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on behalf of himself and all others similarly situated

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO**

STANLEY CAJIGAL, on behalf of
himself and others similarly situated,

Plaintiff,

v.

HOWMET GLOBAL FASTERNING
SYSTEMS INC. dba HOWMET
GLOBAL FASTENING SYSTEM, a
Delaware corporation; HOWMET USA
CORP., an entity of unknown form;
ALCOA FASTENING SYSTEMS, an
entity of unknown form; and DOES 1
through 50, inclusive,

Defendants.

Case No.: CIVSB2316824

CLASS ACTION

Assigned for All Purposes To:

Hon. Tony Raphael
Dept.: S36

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

Date: July 1, 2025
Time: 8:30 a.m.
Dept.: S36

Original Complaint Filed: July 21, 2023
First Amended Complaint Filed: September 25, 2023
Trial Date: None Set

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1. I am an attorney licensed and admitted to practice before all courts of the State of California and the United States District Courts for the Central, Southern, Eastern and Northern Districts of California. I am Senior Counsel at D.Law, Inc. (“D.Law”), and attorney of record for Plaintiff Stanley Cajigal (“Plaintiff” or “Class Representative”) on behalf of himself and other similarly situated employees of defendants Howmet Global Fastening Systems Inc. dba Howmet Global Fastening System and Defendant Alcoa Fastening Systems (collectively “Defendants,” Defendants and Plaintiff hereinafter collectively referred to as the “Parties”).

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

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

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

5. D.Law has litigated and successfully resolved many wage and hour class action cases

1 involving failure to pay wages and derivative Labor Code claims and penalties. See e.g. De La
2 Rosa v. The Coca Cola Company et al. (Superior Court of California in Napa, 17CV000787),
3 Harvey v. Bed Bath & Beyond of California Limited Liability Company (Superior Court of
4 California in Alameda, RG17885153), Paredes v. Bottling Group LLC et. al. (Superior Court of
5 California in Kern), Ramirez v. Harris Ranch Beef Company (Superior Court of California in
6 Fresno, 16CECG04103), Gates v. Gate Gourmet, Inc. et. al. (Southern District of California, 16-
7 cv-01084-L-AGS), Hargrave v. Antelope Valley Hospital (Superior Court of California in Los
8 Angeles, BC663252), Ramirez v. Milton Roy et. al. (Superior Court of California in Los Angeles,
9 BC 632 276), Hawkins v. AvalonBay Communities (Superior Court of California in Santa Clara,
10 17CV316492), Jones Tharpe et al. v. Sprint Corporation et al. (Superior Court of California in
11 Los Angeles, BC644645), Ortega et al. v. Nestle Waters North America, Inc. et al. (Superior
12 Court of California in Los Angeles, BC623610), Schultz v. Jimbo's Natural Family, Inc.
13 (Superior Court of California in San Diego, 37-2017-00022348-CUE-OE-CTL), Ambrose v.
14 Victor Valley Global et al. (Superior Court of California in San Bernardino, CIVDS1709289),
15 Puerta-Gildardo v. Real Time Staffing Services LLC et. al. (Superior Court of California in Los
16 Angeles, BC565445), Vargo v. Pregis Innovative Packaging LLC (Superior Court of California in
17 Tulare, 270836), Conlin v. Aegis Senior Communities LLC (Northern District of California, 17-
18 cv-05534-LHK), Galarza v. Kloeckner Metals Corporation (Central District of California, 2:17-
19 cv-04910-FMO), Estes v. L3 Technologies, Inc. et al. (Southern District of California, 3:17-cv-
20 02356-H-JMA), Rowser v. Trunk Club, Inc. (Central District of California, 2:17-cv-05064-DSF-
21 RAO), Leach v. The Claremont Colleges, Inc. (Superior Court of California in Los Angeles,
22 BC686451), Vaesau v. PCT Enterprises, Inc. dba Precision Cabinets (Superior Court of
23 California, County of Contra Costa MSC18-02404), Terry v. TF Louderback, Inc. dba Bay Area
24 Beverage Company (Superior Court of the State of California, County of Contra Costa, MSC18-
25 00859), Roach v. Westcare California, Inc. (Superior Court of California in Kern County, BCV-
26 17-102367-SDS), Patton v. Church & Dwight Co., Inc. (Central District of California, EDCV 18-
27 903-MWF (KKx)), Juarez v. ISL Employees, Inc. (Superior Court of California in Madera,
28 MCV074787), Ferraro v. USC Verdugo Hill s Hospital, et al. (Superior Court of California in Los

1 Angeles, 18STCV09463), Ford v. Account Control Technology, Inc., et al. (Superior Court of
2 California in Los Angeles, 19STCV09369), Ornelas v. iStorage, et al. (Superior Court of
3 California in San Francisco, CGC-18-571421), Martinez v. Ronpak, Inc. (Superior Court of
4 California in Riverside, RIC1901307), Barrera et al. v. Exclusive Wireless, Inc. (Superior Court
5 of California in Stanislaus, 9000687), Barajas v. Mancha Development Company LLC (Superior
6 Court of California in Orange County, 30-2018-00974707-CU-OE-CXC), Prado v. IMAX
7 Corporation dba IMAC Worldwide Home (Superior Court of California in San Bernardino,
8 CIVDS1820265), Rodriguez v. ND Industries, Inc. (Superior Court of California in Los Angeles,
9 19STCV38096), Singletary v. Motel 6 Operating LP, et al. (Southern District of California, 3:20-
10 cv-0270-LAB-AHG), Quizon v. CF Watsonville East, LLC, et al. (Superior Court of California in
11 Santa Cruz, 20CV01868), Stephenson v. Bakersfield Dodge, Inc. (Superior Court of California in
12 Kern, BCV-20-102693), Bacerra v. Hugo Boss Retail, Inc. (Superior Court of California in San
13 Diego, 37-2021-00002933-CU-OE-CTL), Walker v. Ariat International, Inc. (Superior Court of
14 California in Alameda, HG19026439), Orr v. Petvet Care Centers (California) Inc. (Superior
15 Court of California in Santa Clara, 19CV354063), Jimenez v. OEC Distribution Services, Inc.
16 (Superior Court of California in San Bernardino, CIVDS1915743), Viridi v. Absolute Security
17 International (Superior Court of California in San Bernardino, CIVDS 1909589), Raj v. First
18 Transit, Inc (Superior Court of California in Sacramento, 34-2021-00295895-CU-OE-GDS),
19 Marchbanks v. Torrid Administration, Inc. (Superior Court of California in San Diego, 37-2020-
20 00008179-CU-OE-NC), among others.

21 6. As Senior Counsel at D.Law, I manage the class action and PAGA settlement
22 department. I was admitted to the California Bar in December 2008. I received my J.D. from
23 Pepperdine University School of Law and B.S. from University of Southern California. Since
24 graduating from law school, I have dedicated virtually my entire career on the practice of
25 employment law. I have practiced employment law from the plaintiff's side, defense side, and
26 from an in-house position. I have significant experience specifically working on wage and hour
27 class actions from the plaintiff's side as well as the defense side, with the majority of my
28 experience coming from the plaintiff's side representing employees and obtaining significant

1 settlements on their behalf.

2 7. Attorney David Yeremian is Managing Attorney at D.Law and counsel of record for
3 Plaintiff. Mr. Yeremian graduated from UC Berkeley in 1997 and received his law degree and
4 MBA from UCLA in 2001. Mr. Yeremian has been honored as a Super Lawyers Rising Star in
5 2009, 2010, 2012-2015 and has been named and honored as a Super Lawyer. Since 2007, Mr.
6 Yeremian has focused exclusively on representing employees, including in wage-and-hour class
7 actions. During his career, Mr. Yeremian has represented employees in hundreds of wage-and-
8 hour class action lawsuits as lead or co-lead counsel (including in the Central, Southern, Eastern,
9 and Northern Districts of California), and has obtained six and seven-figure settlements against a
10 range of defendants, including Fortune 500 companies.

11 8. Attorney Roman Shkodnik is Senior Counsel at D.Law and counsel of record for
12 Plaintiff. Mr. Shkodnik received his Bachelor of Arts in history and political science from the
13 University of California, Los Angeles, in 2007, and then earned his Juris Doctorate from Loyola
14 Law School in May of 2011. Upon graduating from law school, Mr. Shkodnik has exclusively
15 focused his practice on representing employees, including in wage-and-hour class actions. During
16 his career, Mr. Shkodnik has represented employees in over 100 wage-and-hour class action
17 lawsuits as lead or co-lead counsel (including in the Central, Southern, Eastern and Northern
18 Districts of California), and has also obtained six and seven figure settlements against a range of
19 defendants, including Fortune 500 companies. These cases have involved the gamut of wage-and-
20 hour claims, including claims for failure to pay minimum wages, unpaid wages and overtime,
21 failure to provide meal breaks, inaccurate pay statements, and failure to pay timely wages -
22 similar to claims at issue in the present matter.

23 9. The collective experience of the D.Law attorneys in litigating employment wage and
24 hour matters has been integral in identifying legal issues, evaluating the strengths and weaknesses
25 of a case, and generally negotiating fair and reasonable class and representative action
26 settlements. Practice in the narrow field of wage and hour litigation requires skill and knowledge
27 concerning the constantly evolving substantive law (state and federal), as well as the procedural
28 law of class and representative action litigation. In this action, the attorneys at D.Law are fully

1 equipped to use the skills and knowledge developed over decades of prosecuting and defending
2 wage and hour class actions to fairly and adequately represent the interests of the class members.
3 Therefore, based on our resources, experience, and knowledge, the attorneys at D.Law are well-
4 qualified to act as class counsel and represent Plaintiff and the putative class members in this
5 action.

6 10. For purposes of this motion, the “Class” or “Class Members” consist of “all persons
7 employed by Defendants in California and classified as non-exempt hourly employee who
8 worked for Defendants during the Class Period,” which is June 1, 2022 through August 2, 2024. I
9 do not believe that I have any conflicts of interest with the Class or with the Class
10 Representatives. I am not related to the Class Representatives. I have not previously represented
11 Defendant in any matter. I respectfully submit that I, and D.Law are well suited to act as Class
12 Counsel in this action, and we have and will continue to vigorously represent the interests of the
13 Class Members.

14 **PROCEDURAL HISTORY**

15 11. On July 21, 2023, Plaintiff Cajigal commenced a class action complaint against
16 Defendants alleging ten causes of action: (1) Failure to Pay Minimum Wages; (2) Failure to Pay
17 Wages and Overtime Under Labor Code § 510; (3) Meal Period Liability Under Labor Code §
18 226.7; (4) Rest Break Liability Under Labor Code § 226.7; (5) Failure to Pay Vacation Wages;
19 (6) Failure to Comply with labor Code § 245 *et seq.* and 246; (7) Violation of Labor Code §
20 226(a); (8) Failure to Keep Required Payroll Records Under Labor Code §§ 1174 and 1174.5; (9)
21 Penalties Pursuant to Labor Code § 203; and (10) Violation of Business & Professions Code §
22 17200 *et seq.* Plaintiff contends that Defendants failed to Plaintiff and Class Members all wages
23 due and owing, including by requiring off the clock work, unlawfully rounding to their detriment,
24 failing to provide meal and rest breaks, failing to furnish accurate wage statements, failing to
25 timely pay wages including final wages, failing to maintain accurate records, and failing to
26 incorporate all remunerations, including shift differentials, nondiscretionary commissions,
27 incentive pay, and/or nondiscretionary bonuses, into the calculation of the regular rate for
28 purposes of calculating the overtime wage rate and vacation pay.

12. Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave timely written notice to Defendants and the Labor Workforce Development Agency (“LWDA”) by sending his Private Attorneys General Act (“PAGA”) Notice on July 21, 2023. A true and correct copy of the confirmatory email and the PAGA Notice submitted on behalf of Plaintiff is attached hereto as **Exhibit 2**. The LWDA did not express an interest in investigating Plaintiff’s claims within the 65-day period. Therefore, on September 25, 2023, Plaintiff filed a First Amended Complaint adding a cause of action for penalties under PAGA.

13. On December 23, 2023, pursuant to Plaintiff's Request for Dismissal of Defendant Howmet USA Corp., the Court ordered Defendant Howmet USA Corp. to be dismissed without prejudice as to the claims of Plaintiff and the putative class members.

14. 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.

INVESTIGATION AND DISCOVERY

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

16. After filing the lawsuit, Class Counsel conducted a thorough investigation of the facts and claims giving rise to the action, including: (1) conducting informal discovery and meeting and conferring with defense counsel about the same; (2) reviewing and analyzing a sampling of time and payroll data for Class Members and the necessary policy documents as well as employment handbook, Plaintiff's personnel files, relevant policies and other documentation; (3) researching the applicable law and potential defenses; (4) constructing damage models based on interpretations of California law; and (5) reviewing information provided by Defendants at

1 mediation. The Class enumerated in this action is ascertainable because the Class Members may
2 be readily identified by reference to Defendants' records. Defendants have agreed to share the
3 information from these records with the Settlement Administrator in order to identify and contact
4 the Class Members. Defendants have represented that there are approximately 2,147 total Class
5 Members.

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

11 18. On June 3, 2024, the Parties attended mediation with Tripper Ortman, a respected and
12 highly experienced mediator in wage and hour class actions. During mediation, Plaintiff and
13 Defendants' counsel discussed all aspects of the case, including the risks of continued litigation
14 and the risks to both parties of proceeding with a motion for class certification as well as the law
15 relating to unpaid wages, meal periods, rest periods, wage statements, and final pay. As a result of
16 the mediation, the Parties agreed to settle the lawsuit according to the terms set forth in the
17 Settlement Agreement.

18 19. From Class Counsel's review of the strengths, and weaknesses of the case, the risks
19 and delays posed by further litigation, and Class Counsel's own prior litigation experience, Class
20 Counsel believes that the recovery for each Class Member is fair and reasonable taking into
21 consideration the amounts received in other wage and hour class actions, the risks inherent in
22 litigation of this genre, and the reasonable tailoring of each Class Member's claim to the
23 settlement award he or she will receive. Further, and based on the settlement negotiations, which
24 were extensive and conducted in good faith and at arm's length between attorneys with
25 substantial experience litigating class actions and wage and hour cases, the Settlement Agreement
26 was the product of a non-collusive settlement process in which the Parties were forced to make
27 significant compromises in the interest of reaching a full and complete settlement of the lawsuit.

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SUMMARY OF SETTLEMENT

20. Under the terms of the proposed Settlement Agreement, Defendants have agreed to pay Four Hundred and Five Thousand Dollars and Zero Cents (\$405,000.00) (“Gross Settlement Amount” or “GSA”) on a non-reversionary basis to settle and release all claims asserted by Plaintiff in the Action and PAGA Notice. (Exh. 1, §3.1.)

21. The Settlement Agreement defines the “Class” as “all persons employed by Defendants in California and classified as non-exempt hourly employee who worked for Defendants during the Class Period,” which is from June 1, 2022 through August 2, 2024. (Exh. 1, §1.5 and §1.13.) Class Members who opt out of the Settlement by sending the Administrator a valid and timely Request for Exclusion shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement (“Non-Participating Class Member”). (Exh. 1, § 1.30 and §7.5.4.) However, 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 Released PAGA Claims identified in the Settlement Agreement and are eligible for an Individual PAGA Payment. (Exh. 1, § 7.5.4.)

22. The Settlement Agreement also defines “Aggrieved Employees” as “all individuals who were or have been employed by Defendants in California as non-exempt hourly employees at any time during the PAGA Period,” which is from July 21, 2022 through August 2, 2024. (Exh. 1, §§ 1.4 and 1.33.)

23. The “Net Settlement Amount” shall be the Gross Settlement Amount, less the PAGA Penalties payment (allocated to the Aggrieved Employees and to the LWDA), Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Administration Costs Payment. (Exh. 1, §1.29.) The remainder is to be paid to Participating Class Members as Individual Class Payments. (Exh. 1, § 1.29.) These amounts are detailed as follows:

- Class Counsel Fees Payment of not more than one-third of the GSA, which is currently estimated to be \$135,000.00 and Class Counsel Litigation Expenses Payment of not more than \$25,000.00;

- Administration Expenses Payment of not more than \$19,500.00;
- Class Representative Service Payment of not more than \$5,000.00 to Plaintiff; and
- PAGA Penalties in the amount of Thirty Thousand Dollars and Zero Cents (\$30,000.00) for civil penalties under PAGA, with 75% (\$22,500.00) paid to the LWDA for the LWDA PAGA Payment and 25% (\$7,500.00) paid to Aggrieved Employees for their Individual PAGA Payments.

24. The “Individual Class Payment” is each Class Member’s share of the Net Settlement Amount and will be calculated and apportioned from the Net Settlement Amount based on the number of Workweeks a Class Member worked during the Class Period. (Exh. 1, §1.24)

25. The “Individual PAGA Payment” is the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties, as discussed above, calculated according to the number of PAGA Pay Period worked during the PAGA Period. (Exh. 1, § 1.25)

26. The estimated lowest amount for a Class Member who worked for one workweek is \$1.38 and the estimated highest amount for a Class Member who worked for 104 workweeks is \$142.20.

27. Defendants will pay their employer-side payroll tax obligations on the Wage Portion of the Individual Class Payments in addition to the Gross Settlement Amount. (Exh. 1, §3.1)

28. Twenty percent (20%) of each Participating Class Member’s Individual Class Payment will be allocated to the settlement of wage claims (the “Wage Portion”) and will be subject to tax withholding and will be reported on an IRS W-2 Form. (Exh. 1, §3.2.4.1) The remaining 80% of each Participating Class Member’s Individual Class Payment will be allocated to the settlement of claims for interest and penalties (the “Non-Wage Portion”). (*Id.*) The Non-Wage Portions are not subject to wage withholding and will be reported on IRS 1099 Forms. (*Id.*)

29. Class Counsel received quotes from Phoenix Class Action Administration Solutions (“Phoenix”) for \$19,500.00, and from Apex Class Action Administration for \$19,990.00. The Parties agreed to use Phoenix in this matter, which provided the lower bid. Phoenix has extensive experience in administering employment class action settlements and Class Counsel has worked with Phoenix in the past.

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

5 31. The Settlement Administrator will send the Class Notice with Spanish translation via
6 first class mail to all Class Members identified in the Class Data. (Exh. 1, §7.4.2.) No later than
7 five (5) calendar days after the receipt of any Class Notice returned by the USPS as undelivered,
8 the Settlement Administrator shall re-mail the Class Notice using any forwarding address
9 provided by the USPS. (Exh. 1, §7.4.3.) If the USPS does not provide a forwarding address, the
10 Settlement Administrator shall conduct a Class Member Address Search, and re-mail the Class
11 Notice to the most current address obtained. (Exh. 1, §7.4.3.)

12 32. Each Class Member shall have 45 days after the Settlement Administrator mails the
13 Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to
14 challenge the number of Class Workweeks and PAGA Pay Periods allocated to the Class Member
15 in the Class Notice. (Exh. 1, §7.6) In the absence of any contrary documentation, the Settlement
16 Administrator is entitled to presume that the Workweeks and PAGA Pay Periods contained in the
17 Class Notice are correct so long as they are consistent with the Class Data. (Exh. 1, §7.6.)

18 33. Class Members wishing to opt out from the Settlement Agreement must send a signed
19 written request for exclusion to the Settlement Administrator within 45 days from the initial
20 mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice
21 was re-mailed). (Exh. 1, §7.5.) Participating Class Members will also have the opportunity to
22 object to the Settlement Agreement by serving a copy of the objection to the Settlement
23 Administrator within 45 days after the mailing of the Class Notice (plus an additional 14 days for
24 Class Members whose Class Notice was re-mailed). (Exh. 1, §7.7.2.) In the alternative,
25 Participating Class Members may appear in Court (or hire an attorney to appear in Court) to
26 present verbal objections at the Final Approval Hearing. (Exh. 1, § 7.7.2.)

27 **THE STRENGTH OF PLAINTIFFS' CASE**
28 **IN LIGHT OF THE SETTLEMENT AMOUNT**

1 34. Because the class consists of numerous employees, it was unlikely that the potential
2 monetary claims of individual Class Members would have proved viable without the class-action
3 mechanism. The Settlement Agreement should be approved in light of two California appellate
4 decisions: *Clark v. American Residential Services LLC* (2009) 175 Cal.App.4th 785 and *Kullar v.*
5 *Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116.

6 35. The strength of the plaintiffs' case in light of the settlement amount is deemed by
7 courts to be the "most important." *Clark v. American Residential Services, LLC* (2009) 175
8 Cal.App.4th 785, 799 (citing *Kullar*). Here, Plaintiff alleges that Defendants failed to pay
9 minimum wages and overtime, failed to provide proper meal breaks or provide premium pay in
10 lieu thereof, failed to provide proper rest breaks or provide premium pay in lieu thereof, failed to
11 provide vacation wages, failed to provide paid sick time, failed to provide accurate wage
12 statements, failed to timely pay all wages upon termination, and failed to keep required payroll
13 records. Plaintiff seeks related violations of California's Business & Professions Code, and
14 penalties pursuant to Labor Code § 2699 *et seq.* Plaintiff conducted discovery and investigated
15 each of the claims he alleged. Specifically, Defendants produced the following: (a) all versions of
16 Defendant's employee handbook in effect during the Class Period; (b) Defendants' policies and
17 procedures pertaining to attendance, meal breaks, and rest breaks; (c) a sampling of the Class
18 Members' timekeeping and payroll records; and (d) information on the class demographics
19 including the total number of Class Members during the Class Period, total number of Aggrieved
20 Employees during the PAGA Period, total number of current employees, total number of former
21 employees in the relevant time period, average hourly rate of pay, total number of workweeks
22 worked during the Class Period, and the total number of paychecks issued during the relevant
23 time period. The merits of each of these claims will be addressed separately below.

24 36. Based on an analysis of Plaintiff's time and pay records and a sampling of time and
25 pay records for the Class, Plaintiff estimated the potential realistic exposure for the main claims
26 as follows: unpaid wages claims at **\$197,450.23**, meal period claim at **\$222,142.60**, rest period
27 claim at **\$179,496.56**, wage statement claim at **\$126,797.00**, waiting time penalties at **\$65,124.70**,
28 unpaid sick time claim at **\$15,248.80**, and on PAGA at **\$64,385.00**, for a total realistic exposure

1 of \$870,644.89.

2 37. In calculating the realistic exposure, Plaintiff applied appropriate discounts after taking
3 into account the difficulties of proof, Defendants' defenses, and other attendant risks discussed
4 below.

5 **Minimum Wages and Overtime**

6 38. Plaintiff alleged that Defendants failed to pay Plaintiff and Class Members minimum
7 and overtime wages for all hours worked. Specifically, Plaintiff alleged that Plaintiff and Class
8 Members were required to go through lengthy temperature checks each day before clocking in
9 and after returning back from their meal breaks, but were not compensated for the time spent
10 undergoing temperature checks. Additionally, Plaintiff alleged that Plaintiff and Class Members
11 had to wait in lines prior to being permitted to clock in at one of the few timeclocks provided by
12 Defendants.

13 39. In addition to an hourly wage, Defendants paid Plaintiff and Class Members shift
14 differentials, nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses.
15 However, Plaintiff alleged that Defendants failed to incorporate all remunerations, including shift
16 differentials, nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses, into
17 the calculation of the regular rate of pay for purposes of calculating the overtime wage rate.
18 Therefore, during times when Plaintiff and Class Members worked overtime and received shift
19 differentials, nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses,
20 Plaintiff alleged that Defendants failed to pay all overtime wages by paying a lower overtime rate
21 than required.

22 40. Defendants contended that they paid for all reported hours worked, that Class Members
23 were trained and required to record all hours worked, that any "off the clock" work was
24 performed without Defendants' knowledge and was de minimis, and that they paid wages at the
25 proper rates, including for overtime. Defendants also argued that given their written policies and
26 practices, any unrecorded hours were likely subject to individualized inquiry and unlikely to be
27 certified. Given the difficulty in certifying this claim, Class Counsel had to apply a significant
28 discount to damages.

41. Based on the above, Class Counsel estimated Defendants' exposure on the unpaid wages claims to be approximately \$713,604.14 calculated as follows: \$25.79 regular rate of pay x 0.20 hours (12 minutes of off the clock work per workweek) x 138,349 workweeks. Class Counsel's expert also estimated unpaid overtime wages based on the regular rate as \$273,647.00. However, given Defendant's defenses and the potential hurdles facing certification of this claim, Class Counsel applied an 80% discount making for a realistic exposure of \$197,450.23 for Defendants.

Meal Periods and Rest Breaks

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

43. Plaintiff argued that Defendants had a common practice and policy of denying compliant meal periods to Class Members. Specifically, Plaintiff alleged that Plaintiff and Class Members were regularly required to remain on duty during their meal periods and to take their meal periods late if they were able to take their meal periods at all. For each meal period missed, of less than 30 minutes, or taken late for which the employee was not provided a reasonable opportunity to take a complete and timely meal period, an employer must pay the employee an additional one hour of compensation. Labor Code § 226.7. This additional hour of compensation is referred to as “premium pay.” However, Defendants failed to compensate Plaintiff and Class Members for each meal period not provided or inadequately provided as required under Labor Code § 226.7. Additionally, when Defendants did pay meal period premiums, they did so without factoring in all forms of remuneration/compensation or by otherwise incorrectly calculating the regular rate. To comply with these laws, every employer must keep, for each employee, accurate time records showing when the employee begins and ends each work period and takes his or her meal periods. *See Wage Order 1-2001(7)(A)(3).*

44. Defendants disagreed with Class Counsel's interpretation of the law and facts.

1 Defendants contended that Class Members were given a reasonable opportunity to take their meal
2 periods, and in fact received their meal periods most of the time, and any deviations were at the
3 voluntary election of Class Members. Defendants argued they have a high meal period
4 compliance rate and that they paid premium pay for any non-compliant meal periods. Defendants
5 further contended that the meal break claim requires individualized inquiries which would
6 preclude class certification. If Defendants' contentions are proven true and prevail in trial, the
7 likely outcome would be no recovery for the Class Members on the meal break claim.

8 45. Class Counsel's expert calculated Defendants' maximum total exposure on the meal
9 break claim at approximately **\$1,110,713.00** (net meal break premiums due offsetting meal
10 premiums paid). However, Class Counsel believes this estimate is high given Defendants'
11 defenses and potential hurdles facing certification of this claim and thus provided an 80%
12 discount making Defendants' realistic exposure \$222,142.60.

13 46. The same argument applied to rest breaks. Plaintiff contended that Defendants did not
14 provide Class Members with paid 10-minute rest breaks for every four hours or major fraction
15 thereof. Plaintiff contended that Class Members consistently worked in excess of consecutive
16 four-hour shifts and were entitled to paid rest breaks of not less than ten minutes for each
17 consecutive four-hour shift but were required to work through their rest breaks.

18 47. Defendants maintained that they did provide the reasonable opportunity for Class
19 Members to take duty-free rest breaks pursuant to their policy. Defendants further argued that
20 Class Members had multiple opportunities to report non-compliant rest breaks and that
21 Defendants provided premium pay for any reported non-compliant rest breaks. Defendants also
22 pointed out that, unlike meal periods, rest breaks need not be recorded, so any rest break
23 violations would likely be difficult to certify and prove at trial. Defendant disputes all allegations
24 that breaks were not received. As these considerations would likely depress the damages *vel non*
25 ultimately awarded, Class Counsel applied significant and appropriate discounts to the rest break
26 claim.

27 48. Class Counsel estimated Defendants' maximum total exposure on the rest break claim
28 at approximately \$1,794,965.64 (68,484 rest break violations (assuming a 10% violation rate for

1 all shifts) x \$26.21 regular rate of pay). However, Class Counsel believes this estimate is high
2 given the difficulty of proving rest break violations at trial and certifying the claim on a class
3 basis, and thus applied a 90% discount making Defendants' realistic exposure \$179,496.56.

4 **Sick Time Pay**

5 49. Plaintiff also alleged that Defendants failed to compute the amount due for paid sick
6 time in conformance with the pay calculation under California Labor Code § 246.

7 50. Defendants paid shift differentials, nondiscretionary commissions, incentive pay,
8 and/or nondiscretionary bonuses to Plaintiff and Class Members but Defendants failed to include
9 these forms of remuneration in the regular rate of pay upon which sick pay was calculated and
10 paid. Accordingly, Defendants paid sick leave to Plaintiff and Class Members at a lower rate in
11 violation of the law.

12 51. Defendants contended that they provided paid sick leave at the proper regular rates
13 when applicable. Defendants further contended that bonuses were discretionary in nature and not
14 required to be included in the regular rate at all.

15 52. Class Counsel's expert estimated Defendants' maximum total exposure on the paid
16 sick leave claim at approximately \$76,244.00. However, Class Counsel believes this estimate is
17 high given Defendants' defenses and potential hurdles facing certification of this claim and thus
18 provided an 80% discount making Defendants' realistic exposure \$15,248.80.

19 **Paystub Violations**

20 53. Plaintiff also contended that Defendants failed to provide Plaintiff and Class Members
21 with accurate itemized wage statements in writing as required by California Labor Code § 226(a)
22 because the wage statements failed to accurately account for unpaid wages and overtime due to
23 underreporting of hours and off the clock work. Moreover, Plaintiff contended the wage
24 statements failed to accurately account for premium pay for deficiently provided meal and rest
25 breaks which Defendants knew or reasonably should have known were owed to Plaintiff and
26 Class Members. As a direct and proximate cause of Defendants' violation of Labor Code §
27 226(a), the Class Members suffered injuries, including among other things confusion over
28 whether they received all wages owed them. Pursuant to Labor Code §§ 226(a) and 226(e),

1 employees are entitled to recover the greater of all actual damages or fifty dollars (\$50) for the
2 initial pay period in which a violation occurs and one hundred dollars (\$100) for each violation in
3 a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars (\$4,000).
4 They are also entitled to an award of costs and reasonable attorneys' fees.

5 54. Defendants contended that Plaintiff's claim for further Labor Code § 226(e) penalties
6 would depend in large part on their underlying meal period and wage claims, and thus be subject
7 to the same defenses. Additionally, Defendants argued that this claim has little or no value. *See*
8 *Maldonado v. Epsilon Plastics, Inc.*, 22 Cal. App. 5th 1308, 1336-1337 (2018) (wage statements
9 that accurately report wages paid to employees do not violate Labor Code § 226, even if it is later
10 determined that employer did not properly pay all wages due). Defendants further contended that
11 Labor Code § 226(e) penalties are not automatic. Rather, the employee must show (1) that he or
12 she "suffered injury" from the employer's failure to provide compliant wage statements, *see*
13 *Elliot v. Spherion Pacific Work, LLC* (2008) 572 F.Supp.2d 1169, 1181 (applying California law)
14 (holding employee was not entitled to penalties because no injury was shown), and (2)
15 Defendant's noncompliance was "knowing and intentional." Finally, because the damages for this
16 cause of action are penalties, the statute of limitations only runs from one year prior to the filing
17 of the original complaint. *See* Cal. Civ. Pro. § 340.

18 55. Class Counsel's expert estimated Defendants' maximum total exposure on the section
19 226 claim at approximately \$6,339,850.00. Class Counsel believes it would be difficult to prevail
20 on this claim because Class Members would need to show that they suffered an injury and that
21 Defendants' noncompliance was knowing and intentional (on top of the challenges described
22 above with the underlying wage and break claims) which are both subject to individualized issues
23 making certification of this claim difficult to achieve. Thus, Class Counsel provided a 98%
24 discount making Defendants' realistic exposure \$126,797.00.

25 **Failure to Pay Final Wages**

26 56. In failing to pay Class Members their minimum wages, overtime wages, and premium
27 pay for deficiently provided meal periods and rest breaks, all discussed above, Plaintiff alleged
28 that Defendants willfully failed to pay these the California Class Members all wages due and

1 certain at the time of termination or within seventy-two (72) hours of resignation, as required
2 under Labor Code § 203.

3 57. Labor Code § 203 provides that if an employer willfully fails to pay an employee all
4 wages due at termination or within 72 hours of resignation, then that employee's wages shall
5 continue as a penalty until paid for a period of up to thirty (30) days from the date they were due.
6 Because Numerous Class Members stopped working for Defendants but again were not paid their
7 full compensation for the reasons discussed above, Class Members did not receive all wages due
8 upon termination of employment. The wages withheld from these Class Members remained due
9 and owing for more than thirty (30) days from the date of separation of employment.

10 58. Defendants challenged this claim under Labor Code § 203 with several arguments,
11 including that this claim is merely derivative of the other claims that lacked merit and that under
12 Labor Code § 203, employers are only obligated to pay waiting-time penalties if they "willfully"
13 fail to pay wages due and owing at the time of termination or resignation. As Title 8, California
14 Code of Regulations, § 13520 states:

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

18 A "good faith dispute" that any wages are due occurs when an employer presents
19 a defense, based in law or fact, which, if successful, would preclude any recovery
20 on the part of the employee. The fact that a defense is ultimately unsuccessful will
21 not preclude a finding that a good faith dispute did exist. Defenses presented
which, under all the circumstances, are unsupported by any evidence, are
unreasonable, or are presented in bad faith, will preclude a finding of a "good
faith dispute."

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

25 59. Class Counsel's expert estimated Defendants' maximum total exposure on the section
26 203 claim at approximately \$3,256,235.00. Class Counsel believes it would be difficult to recover
27 waiting time penalties given that Plaintiff would need to show willfulness on top of proving the
28 underlying wage and break claims which are also potentially subject to individualized issues

1 making certification of this claim difficult to achieve. Thus, Class Counsel provided a 98%
2 discount making Defendants' realistic exposure \$65,124.70.

3 **PAGA Penalties**

4 60. The Labor Code Private Attorneys General Act, Labor Code § 2699 et seq., allows
5 Plaintiff to obtain civil penalties on behalf of themselves and other Class Members for
6 Defendant's violation of any provision of the Labor Code enumerated under Labor Code §
7 2699.5. Where civil penalties are provided in the statute, those civil penalties are recoverable;
8 where no civil penalties are recoverable, Labor Code § 2699(f) establishes civil penalties of one
9 hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation and
10 two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent
11 violation. Pursuant to Labor Code § 2699(i), seventy-five (75) percent of the penalties recovered
12 must be allocated to the Labor and Workforce Development Agency (LWDA), with the
13 remaining twenty-five (25) percent allocated to the affected employees. The limitations period as
14 for all penalties is one year prior to the filing of the complaint.

15 61. The provisions of the Labor Code potentially triggering PAGA penalties in this case
16 include but are not limited to Labor Code §§ 203, 204, 226(a), 226.2, 226.7, 510, and 1194,
17 Defendants asserted that if PAGA penalties were mandatory, an employer's PAGA liability
18 would be huge because of the possibility of collecting multiple civil penalties for a single
19 violation, and thus such penalties would almost always dwarf the damages available under the
20 causes of action proper. However, PAGA penalties are not mandatory but permissive. Labor
21 Code § 2699(e)(2) states that "a court may award a lesser amount than the maximum civil penalty
22 amount specified by this part if, based on the facts and circumstances of the particular case, to do
23 otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory." *See,*
24 *e.g., Lopez v. Friant & Assocs., LLC*, 15 Cal. App. 5th 773, 788 (2017), *rev. denied* (2018),
25 (recognizing court's ability to reduce PAGA penalties). Courts have held that situations similar to
26 the current one (e.g. injuryless violations, technical errors, and substantial compliance) should
27 lead to reductions in penalties. *See Thurman v. Bayshore Transit Management, Inc.*, 203 Cal.
28 App. 4th 1112, 1134-1135 (2012) (holding that reduction was justified when employer

1 “attempted to comply with the law”); *Fleming v. Covdien, Inc.*, No. ED CV10-01487 RGK
2 (OPx), 2011 U.S. Dist. LEXIS 154590 at *8-9 (C.D. Cal. August 12, 2011) (reducing PAGA
3 penalties more than 80% – from \$2.8 million to \$500,000 – when “employees suffered no injury”
4 employers were “not aware” of the violation and “took prompt steps to correct all violations once
5 notified”). Defendants here maintained that they had a strong argument that it would be unjust to
6 award maximum PAGA penalties.

7 62. Furthermore, PAGA penalties are also derivative of each and every other claim, and
8 Defendants therefore argued the PAGA claims would be subject to the same defenses to the
9 underlying claims. Finally, under *Amaral v. Cintas Corp.* (2008) 163 Cal.App.4th 1157, it can be
10 argued that penalties under PAGA could, at best, be awarded only at the rates obtainable for
11 initial violations under the applicable statutes, because Defendant have never been notified of the
12 alleged violations. *Id.* at 1208-1209. Moreover, Section 2699(e)(1) authorizes the Court to
13 exercise the same discretion as the DLSE whether to award civil penalties. *Amaral* 163 Cal. App.
14 4th 1157, 1211-12. Therefore, if Labor Commissioner - on whose behalf Plaintiff is prosecuting
15 this action for civil penalties - would not impose civil penalties in a case like this, the Court may
16 not award civil penalties. Moreover, in *Thurman v. Bayshore Transit Mgmt., Inc.* (2012) 203
17 Cal.App.4th 1112, 1136, the Court of Appeal affirmed the trial court’s reduction of PAGA civil
18 penalties by 30 percent, finding that awarding the full penalties would have been “unjust” because
19 “...a court may award a lesser amount than the maximum civil penalty amount specified by this
20 part if, based on the facts and circumstances of the particular case, to do otherwise would result in
21 an award that is unjust, arbitrary and oppressive, or confiscatory.”

22 63. Class Counsel estimated Defendant’s maximum total exposure on the PAGA claim at
23 approximately \$6,438,500 (\$100 x 64,385 pay periods (no stacking)). However, Class Counsel
24 notes that owing to the discretionary nature of PAGA penalties and the foregoing case law, as well
25 as Defendants’ efforts to comply with the law, it is unlikely the Court would award the full
26 penalty and that it would be substantially reduced to something more like **\$64,385.00** if awarded a
27 penalty of \$1 per pay period. Class Counsel applied discounts in light of the countervailing
28 arguments with regard to the primary causes of action, and moreover the Court’s power to award

1 “a lesser amount than the maximum civil liability.” The parties also considered that the purpose
2 of PAGA is to “achieve maximum compliance with state labor laws,” *Iskanian v. CLS Transp.*
3 *Los Angeles, LLC* (2014) 59 Cal. 4th 348, 379. This makes the Settlement’s proposed PAGA
4 payment of \$30,000.00 appropriate.

5 **Unfair Business Practices**

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

10 **Summary**

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

16 66. Class Counsel applied reasonable and justified discounts, considering the facts and
17 legal contexts outlined above. These substantial discounts were necessary in light of Defendant’s
18 contentions and denial of liability. In addition, exposure is limited by the fact that not all Class
19 Members worked on the same schedule and under the same supervisors, making the certification
20 of all Class Members across different locations less than a certainty. This Settlement, like most
21 others, was the product of compromise. The Gross Settlement Amount of \$405,000.00 represents
22 a recovery for the Class of approximately 46.52% of the total realistic exposure Plaintiff
23 estimated that Defendant could face on the primary claims in this case. (*Id.*) Plaintiff and Class
24 Counsel submit that this is an excellent result in the face of uncertainty and the prospects of
25 protracted and contested litigation through class certification, summary judgment, and trial, and
26 particularly in light of all of the factors described above. (*Id.*)

27 **THE RISK, EXPENSE, AND LIKELY DURATION OF FURTHER LITIGATION,** 28 **AS WELL AS THE RISK OF MAINTAINING CLASS ACTION**

STATUS THROUGH TRIAL

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

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

69. The Parties disputed the effect of these and other issues on class certification and decertification. Class Counsel maintained that there were several legal and factual questions at issue in the case that could best be decided on a class wide basis. Class Counsel contended that the same policies and practices applied to all Class Members and therefore common questions obtained and were likely to predominate over individual inquiries. Defendants disputed these contentions and insisted that the *Brinker* decision called into question the certifiability of cases such as this one. Defendants also argued that its policies were compliant with the law, while Plaintiff disputed that the policies were lawful, and argued the lawfulness of such policies would give rise to common questions amenable to certification. Thus, the Parties had set positions on the propriety of certifiability and liability that did not admit of an easy resolution.

70. Finally, it is always preferable to reach a relatively early resolution of a dispute because, in addition to what has already been said, such resolutions save time and money that would otherwise go to litigation. In light of the risk and expense of the lawsuit proceeding to trial there was a need to resolve this matter soon than later. If this case settled after further litigation, the settlement amount would have taken into account the additional costs incurred, and there might have been less available for Class Members after all was said and done. This is not just an abstract contention. The Parties were moving into the phase of this litigation where they would

1 have had to depose a number of people such as managers, supervisors, and employees in order to
2 establish liability for trial. Discovery disputes would have been in the offing. The Parties were
3 also aware that a class action trial would be a complicated and expensive proceeding, and then
4 there was the likelihood of a long, drawn-out appeals process. In contrast, the settlement provides
5 real benefits for Class Members in the immediate future. The benefits are not insignificant for
6 anyone, especially given the current economic climate. Consequently, the risk and expense of
7 further litigation outweighed any benefit that might have been gained otherwise.

8 **NOTICE TO AND REACTION OF CLASS MEMBERS**
9 **TO THE PROPOSED SETTLEMENT**

10 71. While premature to address this factor at the preliminary approval stage, some
11 observations are appropriate. First, the notification procedure set out in the Settlement Agreement
12 provides the greatest likelihood that each and every Class Member will receive the Notice of
13 Settlement (“Class Notice”), attached to the Settlement Agreement as **Exhibit A**. Under the
14 Settlement Agreement, the Settlement Administrator will send the Class Notice to each Class
15 Member via First Class U.S. mail. (Exh. 1, §7.4.2). Before mailing Class Notices, the Settlement
16 Administrator will update Class Member addresses using the National Change of Address
17 Database for information to update and correct for any known or identifiable address changes.
18 (Exh. 1, §7.4.2) If the Class Notice is returned as non-deliverable and a new address is obtained
19 by way of a returned Class Notice, then the Settlement Administrator will re-mail the Class
20 Notice to the updated address via first-class regular U.S. mail, no later than five (5) calendar days
21 after the Settlement Administrator’s receipt of any Class Notice returned as undelivered. (Exh. 1,
22 §7.4.3) Thus, most, if not all, Class Members will likely receive the Class Notice.

23 72. The Class Notice itself fully apprises Class Members of the nature of the lawsuit, the
24 claims involved, the terms of the settlement, and their options thereunder. They provide for a
25 specific procedure to seek exclusion from the Class, and for lodging objections to the settlement.
26 The efforts taken to ensure that Class Members receive the Class Notice and are well informed
27 about the settlement augur a favorable response rate.

28 73. If a Class Member disputes the number of workweeks stated for that Class Member in

1 the Class Notice, the Class Member must ask the Settlement Administrator to resolve the matter
2 by submitting supporting documentation. (Exh. 1, §7.6). In the absence of any contrary
3 documentation, the Settlement Administrator is entitled to presume that the Workweeks contained
4 in the Class Notice are correct so long as they are consistent with the Class Data. (*Id.*) The
5 Settlement Administrator's determination of each Class Member's allocation of Workweeks
6 and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. (*Id.*)
7 The Settlement Administrator shall promptly provide copies of all challenges to the calculation of
8 Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's
9 determination of the challenges. (*Id.*)

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

11 74. The foregoing discussion establishes the fairness of the class-action settlement in the
12 instant case. It has done this by analyzing the settlement in light of the appellate decisions in
13 *Clark* and *Kullar*. This analysis has concluded that the settlement is fair, reasonable, and
14 adequate. Class Counsel conducted a thorough investigation of the subject wage-and-hour
15 practices and engaged in non-collusive, arm's-length negotiations in order to reach a settlement.
16 Defendant has agreed to pay fair value to settle Plaintiff's claims given the existence of legal
17 uncertainty, particularly with regard to Plaintiff's claim for failure to provide proper meal periods.
18 From Class Counsel's substantial experience with wage-and-hour class action lawsuits Class
19 Counsel believes that this case could not have settled on better terms under the circumstances.
20 Request therefore is made that the settlement be granted preliminary approval so that those
21 persons whom it was intended to benefit shall be afforded the opportunity to determine its
22 adequacy.

23 **REQUEST FOR ATTORNEYS' FEES**

24 75. Under the Settlement, Class Counsel also requests, without opposition from
25 Defendants, an award of Attorneys Fees and Costs consisting of: not more than one-third of the
26 GSA, currently estimated \$135,000.00, in Counsel Fees Payment and (2) not to exceed
27 \$25,000.00 for reimbursement of Class Counsel Litigation Expenses Payment for actual costs.
28 (Exh. 1, §3.2.2). This request is fair, reasonable, and adequate to compensate Class Counsel for

1 the substantial work they have put into this case and, moreover, the risk they assumed by taking it
2 in the first place. The attorneys' fees award is intended to reimburse Class Counsel for all
3 uncompensated work that they have already done and for all the work they will continue to do in
4 carrying out and overseeing the notification to Class Members, communicating with Class
5 Members regarding their claims, and assisting in the administration of the settlement if it is
6 preliminarily approved. Defendants will not oppose Class Counsel's above fees and cost request.

7 76. D.Law, Inc. took this case on a contingent-fee basis against a business represented by a
8 reputable defense firm. When we take contingent cases, we must pay careful attention to the
9 economics involved or one bad case can destroy years of work. Accordingly, when we take
10 contingency cases, we anticipate that we shall, if successful, receive a fee that exceeds our normal
11 hourly rate; otherwise, the risk is often too great to bear. Even when we work long hours, the
12 number of hours in a day is limited. Because of this, when we take on one particular matter, we
13 are unable to take on other matters. When Class Counsel became involved in this case, we
14 realized the time commitment that it would entail, and we were forced to turn down matters that
15 we otherwise should have been able to handle. In sum, this case claimed a significant portion of
16 Class Counsel's time and attention throughout its pendency.

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

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

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

1 79. The courage it took to stand up to Defendants by filing and litigating this action in this
2 way should not be underestimated. By suing Defendants, Plaintiff increased the risk of retaliation
3 by prospective employers and put his own future employment prospects at risk.

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

14 81. Plaintiff has spent a significant amount of time with Class Counsel detailing his
15 knowledge of Defendants' practices and helping Class Counsel with the prosecution of this
16 action. He has diligently, adequately, and fairly represented Class Members, and has not placed
17 his interests above any member of the putative class. The payment to Plaintiff is intended to
18 recognize his time and effort on behalf of the Class. The amount requested is fair and appropriate
19 based on their contribution and involvement. For example, Plaintiff instigated the lawsuit by
20 bringing these violations to the attention of Class Counsel. He spent several hours answering
21 questions and providing information to Class Counsel throughout the pendency of this action. He
22 identified witnesses, explained to Class Counsel day to day business practices of Defendants with
23 regard to work schedules and meal breaks, etc. The Parties are in agreement that Plaintiff is
24 entitled to an enhancement for his time and efforts in this matter. This sort of payment to a class
25 representative has been a common feature of settlements negotiated by Class Counsel and has
26 been routinely approved by trial courts.

27 82. In light of the foregoing, Class Counsel believes that the Class Representative Service
28 Payment in the amount of \$5,000.00 to Plaintiff is fair and reasonable.

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

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

10 a. Numerosity. The putative class is so numerous that joinder of all members is
11 impractical. Class Members are “all persons employed by Defendants in California and classified
12 as non-exempt hourly employee who worked for Defendants during the Class Period,” which is
13 June 1, 2022, through August 2, 2024. There are approximately 2,147 persons answering to this
14 definition. Thus, there are a sufficient number of Class Members to warrant certifying this as a
15 class action for settlement purposes.

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

19 c. Typicality. A class representative’s claims are typical when they arise from the
20 same event, practice, or course of conduct that gives rise to the claims of other putative class
21 members, and if their claims rest on the same legal theories. The class representative’s claims
22 must be “typical” but not necessarily identical to the claims of other class members. It is
23 sufficient that the representative is similarly situated so that he or she will have the motive to
24 litigate on behalf of all Class Members. *Classen v. Weller* (1983) 145 Cal.App.3d 27, 47; *B.W.I.*
25 *Custom Kitchens v. Owens-Illinois, Inc.* (1987) 191 Cal.App.3d 1341, 1347 (“[I]t has never been
26 the law in California that the class representative must have identical interests with the class
27 members.”). Thus, it is not necessary that the class representative should have personally incurred
28 all of the damages suffered by each of the other class members. *Wershba v. Apple Computer, Inc.*

1 (2001) 91 Cal.App.4th 224, 228.

2 Plaintiff's claims are typical of Class Members' claims because they arose from the same
3 factual basis and are based on the same legal theories. Plaintiff was employed by Defendants
4 during the Class Period, and was subject to the allegedly unlawful meal and rest break policies
5 and pay practices at issue in this litigation. Accordingly, Plaintiff is a member of the Class. The
6 central issues of this litigation (whether Defendants failed to pay all wages, whether Defendants
7 failed to provide meal and rest periods etc.) apply to the other Class Members as well, and the
8 answer to these questions would determine Defendants' liability to the entire putative class. Thus,
9 Plaintiff's claims are typical of the claims of the putative class. Accordingly, the typicality
10 requirement is satisfied.

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

17 Plaintiff does not have any conflicts with the Class and in fact his interests are aligned
18 with those of the Class. Because Plaintiff's claims are identical to those that would be asserted by
19 the unnamed Class Members were they before the Court, Plaintiff has every interest in zealously
20 representing the unnamed Class Members. Plaintiff has not shrunk from this responsibility.
21 Indeed, Plaintiff has devoted a substantial amount of time and energy to litigating this action and
22 effecting a settlement. Furthermore, as detailed above, Class Counsel are experienced in wage-
23 and-hour litigation, especially class actions, and have zealously represented the interests of the
24 Class in litigating this case. *See infra* ¶¶8-9. Accordingly, the adequacy requirement is satisfied.

25 e. Commonality. Common questions of law or fact in this case predominate over
26 individual questions. This action involves, *inter alia*, a determination about Defendants' alleged
27 failure to provide meal and rest periods, failure to pay minimum wages, failure to pay all wages
28 due to allegedly common and unlawful policies, failure to provide vacation wages, failure to

1 provide paid sick time, failure to pay final wages when required, failure to keep required payroll
2 records, failure to pay employees on a timely basis, and largely derivative claims under the
3 Business & Professions Code and PAGA. Plaintiff contends these practices affected Class
4 Members in the same way. All class members were employed during the Class Period. Therefore,
5 the operative complaint delineates a common course of conduct applicable to all Class Members.

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

15 g. Superiority. Class resolution is superior to other available methods for the fair and
16 efficient adjudication of the controversy. There is little interest or incentive for Class Members to
17 individually control the prosecution of separate actions. Although the injury resulting from
18 Defendants' policies and practices are real and significant, the cost of individually litigating each
19 such case against Defendants would easily exceed the value of any relief that could be obtained
20 by any one Class Member individually. If Class Members are forced to litigate their claims
21 individually this would result in about 2,147 individual actions against Defendants. Here, the
22 alternative methods of resolution are individual suits for relatively small amounts. Hence, an
23 individual suit would prove uneconomical for a potential plaintiff because litigation costs would
24 dwarf a potential recovery.

25 h. Except for Plaintiff's case before this Court, Plaintiff is unaware of any other
26 pending actions by Class Members against Defendants asserting similar claims as here.
27 Furthermore, San Bernardino County is a compelling forum for this action given that Defendants'
28 locations include San Bernardino County and numerous Class Members work in this County.

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

4 84. On April 23, 2025, Plaintiff submitted the Class Action and PAGA Settlement
5 Agreement and Plaintiff's Motion for Preliminary Approval of Class Action and PAGA
6 Settlement and supporting documents to the LWDA. A true and correct copy of the confirmatory
7 email from the LWDA is attached hereto as **Exhibit 3.**

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

10 Executed this 23rd day of April, at Glendale, California.

11
12 /s/ Enoch J. Kim
13 Enoch J. Kim
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EXHIBIT 1

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Attorneys for Plaintiff Stanley Cajigal,
 on behalf of and all others similarly situated

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
 FOR THE COUNTY OF SAN BERNARDINO**

STANLEY CAJIGAL, an individual, on
 behalf of himself and others similarly situated,

Plaintiff,

vs.

HOWMET GLOBAL FASTENING
 SYSTEMS INC. dba HOWMET GLOBAL
 FASTENING SYSTEMS, a Delaware
 corporation; ALCOA FASTENING
 SYSTEMS, an entity of unknown form; and
 DOES 1 through 50, inclusive

Defendants.

Case No. CIVSB2316824

Assigned for All Purposes To:
 Hon. David Driscoll
 Dept.: 22

**CLASS ACTION AND PAGA
 SETTLEMENT AGREEMENT**

Original Complaint filed: July 21, 2023
 First Amended Complaint: September 25, 2023
 Trial Date: None set

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Attorneys for Defendants Howmet Global Fastening Systems, Inc dba Howmet Global
Fastening Systems and Alcoa Fastening Systems

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Stanley Cajigal (“Plaintiff”) and Howmet Global Fastening Systems, Inc. dba Howmet Global Fastening Systems, and Alcoa Fastening Systems (“Defendants”). The Agreement refers to Plaintiff 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 *Stanley Cajigal v. Howmet Global Fastening Systems, Inc. et al.*, No. CIVSB2316824, filed on July 21, 2023, in San Bernardino County Superior Court.

1.2 “Administrator” means Phoenix the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3 “Administration Costs” 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 and includes all individuals who were or have been employed by Defendants in California as non-exempt hourly employees at any time during the PAGA Period.

1.5 “Class” means all persons employed by Defendants in California and classified as non-exempt hourly employee who worked for Defendants during the Class Period.

1.6 “Class Counsel” means D.LAW, INC.

1.7 “Class Counsel Fees Payment” means an award of attorneys’ fees granted to Class Counsel and paid from the Gross Settlement Amount. The Parties have agreed Plaintiff will request approval from the Court of up to one-third (1/3) of the GSA or \$135,000.00 (one hundred thirty-five thousand dollars and zero cents).

1.8 “Class Counsel Litigation Expenses Payment” means the amount allocated to Class Counsel for reimbursement of reasonable expenses and costs incurred to prosecute the Action, not to exceed \$25,000.00 (twenty-five thousand dollars and zero cents) and paid from the Gross Settlement Amount.

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

1.10 “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).

1.11 “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.

1.12 “Class Notice” means the Court approved Notice of Settlement and hearing date for Final Approval, to be mailed to Class Members in English with a Spanish translation in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.13 “Class Period” or “Class Settlement Period” means the period from June 1, 2022 through the earlier of: (a) August 2, 2024 [60 days after mediation] or (b) the date of preliminary approval.

1.14 “Class Representatives” means the named Plaintiff Stanley Cajigal in the Action seeking Court approval to serve as a Class Representative.

1.15 “Class Representative Service Payment” or “Enhancement Award” means the payment to each Class Representative for initiating the Action and providing services in support of the Action.

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

1.17 “Defendants” means named Defendants Howmet Global Fastening Systems, Inc. dba Howmet Global Fastening Systems and Alcoa Fastening Systems.

1.18 “Defense Counsel” means Medina McKelvey LLP.

1.19 “Effective Date” means the date by which 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” or “GSA” means \$405,000.00 (four hundred five thousand dollars and zero cents) which is the total amount Defendants agree to pay under the Settlement, except as provided in Paragraph 9 below.

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 Workweeks worked during the Class Period.

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 PAGA 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: PAGA Penalties payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Costs 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 “Operative Complaint” means the operative First Amended Complaint filed in the Action on September 25, 2023.

1.32 “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.

1.33 “PAGA Period” means the period from July 21, 2022 through the earlier of: (a) August 2, 2024 [60 days after mediation] or (b) the date of the preliminary approval.

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

1.35 “PAGA Notice” means Plaintiff Cajigal’s July 21, 2023 letter to LWDA and the Defendants providing notice pursuant to Labor Code section 2699.3, subd. (a).

1.36 “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount (\$30,000.00), allocated 25% to the Aggrieved Employees (\$7,500.00) and 75% to LWDA (\$22,500.00) in settlement of PAGA claims.

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

1.38 “Plaintiff” means Stanley Cajigal, the named plaintiff in the Action.

1.39 “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

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

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

1.42 “Released Parties” means: Defendants and all of Defendants’ subsidiaries, affiliates, parent companies, business units, shareholders, former and present directors, officers, founders, members, attorneys, agents, insurers, predecessors, principals, successors, owners, and assigns.

1.43 “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.

1.44 "Response Deadline" means forty-five (45) days after the Administrator mails Notice to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice packets are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline has expired.

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

1.46 "Workweek" means any week during which a Class Member recorded time worked for Defendants in Defendants' time and payroll systems of record, during the Class Period. Time paid, but not worked, such as vacation, medical leave, or any other type of paid or unpaid time off, does not qualify.

2. **RECITALS.**

2.1 On July 21, 2023, Plaintiff Cajigal commenced a Class Action by filing a complaint alleging causes of action against Defendants for: (1) Failure to Pay Minimum Wages; (2) Failure to Pay Wages and Overtime Under Labor Code § 510; (3) Meal Period Liability Under Labor Code § 226.7; (4) Rest-Break Liability Under Labor Code § 226.7; (5) Failure to Pay Vacation Wages; (6) Failure to Comply with Labor Code § 245 et seq. and 246; (7) Violation of Labor Code § 226(a); (8) Failure to Keep Required Payroll Records under Labor Code §§ 1174 and 1174.5; (9) Penalties Pursuant to Labor Code § 203; and (10) Violation of Business & Professions Code § 17200 *et seq.* Simultaneously, on July 21, 2023, and pursuant to Labor Code §2699.3, subd.(a), Plaintiff Cajigal gave timely notice to the LWDA and Defendants that Plaintiff Cajigal intended to proceed with a representative action under PAGA (LWDA-CM-968289-23). On September 25, 2023, after the 65-day statutory period passed, Plaintiff Cajigal filed his First Amended Complaint, which added claims for penalties under PAGA, Labor Code §2699.

2.2 Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in the Operative Complaint, and deny any and all liability for the causes of action alleged.

2.3 On June 3, 2024, the Parties participated in an all-day mediation presided over by Mediator Tripper Ortman and were able to reach an agreement on general settlement terms. The Parties memorialized their agreement in a Memorandum of Understanding on June 5, 2024.

2.4 In advance of mediation, Class Counsel conducted a thorough investigation into the facts of, and applicable law to, the Action, including speaking to current and former employees of Defendants regarding Defendants' employment policies and practices. Prior to mediation, Plaintiff also obtained and analyzed a representative sampling of time and payroll data for Class Members and the necessary policy documents through informal discovery to properly evaluate the strengths and weakness of the claims and engage in meaningful settlement discussions. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.*, 48 Cal.App.4th 1794, 1801 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 129-130 (2008) ("*Dunk/Kullar*").

2.5 The Court has not granted class certification because the Parties engaged in mediation before any class certification.

2.6 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 9 below, Defendants will pay \$405,000.00 (four hundred five thousand dollars with zero cents) to fully settle, resolve, and extinguish all claims asserted in the Action, including without limitation all claims asserted in the PAGA Notice. The GSA is non-reversionary and does not include employer-side payroll taxes owed on the wage portions of the Individual Class Payments, which Defendants will pay separately.

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

1 3.2.1 To Plaintiff: A payment for the Class Representative Service Payment to the Class
2 Representative, Stanley Cajigal, of not more than \$5,000.00 (five thousand dollars) in addition to
3 any Individual Class Payment and any Individual PAGA Payment the Class Representative is
4 entitled to receive as a Participating Class Member. Defendants will not oppose Plaintiff's request
5 for a Class Representative Service Payment that does not exceed this amount. As part of the
6 motion for the Class Counsel Fees and Litigation Expenses Payments, Plaintiff will seek Court
7 approval for the Class Representative Service Payment no later than 16 (sixteen) court days prior
8 to the Final Approval Hearing, or as otherwise ordered by the Court. If the Court approves a Class
9 Representative Service Payment less than the amount requested, the Administrator will retain the
10 remainder in the Net Settlement Amount to be distributed to Participating Class Members. The
11 Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff
12 assumes full responsibility and liability for employee taxes owed on the Class Representative
13 Service Payment.

14 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third of the
15 GSA, which is currently estimated to be \$135,000.00 (one hundred thirty-five thousand dollars
16 and zero cents) and a Class Counsel Litigation Expenses Payment for actual costs, not to exceed
17 \$25,000.00 (twenty-five thousand dollars and zero cents). Defendants will not oppose requests
18 for these payments. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees and
19 Litigation Expenses Payment no later than 16 (sixteen) court days prior to the Final Approval
20 Hearing, or as otherwise ordered by the Court. If the Court approves a Class Counsel Fees
21 Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested,
22 the Administrator will allocate the remainder to the Net Settlement Amount for distribution to
23 Participating Class Members. Released Parties shall have no liability to Class Counsel or any
24 other Plaintiff's counsel arising from any claim to any portion of Class Counsel Fee Payment
25 and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel
26 Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class
27 Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees
28 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 Costs Payment not to exceed \$19,500.00(nineteen thousand five hundred dollars) except for a showing of good cause and as approved by the Court. To the extent the Administration Costs are less or the Court approves payment of less than \$19,500.00, the Administrator will retain the remainder in the Net Settlement Amount to be distributed to Participating Class Members.

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

3.2.4.1 Tax Allocation of Individual Class Payments. Twenty percent (20%) of each Participating Class Member's Individual Class Payment will be allocated to the Settlement of wage claims (the "Wage Portion"). The Wage Portion is subject to tax withholding and will be reported on an IRS W-2 Form. The remaining 80% of each Participating Class Member's Individual Class Payment will be allocated to the 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 \$30,000.00 (thirty thousand dollars) to be paid from the Gross Settlement Amount, with 75% (\$22,500.00) allocated to the LWDA PAGA Payment and 25% (\$7,500.00) allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties of \$7,500.00 by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period, and (b) multiplying the result by each individual Aggrieved Employee's PAGA 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 to be distributed to Participating Class Members. 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 represent there are an estimated 2,147 Class Members who collectively worked an estimated total of 138,349 Workweeks from June 1, 2022 through June 3, 2024, and an estimated 1,973 Aggrieved Employees who worked an estimated total of 64,385 PAGA Pay Periods from July 21, 2022 through June 3, 2024.

4.2 Class Data. Not later than twenty (20) days after the Court grants Preliminary Approval of the Settlement, Defendants will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. 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.

1 4.3 Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement
2 Amount and the amounts necessary to fully pay Defendants' share of payroll taxes by transmitting
3 the funds to the Administrator no later than 21 (twenty-one) days after the Effective Date.

4 4.4 Payments from the Gross Settlement Amount. Within 14 (fourteen) days after
5 Defendants fully fund the GSA, the Administrator will mail checks for all Individual Class
6 Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Costs
7 Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and
8 the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the
9 Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment shall
10 not precede disbursement of Individual Class Payments and Individual PAGA Payments.

11 4.4.1 The Administrator will issue checks for the Individual Class Payments and/or
12 Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail. The
13 face of each check shall prominently state the date (180 days after the date of mailing) when the
14 check will be voided ("Void Date"). The Administrator will cancel all checks not cashed by the
15 Void Date. The Administrator will send checks for Individual Settlement Payments to all
16 Participating Class Members (including those for whom the Class Notice was returned
17 undelivered). The Administrator will send checks for Individual PAGA Payments to all
18 Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved
19 Employees (including those for whom Class Notice was returned undelivered). The Administrator
20 may send Participating Class Members a single check combining the Individual Class Payment
21 and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator
22 must update the recipients' mailing addresses using the National Change of Address Database.

23 4.4.2 The Administrator must conduct a Class Member Address Search for all other Class
24 Members whose checks are returned undelivered without USPS forwarding address. Within seven
25 (7) days of receiving a returned check, the Administrator must re-mail checks to the USPS
26 forwarding address provided or to an address ascertained through the Class Member Address
27 Search. The Administrator need not take further steps to deliver checks to Class Members whose
28 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 canceled 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 Gross Settlement Amount and all employer-side payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

5.1 **Plaintiff's Release.** Plaintiff and Plaintiff's 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 all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint; and claims under the Fair Employment and Housing Act, Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, the California Labor Code, and all equivalent claims under federal law ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless,

that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

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

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

5.2 Released Class Claims: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from those claims arising out of or related to the allegations set forth in the Operative Complaint that arose during the Class Period, including claims for: 1) Failure to Pay Minimum Wages Under California Labor Code §§ 1194 and 1197 and the applicable Industrial Welfare Commission ("IWC") Wage Order; (2) Failure to Pay Wages and Overtime Under Labor Code §§ 204 and 510 and the applicable IWC Wage Order; (3) Meal Period Liability Under Labor Code § 226.7 and the applicable IWC Wage Order; (4) Rest-Break Liability Under Labor Code § 226.7 and the applicable IWC Wage Order; (5) Failure to Pay Vacation Wages Under Labor Code § 227.3 and the applicable IWC Wage Order; (6) Failure to Comply with Labor Code §§ 245 et seq. and 246 and the applicable IWC Wage Order; (7) Violation of Labor Code § 226(a) and any other applicable statute; (8) Failure to Keep Required Payroll Records under Labor Code §§ 1174 and 1174.5; (9) Penalties Pursuant to Labor Code § 203; and (10) Violation of Business & Professions Code § 17200 *et seq.* (collectively, the "Released Class Claims"). The Released Class Claims applies to claims arising during the Class Period. Except as set forth in Paragraph 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

5.3 Released PAGA Claims: All Aggrieved Employees, including Non-Participating Class Members who are Aggrieved Employees, are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA Penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notice letter to the LWDA (“Released PAGA Claims”) under Labor Code §§ 2698 and 2699, including the penalty provisions based on the following California Labor Code sections: 201, 202, 203, 204, 210, 226, 226.3, 226.7, 227.3, 245 *et seq.*, 246, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, and 2699, *et seq.* The Released PAGA claims applies to claims arising during the PAGA Period only.

6. **MOTION FOR PRELIMINARY APPROVAL**. Plaintiff will prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”).

6.1 Defendants’ Declaration in Support of Preliminary Approval. Within 20 (twenty) days of the full execution of this Agreement, Defendants will prepare and deliver to Class Counsel a signed Declaration from Defendants and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In their Declarations, Defense Counsel and Defendants shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Plaintiff’s Responsibilities. Plaintiff will prepare 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 Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (v) a signed declaration from 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 (vi) all facts relevant to any actual or potential conflict of interest with Class Members, and/or the Administrator. In their Declarations, Plaintiff and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.3 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing the Motion for Preliminary Approval. Class Counsel will obtain a prompt hearing date for the Motion for Preliminary Approval, file the Motion for Preliminary Approval no later than 16 (sixteen) court days before the hearing, unless otherwise ordered by the Court, and deliver the Court's Preliminary Approval Order to the Administrator.

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

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

1 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that
2 meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation
3 section 468B-1 for the funding of the GSA. Any interest that accrues on the GSA sums paid into
4 the QSF prior to distribution by the Administrator will become part of the NSA for distribution
5 to Participating Class Members.

6 7.4 Notice to Class Members.

7 7.4.1 No later than five (5) calendar days after receipt of the Class Data, the Administrator
8 shall notify Class Counsel that the list has been received and state the number of Class Members,
9 Aggrieved Employees, Workweeks, and Pay Periods in the Class Data.

10 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14
11 (fourteen) days after receiving the Class Data, the Administrator will send to all Class Members
12 identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class
13 Notice with Spanish translation substantially in the form attached to this Agreement as Exhibit
14 A. The first page of the Class Notice shall prominently estimate the dollar amounts of any
15 Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and
16 the number of Workweeks and PAGA Pay Periods used to calculate these amounts. Before
17 mailing Class Notices, the Administrator shall update Class Member addresses using the National
18 Change of Address database.

19 7.4.3 Not later than five (5) calendar days after the Administrator’s receipt of any Class
20 Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice
21 using any forwarding address provided by the USPS. If the USPS does not provide a forwarding
22 address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class
23 Notice to the most current address obtained. The Administrator has no obligation to make further
24 attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the
25 USPS a second time.

26 7.4.4 The deadlines for Class Members’ written objections, challenges to Workweeks
27 and/or Pay Periods, and Requests for Exclusion will be extended an additional fourteen days (14)
28 days beyond the forty-five (45) days otherwise provided in the Class Notice for all Class Members

1 whose notice is re-mailed. The Administrator will inform the Class Member of the extended
2 deadline with the re-mailed Class Notice.

3 7.4.5 If the Administrator, Defendants, or Class Counsel is contacted by or otherwise
4 discovers any persons who believe they should have been included in the Class Data and should
5 have received Class Notice, the Parties will expeditiously meet and confer in person or by
6 telephone, and in good faith in an effort to agree on whether to include them as Class Members.
7 If the Parties agree, such persons will be Class Members entitled to the same rights as other Class
8 Members, and the Administrator will send, via email or overnight delivery, a Class Notice
9 requiring them to exercise options under this Agreement not later than 14 (fourteen) days after
10 receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

11 7.5 Requests for Exclusion (Opt-Outs).

12 7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement
13 must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not
14 later than 45 (forty-five) days after the Administrator mails the Class Notice (plus an additional
15 14 (fourteen) days for Class Members whose Class Notice is re-mailed). A Request for Exclusion
16 is a letter from a Class Member or his/her representative that reasonably communicates the Class
17 Member's election to be excluded from the Settlement and includes the Class Member's name,
18 address and email address or telephone number. To be valid, a Request for Exclusion must be
19 timely faxed, emailed, or postmarked by the Response Deadline.

20 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails
21 to contain all the information specified in the Class Notice. The Administrator shall accept any
22 Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the
23 person as a Class Member and the Class Member's desire to be excluded. The Administrator's
24 determination shall be final and not appealable or otherwise susceptible to challenge. If the
25 Administrator has reason to question the authenticity of a Request for Exclusion, the
26 Administrator may demand additional proof of the Class Member's identity. The Administrator's
27 determination of authenticity shall be final and not appealable or otherwise susceptible to
28 challenge.

1 7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion
2 is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and
3 bound by all terms and conditions of the Settlement, including the Participating Class Members'
4 Releases under paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating
5 Class Member actually receives the Class Notice or objects to the Settlement.

6 7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a
7 Non-Participating Class Member and shall not receive an Individual Class Payment or have the
8 right to object to the class action components of the Settlement. Because future PAGA claims are
9 subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who
10 are Aggrieved Employees are deemed to release the Released PAGA Claims identified in
11 Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

12 7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 45 (forty-five)
13 days after the Administrator mails the Class Notice (plus an additional 14 (fourteen) days for
14 Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks
15 and PAGA Pay Periods allocated to the Class Member in the Class Notice. The Class Member
16 may challenge the allocation by communicating with the Administrator via fax, email or mail.
17 The Administrator must encourage the challenging Class Member to submit supporting
18 documentation. In the absence of any contrary documentation, the Administrator is entitled to
19 presume that the Workweeks contained in the Class Notice are correct so long as they are
20 consistent with the Class Data. The Administrator's determination of each Class Member's
21 allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise
22 susceptible to challenge. The Administrator shall promptly provide copies of all challenges to the
23 calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the
24 Administrator's determination of the challenges.

25 7.7 Objections to Settlement.

26 7.7.1 Only Participating Class Members may object to the class action components of the
27 Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or
28

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 45 (forty-five) days after the Administrator's mailing of the Class Notice (plus an additional 14 (fourteen) 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, 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; Preliminary Approval Order; Class Notice; Motion for Final Approval; Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment; the Final Approval Order; and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than five (5) 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).

1 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports
2 to Class Counsel and Defense Counsel that, among other things, tally the number of: Class
3 Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether
4 valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods
5 received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA
6 Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment
7 of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and
8 objections received.

9 7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to
10 address and make final decisions consistent with the terms of this Agreement on all Class Member
11 challenges over the calculation of Workweeks and/or Pay Periods. The Administrator’s decision
12 shall be final and not appealable or otherwise susceptible to challenge.

13 7.8.5 Administrator’s Declaration. Not later than 14 (fourteen) days before the date by
14 which Plaintiff is required to file the Motion for Final Approval of the Settlement, the
15 Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable
16 for filing in Court attesting to its due diligence and compliance with all of its obligations under
17 this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices
18 returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the
19 total number of Requests for Exclusion from Settlement it received (both valid or invalid), the
20 number of written objections and attach the Exclusion List. The Administrator will supplement
21 its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible
22 for filing the Administrator’s declaration(s) in Court.

23 7.8.6 Final Report by Settlement Administrator. Within 10 (ten) days after the
24 Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide
25 Class Counsel and Defense Counsel with a final report detailing its disbursements by employee
26 identification number only of all payments made under this Agreement. At least 15 (fifteen) days
27 before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel
28 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 represent there are an estimated 2,147 Class Members who collectively worked an estimated total of 138,349 Workweeks from June 1, 2022 through June 3, 2024, and an estimated 1,973 Aggrieved Employees who worked an estimated total of 64,385 PAGA Pay Periods from July 21, 2022 through June 3, 2024. If it is determined that the total number of Workweeks is 10% higher (i.e 152,184 Workweeks), then Defendants may either (1) increase the GSA on a proportional basis above 10% (i.e. if the number of Workweeks increases by 15% the GSA will be increased by 5%) or (2) end the Class Period on the date the number of Workweeks reaches 152,184 Workweeks. For purposes of this provision and for submission of the total workweeks to the Settlement Administrator, a workweek is one that a Class Member recorded time worked in Defendants' time and payroll systems of record. Time paid, but not worked, such as vacation, medical leave, or any other type of paid or unpaid time off, does not qualify. If this provision is triggered so as to increase the GSA, the Parties agree that the portion of the GSA allocated to attorneys' fees will increase proportionally such that the total amount of attorneys' fees remains one-third of the GSA after the upward adjustment required by this provision is implemented.

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

9.1 **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

1 later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or
2 accepted by the Court.

3 9.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final
4 Approval on any material change to the Settlement (including, but not limited to, the scope of
5 release to be granted by Class Members), the Parties will expeditiously work together in good
6 faith to address the Court's concerns by revising the Agreement as necessary to obtain Final
7 Approval. The Court's decision to award less than the amounts requested for the Class
8 Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation
9 Expenses Payment, and/or Administrator Costs Payment shall not constitute a material
10 modification to the Agreement within the meaning of this paragraph.

11 9.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the
12 Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of
13 (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters,
14 and (iii) addressing such post-Judgment matters as are permitted by law.

15 9.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
16 conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class
17 Counsel Litigation Expenses Payment as set forth in this Settlement, the Parties, their respective
18 counsel, and all Participating Class Members who did not object to the Settlement as provided in
19 this Agreement, waive all rights to appeal from the Judgment, including all rights to post-
20 judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new
21 trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the
22 right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties'
23 obligations to perform under this Agreement will be suspended until such time as the appeal is
24 finally resolved and the Judgment becomes final, except as to matters that do not affect the amount
25 of the Net Settlement Amount.

26 9.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
27 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material
28 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 Costs reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

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

11. **ADDITIONAL PROVISIONS.**

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

11.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendants, and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit

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

Notwithstanding the above paragraph, this provision does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members, or to undertake required submissions of information and/or documents to the LWDA pursuant to PAGA. Additionally, nothing in this paragraph, and/or the confidentiality obligations stated herein, shall preclude Plaintiff's Counsel from referring to the settlement in any future Court filings (whether in this case or in other proceedings) in support of its qualifications as counsel. The Parties may also make public statements to the Court as necessary to obtain preliminary or final approval of the Settlement.

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

1 11.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
2 together with its attached exhibits shall constitute the entire agreement between the Parties
3 relating to the Settlement, superseding any and all oral representations, warranties, covenants, or
4 inducements made to or by any Party.

5 11.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
6 represent that they are authorized by Plaintiff and Defendants, respectively, to take all appropriate
7 action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate
8 its terms, and to execute any other documents reasonably required to effectuate the terms of this
9 Agreement including any amendments to this Agreement.

10 11.6 Cooperation. The Parties and their counsel will cooperate with each other and use their
11 best efforts, in good faith, to implement the Settlement by, among other things, modifying the
12 Settlement Agreement, submitting supplemental evidence and supplementing points and
13 authorities as requested by the Court. In the event the Parties are unable to agree upon the form
14 or content of any document necessary to implement the Settlement, or on any modification of the
15 Agreement that may become necessary to implement the Settlement, the Parties will seek the
16 assistance of a mediator and/or the Court for resolution.

17 11.7 No Prior Assignments. The Parties separately represent and warrant that they have not
18 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
19 encumber to any person or entity and portion of any liability, claim, demand, action, cause of
20 action, or right released and discharged by the Party in this Settlement.

21 11.8 No Tax Advice. Neither Plaintiff, Class Counsel, Defendants nor Defense Counsel are
22 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied
23 upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR
24 Part 10, as amended) or otherwise.

25 11.9 Modification of Agreement. This Agreement, and all parts of it, may be amended,
26 modified, changed, or waived only by an express written instrument signed by all Parties or their
27 representatives, and approved by the Court.
28

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

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

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

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

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

11.15 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.

11.16 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 Plaintiff:

D.LAW, INC.
Emil Davtyan
Emil@d.law
David Yeremian
d.yeremian@d.law
Roman Shkodnik
r.shkodnik@d.law
880 E Broadway
Glendale, CA 91205
Telephone: (818) 962-6465

Fax: (818) 962-6469

To Defendants:

MEDINA McKELVEY LLP

Alexander M. Medina

E-mail: alex@medinamckelvey.com

Timothy B. Nelson (SBN 235279)

E-mail: tim@medinamckelvey.com

Douglas R. Leach (SBN 325955)

E-mail: doug@medinamckelvey.com

925 Highland Pointe Drive, Suite 300

Roseville, California 95678

Telephone: (916) 960-2211

Facsimile: (916) 742-5488

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

11.18 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 pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

IT IS SO AGREED.

By the Parties:

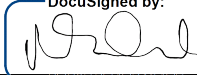
DATED: 10/24/24

DocuSigned by:

22025C17D41342A...

Plaintiff STANLEY CAJIGAL

1 DATED: 10/10/2024

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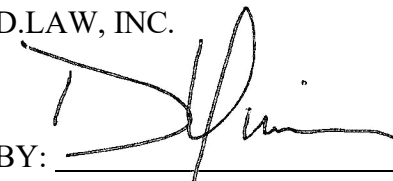
2
3 Defendants HOWMET GLOBAL FASTENING SYSTEMS,
4 INC. dba HOWMET FASTENING SYSTEMS, ALCOA
5 FASTENING SYSTEMS

6 By: Neil Marchuk
7
8 Position: Executive VP

9
10 Approved by counsel:

11 DATED: 10/24/24

D.LAW, INC.

12
13 
14 BY: _____
15 David Yeremiah
16 Roman Shkodnik
17 Counsel for Plaintiff

18 DATED: October 10, 2024

MEDINA McKELVEY, LLP

19
20 
21 BY: _____
22 Alexander M. Medina
23 Timothy B. Nelson
24 Douglas R. Leach
25 Attorneys for Defendants Howmet Global Fastening
26 Systems, Inc. dba Howmet Global Fastening Systems,
27 Alcoa Fastening Systems
28

EXHIBIT A

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

*Stanley Cajigal v. Howmet Global Fastening Systems, Inc. et al., No. CIVSB2316824
(San Bernardino Superior Court)*

***The San Bernardino County Superior Court authorized this notice.
It is not junk mail, spam, an advertisement, or solicitation by a lawyer.
Please read it carefully! You are not being sued.***

You may be eligible to receive money from an employee class action lawsuit (“Action”) against Howmet Global Fastening Systems, Inc. dba Howmet Global Fastening System, and Alcoa Fastening Systems (“Defendants”) for alleged wage and hour violations. The Action was filed by former employee, Stanley Cajigal, and seeks payment of (1) back wages and other relief for a class of non-exempt hourly-paid employees (“Class Members”) who worked for Defendants during the Class Period (June 1, 2022 to August 2, 2024); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all Class Members who worked for Defendants during the PAGA Period (July 21, 2022 to August 2, 2024) (“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 PAGA 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 _____ Workweeks during the Class Period and you worked _____ Pay Periods during the PAGA Period.** If you believe that you worked more during either period, you can submit a challenge by the deadline date.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval of the Settlement. Your legal rights are affected whether you act or not act. READ THIS NOTICE CAREFULLY. You will be deemed to have 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’ 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.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	Receive money. Give up rights to sue Defendants for claims released in the Settlement.
EXCLUDE YOURSELF	Receive no money from the Class settlement. You will retain the right to pursue your own legal claims against Defendants. However, even if you exclude yourself from the Class settlement, you will still receive a portion of the PAGA settlement and be bound by it if you worked during the PAGA Period.
OBJECT	Write to the Court about why you object to the Settlement. If the Settlement receives Final Approval, you will receive money and give up rights to sue Defendants for claims released in the Settlement.
CHALLENGE YOUR NUMBER OF WORKWEEKS AND/OR PAY PERIODS	Challenge your number of Workweeks or Pay Periods listed in this Notice and provide supporting evidence. If you challenge your workweeks or pay periods, you will still be part of the Settlement and will give up rights to sue Defendants for claims released in the Settlement.

BASIC INFORMATION

1. WHY AM I RECEIVING THIS NOTICE?

Defendants’ records indicate that you worked for Defendants Howmet Global Fastening Systems, Inc. dba Howmet Global Fastening System, and Alcoa Fastening Systems at some point(s) between June 1, 2022 through August 2, 2024, and are therefore a member of the Class for purposes of this Settlement.

You received this Notice because you have a right to know about a proposed Settlement of the Action, and about all of your options, before the Court decides whether to finally approve the Settlement. The Settlement will resolve all Class Members’ claims, which are described below, during the Class Period. The Settlement will also resolve claims for civil penalties brought under the California Private Attorneys’ General Act (“PAGA”). If you are a Class Member, you are also an “Aggrieved Employee” if you worked for Defendants during the “PAGA Period,” which is July 21, 2022 through August 2, 2024.

If the Court grants Final Approval to the Settlement, a settlement Administrator appointed by the Court will issue the payments provided for by the Settlement to Class Members. You are encouraged to always keep your address up to date with the Administrator (the Administrator’s contact information can be found in Section 12, below).

This Notice package explains the allegations and background regarding the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to receive those benefits.

The Court in charge of the Action is the San Bernardino County Superior Court, and the case is titled, “*Stanley Cajigal v. Howmet Global Fastening Systems, Inc. et al.*,” No. CIVSB2316824. The person who sued, Stanley Cajigal, is the Plaintiff, and the companies sued, Howmet Global Fastening Systems, Inc. dba Howmet Global Fastening System and Alcoa Fastening Systems, are the Defendants.

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

2. WHAT IS THE LAWSUIT ABOUT?

The Plaintiff in the lawsuit alleges wage and hour violations against Defendants for: (1) Failure to Pay Minimum Wages; (2) Failure to Pay Wages and Overtime Under Labor Code § 510; (3) Meal Period Liability Under Labor Code § 226.7; (4) Rest-Break Liability Under Labor Code § 226.7; (5) Failure to Pay Vacation Wages; (6) Failure to Comply with Labor Code § 245 et seq. and 246; (7) Violation of Labor Code § 226(a); (8) Failure to Keep Required Payroll Records under Labor Code §§ 1174 and 1174.5; (9) Penalties Pursuant to Labor Code § 203; and (10) Violation of Business & Professions Code § 17200 et seq. In addition, Plaintiff is seeking to recover civil penalties pursuant to PAGA (“PAGA Penalties”) based on the alleged violations of the California Labor Code listed above. Defendants denies Plaintiff’s claims and denies any wrongdoing.

3. WHY IS THIS A CLASS ACTION?

In an employment class action, one or more people called “Class Representatives” (in this case, the Plaintiff) sue on behalf of all workers who they contend have similar claims. All of these workers are a Class or Class Members. Bringing one lawsuit, as opposed to many small ones, saves money, time and court resources. The court resolves the issues for all Class Members, except for those who exclude themselves from the Class.

4. WHY IS THERE A SETTLEMENT?

The Court did not decide in favor of the Plaintiff or Defendants on the merits of the claims alleged in the lawsuit. Plaintiff believes Plaintiff would win at trial. Defendants think that Plaintiff’s lawsuit would not proceed to a trial and/or that Plaintiff would not win at trial. However, there has been no trial. Instead, in acknowledgement of the risk that both Parties face should the case proceed, the Parties have agreed to a negotiated settlement. This way, all Parties avoid the cost of preparing for and conducting a trial, the risk of losing the right to a trial, and the workers affected by the alleged violations receive compensation. The Settlement represents a compromise and settlement of highly disputed claims. The Plaintiff, as well as Plaintiff’s lawyers (called “Class Counsel”), believe the Settlement is fair and reasonable and in the best interests of all Class Members.

WHO IS INCLUDED IN THE SETTLEMENT?

5. WHO IS INCLUDED IN THE SETTLEMENT?

If you received this Notice, you are a Class Member for settlement purposes. The Class includes: All employees of Defendants who were classified as non-exempt hourly employees and worked within the State of California at any time from June 1, 2022 through August 2, 2024.

6. ARE THERE EXCEPTIONS TO BEING INCLUDED?

You are not a Class Member if you already have resolved the claims asserted in this lawsuit, whether by settlement or a separate legal proceeding (i.e., another lawsuit).

THE SETTLEMENT BENEFITS—WHAT YOU GET

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

7. WHAT DOES THE SETTLEMENT PROVIDE?

Defendants have agreed to pay a Gross Settlement Amount (“GSA”) of \$405,000.00 (four hundred five thousand dollars and zero cents) to settle the lawsuit. From the GSA, Class Counsel will apply to the Court for attorneys’ fees of one-third of the GSA or \$135,000.00 and up to \$25,000.00 in costs; a Class Representative Service Payment of \$5,000.00 to Plaintiff (for Plaintiff’s work and efforts prosecuting this case); a PAGA Penalties payment of \$30,000.00 to resolve the PAGA claims; and Settlement Administration Costs to [ADMINISTRATOR], not to exceed \$25,000.00. The exact amount of the Class Counsel’s Fees and Litigation Expenses, Class Representative Service Payment, and Administration Costs will be determined by the Court at the Final Approval hearing. The remaining portion of the Settlement amount, the “Net Settlement Amount” or the “NSA,” is currently estimated to be approximately \$XXXXXXX. The NSA will be apportioned and paid out as Individual Class Payments to the Settlement Class Members, who are the Class Members that do not request to be excluded (“opt out”) of the Settlement.

PAGA Penalties payment: As part of the PAGA portion of the Settlement, the Parties will ask the Court to approve a \$30,000.00 PAGA Penalties payment in settlement of claims for civil penalties under PAGA. As required under PAGA, 75% of the PAGA Penalties payment, or \$22,500.00, will be paid to the California Labor and Workforce Development Agency. The remaining 25% of the PAGA Penalties payment, or \$7,500.00, will be distributed to the Aggrieved Employees as Individual PAGA Payments.

8. HOW MUCH WILL MY PAYMENT BE?

An approximation of your Individual Class Payment appears on the first page of this Notice. If you are also an Aggrieved Employee, an approximation of your Individual PAGA Payment will also appear on the first page of this Notice.

Individual Class Payment: Your Individual Class Payment is based on the number workweeks you worked, as represented in Defendants’ records, in comparison to the total number of workweeks worked by all Class Members during the Class Period (June 1, 2022 to August 2, 2024). Eighty percent (80%) of each Class Member’s Individual Class Payment will be treated as a payment in settlement of the alleged claims for penalties and interest and will be reported on a Form 1099 by the Settlement Administrator, and twenty percent (20%) of each Class Member’s Individual Class Payment will be treated as a payment in settlement of alleged claims for unpaid wages. The 20% allocated as unpaid wages will be reduced by applicable payroll tax withholdings and deductions and reported on a Form W-2.

Individual PAGA Payment: If you worked for Defendants from July 21, 2022 to August 2, 2024 (“PAGA Period”), you are also an “Aggrieved Employee” and will receive an Individual PAGA Payment in addition to your Individual Class Payment. The Individual PAGA Payments are based on the number of PAGA Pay Periods worked by each Aggrieved Employee in comparison to the total amount of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period. One hundred percent (100%) of each Aggrieved Employees’ Individual PAGA Payment will be characterized as penalties and will not be reduced by payroll tax withholdings and deductions. The Individual PAGA Payment will be reported on a Form 1099 by the Settlement Administrator. An approximation of your anticipated Individual PAGA Payment appears on the first page of this Notice.

For the Class Members who are also Aggrieved Employees, their Individual Class Payment will be combined with their Individual PAGA Payment, and they will receive a single check for the combined payments. If a Class Member chooses to opt-out of the Settlement, they will still receive an Individual PAGA Payment, as Aggrieved Employees cannot opt-out of the PAGA portion of the Settlement. *See, e.g., Robinson v So. County Oil*, 53 Cal. App. 476 (2020).

HOW YOU GET A PAYMENT

9. HOW DO I RECEIVE A PAYMENT?

You do not need to do anything to receive a payment. However, if you believe that the number of Workweeks or PAGA Pay Periods you worked is incorrect, please correct it and provide any supporting evidence to the settlement Administrator, whose contact information is listed in Section 12 below.

10. WHEN WOULD I GET MY PAYMENT?

The Court will hold a Final Fairness Hearing on [REDACTED], to decide whether to approve the Settlement. If the Judge approves the Settlement, and anyone objects, there may be appeals. It is always uncertain when these objections and appeals can be resolved and resolving them can take time. If there is no objection, the Effective Date of the Settlement will be the date of entry of the Court's Order granting final approval.

Following the Effective Date, Individual Class Payments and Individual PAGA Payments will be mailed to Participating Class Members and Aggrieved Employees approximately 30 days after the Court's approval of the Settlement becomes final so long as there are no appeals.

Settlement checks should be cashed promptly upon receipt. Proceeds of checks which remain uncashed after 180 days from the date of issuance will be forwarded to the State of California Unclaimed Property Fund in the name of each Participating Class Member and/or Aggrieved Employee who did not cash his or her settlement check. If your settlement check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement. You can search for unclaimed property on the State's website at: https://www.sco.ca.gov/search_upd.html

For an update on the status of payments, please contact the Settlement Administrator (see Section 12).

11. WHAT AM I GIVING UP TO GET A PAYMENT?

If the Court approves this Settlement and unless you exclude yourself, you will become a Participating Class Member, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against Defendants concerning the legal claims being resolved in this Settlement. Specifically, you will be giving up or "releasing" the Released Class Claims described below against Defendants and all of Defendants' subsidiaries, affiliates, shareholders, members, agents, predecessors, successors, owners, and assigns ("Released Parties"). The release become effective once the GSA is fully funded by Defendants.

Released Class Claims: The "Released Class Claims" shall include all claims arising out of or related to the allegations set forth in the Operative Complaint that arose during the Class Period, including claims for: (1) Failure to Pay Minimum Wages Under California Labor Code §§ 1194 and 1197 and the applicable

Industrial Welfare Commission (“IWC”) Wage Order; (2) Failure to Pay Wages and Overtime Under Labor Code §§ 204 and 510 and the applicable IWC Wage Order; (3) Meal Period Liability Under Labor Code § 226.7 and the applicable IWC Wage Order; (4) Rest-Break Liability Under Labor Code § 226.7 and the applicable IWC Wage Order; (5) Failure to Pay Vacation Wages Under Labor Code § 227.3 and the applicable IWC Wage Order; (6) Failure to Comply with Labor Code §§ 245 et seq. and 246 and the applicable IWC Wage Order; (7) Violation of Labor Code § 226(a) and any other applicable statute; (8) Failure to Keep Required Payroll Records under Labor Code §§ 1174 and 1174.5; (9) Penalties Pursuant to Labor Code § 203; and (10) Violation of Business & Professions Code § 17200 *et seq.* (collectively, the “Released Class Claims”). The Released Class Claims applies to claims arising during the Class Period.

Released PAGA Claims: If you an Aggrieved Employee (i.e. if you worked for Defendants during the PAGA Period), you will also release all claims for PAGA civil penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notice letter to the LWDA, (“Released PAGA Claims”) under Labor Code §§ 2698 and 2699, including the penalty provisions based on the following California Labor Code sections: 201, 202, 203, 204, 210, 226, 226.3, 226.7, 227.3, 245 *et seq.*, 246, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, and 2699, *et seq.* The Released PAGA claims applies to claims arising during the PAGA Period only.

EXCLUDING YOURSELF FROM THE SETTLEMENT

12. HOW DO I EXCLUDE MYSELF FROM THE SETTLEMENT?

To exclude yourself from the Settlement, you must send the Settlement Administrator a written and signed request for exclusion which must be postmarked no later than [45 days after Class Notice is Mailed]. Be sure to include your name, address, and telephone number, and any other information you think would be helpful to the settlement Administrator to identify you. You can send your request for exclusion to the settlement Administrator at:

[ADMINISTRATOR]
Stanley Cajigal v. Howmet Global Fastening Systems, Inc. et al. Settlement
XXXXX
City, State, XXXXX
Email:
Fax:

If you ask to be excluded from the Settlement, you will not be legally bound by anything that happens in the Action, except as it relates to settlement of the PAGA claim. If you ask to be excluded from the Settlement you will not be able to object to the Settlement and you will not receive an Individual Class Payment, but you will still receive an Individual PAGA Payment if you worked for Defendants during the PAGA Period (July 21, 2022 through August 2, 2024). If you ask to be excluded, you may be able to sue (or continue to sue) Defendants in the future.

13. IF I DON'T EXCLUDE MYSELF, CAN I SUE DEFENDANTS FOR THE SAME THING LATER?

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

No. Unless you exclude yourself, you give up any right to sue Defendants for the claims that this Settlement resolves. If you have a pending lawsuit, speak to your lawyer in that case immediately. You must exclude yourself from this Class to continue your own lawsuit. Remember, the exclusion deadline is [45 days after Class Notice is Mailed].

14. IF I EXCLUDE MYSELF, CAN I GET MONEY FROM THIS SETTLEMENT?

No. If you exclude yourself, you will not receive any money from this Settlement. However, if you timely exclude yourself from the Settlement, you will retain the right to pursue your own legal action against Defendants, if you desire.

THE LAWYERS REPRESENTING YOU IN THIS LAWSUIT

15. DO I HAVE A LAWYER IN THIS CASE?

The Court has determined that D.Law, Inc. is qualified to represent you and the Class Members in the lawsuit. These lawyers are called Class Counsel and their contact information is listed below. If you want to be represented by your own lawyer, you may hire one at your own expense.

D.LAW, INC.
Emil Davtyan
Emil@d.law
David Yeremian
d.yeremian@d.law
Roman Shkodnik
r.shkodnik@d.law
450 N. Brand Blvd. Suite 840
Glendale, CA 91203
Telephone: (818) 962-6465
Fax: (818) 962-6469

16. HOW WILL THE LAWYERS BE PAID?

Class Counsel will ask the Court to approve \$135,000.00 (or 1/3 of the GSA) for attorneys' fees incurred in investigating the facts, litigating the case, and negotiating the Settlement. Class Counsel will also seek Court-approval of up to \$25,000.00 in litigation expenses incurred in this matter. The Court may award Class Counsel less than what they request. Class Counsel will also ask the Court to approve payment to Plaintiff Stanley Cajigal in the amount of \$5,000 in addition to his Individual Class Payment and Individual PAGA Payment for the initiative, risk, and time and energy Plaintiff has spent in service to the Class as the Class Representative. The Court may award the Class Representative less than what is requested.

OBJECTING TO THE SETTLEMENT

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

You can and have the right to tell the Court you do not agree with the Settlement or some part of it.

17. HOW DO I TELL THE COURT THAT I OBJECT TO THE SETTLEMENT?

If you don't think the Settlement is fair, you can object to some or all of the Settlement. You can either object to the Settlement in person at the Final Approval Hearing or you can submit a written objection. Written objections and notices of intent to appear at the Final Approval Hearing must be mailed to the Settlement Administrator and postmarked on or before [REDACTED], 2024, at the following address:

[ADMINISTRATOR]

Stanley Cajigal v. Howmet Global Fastening Systems, Inc. et al. Settlement

XXXXX

City, State, XXXXX

Email:

Fax

The written objection should state your name and address and describe all legal and factual reasons that you object to the terms of the Settlement. You should also include or attach any documents upon which your objection is based. If the Court overrules the objection at the Final Approval hearing, the Settlement Agreement will be approved, and you will receive your payment. If you do not submit a written objection, you may still appear at the Final Approval hearing to voice your objection or to otherwise observe the proceedings.

18. WHAT'S THE DIFFERENCE BETWEEN OBJECTING AND REQUESTING EXCLUSION?

Objecting is simply telling the Court that you do not agree with something about the Settlement. You can object only if you stay in the Class.

Requesting exclusion is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you, and you do not get any money from this Settlement. If you submit both an objection and a request to be excluded from the settlement, the request to be excluded will control and you will not get any money from this settlement.

THE COURT'S FAIRNESS HEARING

The Court will hold a Final Approval Hearing to decide whether to approve the Settlement. You may attend and you may ask to speak, but you don't have to.

19. WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?

The Court will hold a Final Approval Hearing at [REDACTED] on [REDACTED] in Department 22 of the San Bernardino County Superior Court located at the San Bernardino Justice Center, 247 West Third Street, San Bernardino, CA 92415, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. If there are objections, the Court will consider them at that time. The Court will also be asked to approve the requests for the Class Representative Service Payment and the Class Counsel Fees and Litigation Expenses Payments.

20. DO I HAVE TO COME TO THE HEARING?

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

No. Class Counsel will answer questions the Court may have. However, you are welcome to attend. If you send an objection, you do not have to come to the Court to talk about it. As long as you mailed your written objection to the settlement administrator on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

IF YOU DO NOTHING

21. WHAT IF I DO NOTHING AT ALL?

If you do nothing, you will receive a Settlement payment, and you will be bound by the terms of Settlement, which means that you will not be able to start a lawsuit, continue a lawsuit, or be a part of any other lawsuit against the Defendants about the legal issues in the Action.

GETTING MORE INFORMATION

22. HOW DO I GET MORE INFORMATION?

You may contact Class Counsel at the contact information listed above in Section 15 if you have any questions about the Settlement. You may also contact the Court-appointed Settlement Administrator, [INSERT] by calling toll free 1-800_____, or you can write to the Administrator at the following address:

[ADMINISTRATOR]
Stanley Cajigal v. Howmet Global Fastening Systems, Inc. et al .Settlement
XXXXX
City, State, XXXXX
Email:
Fax

PLEASE DO NOT TELEPHONE THE COURT OR HOWMET GLOBAL FASTENING SYSTEMS, INC.'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS. YOU MAY, HOWEVER, CALL CLASS COUNSEL OR THE SETTLEMENT ADMINISTRATOR, LISTED ABOVE.

EXHIBIT 2

**DAVID YEREMIAN
& ASSOCIATES INC**

2540 Foothill BLVD STE 201
La Crescenta CA 91214

818 230 8380
818 230 0308 FAX

DAVID@YEREMIANLAW.COM

July 21, 2023

VIA ON-LINE SUBMISSION ONLY TO:

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

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

CT Corporation System, Agent for Service
Howmet Global Fastening Systems Inc. dba Howmet Global Fastening System
330 N. Brand Blvd. Suite 700
Glendale, CA 91203
Certified Mail Tracking Number: 7021 2720 0001 0176 4149

Howmet USA Corp.
800 S. State College Blvd.
Fullerton, CA 92831
Certified Mail Tracking Number: 7021 2720 0001 0176 4132

Alcoa Fastening Systems
800 S. State College Blvd.
Fullerton, CA 92831
Certified Mail Tracking Number: 7021 2720 0001 0176 4125

**Re: Labor Code § 2698, et seq. Penalties – PAGA Notice Letter to the LWDA
*Cajigal v. Howmet Global Fastening Systems Inc. et al.***

Gentlepersons:

This office represents Plaintiff Stanley Cajigal (“Plaintiff”) and other similarly situated aggrieved non-exempt employees (collectively “Aggrieved Employees”) for violations of California Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 227.3, 245 et seq., 246, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, and 2699, et seq.; provisions of the Industrial Welfare Commission (IWC) Wage Order(s); and California Business & Professions Code § 17200 et seq.

The purpose of this letter is to comply with the Private Attorneys General Act of 2004, pursuant to California Labor Code § 2698 et. seq. (“the Act”). Plaintiff would like to bring a representative action, pursuant to the Act, on behalf of himself and all other similarly situated

Aggrieved Employees, and the State of California, against Defendants, Howmet Global Fastening Systems Inc. dba Howmet Global Fastening System, Howmet USA Corp., Alcoa Fastening Systems, and DOES 1 through 50 inclusive (all defendants being referred to herein collectively as “Defendants”).

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

We also set forth herein the facts and theories and the California Labor Code violations which Defendants engaged in with respect to Plaintiff and all of their Aggrieved Employees in California. The attached Class Action Complaint provides the details of Plaintiff’s class-wide claims and claims under the Act, and the applicable California law governing them. It, along with this Notice Letter, addresses in detail numerous violations that subject Defendants to civil and statutory penalties under the Act.

Relevant Facts

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

Specifically, Defendants had a common policy and practice of failing to pay Aggrieved Employees minimum wages for all hours worked. For example, as part of their duties under Defendants’ employ, Aggrieved Employees were required to work off-the-clock hours by going through lengthy temperature checks each day before clocking in and after returning back from their meal breaks, but were never compensated for the time spent undergoing Defendants’ temperature checks. Additionally, Aggrieved Employees had to wait in line before clocking in were not compensation for this time.

Defendants’ timekeeping system for the beginning and ending times of their work shifts required Aggrieved Employees to clock in and clock out when they were starting and ending work for the day. The timekeeping system thus permitted Defendants to record clock in and clock out times to the real-time minute. However, rather than paying the Aggrieved Employees for all hours and minutes they actually worked, Defendants followed a uniform policy and practice of rounding all time entries to the quarter hour (*i.e.*, to the nearest 15 minute time increment), and generally did so to the detriment of the Employees, and these unlawfully rounded time entries were inputted into Defendants’ payroll system from which wage statements and payroll checks were created.

Because of the foregoing understatement of hours worked, Defendants also failed to pay Plaintiff and Aggrieved Employees proper overtime wages. Plaintiff and Aggrieved Employees consistently worked in excess of eight (8) hours a day, and/or forty (40) hours a week. However, Plaintiff and Aggrieved Employees were not paid overtime wages for hours worked in excess of 8 hours a day. Moreover, the uncompensated time, discussed above, was worked by Aggrieved

Employees in excess of 8 hours a day and/or 40 hours a week, further entitling Aggrieved Employees overtime wages which they were consistently denied, all in violation of Labor Code and applicable Wage Orders.

Additionally, Defendants did not pay Aggrieved Employees the correct overtime rate for the recorded overtime hours that they generated. In addition to an hourly wage, Defendants paid Aggrieved Employees shift differentials, nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses. However, upon information and belief, Defendants failed to incorporate all remunerations, including shift differentials, nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses, into the calculation of the regular rate of pay for purposes of calculating the overtime wage rate. Therefore, during times when Aggrieved Employees worked overtime and received shift differentials, nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses, Defendants failed to pay all overtime wages by paying a lower overtime rate than required.

Additionally, Defendants also paid shift differentials, nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses to Aggrieved Employees but Defendants failed to include these forms of remuneration in the regular rate of pay from which sick pay and vacation pay was calculated and paid.

Defendants had a common policy and/or practice of denying Plaintiff and Aggrieved Employees proper meal periods. Specifically, Plaintiff and Aggrieved Employees were required to work through their meal periods which they were consistently denied. Also, what meal periods Plaintiff and Aggrieved Employees did take, were consistently less than 30 minutes, and taken well after their fifth consecutive hour of work, all in violation of Labor Code and applicable Wage Orders. Similarly, Plaintiff and Aggrieved Employees were required to work in excess of ten (10) hours a day, without ever receiving a second meal compliant period, all in violation of Labor Code and applicable Wage Orders. Defendants also paid shift differentials, nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses to Aggrieved Employees but Defendants failed to include these forms of remuneration in the regular rate of pay from which premium pay was calculated and paid.

Defendants have consistently failed to provide Plaintiff and Aggrieved Employees with paid rest breaks of not less than 10 minutes for every work period of 4 or more consecutive hours, as required by Labor Code. Specifically, Plaintiff and Aggrieved Employees who often worked at least twelve (12) hours in a day were entitled to at least two breaks but were required to work through their periods which they were continuously denied. Defendants also paid shift differentials, nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses to Aggrieved Employees but Defendants failed to include these forms of remuneration in the regular rate of pay from which premium pay was calculated and paid.

Defendants consistently failed to issue accurate itemized wage statements as required by Labor Code § 226(a). Specifically, Defendants failed to provide Employees with accurate itemized wage statements in writing, as required by the Labor Code. Defendants failed in their affirmative obligation to keep accurate records of the correct overtime wages based on proper regular rate calculations that included shift differentials, nondiscretionary commissions, incentive pay, and/or

nondiscretionary bonuses earned, and the total amount of compensation of Aggrieved Employees. Additionally, the wage statements given to Aggrieved Employees, by Defendants, failed to include the above requirements enumerated above. Aggrieved Employees' wage statements did not include: the total hours worked in violation of Labor Code § 226(a)(2) and failed to accurately set forth all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each such rate in violation of Labor Code § 226(a)(9). The wage statements provided to Aggrieved Employees were confusing and required Aggrieved Employees to refer to outside sources to verify whether their pay was correct and potentially resulting in a miscalculation by the Aggrieved Employees. Moreover, the wage statements given to Aggrieved Employees failed to accurately account for unpaid wages, overtime, premium pay for deficiently provided meal periods and rest breaks, and unlawfully received or collected wages, discussed above.

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

PAGA Claim Details, Legal Bases for Violations and Penalties:

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

Failure to Pay Minimum Wages

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

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

California Labor Code § 1197, entitled "Pay of Less Than Minimum Wage" states: "The minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful." The minimum wage provisions of California Labor Code are enforceable by private civil action pursuant to Labor Code § 1194(a) which states: "Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid

balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney's fees and costs of suit."

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

Defendants thus failed to pay Employees minimum wages they were owed, including by their consistent policy of failing to pay Employees for all hours worked. Specifically, Aggrieved Employees were required to work off-the-clock hours by going through lengthy temperature checks each day before clocking in and after returning back from their meal breaks, but were never compensated for the time spent undergoing Defendants' temperature checks. Additionally, Aggrieved Employees had to wait in line before clocking in were not compensation for this time.. Accordingly, Plaintiff and Aggrieved Employees were required to work without pay. Defendant also had a common policy and/or practice of understating the hours worked by Aggrieved Employees because Defendant would round down Aggrieved Employees time to the nearest 15-minute time increment order to avoid paying them for all the hours worked. Thus, Plaintiff and Aggrieved Employees were required to work hours without wages. Additionally, Defendants did not pay Plaintiff and Aggrieved Employees at the applicable minimum wage for all hours worked. Defendants have the ability to pay minimum wages for all time worked and have willfully refused to pay such wages with the intent to secure for Defendants a discount upon this indebtedness with the intent to annoy, harass, oppress, hinder, delay, or defraud Plaintiff and Aggrieved Employees.

In light of the forgoing, the Aggrieved Employees seek to recover wages and penalties. Aggrieved Employees are entitled to recover the unpaid minimum wages (including double minimum wages), liquidated damages in an amount equal to the minimum wages unlawfully unpaid, interest thereon and reasonable attorney's fees and costs of suit pursuant to California Labor Code § 1194(a). Plaintiff and the other Aggrieved Employees further request recovery of all unpaid wages, according to proof, interest, statutory costs, as well as the assessment of any statutory and civil penalties against Defendants, in a sum as provided by the California Labor Code and/or other applicable statutes, including pursuant to Labor Code § 558, and Wage Order provisions. To the extent minimum wage compensation is determined to be owed to the Aggrieved Employees who have terminated their employment, Defendants' conduct also violates Labor Code §§ 201 and/or 202, and therefore these individuals are also be entitled to waiting time penalties under California Labor Code § 203, which penalties are sought herein on behalf of these Aggrieved Employees. Defendants' failure to timely pay all wages owed also violated Labor Code § 204 and resulted in violations of Labor Code § 226 because they resulted in the issuance of inaccurate wage statements. Defendants' conduct as alleged herein was willful,

intentional and not in good faith. Further, Plaintiff and other Aggrieved Employees are entitled to seek and recover statutory costs.

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

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

Defendants violated the law by failing to pay Plaintiff and Aggrieved Employees earned wages and overtime. Specifically, Plaintiff and Aggrieved Employees consistently worked in excess of eight (8) hours a day, and/or forty (40) hours a week. However, Plaintiff and Aggrieved Employees were not paid overtime wages for hours worked in excess of 8 hours a day. Moreover, the uncompensated time, discussed above including the time they had to undergoing Defendants' lengthy mandatory temperature checks and wait in line caused Plaintiff and Aggrieved Employees to work in excess of 8 hours a day and/or 40 hours a week, further entitling Plaintiff and Aggrieved Employees overtime wages which they were consistently denied, all in violation of Labor Code § 510 and applicable Wage Orders. Additionally, Defendants did not pay Aggrieved Employees the correct overtime rate for the recorded overtime hours that they generated. In addition to an hourly wage, Defendants paid Aggrieved Employees shift differentials, nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses. However, upon information and belief, Defendants failed to incorporate all remunerations, including shift differentials, nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses, into the calculation of the regular rate of pay for purposes of calculating the overtime wage rate. Therefore, during times when Aggrieved Employees worked overtime and received shift differentials, nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses, Defendants failed to pay all overtime wages by paying a lower overtime rate than required. Moreover, as discussed above Defendants improperly rounded down to the nearest quarter hour, changed, adjusted and/or modified Plaintiff and Aggrieved Employees hours in order to avoid paying them for all hours worked.

Defendants have violated Labor Code § 1194 and Labor Code § 510 (and paragraphs 2(K), 2(S), 3(A) and 4(A)-4(B) of the relevant orders of the Industrial Welfare Commission) by failing to pay Employees: (a) time and one-half their regular hourly rates for hours worked in excess of eight hours in a workday or in excess of forty hours in any workweek or for the first eight hours worked on the seventh day of work in any one workweek; or (b) twice their regular rate of pay for hours worked in excess of twelve hours in any one day or for hours worked in excess of eight hours on any seventh day of work in a workweek. Defendants had a consistent policy of not paying Employees wages for all hours worked, including by requiring off the clock work as addressed above and by under-reporting actual hours worked. With work shifts generally requiring eight hours or more of work on a given day, this unpaid off the clock work resulted in Aggrieved Employees working past eight hours on a shift or more than forty hours in a week, which required that they be paid at the correct overtime rate of 1.5 times their regular rate.

When considered in combination with the other wage violations addressed above, Aggrieved Employees were not properly compensated, nor were they paid overtime and double time rates

for hours worked in excess of eight hours or twelve hours in a given day, and/or forty hours in a given week. Defendants did not make available to Employees a reasonable protocol for correcting time records when Employees worked overtime hours or to fix incorrect time entries or those that Defendants unlawfully under-recorded to the Employee's detriment. Defendants have also violated these provisions by requiring Plaintiff and other similarly situated Aggrieved to otherwise work off the clock to complete their daily job duties.

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

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

Failure to Pay Vacation Wages

Pursuant to California Labor Code § 227.3, whenever a contract of employment or employment policy provides for paid vacation and an employee is terminated without having taken off his vested vacation time, all vested vacation shall be paid to him as wages at his final rate in accordance with said contract of employment or policy respecting eligibility or time served. Defendants paid shift differentials, nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses to Aggrieved Employees but Defendants failed to include these forms of remuneration in the regular rate of pay from which vacation wages were calculated and paid. Plaintiff and Aggrieved Employees seek to recover penalties pursuant to Labor Code § 227.3. Plaintiff accordingly seeks this relief available for Defendants' violations of section Labor Code § 227.3 in connection with Aggrieved Employees and seeking the civil and statutory penalties available and applicable under Labor Code § 227.3, 1194.2, 1197.1, 1198, 1199, 2699.3(b), and 2699(f)(2), and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Failure to Comply with Labor Code §§ 245 et seq. and 246

California Labor Code § 245 et seq. requires that Defendants provide paid sick time to Aggrieved Employees, including at the amount, terms, and rate of compensation set forth in said law. At times relevant, Defendants have failed compute the amount due for paid sick time in conformance with the pay calculation under California Labor Code § 246(1). Defendants paid shift differentials, nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses to Aggrieved Employees but Defendants failed to include these forms of remuneration in the regular rate of pay from which sick pay was calculated and paid. Rather than calculating the amount of paid sick time due when sick time is used according to the requirements set forth in California Labor Code § 246(1), Defendants paid sick leave to Aggrieved Employees at a lower rate, in violation of the law. As a result of Defendants' conduct, Defendants have violated California Labor Code §§ 245 et seq. and 246. Plaintiff and Aggrieved Employees seek to

recover penalties pursuant to Labor Code § 245 *et seq.* and 246. Plaintiff accordingly seeks this relief available for Defendants' violations of section Labor Code §§ 245 *et seq.* and 246 in connection with Aggrieved Employees and seeking the civil and statutory penalties available and applicable under Labor Code §§ 245 *et seq.* and 246, 1194.2, 1197.1, 1198, 1199, 2699.3(b), and 2699(f)(2), and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

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

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

On the occasions when Aggrieved Employees were provided with a meal period, it was often untimely or interrupted by having to respond to work demands or remain under Defendant's control, in violation of the Labor Code and applicable Wage Orders. On shifts over ten hours, second meal periods were not provided. Defendants also failed to pay Aggrieved Employees "premium pay," i.e. one hour of wages at each Aggrieved Employee's effective regular rate of pay, for each meal period that Defendants failed to provide or deficiently provided, including by miscalculating any premium payments they did make. Therefore, pursuant to Labor Code § 226.7 and paragraphs 11 and 20 of the applicable IWC Wage Order, Aggrieved Employees are entitled to damages in an amount equal to one hour of wages at their correctly calculated regular rate of compensation for each meal period not provided or deficiently provided, as well as the assessment of any statutory penalties against the Defendants, and each of them, in a sum as provided by the Labor Code, including Labor Code § 558 and other applicable statutes and Wage Order provisions. Defendants paid shift differentials, nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses to Aggrieved Employees but Defendants failed to include these forms of remuneration in the regular rate of pay from which premium pay was calculated and paid. Therefore, Defendants also miscalculated the rate at which they paid any meal period or rest period premiums when Defendant did attempt to pay them, resulting in further violations of section 226.7.

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

Rest-Break Liability Under Labor Code § 226.7 and Penalties

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

Aggrieved Employees but Defendants failed to include these forms of remuneration in the regular rate of pay from which premium pay was calculated and paid. Therefore, Defendants also miscalculated the rate at which they paid any rest period premiums when Defendant did attempt to pay them, resulting in further violations of section 226.7.

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

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

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

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

Defendants failed to provide Aggrieved Employees with accurate itemized wage statements in writing, as required by the Labor Code. Specifically, Defendants failed to provide Employees with accurate itemized wage statements in writing, as required by the Labor Code. Defendants failed in their affirmative obligation to keep accurate records of the correct overtime wages based on proper regular rate calculations that included shift differentials, nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses earned, and the total amount of compensation of Aggrieved Employees. Additionally, the wage statements given to Aggrieved Employees, by Defendants, failed to include the above requirements enumerated above. Aggrieved Employees' wage statements did not include: the total hours worked in violation of Labor Code § 226(a)(2) and failed to accurately set forth all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each such rate in violation of Labor Code § 226 (a)(9). The wage statements provided to Aggrieved Employees were confusing and required Aggrieved Employees to engage in discovery and refer to outside sources to verify whether their pay was correct and potentially resulting in a miscalculation by the Aggrieved Employees. Moreover, the wage statements given to Aggrieved Employees failed

to accurately account for unpaid wages, rounding, overtime, premium pay for deficiently provided meal periods and rest breaks, and unlawfully received or collected wages, discussed above.

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

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

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

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

Defendants also required Aggrieved Employees to work hours off the clock for which they were not compensated, including during interrupted or otherwise on-duty meal and rest periods. Defendants also failed to pay all overtime premium wages owed for work conducted on a work shift and a workday, or miscalculated these premiums by not including all forms of remuneration in the regular rate, as addressed above. Therefore, when Aggrieved Employees received wage statements and pay checks, they did not compensate all hours worked on a timely basis, resulting in Defendants' systematic failure to pay all wages owed to Aggrieved Employees twice monthly in accordance with the requirements of Labor Code § 204. Additionally, by not providing wage statements as required under section 204, Defendants systematically violated Labor Code § 204 and § 226.

Given the above described off the clock work, Plaintiff was not paid at the correct overtime rate for all hours he worked after eight hours into a shift or over forty in a work week and that he was

not paid all double time owed either. Defendants' uniformly applied payroll policies and practices thus resulted in further systematic and ongoing violations of the requirements of Labor Code § 204.

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

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

Failure to Keep Records In Accordance With Labor Code § 1174

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

Under the PAGA, and following exhaustion of the notice period, Plaintiff asserts PAGA claims for failure to provide Plaintiff and the Aggrieved Employees with accurate, itemized wage statements and failure to maintain employment records for Plaintiff and Aggrieved Employees under Labor Code §§ 226, 1174, 1198, and 1198.5, and Sections 7(A), 7(B), and 7(C) of the applicable IWC Wage Order(s) seeking all civil and statutory penalties and wages available and applicable under Labor Code §§ 558, 1174.5, 1199, and 2699(f)(2), 2699.5, and paragraph 20 of the applicable IWC Wage Order, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Waiting Time Penalties Pursuant to Labor Code § 203

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

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

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

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

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

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

Plaintiff and the Aggrieved Employees seek penalties under Labor Code §§ 2698 and 2699 for Defendants' violation of Labor Code provisions included under Labor Code § 2699.5, including the penalty provisions, without limitation, based, *inter alia*, on the following California Labor Code sections: §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 227.3, 245 et seq., 246, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, and 2699, et seq, including as follows:

(a) Wage Claims: For failure to provide Plaintiff and the Aggrieved Employees all earned regular pay and minimum wages for regular hours worked and for failure to pay overtime premium wages for overtime hours worked under Labor Code §§ 510, 1194(a), 1197, and 1198, and paragraphs 2(K), 3(A), 4(A), 4(B) and 20 of the applicable IWC Wage Order(s) seeking all civil and statutory penalties available and applicable under Labor Code §§ 510, 558, 1194.2, 1197.1, 1198, 1199, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

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

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

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

(e) Failure to Provide Paid Sick Days: For Defendants' failure to provide Employees with all their required and earned sick days in violation of Labor Code §§ 245 *et seq.* and 246 the civil and statutory penalties available and applicable under Labor Code §§ 245 *et seq.* and 246, 1194.2, 1197.1, 1198, 1199, 2699.3(b), and 2699(f)(2), and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

(f) Failure to Pay Vacation Wages: For Defendants' failure to provide Employees with all their vacation days in violation of Labor Code § 227.3 and seeking the civil and statutory penalties available and applicable under Labor Code § 227.3, 1194.2, 1197.1, 1198, 1199, 2699.3(b), and 2699(f)(2), and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

(g) All Alleged Violations of the IWC Wage Orders: For any above addressed violation of the applicable provisions of the IWC Wage Orders constituting violations of Labor Code § 1198 and Labor Code § 2699.5, and seeking penalties available and applicable under

Labor Code § 2699(f)(2) and paragraph 20 of the applicable IWC Wage Orders, and for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

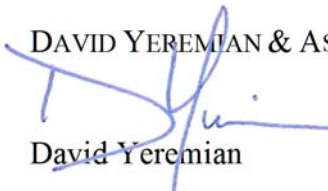
We have been constrained to initially move forward with the filing of this Complaint, alleging the causes of action discussed herein, without the PAGA claim. Thus, any action by the LWDA would not resolve the entirety of the case, and the interest of judicial economy will be served by allowing the case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

This letter and the attached Complaint therefore provide the requisite notice under the Act to the LWDA and Defendants by setting forth the specific provisions of the Labor Code and related provisions Plaintiff alleges have been violated, including the facts and relevant theories alleged against Howmet Global Fastening Systems Inc. dba Howmet Global Fastening System, Howmet USA Corp., Alcoa Fastening Systems and any other named Defendants and joint employers. To prevent the violations described in the Complaint and herein from occurring, and to remedy past violations, Plaintiff respectfully requests that the LWDA conduct an investigation into Defendants' employment practices in accordance with the Act.

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

Regards,

DAVID YEREMIAN & ASSOCIATES, INC.



David Yeremian

Cc: Howmet Global Fastening Systems Inc. dba Howmet Global Fastening System,
Howmet USA Corp., and
Alcoa Fastening Systems
by Certified Mail

EXHIBIT 3