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*Attorneys for* Plaintiff JOSEPHINE  
HERNANDEZ, individually, and on behalf of  
other similarly situated employees and  
Aggrieved Employees pursuant to the  
California Private Attorneys General Act

**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF LOS ANGELES**

JOSEPHINE HERNANDEZ, individually,  
and on behalf of other similarly situated  
employees and Aggrieved Employees  
pursuant to the California Private Attorneys  
General Act,

Plaintiff,

vs.

LIBERTY UTILITIES (APPLE VALLEY  
RANCHOS WATER) CORP; LIBERTY  
UTILITIES (PARK WATER) CORP.;  
LIBERTY UTILITIES (CALPECO  
ELECTRIC) LLC; and DOES 1 through 25,  
inclusive,

Defendants.

Case No. 25STCV06335

Honorable Timothy P. Dillon  
Department 15

**DECLARATION OF ALEXANDRA ROSE IN  
SUPPORT OF PLAINTIFF'S MOTION FOR  
PRELIMINARY APPROVAL OF CLASS  
ACTION AND PAGA SETTLEMENT**

Date: September 15, 2026  
Time: 10:00 a.m.  
Dept.: 15

Complaint Filed: March 5, 2025  
FAC Filed: February 20, 2026  
SAC Filed: May 28, 2026  
Trial Date: Not Set

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1 attended all hearings; attended all mediations; coordinated with class action administrators; prepared  
2 and worked with experts; first and second chaired multiple trials and arbitrations; and engaged in all  
3 other intricate facets of litigation. During that time, he represented a wide range of clients from sole  
4 proprietorships to Fortune 500 companies in state, federal, complex, and appellate courts. Many of  
5 the cases he managed were highly publicized, with articles written about them in the Los Angeles  
6 Times, Deadline, The Hollywood Reporter, Business Insider, Law360, and others. Super Lawyers has  
7 regularly honored him as a Southern California Rising Star since 2012.

8         4. Ryan A. Quadrel is a leading wage and hour litigator whose practice focuses on high-  
9 exposure class and representative actions in state, federal, and complex courts throughout California.  
10 Known for his strategic judgment and disciplined litigation management, Mr. Quadrel brings extensive  
11 experience representing both employees and employers, allowing him to assess cases with the  
12 sophistication and balance required in complex employment matters. Mr. Quadrel earned his Juris  
13 Doctor degree from Touro College Jacob D. Fuchsberg Law Center in 2015, where he graduated in  
14 the top of his class and earned several accolades by competing and coaching teams in moot court  
15 competitions. Since his admission to the California State Bar, his practice has been dedicated almost  
16 exclusively to employment law, with a concentration on wage and hour class actions and  
17 representative actions under PAGA. Throughout his career, Mr. Quadrel has taken a leadership role  
18 in all aspects of complex litigation including trial and arbitration hearings. He regularly oversees case  
19 assessment and strategy, directs discovery, and manages the full spectrum of motion practice,  
20 including dispositive and class certification briefing. His experience includes soliciting testimony  
21 from trial witnesses, taking and defending depositions, coordinating with experts on liability and  
22 damages analyses, supervising communications with large groups of class members and aggrieved  
23 employees, and guiding cases through mediation, settlement approval, and administration. His  
24 strategic approach and command of wage and hour law have resulted in the recovery of unpaid wages  
25 and penalties for thousands of employees throughout the state. Recognized for both his results and  
26 his professional leadership, Mr. Quadrel frequently lectures on wage and hour legal updates and  
27 litigation strategy. He has been recognized as a *Top Lawyer* on several occasions by *Palm Springs*  
28 *Life Magazine*.

1           5.       Shelby L. Miner is an Associate Attorney at Blackstone Law, APC whose practice  
2 focuses on wage-and-hour class actions and PAGA claims and consumer fraud. In 2014, Ms. Miner  
3 obtained a Bachelor of Arts degrees from University of Minnesota – Twin Cities. In 2017, Ms. Miner  
4 earned her Juris Doctor from University of California, Los Angeles School of Law where she was  
5 awarded the Christopher E. Bergin Award for Excellent in Writing. Further, in 2016, Ms. Miner  
6 served as a Judicial Extern for the Honorable Louis A. Lavin of the second district California Court  
7 of Appeal. In 2017, Ms. Miner was admitted to the State Bar of California, and in 2020 was admitted  
8 to the State Bar of Minnesota. Further, Ms. Miner is also admitted to the Central District of California  
9 and the DC Court of Appeal.

10           6.       I joined Blackstone Law, APC from a highly reputable employment law firm. I  
11 graduated from the University of California, Los Angeles with a Bachelor of Arts degree in 2016 and  
12 from New England Law | Boston with a Juris Doctor degree in 2019. I was admitted to the State Bar  
13 of California in December of 2019 and the State Bars of New York and New Jersey in 2023. I am  
14 additionally licensed in all federal district courts of California. I manage the post-settlement  
15 department at Blackstone. In that capacity, I oversee and handle over 100 wage-and-hour putative  
16 class actions and/or representative actions under PAGA that are in settlement.

17           7.       Theodore R. Tang graduated from Mt. Washington College (formerly Hesser College)  
18 with a Bachelor of Science degree in 2012 and from the University of California, Los Angeles School  
19 of Law with a Juris Doctor degree in 2016. He was admitted to the State Bar of California in December  
20 of 2016 and is admitted in all federal district courts of California. Following law school, he worked  
21 briefly for the Los Angeles City Attorney’s office as a volunteer deputy in the Criminal Division, Van  
22 Nuys office representing the People of California in misdemeanor trials. In March of 2017, he joined  
23 a startup wage and hour law firm that quickly grew into a prominent wage and hour class and PAGA  
24 action firm in California. From approximately 2019 to 2024, at least 50% of his work involved wage  
25 and hour class action and/or PAGA cases. Since joining Blackstone Law, APC in 2025, 100% of his  
26 cases have been wage and hour class and PAGA actions.

27           8.       Blackstone Law, APC has been counsel of record on several class action and PAGA  
28 actions that have since been resolved, the most recent of which are attached hereto as **Exhibit 1**.

**Procedural History of the Action**

9. On March 5, 2025, Plaintiff filed a Class Action Complaint in the action entitled *Josephine Hernandez v. Liberty Utilities (Apple Valley Ranchos Water) Corp., et al.*, Los Angeles County Superior Court Case No. 25STCV06335 (“Action”), thereby commencing a putative class action against Liberty Utilities (Apple Valley Ranchos Water) Corp. and Algonquin Power & Utilities Corp.

10. On September 2, 2025, pursuant to the joint stipulation of the Parties, Algonquin Power & Utilities Corp. was dismissed from the Action without prejudice.

11. On January 21, 2026, Plaintiff and Defendants Liberty Utilities (Apple Valley Ranchos Water) Corp., Liberty Utilities (Park Water) Corp., and Liberty Utilities (CalPeco Electric) LLC (collectively, “Defendants”) (collectively with Plaintiff, the “Parties”) participated in a formal mediation conducted by Eve Wagner, Esq. (“Mediator”), a neutral and respected mediator with extensive experience in complex wage and hour matters, and with the assistance of the Mediator’s evaluations, the Parties were able to reach an agreement to resolve this dispute on a class and representative basis. The Parties then worked diligently to negotiate and memorialize the terms in a long form settlement agreement.

12. On February 20, 2026, Plaintiff filed a First Amended Class Action Complaint in the Action, which added Defendants Liberty Utilities (Park Water) Corp. and Liberty Utilities (CalPeco Electric) LLC as named defendants.

13. On February 23, 2026, Plaintiff provided written notice to the California Labor and Workforce Development Agency (“LWDA”) by online submission and to Defendants by U.S. Certified Mail, pursuant to California Labor Code Section 2699.3, of the specified provisions of the California Labor Code alleged to have been violated by Defendants (“PAGA Letter”). A true and correct copy of the PAGA Letter is attached hereto as **Exhibit 2**.

14. On March 28, 2026, Plaintiff filed a Second Amended Class and Representative Action Complaint (“Operative Complaint”) in the Action, which added a cause of action under PAGA against Defendants. The Operative Complaint alleges ten (10) causes of action for violations of the California Labor Code for failure to pay minimum wages, failure to pay overtime wages, failure to provide

compliant meal periods and/or premium payments in lieu thereof, failure to provide compliant rest periods and/or premium payments in lieu thereof, failure to timely pay wages during employment, failure to provide compliant wage statements, failure to timely pay wages upon termination, failure to reimburse necessary business expenses, violation of California Business & Professions Code section 17200, *et seq.* based on the aforementioned California Labor Code violations, and for civil penalties under PAGA based on the aforementioned California Labor Code violations.

15. On April 28, 2026, the Parties executed the Joint Stipulation of Class Action and PAGA Settlement (“Settlement” or “Settlement Agreement”). A true and correct copy of the Settlement Agreement is attached hereto as **Exhibit 3**.

### **Summary of the Terms of the Settlement Agreement**

16. For purposes of settlement only, the Parties have agreed that the Class shall be defined as “all current and former non-exempt or hourly employees who worked for Defendants in the State of California during the Class Period” (“Class” or “Class Member(s)”). The Class Period is defined as the period from March 5, 2021 through March 22, 2026. Based on information provided by Defendants, it is estimated that there are a total of approximately two hundred ninety-eight (298) Class Members.

17. The Parties have agreed to settle the class and PAGA claims at issue in the Operative Complaint for a non-reversionary Gross Settlement Amount of One Million Eight Hundred Thousand Dollars and Zero Cents (\$1,800,000.00), exclusive of employer-side payroll taxes. The Gross Settlement Amount is a common fund and therefore includes all requested costs, fees, and other allocations. The Gross Settlement Amount includes: (1) Class Counsel’s fees in the amount of one-third (1/3) of the Gross Settlement Amount (i.e., \$600,000.00 if the Gross Settlement Amount is \$1,800,000.00); (2) Class Counsel’s actual litigation costs and expenses, not to exceed Thirty-Five Thousand Dollars and Zero Cents (\$35,000.00); (3) Settlement Administration Costs, not to exceed Seven Thousand Seven Hundred Ninety Dollars and Zero Cents (\$7,790.00); (4) Enhancement Payment in the amount of Ten Thousand Dollars and Zero Cents (\$10,000.00); and (5) PAGA Amount in the amount of One Hundred Twenty Thousand Dollars and Zero Cents (\$120,000.00). After the above-estimated amounts are deducted from the Gross Settlement Amount, the Net Settlement

Amount that will be available for Class Members is currently estimated to be One Million Twenty-Seven Thousand Two Hundred Ten Dollars and Zero Cents (\$1,027,210.00). Additionally, 35% of the PAGA Amount (“PAGA Employee Amount”), which is \$42,000.00 out of \$120,000.00, will be fully distributed to “all current and former non-exempt or hourly employees who worked for Defendants in the State of California during the PAGA Period” (“PAGA Employee(s)”). The “PAGA Period” is defined as the period from February 23, 2025 through March 22, 2026.

18. The Net Settlement Amount will be distributed and paid to all Class Members who do not submit a timely and valid Request for Exclusion (“Settlement Class Member(s)”) on a *pro rata* basis based on the number of weeks each Class Member worked for Defendants as a non-exempt or hourly employee in California during the Class Period (“Workweeks”). The *pro rata* share of the Net Settlement Amount that a Class Member may be eligible to receive under the Class Settlement (“Individual Settlement Share”) will be calculated by the Settlement Administrator, in accordance with the Settlement Agreement.

19. The PAGA Employee Amount will be distributed and paid to all PAGA Employees on a *pro rata* basis based on the number of pay periods each PAGA Employee worked for Defendants as a non-exempt or hourly employee in California during the PAGA Period (“Pay Periods”). The *pro rata* share of the PAGA Employee Amount that a PAGA Employee may be eligible to receive under the PAGA Settlement (“Individual PAGA Payment”) will be calculated by the Settlement Administrator, in accordance with the Settlement Agreement.

20. Each Individual Settlement Share will be allocated as follows: fifteen percent (15%) wages and eighty-five percent (85%) penalties, interest, and non-wage damages. The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage damages will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. The Settlement Administrator will withhold the employee’s share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their net payment of their Individual Settlement Share (“Individual Settlement Payment”). The employer’s share of taxes and contributions in connection with the wages portion of Individual Settlement Shares will be paid separately and in addition to the Gross Settlement

Amount. Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties and will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator.

21. The Settlement Agreement is a non-reversionary and non-claims made settlement. The Net Settlement Amount will be fully distributed to Settlement Class Members and the PAGA Amount will be fully distributed to the LWDA and PAGA Employees, in accordance with the Settlement Agreement. No money will revert to Defendants.

22. Each Individual Settlement Payment and Individual PAGA Payment check will be valid and negotiable for one hundred and eighty (180) calendar days from the date the checks are issued, and thereafter, shall be canceled. Any funds associated with such canceled checks will be distributed by the Settlement Administrator to the State of California's Unclaimed Property Division in the name of the Settlement Class Member and/or PAGA Employee.

**The Settlement is Reasonable**

***Informed Arms-Length Negotiations***

23. The Parties' settlement negotiations were at all times made at arm's-length and were adversarial. The Settlement was reached following a full day of mediation with a highly respected mediator with substantial experience mediating wage and hour cases, and the Parties engaged in additional negotiations in order to finalize the long-form agreement presently before the Court.

24. The Parties engaged in extensive informal discovery prior to reaching a settlement. Prior to mediation, Defendants produced a fifty percent (50%) random sampling of putative class members' time and payroll data for the period May 2023 through July 2025 as well as Defendants' relevant wage and hour policies, and information regarding the total number of putative class members, the number of current versus former employees, and the total workweeks worked by the putative class members.

25. This allowed Class Counsel to conduct an informed assessment and analysis of the strengths and weaknesses of the claims and the potential class-wide damages.

26. Based on the information exchanged, the Parties extensively briefed issues regarding class certification and liability and provided their analyses to the Mediator who helped the Parties debate the strengths and weakness of their respective positions. At all times, Plaintiff was willing and

1 prepared to litigate this matter through class certification and trial if the Parties had been unable to  
2 reach a favorable resolution. Defendants contended that they were willing to oppose same and try the  
3 case.

#### 4 *Estimate of Potential Value of Claims*

5 27. Class Counsel analyzed all available data and Class Counsel's estimate of Defendants'  
6 maximum potential exposure was approximately \$15,430,342, assuming the litigation was successful  
7 at trial on all claims at issue and every employee had a violation for each claim on every shift worked.  
8 This maximum potential analysis was then reduced based on the challenges facing the likelihood of  
9 obtaining class certification, prevailing at trial, and other attendant risks. This estimate is based off an  
10 estimated maximum liability for all claims at issue and the total aggregate workweeks during the  
11 relevant time period, less interest, and based on the analysis of the data which was extrapolated out  
12 for all putative class members across the entire putative class period, which included: \$1,691,117 for  
13 meal period violations (less meal period premiums paid); \$8,311,445 for rest period violations at a  
14 100% violation rate; \$1,903,867 for unpaid off-the-clock work for 1 hour per workweek of off-the-  
15 clock work; \$1,102,142 for unpaid overtime wages at the required regular rate of pay; \$321,660 for  
16 unreimbursed business expenses; \$1,272,111 for waiting time penalties; and \$828,000 for wage  
17 statement penalties. Plaintiff further estimated that Defendants faced an additional exposure of  
18 \$870,200 in potential, non-stacked (i.e., one penalty, per employee, per pay period during the PAGA  
19 statutory period) PAGA penalties. Together with the PAGA penalties, Class Counsel's estimate of  
20 Defendants' maximum potential exposure totaled \$16,300,542.

#### 21 *Specific Risks Considered*

22 28. Although the investigation and information discovered supports Plaintiff's contentions,  
23 Defendants raised potential defenses and other circumstances that impacted the risk of proceeding on  
24 a class-wide basis. Consideration of these risks factored into the negotiations and the decision to enter  
25 the Settlement. As a threshold issue, Defendants contended that a number of putative class members  
26 executed valid and binding arbitration agreements with class action waivers, which Defendants  
27 contended would preclude such individuals from pursuing class claims or being included in any  
28 putative class in the instant matter.

1           29.     Class Counsel is aware of Defendants’ defenses and arguments and has also taken into  
2 account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays  
3 inherent in such litigation, including those involved in class and/or representative adjudication.  
4 Plaintiff further recognizes the burdens of proof necessary to establish liability for the claims asserted  
5 in the Action, Defendants’ defenses, and the difficulties in establishing entitlement to monetary  
6 recovery. Plaintiff has also considered the Parties’ settlement discussions, as well as the evaluations  
7 of the Mediator, who is experienced and well-regarded in complex labor and employment matters.

8           30.     Defendants denied and continue to deny any liability and wrongdoing of any kind  
9 associated with the claims alleged in the Action, and further deny that class certification is appropriate  
10 for any purpose other than the Settlement. Defendants believe that they would ultimately prevail in  
11 the Action. Defendants proffered defenses to both certification and to the merits of Plaintiff’s claims.  
12 Defendants contended that Plaintiff’s claims are not suitable for class certification because individual  
13 issues would predominate should this case go to trial. As with all class actions, these complex cases  
14 raise difficult management and proof issues and, accordingly, there is a significant risk that the Court  
15 may deny class certification.

16           31.     For example, Plaintiff’s meal period claims, which were based on Defendants’ alleged  
17 failure to provide lawful meal periods, have been increasingly difficult to certify in recent years.  
18 Plaintiff’s theory of liability for meal period violations was based on allegations that Defendants had  
19 failed to implement their policies and that their practices failed to allow Class Members to take meal  
20 breaks in the manner required under California law. Defendants contended that their policies and  
21 practices at all times during the Class Period were lawful. Indeed, Plaintiff’s analysis revealed only a  
22 20.4% potential violation rate for purported unique meal period violations after offsetting for meal  
23 period premiums paid. Defendants further denied the potential violation rate, and argued that the rate  
24 of purported meal period violations reflected in the data would require individualized inquiry and that  
25 such inquiry would prohibit a class from being certified. We also had to consider the risk that the  
26 Court would find validity in the individualized proof defense to certification of Plaintiff’s meal period  
27 claim.

28     ///

1           32.     Additionally, a large portion of Defendants' overall potential liability lies in Plaintiff's  
2 rest period allegations. As with the meal period allegations, Defendants contended that they had a  
3 lawful written rest period policy, provided compliant rest breaks, and relieved Class Members of all  
4 duties as required under California law. Additionally, this claim was even more uncertain given the  
5 difficulties associated with proving the alleged rest period violations, as Defendants were not required  
6 to record these breaks. Given the lack of records demonstrating rest period violations, there were  
7 legitimate concerns Plaintiff would not be able to certify these claims or prove substantial damages  
8 with requisite certainty, which made the estimated value of this claim subject to much challenge.

9           33.     Plaintiff also faced challenges certifying and proving liability for her minimum wage  
10 and overtime claims. These claims were largely based on alleged unrecorded, off-the-clock work  
11 performed by the Class Members both before and after their shifts and during meal periods. For  
12 example, Plaintiff alleged that she and Class Members were required to perform opening and closing  
13 duties before their shifts, including arriving 15 minutes before a scheduled shift to prepare the cash  
14 register, as well as staying after clocking-out to close the register. However, the individualized nature  
15 of whether and why this work was performed and the individualized nature of damages presented  
16 substantial concerns regarding the manageability of the case and the risk the Court could find these  
17 issues prevented certification, and the estimated damages for this claim were based on an assumption  
18 that all Class Members worked off the clock for at least one hour per week.

19           34.     Plaintiff also contended that Defendants failed to reimburse Plaintiff and the other  
20 Class Members for necessary business-related expenses, such as the usage of personal cell phones and  
21 internet service for work-related purposes. Defendants contended that they had a policy and practice  
22 of reimbursing employees for necessary business-related expenses. Defendants further contended that,  
23 with respect to the alleged expenses for which Plaintiff and the other Class Members never requested  
24 reimbursement from Defendants, they did not know and had no reason to know that alleged business-  
25 related expenses had been incurred. Defendants further contended that the reason for why a Class  
26 Member undertook certain expenses, while not others, and failed to receive reimbursement for certain  
27 expenses while not others, would raise individual issues that could not be certified.

28     ///

1           35.     There are also substantial risks associated with Plaintiff's waiting time penalties and  
2 wage statement claims. First, these claims were derivative of Plaintiff's claims for unpaid meal period  
3 premiums, unpaid rest period premiums, unpaid minimum wages, and unpaid overtime wages, and if  
4 certification was denied on those underlying claims, these derivative claims for penalties would also  
5 likely fail. Further, even if Plaintiff prevailed on her underlying claims, she would still be required to  
6 demonstrate that Defendants' violations of California Labor Code section 203 were *willful* violations.  
7 Wage statement claims have also seen varying treatment at the appellate level because such claims  
8 have an element of discretion attached to them rather than a pure calculation of damages after liability  
9 is proven. Accordingly, these derivative claims, which comprised a substantial portion of Defendants'  
10 estimated potential liability, were therefore uncertain.

11           36.     Class Counsel also recognized that, even if Plaintiff prevailed at class certification,  
12 proving the amount of wages due to each Class Member would be an expensive, time-consuming, and  
13 extremely uncertain proposition. In order to prove liability and damages, Class Counsel will need to  
14 request and analyze thousands of pages of documents, obtain the Class Members' contact information,  
15 contact them, and obtain declarations at great expense. Moreover, even if Plaintiff prevailed at class  
16 certification and trial, possible appeals would substantially delay any recovery by the Class.

17           37.     Class Counsel also separately contemplated the risks of proceeding with the PAGA  
18 claims and potential liability Defendants could face from these claims as part of the global resolution.  
19 Existing case law makes PAGA claims subject to the same defenses and risks as Plaintiff's underlying  
20 wage claims. Class Counsel also anticipated that even if successful on the merits at trial, the  
21 imposition of cumulative civil penalties based on the alleged wage and hour violations could be  
22 considered unjust, arbitrary and oppressive, or confiscatory, and that Defendants would argue that they  
23 made a good faith attempt to comply with their legal obligations warranting a reduction in penalties.  
24 Class Counsel also anticipated Defendants would argue that the violations per pay period were low,  
25 warranting an additional reduction in civil penalties. Finally, we were also mindful of the fact that  
26 PAGA is fundamentally not intended to be compensatory in nature but is instead intended to facilitate  
27 enforcement of California's labor laws by financing state activities and educating and deterring non-  
28 compliance.

38. Accordingly, after considering this multitude of factors, we concluded that it was in the best interest of the State of California and the PAGA Employees to enter into the Settlement, and to allocate One Hundred Twenty Thousand Dollars and Zero Cents (\$120,000.00) of the Gross Settlement Amount towards the PAGA claims, which represents approximately 6.67% of the Gross Settlement Amount. This percentage of the settlement is well-within the range of wage and hour settlements regularly approved in both state and federal court for cases that include both a class and PAGA action. Typically, such hybrid cases allocate only 1% of the gross settlement value to resolve PAGA claims, and, indeed, settlements allocations as little as 0.22% of the gross settlement amount have been approved as reasonable by courts.

39. Therefore, taking into account how each of the above risks potentially effected Plaintiff's ability to first obtain class certification, and then prove the underlying violations, the Court's broad discretion in civil penalties, plus the cost and delay in recovering the alleged potential damages, Class Counsel discounted Defendants' estimated liability based on the challenges facing her ability to succeed on class certification by 65% to \$5,705,190. The merits-based risk factors further reduced Defendants' estimated liability by an additional 65%. This resulted in an adjusted estimated liability of \$1,996,817. In light thereof, the settlement amount of \$1,800,000.00 is a significant settlement.

40. Class Counsel therefore submits that the Settlement is fair, reasonable, and adequate. The Settlement is in the best interest of the Class Members, the PAGA Employees, and the State of California and is within the accepted range of recoveries for this type of litigation given the inherent risk of litigation, the risk of obtaining and maintaining class certification, and the costs of further litigation.

### *Enhancement Payment*

41. As part of the Settlement Agreement, Plaintiff is requesting a reasonable Enhancement Payment of Ten Thousand Dollars and Zero Cents (\$10,000.00) to Plaintiff Josephine Hernandez. This Enhancement Payment is eminently reasonable given the time and effort Plaintiff spent on this case, and the benefit to the Class Members as a result of Plaintiff's actions. Notice of the requested Enhancement Payment is disclosed to the Class Members in the Class Notice.

1 *Attorneys' Fees and Costs*

2 42. The attorneys' fees incurred by Class Counsel are in line with the common fund  
3 requested. The Settlement Agreement provides for Class Counsel to apply for attorneys' fees in an  
4 amount of up to one-third (1/3) of the Gross Settlement Amount (i.e., \$600,000.00 if the Gross  
5 Settlement Amount is \$1,800,000.00) and actual litigation costs and expenses in an amount not to  
6 exceed Thirty-Five Thousand Dollars and Zero Cents (\$35,000.00), which will be paid out of the Gross  
7 Settlement Amount, subject to approval by the Court. Class Counsel has borne all of the risks and  
8 costs of litigation and will not receive any compensation until recovery is obtained.

9 43. The effectiveness of Blackstone Law, APC's prosecution of this matter has translated  
10 into tangible monetary benefits as follows: (1) Class Members, the State of California, and PAGA  
11 Employees will obtain monetary recovery over a relatively short period of time, as opposed to waiting  
12 additional years for the same, or potentially worse, result; (2) a guaranteed result that compares  
13 favorably with other similar class action settlements of this type, given the strengths and weaknesses  
14 of the case; and (3) significant savings in Class Counsel's fees and/or costs that would have only  
15 increased significantly had the case progress through certification, trial, and/or upon appeal.

16 44. Class Counsel has litigated this matter for over a year and was actively preparing this  
17 matter for class certification and trial. The Motion for Final Approval will elaborate on the nature of  
18 the legal services provided, the time incurred in performing those services, and Class Counsel's hourly  
19 rates. The Motion for Final Approval will also elaborate on the reimbursement costs sought by Class  
20 Counsel. Notice of the requested Attorneys' Fees and Costs is disclosed to the Class Members in the  
21 Class Notice.

22 *Notice to the Class*

23 45. The Parties have agreed to retain Apex Class Action Administration ("Apex" or  
24 "Settlement Administrator") to handle the notice and settlement administration process. The Parties  
25 respectfully request that the Court appoint Apex to handle these procedures and to serve as the  
26 Settlement Administrator. Defendants will provide Apex with the Class List and Apex will calculate  
27 each Class Member's estimated Individual Settlement Share and each PAGA Employee's estimated  
28 Individual PAGA Payment. Apex will also receive and process Requests for Exclusion, Notices of

1 Objection, and Disputes; will provide necessary reports and declarations; will calculate, subtract, and  
2 transmit necessary taxes and withholdings with respect to the wages portion of the Individual  
3 Settlement Shares; will prepare and submit informational and other tax filings and documents; will  
4 issue and transmit all payments provided for by the Settlement, including, but not limited to, mailing  
5 Individual Settlement Payment checks to the Settlement Class Members and Individual PAGA  
6 Payment checks to the PAGA Employees; and perform any other usual and customary duties for  
7 administering a class action settlement.

8 46. I am not aware of an alternative method of providing notice to the Class which would  
9 result in a higher likelihood of actual notice. The original source of the mailing addresses is from each  
10 Class Member, who provided the information to Defendants. As a fail-safe to this highly reliable  
11 method, skip tracing will be performed, if necessary.

12 ***Notice of Settlement to the LWDA***

13 47. In accordance with California Labor Code section 2699(s)(2), on July 9, 2026, a copy  
14 of the proposed Settlement was submitted to the LWDA via online submission through the LWDA's  
15 website. A true and correct copy of the email from the LWDA confirming receipt is attached hereto  
16 as **Exhibit 4**.

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

19 Executed on July 9, 2026, at Jersey City, New Jersey.

20 

21 Alexandra Rose

## **EXHIBIT 1**

- *Basilia Villa Magaña v. CJKANTRG PA, LLC*, Los Angeles County Superior Court, Case No. 23STCV25886, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Alexis Stuart-Drinnen v. DiCarlo's Italian Cafe, LLC, et al.*, San Bernardino County Superior Court, Case No. CIVSB2313579, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Monique Duong v. Boardwalk IG Management, LLC*, Orange County Superior Court, Case No. 30-2023-01334565-CU-OE-CXC, approved as counsel in final settlement of wage and hour class action.
- *Peter J. Gutierrez v. Univar Solutions USA Inc., et al.*, Los Angeles County Superior Court, Case No. 23STCV26851, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Steve Robles v. Avery Products Corporation*, Orange County Superior Court, Case No. 30-2024-01390483-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Dianna Flores v. Capitol Distribution Company LLC dba Capitol Food Company*, Los Angeles County Superior Court, Case No. 24STCV20477, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Mark Trahan v. Celebrity Casinos, Inc. dba Crystal Casino*, Los Angeles County Superior Court, Case No. 25STCV30655, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Jamie Ramires, et al. v. Bright Star Schools*, Los Angeles Superior Court, Case No. 23STCV15490, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Alesia Williams v. Altamed Health Services Corp.*, Los Angeles Superior Court, Case No. 23STCV15413, approved as counsel in final settlement of wage and hour class and PAGA action.

- *Jose Moreno v. Kern Regional Center*, Kern County Superior Court, Case No. BCV-24-103353, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Jonathan Cruz-Pulido v. Central Valley Meat Co., Inc., et al.*, Los Angeles County Superior Court, Case No. 24STCV13660, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Gregorio Pineda, et al. v. Orthopaedic Hospital dba Orthopaedic Institute for Children and Luskin Orthopaedic Institute for Children, et al.*, Los Angeles County Superior Court, Case No. 24STCV01618, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *John Price v. Fort Point Beer Company*, San Francisco County Superior Court, Case No. CGC-23-610592, approved as counsel in final settlement of wage and hour class and PAGA action.
- *David Jason Quiñones, et al. v. J-M Manufacturing Company Inc. dba JM Eagle*, Los Angeles County Superior Court, Case No. 23STCV16439, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Laila Droubi, et al. v. GSF Properties, Inc.*, Kern County Superior Court, Case No. BCV-24-100950, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Rowena Ray v. Sierra Central Credit Union*, Butte County Superior Court, Case No. 24CV02890, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Hamid Kondori, et al. v. Mission Imports, et al.*, Orange County Superior Court, Case No. 30-2022-01295280-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Johnny Rivas v. Buckingham Property Management*, Kings County Superior Court,

Case No. 23CU0355, approved as counsel in final settlement of wage and hour class and PAGA action.

- *Manuel Hernandez v. DHC PS Holdings LLC, et al.*, Alameda County Superior Court, Case No. 24CV079333, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Daniel He, et al. v. Bay Photo Lab Inc., et al.*, Los Angeles County Superior Court, Case No. 24STCV05682, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Leonard Moore v. Truepill, Inc.*, Alameda County Superior Court, Case No. 23CV047001, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Colton Ray v. Papé Machinery, Inc., et al.*, Humboldt County Superior Court, Case No. CV2402126, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Elba Garcia v. South Central Los Angeles Regional Center for Developmentally Disabled Persons, Inc.*, Los Angeles County Superior Court, Case No. 24STCV04382, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Miguel Avila v. Weber Metals, Inc.*, Los Angeles County Superior Court, Case No. 24STCV04071, approved as counsel in final settlement of wage and hour class action.
- *Hector Cornejo v. Renovo Solutions, LLC*, Los Angeles County Superior Court, Case No. 23STCV27376, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Juan Campos-Ledezma, et al. v. Institute for Environmental Health, Inc.*, Stanislaus County Superior Court, Case No. CV-23-006693, approved as counsel in final settlement of wage and hour class and PAGA action.

- *Jeanne Boudreau v. Intelliswift Software, Inc.*, San Francisco County Superior Court, Case No. CGC-23-611128, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Daniel Munguia v. Moog Inc.*, Los Angeles County Superior Court, Case No. 24STCV11688, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Francisco Javier Sanchez, Jr. v. Jim Crawford Construction Company, Inc.*, Fresno County Superior Court, Case No. 24CECG01421, approved as counsel in final settlement of wage and hour class action.
- *Jose Ramirez v. A.J. Kirkwood & Associates, Inc.*, San Diego County Superior Court, Case No. 24CU012580C, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Kirstie Deveaux, et al. v. Motorola Solutions, Inc.*, Santa Clara County Superior Court, Case No. 23CV427798, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Geri Gates, et al. v. SD & A Teleservices, Inc.*, Los Angeles County Superior Court, Case No. 23STCV29390, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Bryan Zuniga v. Inova Diagnostics, Inc., et al.*, San Diego County Superior Court, Case No. 37-2023-00055201-CU-OE-CTL, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Ivorya Geneve v. Mikuni Restaurant Group, Inc.*, Contra Costa County Superior Court, Case No. C23-02732, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Amira Fakira, et al. v. CSL Plasma, Inc.*, Alameda County Superior Court, Case No. 23CV057131, approved as counsel in final settlement of wage and hour class and PAGA action.

- *Vadim Savin, et al. v. Fleetlogix Inc.*, San Diego County Superior Court, Case No. 37-2023-00051984-CU-OE-CTL, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Grace Weissmuller, et al. v. Astrix Technology, LLC*, Los Angeles County Superior Court, Case No. 21STCV45436, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Gabriel Perez, et al. v. Kimberlite Corporation, et al.*, Alameda County Superior Court, Case No. 24CV073959, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Armida Marquez v. The Nielsen Company (US), LLC*, Los Angeles County Superior Court, Case No. 23STCV06394, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Sergio Valdez v. Ampere Computing, LLC, et al.*, Santa Clara County Superior Court, Case No. 24CV438808, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Mario Mendoza v. Mingei International, Inc.*, San Diego County Superior Court, Case No. 37-2024-00015385-CU-OE-CTL, approved as counsel in final settlement of wage and hour class action.
- *Vivian Huynh v. Technical Safety Services, LLC*, Alameda County Superior Court, Case No. 23CV053505, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Connor Brown v. Bi-Rite Management Services LLC, et al.*, San Francisco County Superior Court, Case No. CGC-24-611385, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Joshua Gilmore v. Golden Bolt, LLC*, Los Angeles County Superior Court, Case No. 24STCV11281, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.

- *Tony Jones v. Saddle Creek Corporation dba Saddle Creek Logistics Services*, Orange County Superior Court Case No. 30-2024-01379065-CU-OE-CXC, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Armida Burton v. Mercury Mission Systems, LLC*, Los Angeles County Superior Court, Case No. 24STCV02628, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Triada Pallidou v. TJB Geary's, LLC dba Geary's Beverly Hills*, Los Angeles County Superior Court, Case No. 24STCV15627, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Joey Ruiz, et al. v. Southern Tire Mart, LLC*, Los Angeles County Superior Court, Case No. 24STCV12037, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Salomon Garcia, et al. v. Atlas Freight Forwarding, Inc.*, San Diego County Superior Court, Case No. 37-2022-00039724-CU-OE-CTL, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Chardriana Jean v. Woodruff-Sawyer & Co.*, Alameda County Superior Court, Case No. 24CV102594, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Stephanie Leon v. Fulgent Therapeutics, LLC, et al.*, Los Angeles County Superior Court, Case No. 24STCV14168, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Emma Romero v. Charles Abbott Associates, Inc.*, San Bernardino County Superior Court, Case No. CIVSB2322374, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Karen Hartstein v. Hyatt Corporation*, Los Angeles County Superior Court, Case No. 20STCV15895, approved as counsel in final settlement of wage and hour class and PAGA action.

- *Michael Casas, et al. v. Encorr Sheets, LLC*, San Bernardino County Superior Court, Case No. CIVSB2319925, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Quincy O'Neal v. Included Health, Inc., formerly known as Grand Rounds Health, Inc.*, San Francisco County Superior Court, Case No. CGC-23-608391, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Javario Datrail Luna v. A-Check America, Inc., et al.*, Riverside County Superior Court, Case No. CVRI2306180, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Kevin Werner, et al. v. Greystar Management Services, LP, et al.*, Los Angeles County Superior Court, Case No. 23STCV08498, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Jully Mullings v. Antelope Ambulance Service*, Los Angeles County Superior Court, Case No. 23STCV30241, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Maria Martina Aleman v. Holding Hands OPCO LLC dba Holding Hands, Inc.*, Los Angeles County Superior Court, Case No. 24STCV25240, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Jesus Herrera v. Reeve Store Equipment Company*, Los Angeles County Superior Court, Case No. 22STCV04239, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Vanessa Vazquez v. Cliffs Resort LLC*, San Luis Obispo County Superior Court, Case No. 24CV-0025, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Javier Hernandez, Jr. v. DGDG I, LLC, et al.*, Santa Clara County Superior Court, Case No. 23CV416770, approved as counsel, in association with other counsel, in

settlement of representative wage and hour action pursuant to PAGA.

- *Juan Manuel Munoz v. MGA Entertainment, Inc.*, Los Angeles County Superior Court, Case No. 23STCV06386, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Mayra Campos Molina, et al. v. Harbor Hotels, LLC*, Los Angeles County Superior Court, Case No. 23STCV10683, approved as counsel in final settlement of wage and hour class and PAGA action.
- *William Sykes, IV, et al. v. Wente Bros.*, Alameda County Superior Court, Case No. 23CV048758, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Jose Padilla, et al. v. WEHO Hospitality Sunset, LLC*, Los Angeles County Superior Court, Case No. 23STCV01072, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Marvin Morales v. Skurka Aerospace, Inc.*, Los Angeles County Superior Court, Case No. 24STCV12893, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Tyler Krug, et al. v. EKC Enterprises, Inc.*, Kern County Superior Court, Case No. BCV-23-103975, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Joseph Amyot v. Silverthorn Resort, Inc.*, Shasta County Superior Court, Case No. 23CV-0203487, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Marissa Hartman v. Napa LP Hospitality Corporation*, Napa County Superior Court, Case No. 23CV00116, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Lesly Arreguin, et al. v. Intercare Therapy, Inc.*, Los Angeles County Superior Court, Case No. 23STCV27972, approved as counsel in settlement of representative wage

and hour action pursuant to PAGA.

- *Alma Lopez, et al. v. Advanced Manufacturing and Development, Inc.*, Mendocino County Superior, Case No. 23CV000673, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Brittni Aghedo, et al. v. Villa Esperanza Services*, Los Angeles County Superior Court, Case No. 23STCV27362, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Robin Jennings v. Mizuho Orthopedic Systems, Inc. dba Mizuho OSI*, Alameda County Superior Court, Case No. 24CV070891, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Jonathan Martin v. Atlas Digital, LLC*, Los Angeles County Superior Court, Case No. 23STCV30498, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Cynthia Molt v. Los Angeles Film School, LLC*, Los Angeles County Superior Court, Case No. 23STCV30757, approved as counsel in final settlement of wage and hour class and PAGA action.
- *William Ramirez v. Employer Solutions Staffing Group LLC*, Los Angeles County Superior Court, Case No. 23STCV24735, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Anu Verma v. SingerLewak LLC*, Los Angeles County Superior Court, Case No. 24STCV11344, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Toby Lanzarin, et al. v. Building Material Distributors, Inc.*, Sacramento County Superior Court, Case No. 34-2022-00330343-CU-OE-GDS, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Kassandra Herndon, et al. v. Agreeya Solutions, Inc.*, San Joaquin County Superior Court, Case No. STK-CV-UOE-2023-0002783, approved as counsel, in association

with other counsel, in final settlement of wage and hour class and PAGA action.

- *Damon Siler, et al. v. Call-The-Car dba Call the Car*, Los Angeles County Superior Court, Case No. 24STCV07514, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Daniel Ochoa-Lopez v. CorTech West Staffing, LLC, et al.*, Los Angeles County Superior Court, Case No. 23STCV19480, approved as counsel in settlement of representative wage and hour action pursuant to PAGA
- *Juan Escobedo v. Block Tops, Inc.*, Orange County Superior Court, Case No. 30-2023-01356309-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Antonio Quintero v. Weyerhaeuser NR Company*, Los Angeles County Superior Court, Case No. 23STCV02624, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Cristo Hernandez v. Eldorado National (California), Inc.*, Riverside County Superior Court, Case No. CVRI2201056, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Rigoberto Tecaliz v. National Restaurant Inc. dba Black Bear Diner*, San Diego County Superior Court, Case No. 37-2023-00046906-CU-OE-CTL, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Cecilia Estrada v. The Roman Catholic Archbishop of Los Angeles*, Los Angeles County Superior Court, Case No. 24STCV07184, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Alexander Davis v. JAJ Roofing dba Citadel Roofing and Solar*, Sacramento County Superior Court, Case No. 23CV011004, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Aurelio Aguilar v. Supreme Car Wash, Inc.*, Los Angeles County Superior Court, Case No. 21STCV29696, approved as counsel in final settlement of wage and hour

class and PAGA action.

- *Aaron Coffey v. Catalina Channel Express, Inc.*, Los Angeles County Superior Court, Case No. 21STCV41396, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Djuana Shanella Hale, et al. v. Welbe Health, LLC, et al.*, San Joaquin County Superior Court, Case No. STK-CV-UOE-2023-0006866, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Mario Fosados v. Drew Chain Security Corp.*, Los Angeles County Superior Court, Case No. 24STCV00519, approved as counsel in in settlement of representative wage and hour action pursuant to PAGA.
- *Jose Manuel Amaro Bernal v. Joseph Holt Plastering, Inc.*, Los Angeles County Superior Court, Case No. 24STCV15637, approved as counsel in in settlement of representative wage and hour action pursuant to PAGA.
- *Brandon Geston v. FRTO LLC, et al.*, Fresno County Superior Court, Case No. 24CECG01292, approved as counsel in in settlement of representative wage and hour action pursuant to PAGA.
- *Alfonso Herrera v. W.L. Butler Construction, Inc., et al.*, Orange County Superior Court, Case No. 30-2023-01335445-CU-OE-CXC, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Marcos Ojendiz, et al. v. Jonathan Louis International*, Los Angeles County Superior Court, Case No. 21STCV35253, approved as counsel in in settlement of representative wage and hour action pursuant to PAGA.
- *Emmanuel Caldera v. Zeb's World Famous Boathouse Inc. dba Goat Hill Tavern*, Orange County Superior Court, Case No. 30-2023-01310801-CU-OE-CXC, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Alex Javier Nakamoto v. Skydio, Inc.*, Alameda County Superior Court, Case No. 24CV062913, approved as counsel in in settlement of representative wage and hour

action pursuant to PAGA.

- *Jason McEntee v. Roche Molecular Systems, Inc.*, Alameda County Superior Court, Case No. 23CV041360, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Alexzander Roberts, et al. v. Lemonade Restaurant Group*, Los Angeles County Superior Court, Case No. 22STCV38302, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Halla Knotts v. Launch Technical Workforce Solutions, LLC*, San Bernardino County Superior Court, Case No. CIVSB2332568, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Armando Gastelum v. Premier Trailer Manufacturing, Inc.*, Tulare County Superior Court, Case No. VCU300333, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Tiffany Patterson v. Black Mountain Healthcare, LLC., d/b/a Seaport Home Health & Hospice*, San Diego County Superior Court, Case No. 37-2023-00037563-CU-OE-CTL, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Angel Rodriguez v. American Textile Maintenance*, Los Angeles County Superior Court, Case No. 22STCV17855, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Rita Ray v. Families Together of Orange County*, Orange County Superior Court, Case No. 30-2023-01324555-CU-OE-CXC, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Ly Hai v. Sunroad HS Auto, Inc.*, San Diego County Superior Court, Case No. 37-2022-00025788-CU-OE-CTL, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.

- *Anabel Perez v. Eureka Specialties, Inc.*, Los Angeles County Superior Court, Case No. 22STCV35940, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Jose Luis Galicia v. Virco, Inc., et al.*, Los Angeles County Superior Court, Case No. 23STCV29425, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Rene Umana v. Columbus Technologies*, Los Angeles County Superior Court, Case No. 22STCV16432, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Sitara Nayabkhil v. San Francisco SPCA (dba SFSPCA), a California 501(c)(3) non-profit organization*, San Francisco County Superior Court, Case No. CGC-23-609950, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Fernando Solis v. Tuff Shed, Inc.*, Los Angeles County Superior Court, Case No. 24VECV00368, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Tyler Emery v. Santa Cruz Bicycles, LLC*, Santa Cruz Superior Court, Case No. 24CV00244, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Odalys Montejo v. Team Nissan LLC*, Ventura County Superior Court, Case No. 2023CUOE017853, approved as counsel in settlement of representative wage and hour action pursuant to PAGA
- *Vanessa Cortes v. Giti Tire (USA) LTD*, San Bernardino County Superior Court, Case No. CIVSB2332578, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Travis Sanford v. Santa Cruz Seaside Company*, Santa Cruz County Superior Court, Case No. 23CV01762, approved as counsel in final settlement of wage and hour

class and PAGA action.

- *Jered Ortega v. YMCA of San Diego County*, San Diego County Superior Court, Case No. 37-2023-00043645-CU-OE-CTL, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Corina Martinez v. Stagnaro Bros. Seafood, Inc.*, Santa Cruz County Superior Court, Case No. 24CV00082, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Alejandra Jimenez v. ClearFreight, Inc.*, Los Angeles County Superior Court, Case No. 23STCV28938, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Jazzmin Cortez v. Millard Mall Services, Inc.*, Riverside County Superior Court, Case No. CVRI2104010, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Christa Morton, et al. v. PSI Services, LLC*, Fresno County Superior Court, Case No. 24CECG00039, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Michael Bravo v. Michels Pacific Energy, Inc.*, Santa Clara County Superior Court, Case No. 22CV403427, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Daniel Rodriguez v. Republique, LLC*, Los Angeles County Superior Court, Case No. 23STCV14521, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Theresa Bendorf, et al. v. Sea World LLC, et al.*, San Diego County Superior Court, Case No. 37-2021-00034922-CU-OE-CTL, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Victor De La Cruz v. Northwest Pipe Company*, San Bernardino County Superior

Court, Case No. CIVSB2211140, approved as class counsel in final settlement of wage and hour class and PAGA action.

- *Bobby Birdi v. Lucid USA, Inc.*, Alameda County Superior Court, Case No. 21CV003541, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Jose Trujillo, et al. v. Producers Dairy Foods, Inc.*, Sacramento County Superior Court, Case No. 34-2022-00313753, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *David Williams v. Rancho Nicasio, LLC*, Marin County Superior Court, Case No. CIV2203067, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Alexander Jackson v. Lifecare Assurance Company*, Los Angeles County Superior Court, Case No. 23STCV26579, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Alexis Cardoza v. BHFC Operating LLC*, Los Angeles County Superior Court, Case No. 21STCV34040, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Maria Ayala, et al. v. SDH Services West, LLC*, Kern County Superior Court, Case No. BCV-21-101933, approved as class counsel in final settlement of wage and hour class action.
- *Alfredo Sanchez v. Greenworld, Inc.*, Riverside County Superior Court, Case No. CVRI2105756, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Oscar Bryant v. Midwest Construction Services, Inc. dba Trillium*, San Bernardino County Superior Court, Case No. CIVSB2121529, approved as class counsel in final settlement of wage and hour class action.
- *Matthew Savattieri v. AMI Expeditionary Healthcare, LLC, et al.*, Los Angeles

County Superior Court, Case No. 21STCV33372, approved as class counsel in final settlement of wage and hour class and PAGA action.

- *Lexy Barajas, et al. v. H. W. Hunter, Inc.*, Los Angeles County Superior Court, Case No. 22STCV01892, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Alejandro Valdez v. C.H.I. Automart, Inc.*, Los Angeles County Superior Court, Case No. 21STCV40168, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Sheizan Bawa v. Meathead Movers, Inc.*, Orange County Superior Court, Case No. 30-2021-01211895-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Tanisha Lopez, et al. v. Restorix Health, Inc.*, Los Angeles County Superior Court, Case No. 21STCV33067, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Perla Soto, et al. v. Nippon Express U.S.A., Inc.*, Los Angeles County Superior Court, Case No. 21STCV24902, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Angel Garcia, et al. v. J&B Investments, Inc., et al.*, San Bernardino County Superior Court, Case No. CIVSB2208601, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Sindy Aviles, et al. v. Freeway Insurance Services America, LLC*, Los Angeles County Superior Court, Case No. 21STCV34864, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Alexander Gnaedig, et al. v. Favorite Healthcare Staffing, Inc.*, Los Angeles County Superior Court, Case No. 21STCV20904, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.

- *Richard Evans v. My Paint Stop, LLC, et al.*, Contra Costa County Superior Court, Case No. MSC21-01812, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Jose Luis Parada George v. Main Electric Supply Company, LLC, et al.*, Orange County Superior Court, Case No. 30-2021-01220136-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Samia Salazar Yunis v. Sharif Jewelers*, Sacramento County Superior Court, Case No. 34-2020-00290080, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Daniel Analco v. Felix Chevrolet, LP, et al.*, Los Angeles County Superior Court, Case No. 21STCV36654, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Sasha Aiono v. Benefit Cosmetics*, Los Angeles County Superior Court, Case No. 21STCV33719, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.

## **EXHIBIT 2**



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February 23, 2026

**PAGA Claim Notice Via Online Electronic Submission**

California Labor & Workforce Development Agency

800 Capitol Mall, Suite 5000 (MIC-55)

Sacramento, CA 95814

<https://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html>

**RE:   *Josephine Hernandez v. Liberty Utilities (Apple Valley Ranchos Water) Corp.;  
Liberty Utilities (Park Water) Corp.; and Liberty Utilities (CalPeco Electric)  
LLC***

To Whom It May Concern:

This office represents Josephine Hernandez (“Claimant”) with respect to their claims under the California Labor Code against ***Liberty Utilities (Apple Valley Ranchos Water) Corp.; Liberty Utilities (Park Water) Corp.; and Liberty Utilities (CalPeco Electric) LLC*** (including all affiliates, subsidiaries, parents, directors, and officers) (collectively referred to herein as “Employers”). This letter is being sent simultaneously to Employers by certified mail.

Employers employed Claimant from approximately June 2017 to April 2023 as a non-exempt, hourly-paid employee. Claimant worked as a Customer Service Representative for Employers and was based out of Employers’ facility located at 21760 Ottawa Rd, Apple Valley, CA 92308.

Claimant intends to bring a representative action seeking penalties for violations of the California Labor Code which are recoverable under the Labor Code Private Attorneys General Act of 2004, California Labor Code sections 2698, *et seq.* (“PAGA”). Claimant is seeking penalties on behalf of themselves and in a representative capacity on behalf of the State of California and all current and former hourly-paid and/or non-exempt employees who worked for Employers in the State of California during the relevant statutory period who suffered the violations alleged (“Aggrieved Employees”). This letter is being sent in compliance with California Labor Code section 2699.3 and shall serve as Claimant’s notice of the provisions of the California Labor Code alleged to have been violated, including the facts and theories in support thereof.

As detailed below, Employers violated several of California’s wage and hour laws during Claimant’s employment, including but not limited to California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1194, 1197, 1197.1, 1198, 2800, 2802, and the applicable Industrial Welfare Commission Wage Order (“IWC Wage Order”). Employers’ conduct giving

rise to the violations detailed below was malicious, fraudulent, and/or oppressive within the meaning of PAGA.

The claims made on behalf of Claimant and Aggrieved Employees are based upon the following facts and theories:

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

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

California Labor Code sections 1194, 1197, and 1197.1 and the applicable IWC Wage Order require employers to pay at least the legal minimum wage to their employees. California Labor Code sections 510 and 1198 and the applicable IWC Wage Order further require employers to pay no less than one and one-half times an employee's regular rate of pay for hours worked in excess of eight (8) hours in one workday, for hours worked in excess of forty (40) hours in one workweek, and for the first eight (8) hours worked on the seventh day of work in any one workweek, and to pay no less than twice an employee's regular rate of pay of the employee for hours worked in excess of twelve (12) hours in one workday and for any work in excess of eight (8) hours on any seventh day of a workweek.

Throughout the relevant time, Employers regularly required Claimant and other Aggrieved Employees to perform work off-the-clock including, but not limited to, by adhering to a rounding policy which systematically failed to pay and/or underpaid them for all hours worked. Employers failed to compensate Claimant and other Aggrieved Employees for any of this off-the-clock work, in violation of California law.

This uncompensated work often resulted in the total number of hours worked by Claimant and other Aggrieved Employees exceeding the daily and/or weekly triggers for overtime wages, yet Employers failed to pay Claimant and Aggrieved Employees applicable overtime rate(s) for these hours.

Employers also failed to accurately record the actual time worked by Claimant and Aggrieved Employees.

Employers also failed to pay overtime to Claimant and Aggrieved Employees for all overtime hours worked based on regular rates of pay correctly calculated to include all applicable remuneration, including non-discretionary commissions, non-discretionary bonuses, and non-discretionary performance pay.

As a result of the foregoing practices, Employers failed to pay Claimant and other Aggrieved Employees for all wages earned at the correct rates of pay, including minimum wages,

straight time wages, and overtime compensation. Accordingly, Employers violated the applicable IWC Wage Order and California Labor Code sections 204, 510, 1194, 1197, 1197.1 and 1198.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to the applicable IWC Wage Orders; penalties pursuant to California Labor Code sections 558, 1197.1, and 1199; injunctive relief; and attorneys' fees and costs.

## **2. MEAL BREAK VIOLATIONS**

California law requires employers to provide employees with an opportunity to take an uninterrupted meal period of no less than thirty (30) minutes before the end of the fifth hour of work when an employee works more than five (5) hours in a day. Cal. Lab. Code §§ 226.7 & 512(a). Employers must provide a second meal period of no less than thirty (30) minutes before the end of the tenth hour of work when an employee works more than ten (10) hours in a day. *Id.* For each day that an employer fails to provide compliant meal period(s), the employer must pay the employee a meal penalty equal to one hour of pay at the employee's regular rate of compensation. *Id.*

During the relevant time period, Employers failed to provide Claimant and other Aggrieved Employees with legally compliant 30-minute meal periods. Claimant and other Aggrieved Employees were required by Employers to work more than five (5) hours per day but were not provided with uninterrupted 30-minute meal periods. Further, Claimant and other Aggrieved Employees were not provided with a second uninterrupted 30-minute meal period when they worked over ten (10) hours per day. Employers regularly required Claimant and other Aggrieved Employees to work through their first and second meal periods, to take their first meal period after their fifth (5<sup>th</sup>) hour of work, and/or to take their second meal periods after their tenth (10<sup>th</sup>) hour of work. Meal breaks, when provided, were oftentimes interrupted and/or cut short.

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

profits over employees' right to receive timely, uninterrupted, and duty-free meal periods; and (8) Employer's implemented a time rounding policy that automatically recorded 30-minute, compliant meal periods regardless of whether such periods were compliant.

Claimant and other Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for each day a compliant meal period was not provided to them in compliance with California law.

Accordingly, Employers violated the applicable IWC Wage Order and California Labor Code sections 226.7, 512(a) and 1198.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to penalties paragraph of the applicable IWC Wage Orders; penalties pursuant to California Labor Code sections 558 and 1199; injunctive relief; and attorneys' fees and costs.

### **3. REST BREAK VIOLATIONS**

California law requires employers to authorize and permit employees to take an uninterrupted rest period of no less than ten (10) minutes for every four (4) hours, or major fraction thereof, worked. Cal. Lab. Code § 226.7. For each day that an employer fails to authorize and permit a compliant rest period, the employer owes the employee one hour of pay at the employee's regular rate of compensation. Cal. Lab. Code § 226.7(c).

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

Employers' policies, practices, and procedures were responsible for the violations alleged above and prevented Claimant and other Aggrieved Employees from taking timely and complete rest periods because, amongst other reasons: (1) Employers did not have legally-compliant policies regarding the provision and timing of rest periods or systematically disregarded its own purported rest period policies; (2) Employers' management at various levels failed and refused to implement and enforce legally compliant rest period policies and practices; (3) Employers failed to adequately inform and train Claimant and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free rest periods; (4) Employers failed to adequately inform and train Claimant and other Aggrieved Employees about their right to premium wages for non-compliant

rest periods; (5) Employers failed to ensure that there was adequate staffing to allow Claimant and other Aggrieved Employees to take timely, uninterrupted, and duty-free rest periods; (6) Employers required Claimant and other Aggrieved Employees to respond to work-related requests at all times, including during rest periods; and (7) Employers' policy and culture prevented Claimant and other Aggrieved Employees from taking timely, uninterrupted, and duty-free rest periods because of the priority placed on completing job requirements over employees' right to receive rest periods.

Claimant and other Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for each day a rest period was not provided to them in compliance with California law. Accordingly, Employers violated the applicable IWC Wage Order and California Labor Code sections 226.7 and 1198.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to the applicable IWC Wage Orders; Labor Code sections 558 and 1199 penalties; injunctive relief; and attorneys' fees and costs.

#### **4. FAILURE TO TIMELY PAY WAGES DURING EMPLOYMENT**

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month.

California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, Employers willfully and intentionally failed to timely pay all wages earned because Claimant and other Aggrieved Employees were not paid all the wages they were owed including, *inter alia*, overtime compensation, straight time wages, minimum wages, and meal and rest period premiums. Accordingly, Employers violated California Labor Code section 204(a).

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

#### **5. FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS**

California Labor Code section 226(a) requires an employer semimonthly or at the time of each payment of wages to furnish wage statements to its employees setting forth, *inter alia*, (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all

deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, and (8) the name and address of the legal entity that is the employer.

As a result of the practices described above, the wage statements provided to Claimant and other Aggrieved Employees failed to include the actual hours worked (including time spent working off-the-clock), the actual gross wages earned (including wages owed for time spent working off the clock and meal and rest period premiums), and the correct rates of pay. Employers' failure to provide accurate itemized wage statements was knowing and intentional. Accordingly, Employers violated California Labor Code section 226(a).

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

## **6. FAILURE TO REIMBURSE NECESSARY EXPENDITURES**

California Labor Code sections 2800 and 2802 require an employer to reimburse its employees for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. The applicable IWC Wage Order requires employers to provide employees with the tools or equipment necessary for the performance of their job. During the relevant time period, Claimant and Aggrieved Employees incurred necessary business-related expenses and costs that were not fully reimbursed by Employers.

Accordingly, Employers violated the applicable IWC Order **Error! Reference source not found.** and California Labor Code sections 2800 and 2802. Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph of the applicable IWC Wage Orders; injunctive relief; and attorneys' fees and costs.

## **7. FAILURE TO TIMELY PAY ALL WAGES UPON TERMINATION**

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

During the relevant time period, upon the termination of employment (including but not limited to when they were temporarily laid off, laid off, discharged, and/or resigned), Employers failed to pay all wages due to their employees within twenty-four (24) hours of termination or even

within seventy-two (72) hours for those who resigned. Specifically, as a result of Employers' practices of requiring Claimant and Aggrieved Employees to work off-the-clock without compensation, failing to pay proper overtime compensation, failure to properly calculate regular rates, and failure to accurately record all hours actually worked, Employers failed to pay Claimant and Aggrieved Employees for all straight time wage, minimum wages and overtime compensation owed to them upon termination of their employment. Employers also failed to pay Claimant and Aggrieved Employees for meal period premiums and rest period premiums they were owed, amongst other wages. Accordingly, Employers violated California Labor Code sections 201 and 202.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to California Labor Code sections 203 and 1199; and attorneys' fees and costs.

## 8. CONCLUSION

Claimant hereby provides notice to the LWDA under the California Labor Code Private Attorneys General Act of 2004, California Labor Code Sections 2698, *et seq.*, and specifically asks for an investigation, or if the agency does not intend to investigate the alleged violations, a letter confirming the same so that Claimant may allege a cause of action under PAGA against Employers for the violations discussed in this letter.

This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3. By law, an employee alleging a violation of one of the above referenced sections must notify his or her employer and the Labor and Workforce Development Agency (LWDA) before he or she can invoke the provisions of Sections 2699, *et seq.*, by seeking redress in court. Cal. Lab. Code § 2699.3(a)(1). The LWDA must then notify the employer and the employee within 60 calendar days regarding whether it intends to investigate the alleged violation. Cal. Lab. Code § 2699.3(a)(2)(B). If the LWDA advises it will not investigate, or if no notice is provided within 65 calendar days, the employee may file a lawsuit invoking the provisions under Labor Code § 2699. Cal. Lab. Code § 2699.3(a)(2)(A). It is Claimant's intention to file a civil complaint and to bring the appropriate claims under California Labor Code § 2699 on behalf of themselves, the State of California and all Aggrieved Employees should your office not address Employers' alleged violations within this timeframe.

If you have any questions or require additional information, please do not hesitate to contact my office. Thank you for your attention to this matter.

**BLACKSTONE LAW**

*Theodore R. Tang*

Theodore R. Tang, Esq.



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Liberty Utilities (CalPeco Electric) LLC

## **EXHIBIT 3**

1                   **JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT**

2                   This Joint Stipulation of Class Action and PAGA Settlement (“Settlement,” “Agreement,” or  
3                   “Settlement Agreement”) is made and entered into by and between Plaintiff Josephine Hernandez  
4                   (“Plaintiff” or “Class Representative”), individually, and on behalf of all others similarly situated and  
5                   on behalf of the State of California with respect to aggrieved employees, and Defendants Liberty  
6                   Utilities (Apple Valley Ranchos Water) Corp., Liberty Utilities (Park Water) Corp., and Liberty  
7                   Utilities (CalPeco Electric) LLC (collectively, “Defendants”) (Plaintiff and Defendants are  
8                   collectively referred to herein as the “Parties,” and individually as “Party”).

9                   **RECITALS**

10                  1.       On March 5, 2025, Plaintiff filed a Class Action Complaint in the action entitled  
11                  *Josephine Hernandez v. Liberty Utilities (Apple Valley Ranchos Water) Corp., et al.*, Los Angeles  
12                  County Superior Court Case No. 25STCV06335 (“Action”), thereby commencing a putative class  
13                  action.

14                  2.       On January 21, 2026, the Parties participated in mediation with Eve Wagner, Esq. (the  
15                  “Mediator”); with the assistance of the Mediator’s evaluations, the Parties reached the settlement that  
16                  is memorialized herein. The Parties’ settlement discussions were conducted at arms’ length, and the  
17                  Settlement is the result of an informed and detailed analysis of Defendants’ potential liability and  
18                  exposure in relation to the costs and risks associated with continued litigation. Based on Class  
19                  Counsel’s investigation and evaluation, Class Counsel believes that the settlement with Defendants  
20                  for the consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and  
21                  adequate and is in the best interest of the Class Members, the State of California, and the PAGA  
22                  Employees in light of all known facts and circumstances, including the risk of significant delay and  
23                  uncertainty associated with litigation and various defenses asserted by Defendants.

24                  3.       On February 20, 2026, Plaintiff filed a First Amended Class Action Complaint in the  
25                  Action that names Defendants.

26                  4.       On February 23, 2026, Plaintiff provided written notice to the Labor and Workforce  
27                  Development Agency (“LWDA”) by online submission and to Defendants by U.S. Certified Mail,  
28                  pursuant to California Labor Code Section 2699.3, of the specific provisions of the California Labor

1 Code alleged to have been violated by Defendants (“PAGA Letter”).

2 5. The Parties agree that Plaintiff will file a Second Amended Class and Representative  
3 Action Complaint (the “Operative Complaint”) in the Action, which will add one cause of action under  
4 the Private Attorneys General Act of 2004 pursuant to California Labor Code section 2698, *et seq.*  
5 (“PAGA”) against Defendants.

6 6. The Operative Complaint shall allege ten (10) causes of action for violations of the  
7 California Labor Code for failure to pay minimum wages, failure to pay overtime wages, failure to  
8 provide compliant meal periods and/or premium payments in lieu thereof, failure to provide compliant  
9 rest periods and/or premium payments in lieu thereof, failure to timely pay wages during employment,  
10 failure to provide compliant wage statements, failure to timely pay wages upon termination, failure  
11 to reimburse necessary business expenses, violation of California Business & Professions Code section  
12 17200, *et seq.* based on the aforementioned California Labor Code violations, and for civil penalties  
13 under PAGA based on the aforementioned California Labor Code violations.

14 7. Defendants deny all material allegations set forth in the Action and the Operative  
15 Complaint, and have asserted numerous affirmative defenses. Notwithstanding, in the interest of  
16 avoiding further litigation, Defendants desire to fully and finally settle the claims alleged in the Action  
17 and Operative Complaint, including the Released Class Claims (as defined herein), and Released  
18 PAGA Claims (as defined herein).

19 8. Class Counsel diligently investigated the class and PAGA claims against Defendants,  
20 including any and all applicable defenses and the applicable law. The investigation included, *inter*  
21 *alia*, the exchange of information, data, and documents, and review of corporate policies and practices.  
22 The Parties have engaged in sufficient informal discovery and investigation to assess the relative  
23 merits of the claims and contentions of the Parties.

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

## **DEFINITIONS**

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

a. “Attorneys’ Fees and Costs” means attorneys’ fees approved by the Court for Class Counsel’s litigation and resolution of the Action and Operative Complaint and all actual costs and expenses incurred and to be incurred by Class Counsel in connection with the Action and Operative Complaint, as set forth in Paragraph 13.

b. “Class” or “Class Member(s)” means all current and former non-exempt or hourly employees who worked for Defendants in the State of California during the Class Period.

c. “Class Counsel” means Jonathan M. Genish, Ryan A. Quadrel, Shelby L. Miner, Alexandra Rose, and Theodore R. Tang of Blackstone Law, APC, who will seek to be appointed counsel for the Class.

d. “Class List” means a complete list of all Class Members that Defendants will diligently and in good faith compile from their records and provide to the Settlement Administrator. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet containing the following information for each Class Member: (1) full name; (2) last known mailing address; (3) Social Security number; (4) Workweeks during the Class Period; and (5) Pay Periods during the PAGA Period.

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

f. “Class Period” means the period from March 5, 2021 through March 22, 2026.

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

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

i. “Defendants’ Counsel” means Anet Castro Drapalski, Harrison Thorne, and Carol A. Ibrahim of Fisher & Phillips LLP.

j. “Dispute” means a letter submitted by a Class Member disputing the number of

1 Workweeks and/or Pay Periods which have been credited to them, which must: (a) contain the case  
2 name and number of the Action; (b) contain the Class Member's full name, signature, address,  
3 telephone number, and the last four (4) digits of the Class Member's Social Security number; (c)  
4 clearly state that the Class Member disputes the number of Workweeks and/or Pay Periods credited to  
5 the Class Member and what the Class Member contends is the correct number; and (d) be returned by  
6 mail to the Settlement Administrator at the specified address, postmarked on or before the Response  
7 Deadline.

8 k. "Effective Date" means the later of the following: (i) if no timely objections are  
9 filed or if all objections are withdrawn, the date upon which the Court enters an order granting the  
10 motion for final approval of class settlement; (ii) if an objection is filed and not withdrawn, the date  
11 for filing an appeal and no such appeal being filed; or (iii) if any timely appeal(s) are filed, the date of  
12 the resolution (or withdrawal) of any such appeal in a way that does not alter the terms of the  
13 Settlement.

14 l. "Employer Taxes" means the employers' share of taxes and contributions in  
15 connection with the wages portion of Individual Settlement Shares, which shall be paid by Defendants  
16 in addition to the Gross Settlement Amount.

17 m. "Enhancement Payment" means the amount to be paid to Plaintiff, in  
18 recognition of her effort and work in prosecuting the Action on behalf of Class Members and PAGA  
19 Employees, and general release of claims, as set forth in Paragraph 14.

20 n. "Final Approval" means the determination by the Court that the Settlement is  
21 fair, reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

22 o. "Final Approval Hearing" means the hearing at which the Court will consider  
23 and determine whether the Settlement should be granted Final Approval.

24 p. "Final Approval Order and Judgment" means the order granting final approval  
25 of the Settlement and entering judgment thereon, in a form and content mutually agreed to by the  
26 Parties, and subject to approval by the Court.

27 q. "Gross Settlement Amount" means the amount of One Million Eight Hundred  
28 Thousand Dollars and Zero Cents (\$1,800,000.00) to be paid by Defendants in full satisfaction of the

claims alleged in the Action and Operative Complaint, including the Released Class Claims and Released PAGA Claims, and which includes all Attorneys' Fees and Costs, Enhancement Payment, PAGA Amount, Settlement Administration Costs, and Net Settlement Amount to be paid to the Settlement Class Members. Defendants shall pay the Employer Taxes separately and in addition to the Gross Settlement Amount. The Gross Settlement Amount is non-reversionary; no portion of the Gross Settlement Payment will return to Defendants. The Gross Settlement Amount is the maximum amount Defendants shall pay, subject to the terms in Paragraph 17.

r. "Individual PAGA Payment" means the *pro rata* share of the PAGA Employee Amount that a PAGA Employee may be eligible to receive under the PAGA Settlement, to be calculated in accordance with Paragraph 19.

s. "Individual Settlement Payment" means the net payment of each Settlement Class Member's Individual Settlement Share, after reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share, as provided in Paragraph 18.

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

u. "LWDA Payment" means the amount of Seventy-Eight Thousand Dollars and Zero Cents (\$78,000.00), i.e., 65% of the PAGA Amount, that the Parties have agreed to pay to the LWDA under the PAGA Settlement, as set forth in Paragraph 15.

v. "Net Settlement Amount" means the portion of the Gross Settlement Amount that is available for distribution to Settlement Class Members, which is the Gross Settlement Amount less the Court-approved Attorneys' Fees and Costs, Enhancement Payment, PAGA Amount, and Settlement Administration Costs.

w. "Notice of Objection" means a Settlement Class Member's written objection to the Class Settlement, which must: (a) contain the case name and number of the Action; (b) contain the objector's full name, signature, address, telephone number, and the last four (4) digits of the objector's Social Security number; (c) contain a written statement of all grounds for the objection accompanied

1 by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents  
2 upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the  
3 specified address, postmarked on or before the Response Deadline.

4 x. “PAGA Amount” means the allocation of One Hundred Twenty Thousand  
5 Dollars and Zero Cents (\$120,000.00) from the Gross Settlement Amount for the PAGA Settlement.  
6 Sixty-five percent (65%) of the PAGA Amount, or \$78,000.00, will be paid to the LWDA (i.e., the  
7 LWDA Payment) and the remaining thirty-five percent (35%), or \$42,000.00, will be distributed to  
8 the PAGA Employees (i.e., the PAGA Employee Amount).

9 y. “PAGA Employee(s)” means all current and former non-exempt or hourly  
10 employees who worked for Defendants in the State of California during the PAGA Period.

11 z. “PAGA Employee Amount” means the amount of Forty-Two Thousand Dollars  
12 and Zero Cents (\$42,000.00), i.e., 35% of the PAGA Amount, to be distributed to PAGA Employees  
13 on a *pro rata* basis based on their Pay Periods.

14 aa. “PAGA Period” means the period from February 23, 2025, through March 22,  
15 2026.

16 bb. “PAGA Settlement” means the settlement and resolution of all Released PAGA  
17 Claims.

18 cc. “Pay Periods” means the number of pay periods each PAGA Employee worked  
19 for Defendants as a non-exempt or hourly employee in California during the PAGA Period.

20 dd. “Preliminary Approval” means the date on which the Court enters the  
21 Preliminary Approval Order.

22 ee. “Preliminary Approval Order” means the order granting preliminary approval  
23 of the Settlement, in a form and content mutually agreed to by the Parties, and subject to approval by  
24 the Court.

25 ff. “Released Class Claims” means all claims, rights, demands, liabilities, and  
26 causes of action that are alleged, or reasonably could have been alleged, based on the facts and claims  
27 asserted in the Operative Complaint as to the Released Parties, arising during the Class Period,  
28 including the following claims: (i) failure to pay minimum wages; (ii) failure to pay overtime wages;

(iii) failure to provide meal breaks; (iv) failure to provide rest breaks; (v) failure to timely pay wages during employment; (vi) violation of California Labor Code section 226; (vii) failure to timely pay final wages upon separation of employment; (viii) failure to reimburse necessary business expenses; and (ix) unfair or unlawful business practices under California Business & Professions Code section 17200, *et seq.*

gg. “Released PAGA Claims” means any and all claims for the recovery of civil penalties and attorneys’ fees and costs permissible under PAGA which Plaintiff and/or the PAGA Employees had, or may claim to have, against the Released Parties, arising out of the violations alleged in the Operative Complaint and/or the PAGA Letter, arising during the PAGA Period, including: (i) failure to pay minimum wages; (ii) failure to pay overtime wages; (iii) failure to provide meal breaks; (iv) failure to provide rest breaks; (v) failure to timely pay wages during employment; (vi) violation of California Labor Code section 226; (vii) failure to timely pay final wages upon separation of employment; (viii) failure to reimburse necessary business expenses; and (ix) violations of California Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 227.3, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2698, *et seq.*, 2699, *et seq.*, 2800, and 2802.

hh. “Released Parties” means Defendants and any of their past, present, and future direct or indirect parents, subsidiaries, predecessors, successors, affiliates, sectors, divisions, assigns, joint venturers, third parties, and other related entities, as well as each of their present and/or future officers, directors, administrators, trustees, staff, members, managers, employees, agents, representatives, attorneys, insurers, re-insurers, partners, investors, and shareholders, as well as any individual or entity which could be jointly liable with Defendants.

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

jj. “Response Deadline” means the deadline by which Class Members must submit

1 a Request for Exclusion, Notice of Objection, and/or Dispute, which shall be the date that is forty-five  
2 (45) calendar days from the initial mailing of the Class Notice by the Settlement Administrator to  
3 Class Members, unless the 45th day falls on a Sunday or Federal holiday, in which case the Response  
4 Deadline will be extended to the next day on which the United States Postal service is open. The  
5 Response Deadline may also be extended by express agreement between Class Counsel and  
6 Defendants' Counsel. In the event that a Class Notice is re-mailed to a Class Member, the Response  
7 Deadline for that Class Member shall be extended fifteen (15) calendar days from the original  
8 Response Deadline.

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

14 ll. "Settlement Administration Costs" means the costs payable from the Gross  
15 Settlement Amount to the Settlement Administrator for administering the Settlement, as set forth in  
16 Paragraph 16.

17 mm. "Settlement Class" or "Settlement Class Member(s)" means all Class Members  
18 who do not submit a timely and valid Request for Exclusion.

19 nn. "Workweeks" means the number of weeks each Class Member worked for  
20 Defendants as a non-exempt or hourly employee in California during the Class Period.

### 21 **CLASS CERTIFICATION**

22 11. For the purposes of this Settlement only, the Parties stipulate to the certification of the  
23 Class.

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

1 non-settlement context.

2 **TERMS OF THE AGREEMENT**

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

5 13. Attorneys' Fees and Costs. Defendants agree not to oppose or impede any application  
6 or motion by Class Counsel for attorneys' fees in the amount up to one-third (1/3) of the Gross  
7 Settlement Amount (e.g., \$600,000.00 if the Gross Settlement Amount is \$1,800,000.00) and  
8 reimbursement of actual costs and expenses associated with Class Counsel's litigation and settlement  
9 of the Action, in an amount not to exceed Thirty-Five Thousand Dollars and Zero Cents (\$35,000.00),  
10 both of which will be paid from the Gross Settlement Amount. These amounts will cover any and all  
11 work performed and any and all costs incurred by Class Counsel in connection with the litigation of  
12 the Action and the Operative Complaint, including without limitation all work performed and costs  
13 incurred to date, and all work to be performed and all costs to be incurred in connection with obtaining  
14 the Court's Final Approval of this Settlement Agreement, including any objections raised and any  
15 appeals necessitated by those objections. Class Counsel shall be solely and legally responsible for  
16 correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts  
17 received. The Settlement Administrator shall issue an IRS Form 1099 to Class Counsel for the  
18 Attorneys' Fees and Costs. Any portion of the requested Attorneys' Fees and Costs that is not awarded  
19 by the Court to Class Counsel shall be reallocated to the Net Settlement Amount for the benefit of the  
20 Settlement Class Members.

21 14. Enhancement Payment. Defendants agree not to oppose or impede any application or  
22 motion by Plaintiff for an Enhancement Payment in the amount up to Ten Thousand Dollars and Zero  
23 Cents (\$10,000.00). The Enhancement Payment, which will be paid from the Gross Settlement  
24 Amount, subject to Court approval, will be in addition to any other payments Plaintiff is entitled to  
25 under the Settlement. Plaintiff shall be solely and legally responsible for correctly characterizing this  
26 compensation for tax purposes and for paying any taxes on the amounts received. The Settlement  
27 Administrator shall issue an IRS Form 1099 to Plaintiff for the Enhancement Payment. Any portion  
28 of the requested Enhancement Payment that is not awarded by the Court to Plaintiff shall be reallocated

1 to the Net Settlement Amount for the benefit of the Settlement Class Members.

2 15. PAGA Amount. Subject to approval by the Court, the Parties agree that the amount of  
3 One Hundred Twenty Thousand Dollars and Zero Cents (\$120,000.00) shall be allocated from the  
4 Gross Settlement Amount toward penalties under the Private Attorneys General Act, California Labor  
5 Code section 2698, *et seq.* (i.e., the PAGA Amount), of which sixty-five percent (65%), or \$78,000.00,  
6 will be paid to the LWDA (i.e., the LWDA Payment) and thirty-five percent (35%), or \$42,000.00,  
7 will be distributed to PAGA Employees (i.e., the PAGA Employee Amount) on a *pro rata* basis, based  
8 on the total number of Pay Periods worked by each PAGA Employee during the PAGA Period (i.e.,  
9 the Individual PAGA Payments).

10 16. Settlement Administration Costs. The Settlement Administrator will be paid for the  
11 reasonable costs of administration of the Settlement and distribution of payments under the Settlement,  
12 which is currently estimated not to exceed Seven Thousand Seven Hundred Ninety Dollars and Zero  
13 Cents (\$7,790.00). These costs, which will be paid from the Gross Settlement Amount, subject to  
14 Court approval, will include, *inter alia*, translating the Class Notice to Spanish, printing, distributing,  
15 and tracking Class Notices and other documents for the Settlement, calculating and distributing  
16 payments due under the Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting,  
17 filings, withholdings, and remittances, providing necessary reports and declarations, and other duties  
18 and responsibilities set forth herein to process the Settlement, and as requested by the Parties. To the  
19 extent the actual Settlement Administrator's costs are greater than the estimated amount stated herein,  
20 such excess amount will be deducted from the Gross Settlement Amount, subject to approval by the  
21 Court. Any portion of the estimated, designated, and/or awarded Settlement Administration Costs  
22 which are not in fact required to fulfill payment to the Settlement Administrator to undertake the  
23 required settlement administration duties shall be reallocated to the Net Settlement Amount for the  
24 benefit of the Settlement Class Members.

25 17. Escalator Clause. Defendants have represented that the Class Members worked a total  
26 of approximately 42,000 workweeks between March 5, 2021 and the date of mediation. If the total  
27 number of Workweeks worked by the Class Members during the Class Period actually exceeds 42,000  
28 by more than 10% (i.e., if the Workweeks exceed 46,200), then the Gross Settlement Amount will be

increased on a *pro rata* basis equal to the percentage increase in the number of Workweeks worked by the Class Members above 10%. For example, if the number of Workweeks increases by 11% to 46,620 Workweeks, then the Gross Settlement Amount will increase by 1% (to \$1,818,000.00).

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

a. After Preliminary Approval, the Settlement Administrator will divide the Net Settlement Amount by the Workweeks of all Class Members to yield the "Estimated Workweek Value," and multiply each Class Member's individual Workweeks by the Estimated Workweek Value to yield each Class Member's estimated Individual Settlement Share that the Class Member may be entitled to receive under the Class Settlement.

b. After Final Approval, the Settlement Administrator will divide the final Net Settlement Amount by the Workweeks of all Settlement Class Members to yield the "Final Workweek Value," and multiply each Settlement Class Member's individual Workweeks by the Final Workweek Value to yield each Settlement Class Member's final Individual Settlement Share.

19. Individual PAGA Payment Calculations. Individual PAGA Payments will be calculated and apportioned from the PAGA Employee Amount based on the PAGA Employees' number of Pay Periods, as follows: The Settlement Administrator will divide the PAGA Employee Amount, i.e., 35% of the PAGA Amount, by the Pay Periods of all PAGA Employees to yield the "Pay Period Value," and multiply each PAGA Employee's individual Pay Periods by the Pay Period Value to yield each PAGA Employee's Individual PAGA Payment.

20. Tax Treatment of Individual Settlement Shares and Individual PAGA Payments. Each Individual Settlement Share will be allocated as follows: fifteen percent (15%) wages and eighty-five percent (85%) penalties, interest, and non-wage damages. The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage damages will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. The Settlement Administrator will withhold the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their

Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes and withholdings). The Employer Taxes will be paid separately and in addition to the Gross Settlement Amount. Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties and will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator.

21. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiff, Settlement Class Members, PAGA Employees, and Class Counsel any tax forms (i.e., IRS Forms W-2, IRS Forms 1099, etc.) as may be required by law for all amounts paid pursuant to this Settlement Agreement. The Settlement Administrator will also be responsible for calculating the Employer Taxes and forwarding all payroll taxes and other legally required withholdings to the appropriate government authorities.

22. Tax Liability. Plaintiff, Class Counsel, Defendants, and Defendants' Counsel do not intend anything contained in this Settlement Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement Agreement be relied on as such. Plaintiff, Settlement Class Members, and PAGA Employees are not relying on any statement, representation, or calculation by Defendants, the Settlement Administrator, or Class Counsel in this regard. Plaintiff, Settlement Class Members, and PAGA Employees understand and agree that Plaintiff, Settlement Class Members, and PAGA Employees will be solely responsible for the payment of any taxes and penalties assessed on the payments described in this Settlement Agreement. Plaintiff, Settlement Class Members, and PAGA Employees should consult with their tax advisors concerning the tax consequences of any payment they receive under the Settlement.

23. Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS SETTLEMENT AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISORS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE

1 MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART  
2 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY  
3 UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE  
4 (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS SETTLEMENT AGREEMENT, (B)  
5 HAS NOT ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE  
6 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY  
7 OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR  
8 DISCLOSURE BY ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY TO AVOID ANY  
9 TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO  
10 ATTORNEY OR ADVISOR TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION  
11 THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISOR'S  
12 TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY  
13 BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX  
14 TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY  
15 TRANSACTION CONTEMPLATED BY THIS SETTLEMENT AGREEMENT.

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

26 25. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement.  
27 Plaintiff will obtain a hearing date from the Court for Plaintiff's motion for preliminary approval of  
28 the Settlement, which Class Counsel will be responsible for drafting, and submit this Settlement

1 Agreement to the Court in support of said motion. Class Counsel will provide Defendants' Counsel a  
2 draft of the preliminary approval motion before filing it with the Court. Defendants agree not to  
3 oppose the motion for preliminary approval of the Settlement consistent with this Settlement  
4 Agreement. By way of said motion, Plaintiff will apply for the entry of the Preliminary Approval  
5 Order seeking the following:

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

16 26. Notice of Settlement to the LWDA. Pursuant to California Labor Code section  
17 2699(s)(2), Class Counsel shall notify the LWDA of the Settlement.

18 27. Delivery of Class List. Within fourteen (14) calendar days of Preliminary Approval,  
19 Defendants will provide the Class List to the Settlement Administrator.

20 28. Notice by First-Class U.S. Mail.

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

28 b. Any Class Notice returned to the Settlement Administrator as undeliverable on

1 or before the Response Deadline will be sent promptly via First-Class U.S. Mail to the forwarding  
2 address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on  
3 the Class Notice. If no forwarding address is provided, the Settlement Administrator will promptly  
4 attempt to determine the correct address using a skip-trace or other search, using the name, address,  
5 and/or Social Security number of the Class Member, and perform a single re-mailing within five (5)  
6 calendar days.

7 c. Compliance with the procedures described herein above shall constitute due and  
8 sufficient notice to Class Members of the Settlement and shall satisfy the requirements of due process.  
9 Nothing else shall be required of or done by the Parties, Class Counsel, or Defendants' Counsel to  
10 provide notice of the Settlement.

11 29. Disputes Regarding Workweeks and/or Pay Periods. Class Members and PAGA  
12 Employees will have an opportunity to dispute the number of Workweeks and/or Pay Periods which  
13 have been credited to them, as reflected in their respective Class Notices, by submitting a timely and  
14 valid Dispute to the Settlement Administrator, by mail, postmarked on or before the Response  
15 Deadline. The date of the postmark on the return mailing envelope will be the exclusive means to  
16 determine whether a Dispute has been timely submitted. Absent evidence rebutting the accuracy of  
17 Defendants' records and data as they pertain to the number of Workweeks and/or Pay Periods to be  
18 credited to a disputing Class Member and/or PAGA Employee, Defendants' records will be presumed  
19 to be correct and determinative of the dispute. However, if a Class Member and/or PAGA Employee  
20 produces information and/or documents to the contrary, the Settlement Administrator will evaluate  
21 the materials submitted by the Class Member/PAGA Employee and the Settlement Administrator will  
22 resolve and determine the number of eligible Workweeks and/or Pay Periods that the disputing Class  
23 Member/PAGA Employee should be credited with under the Settlement. The Settlement  
24 Administrator's decision on such disputes will be final and non-appealable.

25 30. Requesting Exclusion from the Class Settlement. Any Class Member wishing to be  
26 excluded from the Class Settlement must submit a timely and valid Request for Exclusion to the  
27 Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the  
28 postmark on the return mailing envelope will be the exclusive means to determine whether a Request

1 for Exclusion has been timely submitted. The Settlement Administrator will certify jointly to Class  
2 Counsel and Defendants' Counsel the number of timely and valid Requests for Exclusion that are  
3 submitted, and also identify the individuals who have submitted a timely and valid Request for  
4 Exclusion in a declaration that is to be filed with the Court in advance of the Final Approval Hearing.  
5 At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members  
6 to request exclusion from the Class Settlement. Any Class Member who submits a Request for  
7 Exclusion is prohibited from making any objection to the Class Settlement. Any Class Member who  
8 submits a timely and valid Request for Exclusion will not be bound by the Class Settlement and will  
9 not be issued an Individual Settlement Payment. Any Class Member who does not affirmatively  
10 request exclusion from the Class Settlement by submitting a timely and valid Request for Exclusion  
11 will be bound by all of the terms of the Class Settlement, including and not limited to those pertaining  
12 to the Released Class Claims, as well as any judgment that may be entered by the Court if it grants  
13 Final Approval to the Settlement. Notwithstanding the above, all PAGA Employees will be bound to  
14 the PAGA Settlement and will be issued their Individual PAGA Payment, irrespective of whether they  
15 submit a Request for Exclusion.

16 31. Objecting to the Class Settlement. To object to the Class Settlement, Settlement Class  
17 Members must submit a timely and complete Notice of Objection to the Settlement Administrator, by  
18 mail, postmarked on or before the Response Deadline. The date of the postmark on the return mailing  
19 envelope will be the exclusive means to determine whether a Notice of Objection has been timely  
20 submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendants'  
21 Counsel the number of Notices of Objection that are submitted (specifying which ones were timely  
22 and complete and which were not), and also attach them to a declaration that is to be filed with the  
23 Court in advance of the Final Approval Hearing. At no time will any of the Parties or their counsel  
24 seek to solicit or otherwise encourage Settlement Class Members to object to the Class Settlement or  
25 appeal from the Final Approval Order and Judgment. Settlement Class Members, individually or  
26 through counsel, may also present their objection orally at the Final Approval Hearing, regardless of  
27 whether they have submitted a Notice of Objection.

28 32. Reports by the Settlement Administrator. The Settlement Administrator shall provide

1 weekly reports to counsel for the Parties providing: (a) the number of undeliverable and re-mailed  
2 Class Notices; (ii) the number of Class Members who have submitted Disputes; (iii) the number of  
3 Class Members who have submitted Requests for Exclusion; and (iv) the number of Settlement Class  
4 Members who have submitted Notices of Objection. Additionally, the Settlement Administrator will  
5 provide to counsel for the Parties any updated reports regarding the administration of the Settlement  
6 Agreement as needed or requested, and immediately notify the Parties when it receives a request from  
7 an individual or any other entity regarding inclusion in the Class and/or Settlement or regarding a  
8 Dispute.

9 33. Defendants' Right to Rescind. If more than ten percent (10%) of the Class Members  
10 submit timely and valid Requests for Exclusion, Defendants may, in their sole discretion, elect to  
11 rescind the Settlement Agreement. Defendants must exercise this right of rescission in writing that is  
12 provided to Class Counsel within fifteen (15) calendar days of the Settlement Administrator notifying  
13 the Parties of the number of Class Members who have submitted timely and valid Requests for  
14 Exclusion following the Response Deadline. If Defendants exercise this option, Defendants shall pay  
15 any costs of settlement administration owed to the Settlement Administrator incurred up to that date.  
16 Defendants shall meet and confer with Class Counsel before withdrawing from the Settlement  
17 pursuant to this Paragraph.

18 34. Certification of Completion. Upon completion of administration of the Settlement, the  
19 Settlement Administrator will provide a written declaration under oath to certify such completion to  
20 the Court and counsel for all Parties.

21 35. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After  
22 the Response Deadline, a Final Approval Hearing will be conducted to determine whether Final  
23 Approval of the Settlement should be granted, along with the amounts properly payable for: (a)  
24 Individual Settlement Shares; (b) Individual PAGA Payments; (c) LWDA Payment; (d) Attorneys'  
25 Fees and Costs; (e) Enhancement Payment; and (f) Settlement Administration Costs. Plaintiff and  
26 Class Counsel will be responsible for drafting the motion seeking Final Approval of the Settlement.  
27 Class Counsel will provide Defendants' Counsel a draft of the final approval motion before filing it  
28 with the Court. By way of said motion, Plaintiff will apply for the entry of the Final Approval Order

1 and Judgment, which will provide for, in substantial part, the following:

- 2 a. Approval of the Settlement as fair, reasonable, and adequate, and directing  
3 consummation of its terms and provisions;
- 4 b. Certification of the Settlement Class;
- 5 c. Approval of the application for Attorneys' Fees and Costs to Class Counsel;
- 6 d. Approval of the application for Enhancement Payment to Plaintiff;
- 7 e. Directing Defendants to fund all amounts due under the Settlement Agreement  
8 and ordered by the Court; and
- 9 f. Entering judgment in the Action, while maintaining continuing jurisdiction, in  
10 conformity with California Rules of Court 3.769 and the Settlement Agreement.

11 36. Funding of the Gross Settlement Amount. No later than twenty-one (21) calendar days  
12 after the Effective Date, Defendants will deposit the Gross Settlement Amount and Employer Taxes  
13 into a Qualified Settlement Fund ("QSF") within the meaning of Treasury Regulation Section 1.468B-  
14 1, *et seq.*, to be established by the Settlement Administrator. Defendants shall provide all information  
15 necessary for the Settlement Administrator to calculate necessary payroll taxes.

16 37. Distribution of the Gross Settlement Amount. Within ten (10) business days of the  
17 funding of the Gross Settlement Amount, the Settlement Administrator will issue the Individual  
18 Settlement Payments to Settlement Class Members, Individual PAGA Payments to PAGA Employees,  
19 LWDA Payment to the LWDA, Enhancement Payment to Plaintiff, Attorneys' Fees and Costs to Class  
20 Counsel, and Settlement Administration Costs to itself. The Settlement Administrator shall also set  
21 aside the Employer Taxes and all employee-side payroll taxes, contributions, and withholding, and  
22 timely forward these to the appropriate government authorities.

23 38. Settlement Checks. The Settlement Administrator will be responsible for undertaking  
24 appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way  
25 of check to the Settlement Class Members and the Individual PAGA Payments by way of check to the  
26 PAGA Employees in accordance with this Settlement Agreement. When issuing payments, the  
27 Settlement Administrator may combine the Individual Settlement Payment and Individual PAGA  
28 Payment into one check if the intended recipient for both payments is one individual. Settlement Class  
Members and PAGA Employees are not required to submit a claim to be issued an Individual

1 Settlement Payment and/or Individual PAGA Payment. Each Individual Settlement Payment and  
2 Individual PAGA Payment check will be valid and negotiable for one hundred and eighty (180)  
3 calendar days from the date the checks are issued, and thereafter, shall be canceled. Any funds  
4 associated with such canceled checks shall be distributed by the Settlement Administrator to the State  
5 of California's Unclaimed Property Division in the name of the Settlement Class Member and/or  
6 PAGA Employee. The Parties agree that this disposition results in no "unpaid residue" under  
7 California Civil Procedure Code Section 384, as the entire Net Settlement Amount will be paid out to  
8 Settlement Class Members, whether or not they cash their settlement checks. Therefore, Defendants  
9 will not be required to pay any interest on such amounts. The Settlement Administrator shall undertake  
10 amended and/or supplemental tax filings and reporting required under applicable local, state, and  
11 federal tax laws that are necessitated due to the cancelation of any Individual Settlement Payment  
12 and/or Individual PAGA Payment checks. Settlement Class Members whose Individual Settlement  
13 Payment checks are canceled shall, nevertheless, be bound by the Class Settlement, and PAGA  
14 Employees whose Individual PAGA Payment checks are canceled shall, nevertheless, be bound by the  
15 PAGA Settlement.

16 39. Class Settlement Release. Upon the Effective Date and full funding of the Gross  
17 Settlement Amount and Employer Taxes, Plaintiff and all Settlement Class Members will be deemed  
18 to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the  
19 Released Parties of all Released Class Claims.

20 40. PAGA Settlement Release. Upon the Effective Date and full funding of the Gross  
21 Settlement Amount and Employer Taxes, Plaintiff, the State of California with respect to all PAGA  
22 Employees, and all PAGA Employees will be deemed to have fully, finally, and forever released,  
23 settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA  
24 Claims.

25 41. Plaintiff's General Release. Upon the Effective Date and full funding of the Gross  
26 Settlement Amount and Employer Taxes, Plaintiff, individually and on her own behalf, will be deemed  
27 to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the  
28 Released Parties from any and all claims, debts, liabilities, demands, obligations, guarantees, costs,

1 expenses, attorneys' fees, damages, or causes of action of any kind or nature whatsoever, known or  
2 unknown, suspected or unsuspected, asserted or unasserted, arising out of, relating to, or resulting  
3 from her employment and/or separation of employment with Defendants, which Plaintiff, at any time  
4 up until the execution of the Settlement Agreement, had or claimed to have or may have. It is agreed  
5 that this is a general release and is to be broadly construed as a release of all claims, provided that,  
6 notwithstanding the foregoing, this Paragraph expressly does not include a release of any claims that  
7 cannot be released hereunder by law. Any and all rights granted under any state or federal law or  
8 regulation limiting the effect of the Settlement Agreement, including the provisions of Section 1542  
9 of the California Civil Code, ARE HEREBY EXPRESSLY WAIVED. Section 1542 of the California  
10 Civil Code reads as follows:

11 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR**  
12 **OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER**  
13 **FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM**  
14 **OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH**  
15 **THE DEBTOR OR RELEASED PARTY.**

16 42. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendants,  
17 and Defendants' Counsel shall, until the motion for preliminary approval of Settlement is filed, not  
18 disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or  
19 publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any  
20 person, corporation, association, government agency, or other entity except: (1) to the Parties'  
21 attorneys, accountants, or spouses, all of whom shall be instructed to keep the Agreement confidential;  
22 (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing  
23 authorities; (4) in response to a court order or subpoena; (5) in response to an inquiry or subpoena  
24 issued by a state or federal government agency; or (6) to the extent necessary to prepare the motion  
25 for preliminary approval of Settlement to be filed. Each Party shall immediately notify the other Party  
26 of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class  
27 Counsel, Defendants, and Defendants' Counsel shall not, directly or indirectly, initiate any  
28 conversation or other communication, before the filing of the motion for preliminary approval, with

any third party regarding the Agreement or the matters giving rise to the 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.

43. 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 Final Approval Order and 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.

44. Use and Return of Class List. Information provided to Class Counsel pursuant to California Evidence Code section 1152, and all copies and summaries of the Class List provided to Class Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. No later than ninety (90) calendar days after the date when the Court discharges the Settlement Administrator’s obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff and Class Counsel shall destroy all paper and electronic versions of Class List received from Defendants unless, prior to the Court’s discharge of the Settlement Administrator’s obligation, Defendants make a written request to Class Counsel for the return, rather than the destructions, of Class List.

45. Final Approval Order and Judgment. The Parties shall provide the Settlement Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court, and the Settlement Administrator shall post the Final Approval Order and Judgment on its website for sixty (60) calendar days. No individualized notice of the Final Approval Order and Judgment to the Class will be required.

46. Continued Jurisdiction. After entry of the judgment pursuant to the Settlement, the Court will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and Section 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b) settlement administration matters,

1 and (c) such post-judgment matters as may be appropriate under court rules or as set forth in this  
2 Settlement Agreement.

3 47. Effects of Termination or Rescission of Settlement. Termination or rescission of the  
4 Settlement Agreement shall have the following effects:

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

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

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

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

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

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

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

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

1           50.     Entire Agreement. This Settlement Agreement and any attached exhibits constitute the  
2     entirety of the Parties' agreement relating to the settlement and transaction completed thereby, and all  
3     prior or contemporaneous agreements, understandings, representations, and statements, whether oral  
4     or written and whether by a Party or such Party's legal counsel, are merged herein. No other prior or  
5     contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties  
6     expressly recognize California Civil Code Section 1625 and California Code of Civil Procedure  
7     Section 1856(a), which provide that a written agreement is to be construed according to its terms and  
8     may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic  
9     oral or written representations or terms will modify, vary, or contradict the terms of this Settlement  
10    Agreement.

11           51.     Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in  
12    the Action (including with respect to California Code of Civil Procedure Section 583.310), except  
13    such proceedings necessary to implement and complete this Settlement Agreement, pending the Final  
14    Approval Hearing to be conducted by the Court.

15           52.     Amendment or Modification. Prior to the filing of the motion for preliminary approval  
16    of the Settlement, the Parties may not amend or modify any provision of this Settlement Agreement  
17    except by written agreement signed by all Parties and counsel for all Parties. After the filing of the  
18    motion for preliminary approval of the Settlement, the Parties may not amend or modify any provision  
19    of this Settlement Agreement except by written agreement signed by all Parties and counsel for all the  
20    Parties and subject to Court approval. A waiver or amendment of any provision of this Settlement  
21    Agreement will not constitute a waiver of any other provision.

22           53.     Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and  
23    represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement  
24    Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant  
25    to this Settlement Agreement to effectuate its terms and to execute any other documents required to  
26    effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have  
27    full authority to enter into this Settlement Agreement, and further intend that this Settlement  
28    Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible  
   and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation  
   confidentiality provisions that otherwise might apply under state or federal law.

1           54.    Signatories. It is agreed that because the members of the Class are so numerous, it is  
2 impossible or impractical to have each Settlement Class Member or PAGA Employee execute this  
3 Settlement Agreement. The Class Notice will advise all Class Members of the binding nature of the  
4 Class Settlement as to the Settlement Class Members and the binding nature of the PAGA Settlement  
5 as to the PAGA Employees, and the releases provided for by this Settlement Agreement shall have  
6 the same force and effect as if this Settlement Agreement were executed by each Settlement Class  
7 Member and PAGA Employee.

8           55.    Binding on Successors and Assigns. This Settlement Agreement will be binding upon,  
9 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

10          56.    California Law Governs. All terms of this Settlement Agreement and attached exhibits  
11 hereto will be governed by and interpreted according to the laws of the State of California.

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

16          58.    Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this  
17 Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at  
18 this Settlement after arm's length negotiations and in the context of adversarial litigation, taking into  
19 account all relevant factors, present and potential. The Parties further acknowledge that they are each  
20 represented by competent counsel and that they have had an opportunity to consult with their counsel  
21 regarding the fairness and reasonableness of this Settlement Agreement.

22          59.    Enforcement Action. In the event that one or more of the Parties institutes any legal  
23 action or other proceeding against any other Party or Parties to enforce the provisions of this  
24 Settlement Agreement or to declare rights and/or obligations under this Settlement, the prevailing  
25 Party or Parties will be entitled to recover from the non-prevailing Party or Parties reasonable  
26 attorneys' fees and costs, including expert witness fees, in connection with any enforcement actions.

27          60.    Plaintiff's Cooperation. Plaintiff agrees to sign this Settlement Agreement and, by  
28 signing this Settlement Agreement, is hereby bound by the terms herein and agrees to fully cooperate  
to implement the Settlement.

1           61.   Non-Admission of Liability. The Parties enter into this Settlement Agreement to  
2 resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of  
3 continued litigation. In entering into this Settlement Agreement, Defendants do not admit, and  
4 specifically deny, they have violated any federal, state, or local law; violated any regulations or  
5 guidelines promulgated pursuant to any statute or any other applicable laws, regulations, or legal  
6 requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation  
7 or deception; or engaged in any other unlawful conduct with respect to its employees. Neither this  
8 Settlement Agreement, nor any of its terms or provisions, nor any of the negotiations connected with  
9 it, shall be construed as an admission or concession by Defendants of any such violations or failures  
10 to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this  
11 Settlement Agreement, this Settlement Agreement and its terms and provisions shall not be offered or  
12 received as evidence in any action or proceeding to establish any liability or admission on the part of  
13 Defendants or to establish the existence of any condition constituting a violation of, or a non-  
14 compliance with, federal, state, local, or other applicable law.

15           62.   Captions. The captions and paragraph numbers in this Settlement Agreement are  
16 inserted for the reader's convenience, and in no way define, limit, construe, or describe the scope or  
17 intent of the provisions of this Settlement Agreement.

18           63.   Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and  
19 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be  
20 construed more strictly against one Party than another merely by virtue of the fact that it may have  
21 been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length  
22 negotiations between the Parties, all Parties have contributed equally to the preparation of this  
23 Settlement Agreement.

24           64.   Representation By Counsel. The Parties acknowledge that they have been represented  
25 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and  
26 that this Settlement Agreement has been executed with the consent and advice of counsel, and  
27 reviewed in full.

28           65.   All Terms Subject to Final Court Approval. All amounts and procedures described in

1 this Settlement Agreement herein will be subject to final Court approval.

2 66. Notices. All notices, demands, and other communications to be provided concerning  
3 the Settlement Agreement shall be in writing and deemed to have been duly given as of the third  
4 business day after mailing by First Class U.S. Mail, or the day sent by email or messenger, addressed  
5 as follows:

6 To Plaintiff and Class Counsel:

7 Jonathan M. Genish

8 jgenish@blackstonepc.com

9 Ryan A. Quadrel

10 rquadrel@blackstonepc.com

11 Shelby L. Miner

12 sminer@blackstonepc.com

13 Alexandra Rose

14 arose@blackstonepc.com

15 Theodore R. Tang

16 ttang@blackstonepc.com

17 **BLACKSTONE LAW, APC**

18 8383 Wilshire Boulevard, Suite 745

19 Beverly Hills, California 90211

20 Tel: (310) 622-4278 / Fax: (855) 786-6356

21 To Defendants:

22 Anet Castro Drapalski

23 adrapalski@fisherphillips.com

24 Harrison Thorne

25 hthorne@fisherphillips.com

26 Carol A. Ibrahim

27 cibrahim@fisherphillips.com

28 **FISHER & PHILLIPS LLP**

444 South Flower Street, Suite 1500

Los Angeles, California 90071

Tel: (213) 330-4500 / Fax: (213) 330-4501

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

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

5 68. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final  
6 Approval on any material change to the Settlement, including, but not limited to, the scope of release to  
7 be granted by Settlement Class Members and/or PAGA Employees, the Parties will expeditiously work  
8 together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain  
9 Final Approval. The Court's decision to award less than the amounts requested for the Attorneys' Fees  
10 and Costs, PAGA Amount, Enhancement Payment, and/or Settlement Administration Costs shall not  
11 constitute a material modification to the Agreement within the meaning of this Paragraph.

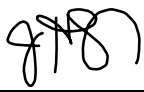
12 69. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the  
13 reviewing Court vacates, reverses, or modifies the Final Approval Order and Judgment in a manner that  
14 requires a material modification of this Agreement (including, but not limited to, the scope of release to  
15 be granted by Settlement Class Members and/or PAGA Employees), the Parties shall expeditiously work  
16 together in good faith to address the appellate court's concerns and to obtain Final Approval and entry  
17 of Final Approval Order and Judgment, sharing, on a 50-50 basis, any additional administration expenses  
18 reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's  
19 award of the Enhancement Payment or any payments to Class Counsel shall not constitute a material  
20 modification of the Final Approval Order and Judgment within the meaning of this Paragraph, as long  
21 as the Gross Settlement Amount remains unchanged.

22 **IN WITNESS WHEREOF**, the Parties hereto knowingly and voluntarily executed this Joint  
23 Stipulation of Class Action and PAGA Settlement between Plaintiff and Defendants:

24 **IT IS SO AGREED.**

25 **PLAINTIFF JOSEPHINE HERNANDEZ**

26  
27 Dated: 04/28/2026

28  
  
\_\_\_\_\_  
Plaintiff Josephine Hernandez

**DEFENDANT LIBERTY UTILITIES  
(APPLE VALLEY RANCHOS WATER)  
CORP.**

Dated: \_\_\_\_\_

Full Name: Moses Thompson

Title: President  
On behalf of Defendant Liberty Utilities (Apple  
Valley Ranchos Water) Corp.

**DEFENDANT LIBERTY UTILITIES  
(APPLE VALLEY RANCHOS WATER)  
CORP.**

Dated: \_\_\_\_\_

Full Name: Sharon Yang

Title: Secretary  
On behalf of Defendant Liberty Utilities (Apple  
Valley Ranchos Water) Corp.

**DEFENDANT LIBERTY UTILITIES  
(PARK WATER) CORP.**

Dated: \_\_\_\_\_

Full Name: Moses Thompson

Title: President  
On behalf of Defendant Liberty Utilities (Park  
Water) Corp.

**DEFENDANT LIBERTY UTILITIES  
(PARK WATER) CORP.**

Dated: \_\_\_\_\_

Full Name: Sharon Yang

Title: Secretary  
On behalf of Defendant Liberty Utilities (Park  
Water) Corp.

**DEFENDANT LIBERTY UTILITIES  
(CALPECO ELECTRIC) LLC**

Dated: \_\_\_\_\_

Full Name: Eric Schwarzrock  
Title: President  
On behalf of Defendant Liberty Utilities  
(CalPeco Electric) LLC

**DEFENDANT LIBERTY UTILITIES  
(CALPECO ELECTRIC) LLC**

Dated: \_\_\_\_\_

Full Name: Crystal Greene  
Title: Secretary  
On behalf of Defendant Liberty Utilities  
(CalPeco Electric) LLC

**APPROVED AS TO FORM.**

**BLACKSTONE LAW, APC**

Dated: 04/28/2026

Theodore R. Tang  
Full Name: Theodore R. Tang  
Counsel for Plaintiff, Josephine Hernandez

**FISHER & PHILLIPS LLP**

Dated: \_\_\_\_\_

Full Name: \_\_\_\_\_  
Counsel for Defendants, Liberty Utilities  
(Apple Valley Ranchos Water) Corp.; Liberty  
Utilities (Park Water) Corp.; and Liberty  
Utilities (CalPeco Electric) LLC

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**DEFENDANT LIBERTY UTILITIES  
(APPLE VALLEY RANCHOS WATER)  
CORP.**



Moses A Thompson (Apr 22, 2026 11:09:42 PDT)

Dated: 04/22/2026

Full Name: Moses Thompson  
  
Title: President  
On behalf of Defendant Liberty Utilities (Apple Valley Ranchos Water) Corp.

**DEFENDANT LIBERTY UTILITIES  
(APPLE VALLEY RANCHOS WATER)  
CORP.**

Dated: \_\_\_\_\_

Full Name: Sharon Yang  
  
Title: Secretary  
On behalf of Defendant Liberty Utilities (Apple Valley Ranchos Water) Corp.

**DEFENDANT LIBERTY UTILITIES  
(PARK WATER) CORP.**



Moses A Thompson (Apr 22, 2026 11:09:42 PDT)

Dated: 04/22/2026

Full Name: Moses Thompson  
  
Title: President  
On behalf of Defendant Liberty Utilities (Park Water) Corp.

**DEFENDANT LIBERTY UTILITIES  
(PARK WATER) CORP.**

Dated: \_\_\_\_\_

Full Name: Sharon Yang  
  
Title: Secretary  
On behalf of Defendant Liberty Utilities (Park Water) Corp.

**DEFENDANT LIBERTY UTILITIES  
(APPLE VALLEY RANCHOS WATER)  
CORP.**

Dated: \_\_\_\_\_

Full Name: Moses Thompson

Title: President  
On behalf of Defendant Liberty Utilities (Apple  
Valley Ranchos Water) Corp.

**DEFENDANT LIBERTY UTILITIES  
(APPLE VALLEY RANCHOS WATER)  
CORP.**

Dated: 04/22/2026

  
Sharon Yang (Apr 22, 2026 08:43:15 PDT)

Full Name: Sharon Yang

Title: Secretary  
On behalf of Defendant Liberty Utilities (Apple  
Valley Ranchos Water) Corp.

**DEFENDANT LIBERTY UTILITIES  
(PARK WATER) CORP.**

Dated: \_\_\_\_\_

Full Name: Moses Thompson

Title: President  
On behalf of Defendant Liberty Utilities (Park  
Water) Corp.

**DEFENDANT LIBERTY UTILITIES  
(PARK WATER) CORP.**

Dated: 04/22/2026

  
Sharon Yang (Apr 22, 2026 08:43:15 PDT)

Full Name: Sharon Yang

Title: Secretary  
On behalf of Defendant Liberty Utilities (Park  
Water) Corp.

**DEFENDANT LIBERTY UTILITIES  
(CALPECO ELECTRIC) LLC**

Dated: 04/22/2026

*Eric Schwarzrock*  
Eric Schwarzrock (Apr 22, 2026 07:40:50 PDT)

Full Name: Eric Schwarzrock  
Title: President  
On behalf of Defendant Liberty Utilities  
(CalPeco Electric) LLC

**DEFENDANT LIBERTY UTILITIES  
(CALPECO ELECTRIC) LLC**

Dated: \_\_\_\_\_

Full Name: Crystal Greene  
Title: Secretary  
On behalf of Defendant Liberty Utilities  
(CalPeco Electric) LLC

**APPROVED AS TO FORM.**

**BLACKSTONE LAW, APC**

Dated: \_\_\_\_\_

Full Name: \_\_\_\_\_  
Counsel for Plaintiff, Josephine Hernandez

**FISHER & PHILLIPS LLP**

Dated: April 22, 2026

*Harrison Thorne*  
Full Name: Harrison Thorne  
Counsel for Defendants, Liberty Utilities  
(Apple Valley Ranchos Water) Corp.; Liberty  
Utilities (Park Water) Corp.; and Liberty  
Utilities (CalPeco Electric) LLC

**DEFENDANT LIBERTY UTILITIES  
(CALPECO ELECTRIC) LLC**

Dated: \_\_\_\_\_

Full Name: Eric Schwarzrock  
Title: President  
On behalf of Defendant Liberty Utilities  
(CalPeco Electric) LLC

**DEFENDANT LIBERTY UTILITIES  
(CALPECO ELECTRIC) LLC**

Dated: 04/22/2026

Crystal L Greene  
Crystal L Greene (Apr 22, 2026 09:16:13 PDT)

Full Name: Crystal Greene  
Title: Secretary  
On behalf of Defendant Liberty Utilities  
(CalPeco Electric) LLC

**APPROVED AS TO FORM.**

**BLACKSTONE LAW, APC**

Dated: \_\_\_\_\_

Full Name: \_\_\_\_\_  
Counsel for Plaintiff, Josephine Hernandez

**FISHER & PHILLIPS LLP**

Dated: \_\_\_\_\_

Full Name: \_\_\_\_\_  
Counsel for Defendants, Liberty Utilities  
(Apple Valley Ranchos Water) Corp.; Liberty  
Utilities (Park Water) Corp.; and Liberty  
Utilities (CalPeco Electric) LLC

## **EXHIBIT A**

## **NOTICE OF CLASS ACTION SETTLEMENT**

***Josephine Hernandez v. Liberty Utilities (Apple Valley Ranchos Water) Corp., et al***  
**Superior Court of California for the County of Los Angeles, Case No. 25STCV06335**

### **PLEASE READ THIS CLASS NOTICE CAREFULLY.**

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

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

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

**YOU ARE NOTIFIED THAT:** A class and representative action settlement has been reached between Plaintiff Josephine Hernandez ("Plaintiff") and Defendants Liberty Utilities (Apple Valley Ranchos Water) Corp., Liberty Utilities (Park Water) Corp., and Liberty Utilities (CalPeco Electric) LLC (collectively, "Defendants") (Plaintiff and Defendants are collectively referred to as the "Parties") in the case entitled *Josephine Hernandez v. Liberty Utilities (Apple Valley Ranchos Water) Corp., et al*, Los Angeles County Superior Court, Case No. 25STCV06335 (the "Action"), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

You have received this Class Notice because Defendants' records reflect that you are a Class Member and/or PAGA Employee (both defined below). Because the Settlement, which has been preliminarily approved by the Court, affects Class Members' and PAGA Employees' legal rights, the Court ordered that this Class Notice be sent to you. This Class Notice provides you with information about (1) the Action, (2) the monetary terms of the Settlement, (3) your estimated Individual Settlement Share, provided you do not request to be excluded from the Settlement, (4) your estimated Individual PAGA Payment, (5) the terms of the Settlement, including the claims that are being released, (6) how to participate in, exclude yourself from, or object to the Settlement, and (7) where to find additional information regarding the Action and Settlement.

### **I. IMPORTANT DEFINITIONS**

**"Class" or "Class Member(s)"** means all current and former non-exempt or hourly employees who worked for Defendants in the State of California during the Class Period.

**"Class Period"** means the period from March 5, 2021, through March 22, 2026.

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

**"PAGA Employee(s)"** means all current and former non-exempt or hourly employees who worked for Defendants in the State of California during the PAGA Period.

**"PAGA Period"** means the period from February 23, 2025, through March 22, 2026.

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

### **II. BACKGROUND OF THE ACTION**

On March 5, 2025, Plaintiff commenced a putative class action lawsuit by filing a Class Action Complaint in the Action. On February 20, 2026, Plaintiff filed a First Amended Class Action Complaint in the Action. On February 23, 2026, Plaintiff provided written notice to the California Labor and Workforce Development Agency ("LWDA") and Defendants of the specific provisions of the California Labor Code that Plaintiff contends were violated ("PAGA Letter"). On May 28, 2026, Plaintiff filed a Second Amended Class and Representative Action Complaint ("Operative Complaint") in the Action.

Plaintiff contends that Defendants failed to properly pay minimum and overtime wages, provide compliant meal and rest

breaks, timely pay wages during employment and upon separation, provide accurate wage statements, and reimburse necessary business expenses, that these failures were in violation of the California Business and Professions Code section 17200, *et seq.*, and conduct that gives rise to penalties under the Private Attorneys General Act of 2004 pursuant to California Labor Code Section 2698, *et seq.* (“PAGA”).

Defendants deny all of the allegations in the Action and maintain that they fully complied with all applicable laws. Defendants deny any liability or wrongdoing of any kind and contend, among other things, that they complied at all times with the California Labor Code, the California Business and Professions Code, all Industrial Welfare Commission Wage Orders, and all applicable law.

The Parties participated in mediation and as a result, the Parties reached a settlement. The Parties have since entered into a Joint Stipulation of Class Action and PAGA Settlement (“Settlement” or “Settlement Agreement”).

On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed Apex Class Action Administration as the administrator of the Settlement (“Settlement Administrator”), Plaintiff Josephine Hernandez as representative of the Class (“Class Representative”), and the following Plaintiff’s attorneys as counsel for the Class (“Class Counsel”):

Jonathan M. Genish  
Ryan A. Quadrel  
Shelby L. Miner  
Alexandra Rose  
Theodore R. Tang  
**Blackstone Law, APC**  
8383 Wilshire Boulevard, Suite 745  
Beverly Hills, California 90211  
Tel: (310) 622-4278 / Fax: (855) 786-6356

The Court has preliminarily appointed Class Counsel as counsel for the Class for purposes of settlement. Other than the Attorneys’ Fees and Costs approved by the Court and to be paid out of the Gross Settlement Amount, you will not be charged for their services.

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

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendants that the claims in the Action have merit or that Defendants have any liability to Plaintiff, Class Members, or PAGA Employees. Plaintiff and Defendants, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of the Class Members, the State of California, and PAGA Employees.

Additionally, the Court has not ruled on the merits of the claims alleged by Plaintiff. By preliminarily approving the Settlement and issuing this Class Notice, the Court is not suggesting which side would win or lose the Action on the merits. Rather, the Court has determined only that there is sufficient evidence to determine, on a preliminary basis, that the proposed Settlement is fair, adequate, and reasonable. The final determination of this question will be made at the Final Approval Hearing. Defendants reserve their rights, if for any reason the Settlement fails, to contest any factual or legal allegations, including to contest whether the Action should proceed as a class and/or representative action.

### **III. SUMMARY OF THE PROPOSED SETTLEMENT**

#### **A. Settlement Formula**

Without admitting any wrongdoing, and to avoid the business disruptions caused by litigating these claims, Defendants have agreed to pay a total gross settlement amount of One Million Eight Hundred Thousand Dollars and Zero Cents (\$1,800,000.00) (the “Gross Settlement Amount”). The portion of the Gross Settlement Amount that is available for payment to Settlement Class Members is referred to as the “Net Settlement Amount.” The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) attorneys’ fees, in an amount not to exceed one-third (1/3) of the Gross Settlement Amount (*i.e.*, \$600,000.00), and reimbursement of litigation costs and expenses, in an amount not to exceed Thirty-Five Thousand Dollars and Zero Cents (\$35,000.00) to Class Counsel; (2) an Enhancement Payment in an amount not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) to Plaintiff for her services in the Action; (3) the amount of One Hundred Twenty Thousand Dollars and Zero Cents (\$120,000.00) allocated toward civil penalties under the Private Attorneys General Act (“PAGA Amount”), of which the LWDA will be paid 65% (\$78,000.00) (“LWDA Payment”) and the remaining 35% (\$42,000.00) will be distributed to PAGA Employees (“PAGA Employee Amount”); and (4) Settlement Administration Costs currently estimated not to exceed Seven Thousand Seven Hundred Ninety Dollars and Zero Cents (\$7,790.00) to the Settlement Administrator. If the Court awards less than the requested amounts for Attorneys’ Fees and Costs, the Enhancement Payment, or Settlement Administration Costs, or if any awarded Settlement Administration Costs are not needed, the difference will be added to the Net Settlement Amount for distribution to Settlement Class Members.

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount (“Individual Settlement Share”) based on the number of weeks each Class Member worked for Defendants as a non-exempt or hourly employee in California during the Class Period (“Workweeks”). The Settlement Administrator has divided the Net Settlement Amount by the Workweeks of all Class Members to yield the “Estimated Workweek Value,” and multiplied each Class Member’s individual Workweeks by the Estimated Workweek Value to yield an estimated Individual Settlement Share that each Class Member may be entitled to receive under the Class Settlement. Class Members who do not submit a timely and valid Request for Exclusion (“Settlement Class Members”) will be issued their final Individual Settlement Payment, which may be different from the estimate.

Each Individual Settlement Share will be allocated as fifteen percent (15%) wages, which will be reported on an IRS Form W-2, and eighty-five percent (85%) penalties, interest, and non-wage damages, which will be reported on an IRS Form 1099, if applicable. Each Individual Settlement Share will be subject to reduction for the employee’s share of payroll taxes and withholdings with respect to the wages portion of the Individual Settlement Share, resulting in a net payment to the Settlement Class Member (“Individual Settlement Payment”). The employers’ share of taxes and contributions in connection with the wages portion of Individual Settlement Shares (“Employer Taxes”) will be paid by Defendants separately and in addition to the Gross Settlement Amount.

PAGA Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Employee Amount (“Individual PAGA Payment”) based on the number of pay periods each PAGA Employee worked for Defendants as a non-exempt or hourly employee in California during the PAGA Period (“Pay Periods”). The Settlement Administrator has divided the PAGA Employee Amount, *i.e.*, 35% of the PAGA Amount, by the Pay Periods of all PAGA Employees to yield the “Pay Period Value,” and multiplied each PAGA Employee’s individual Pay Periods by the Pay Period Value to yield each PAGA Employee’s estimated Individual PAGA Payment.

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

Plaintiff, Settlement Class Members, and PAGA Employees are solely responsible for the payment of any taxes and penalties assessed on payments received under the Settlement and should consult their tax advisors concerning the tax consequences of any payment they receive.

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

**possible to ensure you receive any payment that you may be entitled to under the Settlement.**

Defendants will fund the Gross Settlement Amount and Employer Taxes no later than twenty-one (21) calendar days after the Effective Date, and the Settlement Administrator will issue Individual Settlement Payments and Individual PAGA Payments within ten (10) business days after funding.

Settlement checks will be valid and negotiable for one hundred eighty (180) calendar days from the date the checks are issued. After that period, uncashed checks will be canceled, and the funds associated with those canceled checks will be distributed by the Settlement Administrator to the State of California's Unclaimed Property Division in the name of the Settlement Class Member and/or PAGA Employee.

**B. Your Workweeks and Pay Periods (if applicable) Based on Defendants' Records**

According to Defendants' records:

- **From March 5, 2021 through March 22, 2026 (i.e., the Class Period), you are credited as having worked [REDACTED] Workweeks.**
- **From February 23, 2025 through March 22, 2026 (i.e., the PAGA Period), you are credited as having worked [REDACTED] Pay Periods.**

If you wish to dispute the Workweeks and/or Pay Periods credited to you, you must submit your dispute in writing to the Settlement Administrator ("Dispute"). The Dispute must: (a) contain the case name and number of the Action (*Josephine Hernandez v. Liberty Utilities (Apple Valley Ranchos Water) Corp., et al.*, Case No. 25STCV06335); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) clearly state that you dispute the number of Workweeks and/or Pay Periods credited to you and what you contend is the correct number; and (d) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B below, postmarked **on or before [Response Deadline]**.

**C. Your Estimated Individual Settlement Share and Individual PAGA Payment (if applicable)**

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

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

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

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

**D. Release of Claims**

Upon the Effective Date and full funding of the Gross Settlement Amount and Employer Taxes, Plaintiff and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims.

"Released Parties" means Defendants and any of their past, present, and future direct or indirect parents, subsidiaries, predecessors, successors, affiliates, sectors, divisions, assigns, joint venturers, third parties, and other related entities, as well as each of their present and/or future officers, directors, administrators, trustees, staff, members, managers, employees, agents, representatives, attorneys, insurers, re-insurers, partners, investors, and shareholders, as well as any individual or entity which could be jointly liable with Defendants.

“Released Class Claims” means all claims, rights, demands, liabilities, and causes of action that are alleged, or reasonably could have been alleged, based on the facts and claims asserted in the Operative Complaint as to the Released Parties, arising during the Class Period, including the following claims: (i) failure to pay minimum wages; (ii) failure to pay overtime wages; (iii) failure to provide meal breaks; (iv) failure to provide rest breaks; (v) failure to timely pay wages during employment; (vi) violation of California Labor Code section 226; (vii) failure to timely pay final wages upon separation of employment; (viii) failure to reimburse necessary business expenses; and (ix) unfair or unlawful business practices under California Business & Professions Code section 17200, *et seq.*

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

“Released PAGA Claims” means any and all claims for the recovery of civil penalties and attorneys’ fees and costs permissible under PAGA which Plaintiff and/or the PAGA Employees had, or may claim to have, against the Released Parties, arising out of the violations alleged in the Operative Complaint and/or the PAGA Letter, arising during the PAGA Period, including: (i) failure to pay minimum wages; (ii) failure to pay overtime wages; (iii) failure to provide meal breaks; (iv) failure to provide rest breaks; (v) failure to timely pay wages during employment; (vi) violation of California Labor Code section 226; (vii) failure to timely pay final wages upon separation of employment; (viii) failure to reimburse necessary business expenses; and (ix) violations of California Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 227.3, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2698, *et seq.*, 2699, *et seq.*, 2800, and 2802.

#### **E. Attorneys’ Fees and Costs to Class Counsel**

Class Counsel will seek attorneys’ fees in an amount not to exceed one-third (1/3) of the Gross Settlement Amount (i.e., \$600,000.00) and reimbursement of litigation costs and expenses in an amount not to exceed Thirty-Five Thousand Dollars and Zero Cents (\$35,000.00) (collectively, “Attorneys’ Fees and Costs”), subject to approval by the Court. The Attorneys’ Fees and Costs granted by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiff, Class Members, and PAGA Employees on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

#### **F. Enhancement Payment to Plaintiff**

Plaintiff will seek the amount of Ten Thousand Dollars and Zero Cents (\$10,000.00) (“Enhancement Payment”), in recognition of her services in connection with the Action. The Enhancement Payment will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, it will be paid to Plaintiff in addition to any other payments that she is entitled to under the Settlement.

#### **G. Settlement Administration Costs to Settlement Administrator**

Payment to the Settlement Administrator is currently estimated not to exceed Seven Thousand Seven Hundred Ninety Dollars and Zero Cents (\$7,790.00) (“Settlement Administration Costs”) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objection, and Disputes, calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Payments, and distributing payments and tax forms under the Settlement. The Settlement Administration Costs will be paid from the Gross Settlement Amount, subject to approval by the Court. To the extent the actual Settlement Administration Costs are greater than the estimated amount, such excess amount will be deducted from the Gross Settlement Amount, subject to approval by the Court. Any portion of the estimated, designated, and/or awarded Settlement Administration Costs that is not required to complete settlement administration will be added to the Net Settlement Amount for the benefit of Settlement Class Members.

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

#### **A. Participate in the Settlement**

**If you want to participate in the Class Settlement and receive money from the Class Settlement, you do not have to do anything.** You do not need to submit a claim form to receive an Individual Settlement Payment and/or Individual PAGA Payment. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless

you decide to exclude yourself from the Class Settlement.

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

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

## **PAGA EMPLOYEES CANNOT OPT OUT OF THE PAGA SETTLEMENT OR THE RELEASE OF RELEASED PAGA CLAIMS.**

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

### **B. Request Exclusion from the Class Settlement**

Class Members may request to be excluded from the Class Settlement by submitting a letter ("Request for Exclusion") to the Settlement Administrator, at the following address:

[Settlement Administrator]

[Mailing Address]

A Request for Exclusion must: (a) contain the case name and number of the Action (*Josephine Hernandez v. Liberty Utilities (Apple Valley Ranchos Water) Corp., et al.*, Case No. 25STCV06335); (b) contain your full name, signature, address, telephone number, and last four (4) digits of your Social Security number; (c) clearly state that you do not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address above, postmarked **on or before** [Response Deadline].

If the Court grants final approval of the Settlement, any Class Member who submits a timely and valid Request for Exclusion will not be issued an Individual Settlement Payment, will not be bound by the Class Settlement (and the release of Released Class Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a timely and valid Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Class Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon. **PAGA Employees will be bound by the PAGA Settlement (and the release of Released PAGA Claims described in Section III.D above) and will still be issued an Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion from the Class Settlement.**

If more than ten percent (10%) of Class Members submit timely and valid Requests for Exclusion, Defendants may elect to rescind the Settlement Agreement, subject to the terms of the Settlement Agreement.

### **C. Object to the Class Settlement**

You can object to the Class Settlement as long as you have not submitted a Request for Exclusion by submitting a written objection ("Notice of Objection") to the Settlement Administrator.

The Notice of Objection must: (a) contain the case name and number of the Action (*Josephine Hernandez v. Liberty Utilities (Apple Valley Ranchos Water) Corp., et al.*, Case No. 25STCV06335); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B above, postmarked **on or before** [Response Deadline].

You may also appear at the Final Approval Hearing and present your objection orally, regardless of whether you have submitted a Notice of Objection.

## **V. FINAL APPROVAL HEARING**

The Court will hold a Final Approval Hearing in Department 15 of the Los Angeles County Superior Court, located at 312 N. Spring Street, Los Angeles, CA 90012 on [date], at [time], to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and grant Attorneys' Fees and Costs to Class Counsel, the Enhancement Payment to Plaintiff, and Settlement Administration Costs to the Settlement Administrator, all subject to the terms of the Settlement Agreement.

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

You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (<https://lacc.lacourt.org>). Check the Court's website for the most current information.

## **VI. ADDITIONAL INFORMATION**

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

You may view the Settlement Agreement and other documents filed in the Action by going to (<https://www.lacourt.ca.gov/pages/lp/access-a-case/tp/find-case-information/cp/os-civil-case-access>) and entering the Case Number for the Action, Case No. 25STCV06335.

You may also visit the Settlement Administrator's website at [redacted] for key documents in the Action.

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

**IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.**

## **EXHIBIT 4**



Outlook

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## Thank you for your Proposed Settlement Submission

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**Desde** no-reply@formassembly.com <no-reply@formassembly.com>

**Fecha** Jue 09/07/2026 16:22

**Para** Lorena Bautista <lbautista@blackstonepc.com>

[External Email].

07/09/2026 02:21:58 PM

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

Item submitted: Proposed Settlement

On 07/09/2026 02:21:58 PM your Proposed Settlement was successfully processed for case number LWDA-CM-1159261-26

If you have questions or concerns regarding this submission or your case, please send an email to [pagainfo@dir.ca.gov](mailto:pagainfo@dir.ca.gov).

DIR PAGA Unit on behalf of  
Labor and Workforce Development Agency

Website: [http://labor.ca.gov/Private Attorneys General Act.htm](http://labor.ca.gov/Private_Attorneys_General_Act.htm)