel is responsible for appearing at the hearing on Motion for Preliminary Approval.
- 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If

the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected Phoenix Settlement Administrators to serve as the Administrator and verified that, as a condition of appointment, Phoenix Settlement Administrators agree 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 five (5) 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, Qualifying Shifts, 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, substantially in the form attached to this Agreement as **Exhibit A**. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Qualifying Shifts 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 Qualifying Shifts 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 ever are later.

7.5 Requests for Exclusion (Opt-Outs).

7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 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 faxed, emailed, or postmarked by the Response Deadline.

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

7.5.3 Every Class Member who does not submit a timely and valid Request for

Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

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

7.6 Challenges to Calculation of Qualifying Shifts. Each Class Member shall have 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of days they taught at least two lessons in a day during the Class Period, as well as the number of PAGA Pay Periods worked (if any). The Class Member may challenge the allocation by communicating with the administrator via fax, email or mail. The Administrator must permit the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Qualifying Shifts 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 Qualifying Shifts 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 Qualifying Shifts and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of the challenge.

7.7 Objections to Settlement.

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

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 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 Non-Participating Class Members have no right to object to any of the class action components of the 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 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.
- 7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 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 and other identifying information of Class Members who have timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).
- 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Qualifying Shifts 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 provide 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 Qualifying Shifts 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 Qualifying Shifts 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 Final Report by Settlement Administrator. 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. **CLASS SIZE ESTIMATES and ESCALATOR CLAUSE.** Based on its records, Defendants estimate that, as of the date of this Settlement Agreement, (1) there are 29 Class Members and 2,877 Total Workweeks during the Class Period. Should the number of workweeks increase by more than 10% (by 288 workweeks) the gross settlement amount will be increased proportionately above the 10% amount (e.g., if the total workweeks have increased by 11%, then the gross settlement amount shall increase by 1%.)
9. **DEFENDANTS' RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 20% 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 the Parties will not 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 seven days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.
10. **MOTION FOR FINAL APPROVAL.** Not later than 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. (1), 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 five days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

10.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents

in Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

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

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

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

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

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

12. ADDITIONAL PROVISIONS.

- 12.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that A has 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 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 Plaintiffs reserve 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).
- 12.2 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 12.3 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 12.4 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.
- 12.5 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 12.6 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,

transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

- 12.7 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.
- 12.8 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 12.9 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.10 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 12.11 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 12.12 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 12.13 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. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiffs shall destroy, all paper and electronic versions of Class Data received from Defendants unless, prior to the Court's discharge of the Administrator's obligation, Defendants make a written request to Class Counsel for the return, rather than the destruction, of Class Data.
- 12.14 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 12.15 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

- 12.16 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:

Zack I. Domb
E-Mail zack@dombrauchwerger.com
Devin Rauchwerger
E-Mail devin@dombrauchwerger.com
Jeffrey P. Jackson
E-Mail jeff@dombrauchwerger.com
Domb & Rauchwerger LLP
1055 East Colorado Blvd., Fifth Floor
Pasadena, California 91106
Telephone: (213) 537-9225

To Defendants:

Katherine C. Den. Bleyker
E-Mail: kdenbleyker@ohaganmeyer.com
Sohim Gautam
E-Mail: sgautam@ohaganmeyer.com
O'Hagan Meyer
550 S. Hope Street, Suite 2400
Los Angeles, CA 90071
Telephone: (213) 647-0005

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

PLAINTIFFS AND CLASS REPRESENTATIVES

DATED: 04 / 03 / 2024 _____



David Frederick Bitonti, Jr.
Personally, and as Class Representative

DATED: 04 / 02 / 2024 _____



Merrit Lynn Chassie
Personally, and as Class Representative

DEFENDANTS

DATED: _____

Teen Road to Safety, Inc.
By: Andrew Wunderlich
Its:

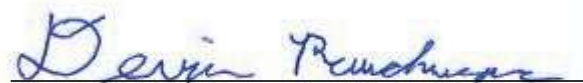
DATED: _____

Andrew Wunderlich

APPROVED AS TO FORM

DOMB & RAUCHWERGER LLP

DATED: April 2, 2024 _____



Zack Domb
Devin Rauchwerger
Jeffrey Jackson
Taylor N. Tejada
Attorneys for Plaintiff and the Class

O'HAGAN MEYER

DATED: _____

Katherine C. Den. Bleyker
Sohin Gautam
Attorneys for Defendants,
Teen Road to Safety, Inc., and Andrew Wunderlich

PLAINTIFFS AND CLASS REPRESENTATIVES

DATED: _____

David Frederick Bitonti, Jr.
Personally, and as Class Representative

DATED: _____

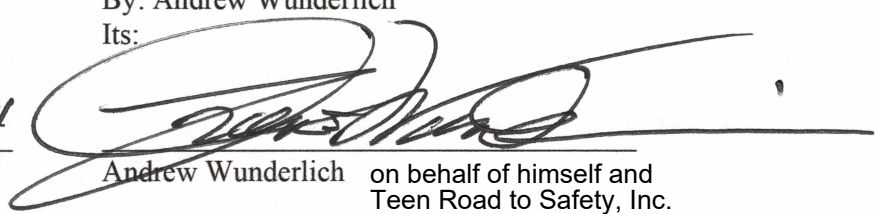
Merrit Lynn Chassie
Personally, and as Class Representative

DEFENDANTS

DATED: _____

Teen Road to Safety, Inc.
By: Andrew Wunderlich
Its:

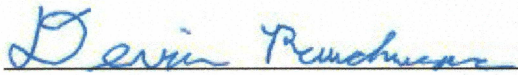
DATED: APRIL 10, 2024


Andrew Wunderlich on behalf of himself and
Teen Road to Safety, Inc.

APPROVED AS TO FORM

DOMB & RAUCHWERGER LLP

DATED: April 2, 2024


Zack Domb
Devin Rauchwerger
Jeffrey Jackson
Taylor N. Tejada
Attorneys for Plaintiff and the Class

O'HAGAN MEYER

DATED: April 4, 2024

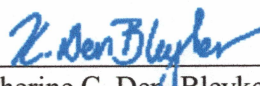

Katherine C. Der Bleyker
Sohin Gautam
Attorneys for Defendants,
Teen Road to Safety, Inc., and Andrew Wunderlich

EXHIBIT 2



Via Online Filing

June 28, 2023

Labor and Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, CA 95814
PAGAfilings@dir.ca.gov
<https://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html>

Re: David Frederick Bitonti Jr., Merrit Lynn Chassie v. Teen Road To Safety Inc., Andrew Wunderlich

Dear Representative:

This office represents David Frederick Bitonti, Jr. ("Mr. Bitonti") and Merrit Lynn Chassie ("Ms. Chassie") (Ms. Chassie and Mr. Bitonti are collectively referred to as "**Claimants**") with respect to their claims under the California Labor Code against Teen Road To Safety, Inc. and its owner, Andrew Wunderlich ("**Employer**"). This letter is being sent simultaneously to Employers by certified mail.

Mr. Bitonti has been employed as an hourly, non-exempt employee by Teen Road To Safety, Inc. since approximately November 2022. Ms. Chassie was employed as an hourly, non-exempt employee by Teen Road To Safety, Inc. from approximately May 2022 to approximately April 2023. Claimants' job duties included driving to the houses of teenage driving students, providing instruction on the parts and functions of a vehicle, teaching the students about on-road regulations and performing maintenance on Employers' vehicles.

Claimants intend to seek penalties for violations of the California Labor Code which are recoverable under California Labor Code section 2698, *et seq.*, the Private Attorneys General Act of 2004 ("**PAGA**"). Claimants are seeking penalties on behalf of themselves and in a representative capacity on behalf of the State of California and all current and former non-exempt employees of Teen Road To Safety, Inc. ("**Aggrieved Employees**"). This letter is being sent in compliance with California Labor Code sections 2699.3 and 2810.3.

As detailed below, Employers violated several of California's wage and hour laws during Claimants' employment, including but not limited to violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.2, 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, 2802, and the Industrial Welfare



Commission Wage Orders (“IWC Wage Order”) including *inter alia*, IWC Wage Order No. 4. The claims made on behalf of Claimants and Aggrieved Employees are based upon the following facts and theories:

Throughout Claimants and the Aggrieved Employees’ employment, Employers paid Claimants and the Aggrieved Employees on a “piece rate” only basis in which Claimants, and other Aggrieved Employees, were paid for two hours of work for each lesson they provided because the lessons are supposed to last two hours. For example, Claimants’ paystubs did not reflect that they were paid on a piece rate basis, but it would show that Mr. Bitonti had an hourly rate of \$30 and would receive two hours’ worth of “compensable time” for each lesson provided. Claimants and the Aggrieved Employees were never compensated for any time spent that was not a scheduled lesson; thus, Employers failed to pay Claimants and the Aggrieved Employees’ for time spent traveling between worksites (e.g. time spent traveling from one student’s house to another), maintaining or washing Employers’ company cars, or other “nonproductive hours” during which Claimants and the Aggrieved Employees were under Employer’s control. Mandated breaks and other nonproductive time, including rest and recovery time, were never separately compensated in violation of California law. Moreover, Claimants and the Aggrieved Employees’ paystubs did not accurately reflect that Claimants and the Aggrieved Employees were being paid on a piece rate basis, and the time and pay were not listed separately on the employee’s wage stub, such as separate rates and hours worked for productive time, non-productive time, rest time, and the number of pieces and the piece rate provided.

1. FAILURE TO PAY FOR ALL TIME WORKED AT CORRECT RATES OF PAY, INCLUDING MINIMUM WAGES, STRAIGHT TIME WAGES, AND OVERTIME COMPENSATION

Employers have engaged in numerous unlawful practices which resulted in the failure to pay Claimants and Aggrieved Employees for all time worked at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation.

First, Employers regularly required Claimants and Aggrieved Employees to work more than eight (8) hours in a day or forty (40) hours in a workweek, but failed to pay them overtime compensation for such work. Employers also failed to provide Claimants and Aggrieved Employees with adequate training as to the payment of overtime compensation, all in an effort to keep their workers uninformed as to their legal right to overtime compensation. In addition, Employers regularly required Claimants and Aggrieved Employees to work off-the-clock in order to complete their duties and responsibilities. This off-the-clock work included, amongst other things, requiring Claimants and Aggrieved Employees to: (1) respond to Employers and work-related requests and perform work while clocked out for



purported meal breaks; (2) perform work before clocking in for the start of their shift; (3) perform work after clocking out for the end of their shift; and (4) donning and doffing uniforms and other protective equipment while off-the-clock. Claimants and Aggrieved Employees were not compensated for this off-the-clock work, resulting in a failure to pay minimum wages and straight time wages. Moreover, this off-the-clock work typically caused Claimants and Aggrieved Employees to work more than eight (8) hours in a day and forty (40) hours in week, resulting in a failure to pay overtime compensation.

In addition to requiring Claimants and Aggrieved Employees to perform work off-the-clock without compensation, Employers also failed to accurately record the actual time worked by Claimants and Aggrieved Employees, which resulted in a failure to pay Claimants and Aggrieved Employees for all hours actually worked, including minimum wages, straight time wages and overtime wages. Finally, and as a matter of policy and/or practice, Employers failed to pay overtime to Claimants and Aggrieved Employees for all overtime hours worked based on regular rates of pay correctly calculated to include all applicable remuneration.

As a result of the foregoing practices, Employers have failed to pay Claimants and Aggrieved Employees for all wages earned at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation. Accordingly, Employers violated IWC Wage Order No. 4 and California Labor Code sections 204, 510, 1194, 1197, 1197.1 and 1198.

Claimants and Aggrieved Employees will therefore seek unpaid wages; PAGA default penalties; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 4; penalties pursuant to California Labor Code sections 558, 1197.1, and 1199; compensation pursuant to Labor Code Section 1194; and attorneys' fees and costs.

2. FAILURE TO PROVIDE MEAL PERIODS AND PAY MEAL PERIOD PREMIUMS

Employers failed to provide Claimants and Aggrieved Employees with legally-compliant 30-minute meal periods. Claimants and Aggrieved Employees were required by Employers to work more than five (5) hours per day, but were not provided with uninterrupted 30-minute meal periods. Further, Claimants and Aggrieved Employees were not provided with a second uninterrupted 30-minute meal period when they worked over ten (10) hours per day. Employers regularly required Claimants and Aggrieved Employees to work through their first and second meal periods, to take their first meal period after their fifth (5th) hour of work, and/or to take their second meal periods after their tenth (10th) hour of work. On the occasions that Claimants and Aggrieved Employees did take a meal period, their meal periods were frequently interrupted or cut short.

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Employers' policies, practices, and procedures were responsible for the violations alleged above and prevented Claimants and other Aggrieved Employees from taking timely, complete and duty-free meal periods because, amongst other reasons: (1) Employers did not have legally-compliant policies regarding the provision and timing of meal periods or systematically disregarded their own purported meal period policies; (2) Employers' management at various levels, affecting all hourly-non-exempt employees, failed and refused to implement and enforce legally compliant meal period policies and practices; (3) Employers failed to adequately inform and train Claimants and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free meal periods; (4) Employers failed to adequately inform and train Claimants and other Aggrieved Employees about their right to premium wages for non-compliant meal periods; (5) Employers failed to ensure that there was adequate staffing to allow Claimants and other Aggrieved Employees to take timely, uninterrupted, and duty-free meal periods; (6) Employers required Claimants and other Aggrieved Employees to remain on-call and respond to work-related requests at all times, including during meal periods, which included responding to in-person verbal interruptions; (7) Employers required Claimants and other Aggrieved Employees to perform work-related duties during purported meal periods, including but not limited to donning and doffing required protective gear; and (8) Employers' policy and culture prevented Claimants and other Aggrieved Employees from taking timely, uninterrupted, and duty-free meal periods because of the priority placed on completing job requirements over employees right to receive timely, uninterrupted, and duty-free meal periods.

Claimants and Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the meal periods which were not provided to them in compliance with California law. Accordingly, Employers violated IWC Wage Order No. 4 and California Labor Code sections 226.7, 512(a) and 1198.

Claimants and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 4; penalties pursuant to California Labor Code sections 558 and 1199; and attorneys' fees and costs.

3. FAILURE TO AUTHORIZE AND PERMIT REST PERIODS AND PAY REST PERIOD PREMIUMS

Employers failed to authorize and permit Claimants and Aggrieved Employees take legally-compliant 10-minute rest periods. Employers required Claimants and Aggrieved Employees to work through rest periods. Claimants and Aggrieved Employees were not provided with uninterrupted, duty-free rest periods when they worked more than four (4) hours or a major fraction thereof. Further, Claimants and Aggrieved Employees were not provided with a second



uninterrupted, duty-free rest period when they worked more than six (6) hours in a day, or a third uninterrupted, duty-free rest period after working more than ten (10) hours in day. In the rare event that a rest period was taken, it was frequently interrupted or cut short. Moreover, Claimants and Aggrieved Employees were not completely relieved of duty as required by *Augustus v. ABM Security Services, Inc.* (2016) 2 Cal.5th 257.

Employers' policies, practices, and procedures were responsible for the violations alleged above and prevented Claimants and other Aggrieved Employees from taking timely and complete rest periods because, amongst other reasons: (1) Employers did not have legally-compliant policies regarding the provision and timing of rest periods or systematically disregarded their own purported rest period policies; (2) Employers' management at various levels, affecting all hourly-non-exempt employees, failed and refused to implement and enforce legally compliant rest period policies and practices; (3) Employers failed to adequately inform and train Claimants and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free rest periods; (4) Employers failed to adequately inform and train Claimants and other Aggrieved Employees about their right to premium wages for non-compliant rest periods; (5) Employers failed to ensure that there was adequate staffing to allow Claimants and other Aggrieved Employees to take timely, uninterrupted, and duty-free rest periods; (6) Employers required Claimants and other Aggrieved Employees to remain on-call and respond to work-related requests at all times, including during rest periods, which included responding to in-person verbal interruptions; and (7) Employers' policy and culture prevented Claimants and other Aggrieved Employees from taking timely, uninterrupted, and duty-free rest periods because of the priority placed on completing job requirements over employees right to receive rest periods.

Claimants and Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the rest periods which were not provided to them in compliance with California law. Accordingly, Employers violated IWC Wage Order No. 4 and California Labor Code sections 226.7, and 1198.

Claimants and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 4; California Labor Code sections 558 and 1199 penalties; and attorneys' fees and costs.

4. FAILURE TO PROVIDE WRITTEN NOTICE OF PAID SICK LEAVE AND SUPPLEMENTAL PAID SICK LEAVE

California Labor Code section 246(I) states that an "employer shall provide an employee with written notice that sets forth the amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, for use on



either the employee's itemized wage statement as described in Section 226 or in a separate writing provided on the designated pay date with the employee's payment of wages." Employers' knowingly and intentionally failed to provide timely, accurate, itemized wage statements to Claimants and the Aggrieved Employees in accordance with Labor Code sections 226(a) and 246(i), and to keep accurate records as required by section 1174(d).

The wage statements provided to Claimants and the Aggrieved Employees, if any, and the records maintained by the Employers, have not accurately reflected the amounts of available paid sick leave, vacation, or paid time off. Such failures caused injury to Claimants and the Aggrieved Employees, by, among other things, depriving them of the rights afforded them by the 2021 COVID-19 Supplemental Paid Sick Leave law, and by impeding them from knowing the accurate amounts of available paid sick leave, vacation, or paid time off. Claimants and the Aggrieved Employees were forced to either work while sick or lose pay. Employers are therefore liable for civil penalties pursuant to Labor Code section 2698 *et seq.*

5. FAILURE TO TIMELY PAY WAGES DURING EMPLOYMENT

As to each pay period, Employers have failed to timely pay all wages earned because Claimants and Aggrieved Employees were not paid all the wages they were owed including, *inter alia*, overtime compensation, straight time wages, minimum wages, and meal and rest period premiums. Accordingly, Employers violated California Labor Code section 204(a).

Claimants and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to California Labor Code sections 210 and 1199; and attorneys' fees and costs.

6. FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

As a result of the practices described above, the wage statements provided to Claimants and Aggrieved Employees failed to include the actual hours worked, the actual gross wages earned, and the correct rates of pay. Accordingly, Employers violated California Labor Code section 226(a).

Claimants and Aggrieved Employees will therefore seek PAGA default penalties; penalties pursuant to California Labor Code section 226.3; and attorneys' fees and costs.

7. FAILURE TO MAINTAIN ACCURATE RECORDS

Employers have failed to maintain accurate records relating to Claimants and Aggrieved Employees' work periods, meal periods, total daily hours worked, and



total hours worked per payroll period. Accordingly, Employers violated IWC Wage Order No. 4 and California Labor Code sections 1198.5 and 1174(d).

Claimants and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 4; California Labor Code section 1174.5 penalties; and attorneys' fees and costs.

8. FAILURE TO REIMBURSE NECESSARY EXPENDITURES

California Labor Code sections 2800 and 2802 require an employer to reimburse its employees 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. IWC Wage Order No. 4 requires employers to provide employees with the tools or equipment necessary for the performance of their job. During the relevant time period, Claimants and Aggrieved Employees incurred necessary business-related expenses and costs that were not fully reimbursed by Employers. These costs include, but are not limited to, the use of their personal cell phone for work related purposes. Accordingly, Employers violated IWC Order No. 4 and California Labor Code sections 2800 and 2802.

Claimants and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 4; and attorneys' fees and costs.

9. FAILURE TO TIMELY PAY ALL WAGES UPON TERMINATION OF EMPLOYMENT

Upon the termination of employment, Claimants and Aggrieved Employees were not paid all wages due to them within twenty-four (24) hours or even within seventy-two (72) hours for those who resigned. Specifically, as a result of Employers' practices of requiring Claimants and Aggrieved Employees to work off-the-clock without compensation, failing to pay proper overtime compensation, failure to properly calculate regular rates, and failure to accurately record all hours actually worked, Employers failed to pay Claimants and Aggrieved Employees for all straight time wage, minimum wages and overtime compensation owed to them upon termination of their employment. Employers also failed to pay Claimants and Aggrieved Employees for meal period premiums and rest period premiums they were owed, amongst other wages. Accordingly, Employers violated California Labor Code sections 201 and 202.

Claimants and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to California



Labor Code sections 203, 1199, and 2699(f)(2); and attorneys' fees and costs.

Therefore, on behalf of herself, the State of California and all Aggrieved Employees, Claimants may seek all applicable penalties related to these violations of the California Labor Code pursuant to PAGA. If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Zack I. Domb', followed by a long horizontal line.

ZACK I. DOMB
PARTNER
For DOMB & RAUCHWERGER LLP

Notice provided to Employer via U.S. Mail and Email

Teen Road To Safety Inc.
ATTN: Andrew Wunderlich
2 Amarante
Laguna Niguel, CA 92677
E-Mail: office@teenroadtosafety.com; teenroadtosafetyirvine@gmail.com;
temecula@teenroadtosafety.com

Notice provided to Employer via U.S. Mail and Email

Andrew Wunderlich
2 Amarante
Laguna Niguel, CA 92677
E-Mail: office@teenroadtosafety.com; teenroadtosafetyirvine@gmail.com;
temecula@teenroadtosafety.com

EXHIBIT 3



Via Online Filing

December 19, 2023

Labor and Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, CA 95814
PAGAfilings@dir.ca.gov
<https://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html>

Re: David Frederick Bitonti Jr., Merrit Lynn Chassie v. Teen Road To Safety Inc., Andrew Wunderlich, Teen Road To Safety Irvine LLC, Teen Road to safety of Orange Inc, Teen Road To Safety Of Orange LLC, Teen Road To Safety Upland LLC

Dear Representative:

This office represents David Frederick Bitonti, Jr. ("Mr. Bitonti") and Merrit Lynn Chassie ("Ms. Chassie")(Ms. Chassie and Mr. Bitonti are collectively referred to as "**Claimants**") with respect to their claims under the California Labor Code against Teen Road To Safety, Inc. and its owner, Andrew Wunderlich, Teen Road To Safety Irvine LLC, Teen Road to safety of Orange Inc, Teen Road To Safety Of Orange LLC, Teen Road To Safety Upland LLC (collectively "**Employers**"). This letter is being sent simultaneously to Employers by certified mail.

Mr. Bitonti has been employed as an hourly, non-exempt employee by Employers since approximately November 2022. Ms. Chassie was employed as an hourly, non-exempt employee by Employers from approximately May 2022 to approximately April 2023. Claimants' job duties included driving to the houses of teenage driving students, providing instruction on the parts and functions of a vehicle, teaching the students about on-road regulations and performing maintenance on Employers' vehicles.

Claimants intend to seek penalties for violations of the California Labor Code which are recoverable under California Labor Code section 2698, *et seq.*, the Private Attorneys General Act of 2004 ("**PAGA**"). Claimants are seeking penalties on behalf of themselves and in a representative capacity on behalf of the State of California and all current and former non-exempt employees of Employers ("**Aggrieved Employees**"). This letter is being sent in compliance with California Labor Code sections 2699.3 and 2810.3.

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As detailed below, Employers violated several of California's wage and hour laws during Claimants' employment, including but not limited to violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.2, 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, 2802, and the Industrial Welfare Commission Wage Orders ("IWC Wage Order") including *inter alia*, IWC Wage Order No. 4. The claims made on behalf of Claimants and Aggrieved Employees are based upon the following facts and theories:

Throughout Claimants and the Aggrieved Employees' employment, Employers paid Claimants and the Aggrieved Employees on a "piece rate" only basis in which Claimants, and other Aggrieved Employees, were paid for two hours of work for each lesson they provided because the lessons are supposed to last two hours. For example, Claimants' paystubs did not reflect that they were paid on a piece rate basis, but it would show that Mr. Bitonti had an hourly rate of \$30 and would receive two hours' worth of "compensable time" for each lesson provided. Claimants and the Aggrieved Employees were never compensated for any time spent that was not a scheduled lesson; thus, Employers failed to pay Claimants and the Aggrieved Employees' for time spent traveling between worksites (e.g. time spent traveling from one student's house to another), maintaining or washing Employers' company cars, or other "nonproductive hours" during which Claimants and the Aggrieved Employees were under Employer's control. Mandated breaks and other nonproductive time, including rest and recovery time, were never separately compensated in violation of California law. Moreover, Claimants and the Aggrieved Employees' paystubs did not accurately reflect that Claimants and the Aggrieved Employees were being paid on a piece rate basis, and the time and pay were not listed separately on the employee's wage stub, such as separate rates and hours worked for productive time, non-productive time, rest time, and the number of pieces and the piece rate provided.

1. FAILURE TO PAY FOR ALL TIME WORKED AT CORRECT RATES OF PAY, INCLUDING MINIMUM WAGES, STRAIGHT TIME WAGES, AND OVERTIME COMPENSATION

Employers have engaged in numerous unlawful practices which resulted in the failure to pay Claimants and Aggrieved Employees for all time worked at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation.

First, Employers regularly required Claimants and Aggrieved Employees to work more than eight (8) hours in a day or forty (40) hours in a workweek, but failed to pay them overtime compensation for such work. Employers also failed to provide Claimants and Aggrieved Employees with adequate training as to the payment of overtime compensation, all in an effort to keep their workers uninformed as to their legal right to overtime compensation. In addition, Employers



regularly required Claimants and Aggrieved Employees to work off-the-clock in order to complete their duties and responsibilities. This off-the-clock work included, amongst other things, requiring Claimants and Aggrieved Employees to: (1) respond to Employers and work-related requests and perform work while clocked out for purported meal breaks; (2) perform work before clocking in for the start of their shift; (3) perform work after clocking out for the end of their shift; and (4) donning and doffing uniforms and other protective equipment while off-the-clock. Claimants and Aggrieved Employees were not compensated for this off-the-clock work, resulting in a failure to pay minimum wages and straight time wages. Moreover, this off-the-clock work typically caused Claimants and Aggrieved Employees to work more than eight (8) hours in a day and forty (40) hours in week, resulting in a failure to pay overtime compensation.

In addition to requiring Claimants and Aggrieved Employees to perform work off-the-clock without compensation, Employers also failed to accurately record the actual time worked by Claimants and Aggrieved Employees, which resulted in a failure to pay Claimants and Aggrieved Employees for all hours actually worked, including minimum wages, straight time wages and overtime wages. Finally, and as a matter of policy and/or practice, Employers failed to pay overtime to Claimants and Aggrieved Employees for all overtime hours worked based on regular rates of pay correctly calculated to include all applicable remuneration.

As a result of the foregoing practices, Employers have failed to pay Claimants and Aggrieved Employees for all wages earned at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation. Accordingly, Employers violated IWC Wage Order No. 4 and California Labor Code sections 204, 510, 1194, 1197, 1197.1 and 1198.

Claimants and Aggrieved Employees will therefore seek unpaid wages; PAGA default penalties; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 4; penalties pursuant to California Labor Code sections 558, 1197.1, and 1199; compensation pursuant to Labor Code Section 1194; and attorneys' fees and costs.

2. FAILURE TO PROVIDE MEAL PERIODS AND PAY MEAL PERIOD PREMIUMS

Employers failed to provide Claimants and Aggrieved Employees with legally-compliant 30-minute meal periods. Claimants and Aggrieved Employees were required by Employers to work more than five (5) hours per day, but were not provided with uninterrupted 30-minute meal periods. Further, Claimants and Aggrieved Employees were not provided with a second uninterrupted 30-minute meal period when they worked over ten (10) hours per day. Employers regularly required Claimants and Aggrieved Employees to work through their first and second meal periods, to take their first meal period after their fifth (5th) hour of work, and/or to take their second meal periods after their tenth (10th) hour of work. On



the occasions that Claimants and Aggrieved Employees did take a meal period, their meal periods were frequently interrupted or cut short.

Employers' policies, practices, and procedures were responsible for the violations alleged above and prevented Claimants and other Aggrieved Employees from taking timely, complete and duty-free meal periods because, amongst other reasons: (1) Employers did not have legally-compliant policies regarding the provision and timing of meal periods or systematically disregarded their own purported meal period policies; (2) Employers' management at various levels, affecting all hourly-non-exempt employees, failed and refused to implement and enforce legally compliant meal period policies and practices; (3) Employers failed to adequately inform and train Claimants and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free meal periods; (4) Employers failed to adequately inform and train Claimants and other Aggrieved Employees about their right to premium wages for non-compliant meal periods; (5) Employers failed to ensure that there was adequate staffing to allow Claimants and other Aggrieved Employees to take timely, uninterrupted, and duty-free meal periods; (6) Employers required Claimants and other Aggrieved Employees to remain on-call and respond to work-related requests at all times, including during meal periods, which included responding to in-person verbal interruptions; (7) Employers required Claimants and other Aggrieved Employees to perform work-related duties during purported meal periods, including but not limited to donning and doffing required protective gear; and (8) Employers' policy and culture prevented Claimants and other Aggrieved Employees from taking timely, uninterrupted, and duty-free meal periods because of the priority placed on completing job requirements over employees right to receive timely, uninterrupted, and duty-free meal periods.

Claimants and Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the meal periods which were not provided to them in compliance with California law. Accordingly, Employers violated IWC Wage Order No. 4 and California Labor Code sections 226.7, 512(a) and 1198.

Claimants and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 4; penalties pursuant to California Labor Code sections 558 and 1199; and attorneys' fees and costs.

3. FAILURE TO AUTHORIZE AND PERMIT REST PERIODS AND PAY REST PERIOD PREMIUMS

Employers failed to authorize and permit Claimants and Aggrieved Employees take legally-compliant 10-minute rest periods. Employers required Claimants and Aggrieved Employees to work through rest periods. Claimants and



Aggrieved Employees were not provided with uninterrupted, duty-free rest periods when they worked more than four (4) hours or a major fraction thereof. Further, Claimants and Aggrieved Employees were not provided with a second uninterrupted, duty-free rest period when they worked more than six (6) hours in a day, or a third uninterrupted, duty-free rest period after working more than ten (10) hours in day. In the rare event that a rest period was taken, it was frequently interrupted or cut short. Moreover, Claimants and Aggrieved Employees were not completely relieved of duty as required by *Augustus v. ABM Security Services, Inc.* (2016) 2 Cal.5th 257.

Employers' policies, practices, and procedures were responsible for the violations alleged above and prevented Claimants and other Aggrieved Employees from taking timely and complete rest periods because, amongst other reasons: (1) Employers did not have legally-compliant policies regarding the provision and timing of rest periods or systematically disregarded their own purported rest period policies; (2) Employers' management at various levels, affecting all hourly-non-exempt employees, failed and refused to implement and enforce legally compliant rest period policies and practices; (3) Employers failed to adequately inform and train Claimants and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free rest periods; (4) Employers failed to adequately inform and train Claimants and other Aggrieved Employees about their right to premium wages for non-compliant rest periods; (5) Employers failed to ensure that there was adequate staffing to allow Claimants and other Aggrieved Employees to take timely, uninterrupted, and duty-free rest periods; (6) Employers required Claimants and other Aggrieved Employees to remain on-call and respond to work-related requests at all times, including during rest periods, which included responding to in-person verbal interruptions; and (7) Employers' policy and culture prevented Claimants and other Aggrieved Employees from taking timely, uninterrupted, and duty-free rest periods because of the priority placed on completing job requirements over employees right to receive rest periods.

Claimants and Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the rest periods which were not provided to them in compliance with California law. Accordingly, Employers violated IWC Wage Order No. 4 and California Labor Code sections 226.7, and 1198.

Claimants and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 4; California Labor Code sections 558 and 1199 penalties; and attorneys' fees and costs.

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4. FAILURE TO PROVIDE WRITTEN NOTICE OF PAID SICK LEAVE AND SUPPLEMENTAL PAID SICK LEAVE

California Labor Code section 246(I) states that an “employer shall provide an employee with written notice that sets forth the amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, for use on either the employee's itemized wage statement as described in Section 226 or in a separate writing provided on the designated pay date with the employee's payment of wages.” Employers’ knowingly and intentionally failed to provide timely, accurate, itemized wage statements to Claimants and the Aggrieved Employees in accordance with Labor Code sections 226(a) and 246(i), and to keep accurate records as required by section 1174(d).

The wage statements provided to Claimants and the Aggrieved Employees, if any, and the records maintained by the Employers, have not accurately reflected the amounts of available paid sick leave, vacation, or paid time off. Such failures caused injury to Claimants and the Aggrieved Employees, by, among other things, depriving them of the rights afforded them by the 2021 COVID-19 Supplemental Paid Sick Leave law, and by impeding them from knowing the accurate amounts of available paid sick leave, vacation, or paid time off. Claimants and the Aggrieved Employees were forced to either work while sick or lose pay. Employers are therefore liable for civil penalties pursuant to Labor Code section 2698 *et seq.*

5. FAILURE TO TIMELY PAY WAGES DURING EMPLOYMENT

As to each pay period, Employers have failed to timely pay all wages earned because Claimants and Aggrieved Employees were not paid all the wages they were owed including, *inter alia*, overtime compensation, straight time wages, minimum wages, and meal and rest period premiums. Accordingly, Employers violated California Labor Code section 204(a).

Claimants and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to California Labor Code sections 210 and 1199; and attorneys’ fees and costs.

6. FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

As a result of the practices described above, the wage statements provided to Claimants and Aggrieved Employees failed to include the actual hours worked, the actual gross wages earned, and the correct rates of pay. Accordingly, Employers violated California Labor Code section 226(a).

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Claimants and Aggrieved Employees will therefore seek PAGA default penalties; penalties pursuant to California Labor Code section 226.3; and attorneys' fees and costs.

7. FAILURE TO MAINTAIN ACCURATE RECORDS

Employers have failed to maintain accurate records relating to Claimants and Aggrieved Employees' work periods, meal periods, total daily hours worked, and total hours worked per payroll period. Accordingly, Employers violated IWC Wage Order No. 4 and California Labor Code sections 1198.5 and 1174(d).

Claimants and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 4; California Labor Code section 1174.5 penalties; and attorneys' fees and costs.

8. FAILURE TO REIMBURSE NECESSARY EXPENDITURES

California Labor Code sections 2800 and 2802 require an employer to reimburse its employees 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. IWC Wage Order No. 4 requires employers to provide employees with the tools or equipment necessary for the performance of their job. During the relevant time period, Claimants and Aggrieved Employees incurred necessary business-related expenses and costs that were not fully reimbursed by Employers. These costs include, but are not limited to, the use of their personal cell phone for work related purposes. Accordingly, Employers violated IWC Order No. 4 and California Labor Code sections 2800 and 2802.

Claimants and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 4; and attorneys' fees and costs.

9. FAILURE TO TIMELY PAY ALL WAGES UPON TERMINATION OF EMPLOYMENT

Upon the termination of employment, Claimants and Aggrieved Employees were not paid all wages due to them within twenty-four (24) hours or even within seventy-two (72) hours for those who resigned. Specifically, as a result of Employers' practices of requiring Claimants and Aggrieved Employees to work off-the-clock without compensation, failing to pay proper overtime compensation, failure to properly calculate regular rates, and failure to accurately record all hours actually worked, Employers failed to pay Claimants and Aggrieved Employees for all



straight time wage, minimum wages and overtime compensation owed to them upon termination of their employment. Employers also failed to pay Claimants and Aggrieved Employees for meal period premiums and rest period premiums they were owed, amongst other wages. Accordingly, Employers violated California Labor Code sections 201 and 202.

Claimants and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to California Labor Code sections 203, 1199, and 2699(f)(2); and attorneys' fees and costs.

Therefore, on behalf of herself, the State of California and all Aggrieved Employees, Claimants may seek all applicable penalties related to these violations of the California Labor Code pursuant to PAGA. If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Zack I. Domb', followed by a long horizontal line.

ZACK I. DOMB
PARTNER
For DOMB & RAUCHWERGER LLP

Notice provided to Employer via Certified Mail and Email

Teen Road To Safety Inc.
ATTN: Andrew Wunderlich
2 Amarante
Laguna Niguel, CA 92677
E-Mail: office@teenroadtosafety.com; teenroadtosafetyirvine@gmail.com;
trtsorange@gmail.com; temecula@teenroadtosafety.com; trtsupland@gmail.com

Notice provided to Employer via Certified Mail and Email

Andrew Wunderlich
2 Amarante
Laguna Niguel, CA 92677
E-Mail: office@teenroadtosafety.com; teenroadtosafetyirvine@gmail.com;
trtsorange@gmail.com; temecula@teenroadtosafety.com; trtsupland@gmail.com

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Notice provided to Employer via Certified Mail and Email

Teen Road To Safety Irvine LLC
c/o United States Corporation Agents, Inc.
101 N Brand Blvd 11th Fl
Glendale, CA 91203
E-Mail: office@teenroadtosafety.com; teenroadtosafetyirvine@gmail.com;
trtsorange@gmail.com; temecula@teenroadtosafety.com; trtsupland@gmail.com

Notice provided to Employer via Certified Mail and Email

Teen Road to safety of Orange Inc
c/o Legalcorp Solutions, Inc
8939 S. Sepulveda Blvd. Ste 102
Los Angeles, CA 90045
E-Mail: office@teenroadtosafety.com; teenroadtosafetyirvine@gmail.com;
trtsorange@gmail.com; temecula@teenroadtosafety.com; trtsupland@gmail.com

Notice provided to Employer via Certified Mail and Email

Teen Road To Safety Of Orange LLC
c/o Legalzoom.com, Inc
101 N. Brand Bl. 11th Floor
Glendale, CA 91203
E-Mail: office@teenroadtosafety.com; teenroadtosafetyirvine@gmail.com;
trtsorange@gmail.com; temecula@teenroadtosafety.com; trtsupland@gmail.com

Notice provided to Employer via Certified Mail and Email

Teen Road To Safety Upland LLC
c/o Maurice Othic
35573 Wanki Ave
Wildomar, CA 92595
E-Mail: office@teenroadtosafety.com; teenroadtosafetyirvine@gmail.com;
trtsorange@gmail.com; temecula@teenroadtosafety.com; trtsupland@gmail.com

EXHIBIT 4

Jessica Delgado

From: DIR PAGA Unit <no-reply@formassembly.com>
Sent: Friday, January 3, 2025 9:30 AM
To: Info
Subject: Thank you for your Proposed Settlement Submission

01/03/2025 09:29:14 AM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

PAGA NOTICE PUBLIC SEARCH - CASE DETAIL

Case Information

Case Number: LWDA-CM-964956-23
Plaintiff for PAGA Case: David Frederick Bitonti Jr., and Merrit Lynn Chassie
Filer/Attorney for PAGA Case: Zack Domb
Law Firm for PAGA Plaintiff: Domb & Rauchwerger LLP
Employer: Teen Road to Safety Inc.
Date Case Received:
Filer for Employer:
Employer Filer Firm:
Court Type: California Superior Courts
Court Name: Orange County Superior Court
PAGA Court Case Number: 30-2023-01333703-CU-OE-CXC
Violation Type:
Related BOFE Case:

Attachments

Attachment Name	Description	Date Submitted	Type
Amended Notice Submitted on 12/19/2023 03:57:48 PM by Zack Domb	2023.12.19 PAGA Letter-Amended.pdf	19/12/2023 23:58	Amended Notice
Court Complaint Submitted on 09/14/2023 05:19:15 PM by Zack Domb	2023.09.01 P-FAC adding PAGA.pdf	15/09/2023 0:19	Court Complaint
PAGA Notice Submitted on 06/28/2023 10:09:21 AM by Zack Domb	2023.06.28 PAGA Letter.pdf	28/06/2023 17:09	PAGA Notice
Proposed Settlement Submitted on 01/03/2025 09:29:14 AM by Devin Rauchwerger	2024.04.02 Settlement Agreement - Fully Executed-submit to LWDA.pdf	3/01/2025 17:29	Proposed Settlement

EXHIBIT 5

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

David Bitonti, Jr., et. al. v. Teen Road to Safety, Inc., et. al.
Orange County Superior Court Case No. 30-2023-01333703-CU-OE-CXC

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

You may be eligible to receive money from an employee class action lawsuit (“Action”) against Teen Road to Safety, Inc., and its owner Andrew Wunderlich (“TRTS” or, collectively, “Defendants”) for alleged wage and hour violations. The Action was filed by two former TRTS employees, David Bitonti Jr. and Merritt Chassie (“Plaintiffs”) and seeks payment of (1) back wages and other relief for a class of employees (“Class Members”) who worked for TRTS during the Class Period (June 27, 2019, through and including August 1, 2023); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all employees who worked for TRTS during the PAGA Period (June 28, 2022 to August 1, 2023) (“Aggrieved Employees”).

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

Based on Defendants’ records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$_ (less withholding) and 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 Defendants’ 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 Defendants’ records showing that you worked _____ Qualifying Shifts during the Class Period and you worked _____ Pay periods during the PAGA Period. A Qualifying Shift is any day during the Class Period where you taught at least two lessons in a given day. If you believe that you worked more Qualifying Shifts or pay periods during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

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

If you worked for TRTS 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 Defendants.

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

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendants 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. Defendants must pay Individual PAGA Payments to all Aggrieved Employees (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 Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or 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 Qualifying Shifts/Pay Periods Written Challenges Must be Submitted by _____	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many days you worked during the Class Period where you worked at least two shifts in the day, and how many Pay Periods there were where you worked at least one day with at least two shifts in the day at least one day during the PAGA Period, respectively. The number of Qualifying Shifts and number of PAGA Period Pay Periods you worked according to Defendants’ records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by _____. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiffs are former TRTS employees who worked as driving instructors. The Action accuses Defendants of violating California labor laws by failing to pay wages for off-the-clock work, overtime wages, minimum wages, wages due upon termination and reimbursable expenses, and failing to provide meal periods, rest breaks and accurate itemized wage statements. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”). Plaintiff is represented by attorneys in the Action:

Domb & Rauchwerger LLP
1055 East Colorado Blvd., Fifth Floor
Pasadena, California 91106

(“Class Counsel.”)

Defendants strongly deny violating any laws or failing to pay any wages and contend they complied with all applicable laws.

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

So far, the Court has made no determination whether Defendants or Plaintiffs are correct on the merits. In the meantime, Plaintiffs and Defendants hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiffs and Defendants 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, Defendants do 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) Defendants have agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

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

1. Defendants Will Pay \$220,000 as the Gross Settlement Amount (Gross Settlement).
Defendants have agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, Defendants will fund the Gross Settlement not more than 30 days after the Judgment entered by the Court becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$ \$77,000.00 (35% of the Gross Settlement) to Class Counsel for attorneys' fees and up to \$14,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$7,500 as a Class Representative Award to David Bitonti, Jr. and up to \$5,000 to Merritt Chassie for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiffs will receive other than their Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$5,000 to the Administrator for services administering the Settlement.
 - D. Up to \$10,000 for PAGA Penalties, allocated 75% (\$7,500) to the LWDA PAGA Payment and 25% (\$2,500) in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

Participating Class Members have the right to object to any of these deductions (other than the PAGA Penalties). 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 the number of days during the Class Period that a Class Member taught at least 2 driving lessons in a day.

4. Taxes Owed on Payments to Class Members. Plaintiffs and Defendants are asking the Court to approve an allocation of 33 1/3% of each Individual Class Payment to taxable wages (“Wage Portion”) and 66 2/3% to penalties and interest. (“Non-Wage Portion.”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendants will separately pay employer payroll taxes they owe on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiffs and Defendants 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). The void date will be 180 days following the issuance of the check. 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 are 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 _____ 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 Defendants.

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.

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 enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Defendants have agreed that, in either case, the Settlement will be void: Defendants will not pay any money and Class Members will not release any claims against Defendants.
8. Administrator. The Court has appointed a neutral company, Phoenix Settlement Administrators (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges over Qualifying Shifts, 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 Defendants have 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 Defendants or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

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

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims that occurred during the Class Period and were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint, including: (1) Unpaid Overtime; (2) Unpaid Meal Period Premiums; (3) Unpaid Rest Period Premiums; (4) Unpaid Minimum Wages; (5) Final Wages Not Timely Paid; (6) Failure to Reimburse Necessary Business Expenses; (7) Failure to Provide Accurate Wage Statements; (8) Failure to Provide Written Notice of Paid Sick Leave and Supplemental Paid Sick Leave; and (9) Violation of Cal. Business & Professions Code § 17200, et seq. with respect to the business practices alleged in the Operative Complaint. 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. PAGA Release. Upon final approval by the Court and upon funding of the Gross Settlement Amount, the claims released by Plaintiffs, as agents and proxies of the LWDA, in exchange for the consideration provided by this Agreement, will include any and all claims for civil penalties under the California Labor Code Private Attorneys General Act of 2004 (“PAGA”), Labor Code section 2698, et seq., against the Released Parties for work performed during the PAGA Period and based on or arising out of the alleged violations of the Labor Code sections alleged in Plaintiffs’ letter to the LWDA, including but not limited to claims for unpaid wages of any type, unpaid overtime,

unpaid minimum wages, untimely wage payments both during and at the end of employment, non-compliant meal periods, non-compliant rest periods, non-compliant wage statements, unreimbursed business expenses, failure to maintain payroll records, failure to pay premiums, and claims for interest, penalties, or premiums in connection therewith.

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 Qualifying Shifts worked by all Participating Class Members, and (b) multiplying the result by the number of Qualifying Shifts worked by each individual Participating Class Member. A Qualifying Shift as any day in which a Class Member taught at least two lessons in a given day.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$2,500 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
3. Qualifying Shift/Pay Period Challenges. The number of Qualifying Shifts you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendants' records, are stated in the first page of this Notice. You have until ___ to challenge the number of Qualifying Shifts 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 Defendants' calculation of Qualifying Shifts and/or Pay Periods based on Defendants' 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 Qualifying Shifts 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 Defendants' Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

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

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

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

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Bitonti v. Teen Road to Safety, Inc.*, 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.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiffs and Defendants are asking the Court to approve. At least 16 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 Class Representative Service Awards. 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 <http://Bitonti-v-TeenRoad.phoenixcases.com> or the Court's website <https://civilwebshopping.occourts.org/Login.do>.

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 Action as *Bitonti v. Teen Road to Safety, Inc.* and include your name, current address, telephone number, and approximate dates of employment for TRTS and sign the objection. Section 9 of this Notice has the Administrator's contact information.

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

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on . at (time) in Department CX104 of the Orange County Superior Court, located at the Civil Complex Center at 751 West Santa Ana Blvd., Santa Ana, CA 92701. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via Zoom (<https://www.occourts.org/general-information/covid-19-response/civil-covid-19-response/civil-remote-hearings>) 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 _____ beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendants 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 Phoenix Settlement Administrators's website at (url). 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 (<http://www.lacourt.org/casesummary/ui/index.aspx>) and entering the Case Number for the Action, Case No. _____. You can also make an appointment to personally review court documents in the Clerk's Office at the Civil Complex Center by calling (657) 622-6878.

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

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Settlement Administrator:

Phoenix Settlement
Administrators

Email Address: Notice@phoenixclassaction.com

Mailing Address: P.O. Box 7208, Orange, California 92863

Telephone: 800-523-5773

Fax Number: 949-209-2503

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

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

11. WHAT IF I CHANGE MY ADDRESS?

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