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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

CRISTINA MIRANDA and MARIBEL TORRES LOPEZ, as individuals and on behalf of all others similarly situated,

Plaintiffs,

vs.

K & P JANITORIAL SERVICES, a California corporation; and DOES 1 through 100,

Defendants.

Case No. 23STCV19824

[*Assigned for all purposes to the Honorable David S. Cunningham III, Dept. 11*]

DECLARATION OF SEAN M. BLAKELY IN SUPPORT OF PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT

Date: February 3, 2025
Time: 11:00 a.m.
Dept.: 11

Complaint Filed: August 18, 2023
Trial Date: None Set

I, SEAN M. BLAKELY, declare as follows:

1. I am a Partner at Haines Law Group, APC, and counsel for the named Plaintiffs Cristina Miranda and Maribel Torres Lopez ("Plaintiffs") and the proposed Settlement Class in the above-captioned matter. I am a member in good standing of the bar of the State of California and am admitted to practice in this Court. I have personal knowledge of the facts stated in this declaration and could testify competently to them if called upon to do so.

2. I am a 2008 graduate of Southwestern Law School. I was admitted to the California State Bar in September 2009. From December 2010 to September 2011, I worked as a Law Clerk for Rose, Klein & Marias, a civil litigation firm in Long Beach, California. At Rose, Klein & Marias I assisted trial attorneys in employment and personal injury cases. From September 2011 to May 2016, I worked as an associate at the employment law firm of Mahoney Law Group, APC in Long Beach, California. The vast majority of my work at Mahoney Law Group, APC focused on representing employees in wage and hour class actions. My work at Mahoney Law Group, APC also included representing employees in individual claims for wrongful termination, harassment, discrimination, and retaliation. Although non-exhaustive, the types of work I performed at Mahoney Law Group, APC included: conducting client intakes performing pre-filing research and analysis, drafting complaints, attending court hearings, corresponding with opposing counsel, drafting and responding to written discovery, preparing for and taking and defending depositions, analyzing payroll and timekeeping records and employee handbooks, opposing motions for summary judgment, as well as a variety of other motions such as motions for remand, demurrers and motions to dismiss, motions to strike, motions to compel, motions to quash, and motions for class certification, drafting mediation briefs, attending mediations, drafting long-form settlement agreements, drafting motions for preliminary and final settlement approval, and overseeing the notice process.

3. Since November 8, 2016, I have worked at my current firm, Haines Law Group, APC, where, in 2020, I became a Partner. I am currently responsible for managing over fifty (50) active wage and hour class and representative actions in both state and federal court.

4. The following is a non-exhaustive list of wage and hour class actions in which I

have been appointed as class counsel and/or played a significant role in prosecuting the litigation, and which have received final approval: *Santimateo v. Sun Healthcare Group, Inc., et al,* Case No. BC471884, California Superior Court, Los Angeles County, Judge Jane L. Johnson presiding (granted final approval of settlement on behalf of employees at rehabilitation facility involving claims for unpaid wages and meal and rest period violations, and other claims, in which I was approved at an hourly rate of $325 for work performed in 2012-2013); *Teyuca v. Pacific Alliance Medical Center, Inc*., California Superior Court, Los Angeles County, Judge William F. Highberger presiding (granting final approval of settlement on behalf of healthcare workers for unpaid wages, meal and rest period violations, and other claims, in which I was approved at an hourly rate of $325 for work performed in 2012-2013); *Arteaga v. Command Center Security, Inc.,* Case No. BC480496, California Superior Court, Los Angeles County, Judge John Shepard Wiley, Jr. presiding (granting final approval of settlement on behalf of security guards involving claims for unpaid overtime, meal and rest period violations, and other claims, in which I was approved at an hourly rate of $425 for work performed in 2012-2015); *Casadine v. Maxim Healthcare Services, Inc*., Case No. CV 12-10078-DMG (CWx), United States District Court, Central District of California, Judge Dolly M. Gee presiding (granting final approval of settlement on behalf of home health care employees involving claims for unpaid wages and other claims, in which I was approved at an hourly rate of $425 for work performed in 2012-2015); *Guzman v. Andrew Lauren Interiors, Inc*., *et al*., Case No. BC567757, California Superior Court, Los Angeles County, Judge Elihu M. Berle presiding (granting final approval of settlement on behalf of construction workers involving claims for unpaid wages, meal and rest period violation, and other claims, in which I was approved at an hourly rate of $425 for work performed in 2014-2016); *Booker v. The Goodyear Tire and Rubber Company*, Case No. BC498399, California Superior Court, Los Angeles County, Judge Amy Hogue presiding (granting final approval of settlement on behalf of tire mechanics involving claims for unpaid wages, meal and rest period violations, and other claims, in which I was approved at an hourly rate of $425 for work performed in 2013-2015); *Nunez v. CompuCom Systems, Inc.*, Case No. BC618385, California Superior Court, Los Angeles County, Judge John Shepard Wiley, Jr. presiding (granting final approval of settlement on behalf of IT support workers for overtime, meal and period, reimbursement, and related violations, approved at hourly rate of $475 for work performed in 2016 and 2017); *Galvan v. AMVAC Chemical Corporation*, Case No. 30-2014-00716103-CU-OE-CXC, California Superior Court, Orange County, Judge William D. Claster presiding (granting final approval of settlement on behalf of non-exempt employees of a chemical manufacturing company involving claims for unpaid overtime and waiting time penalties); *Razon v. TTM Technologies, Inc., et al*., Case No. 37-2016-00038326-CU-OE-CTL, California Superior Court, San Diego County, Judge Gregory W. Pollack presiding (granting final approval of settlement involving claims for unpaid overtime wages, wage statement violations, and meal period violations); *Blank v. Coty, Inc., et al*., Case No. BC624850, California Superior Court, Los Angeles County, Judge Williams F. Highberger presiding (granting final approval of settlement involving claims for wage statement violations, meal period violations, and other claims); *Morales v. Caremeridian, LLC, et al*., Case No. BC593191, California Superior Court, Los Angeles County, Judge William F. Highberger presiding (granting final approval of settlement on behalf of direct support professionals involving claims for unpaid wages, meal and rest period violations, wage statement violations, and other claims); *Aguilar v. Act Fulfillment, Inc*., Case No. RIC1616643, California Superior Court, Riverside County, Judge Sharon J. Waters presiding (granting final approval of settlement on behalf of non-exempt factory workers involving claims for meal period violations); *Sandoval v. AMCOR Flexibles Inc*., Case No. BC617499, California Superior Court, Los Angeles County, Judge Kenneth R. Freeman presiding (granting final approval of settlement on behalf of manufacturing employees involving claims for unpaid wages, meal period violations, rest period violations, and waiting time penalties); *Le v. GBW Railcar Services, L.L.C*., Case No. RIC1612209, California Superior Court, Riverside County, Judge Sharon J. Waters presiding (granting final approval of settlement on behalf of non-exempt employees of a freight railcar manufacturer involving claims for unpaid overtime and minimum wages, meal period violations, and rest period violations); *Silva v. ADJ Products, LLC*, Case No. BC618581, California Superior Court, Los Angeles County, Judge William F. Highberger presiding (granting final approval of settlement involving claims for unpaid overtime and minimum wages, rest period violations, wage statement violations, and waiting time penalties); *Lira v. Discus Dental, LLC, et al.*, Case No. CIVDS1620402, California Superior Court, San Bernardino County, Judge David Cohn presiding (granting final approval of settlement on behalf of non-exempt manufacturing employees involving claims for unpaid minimum and overtime wages, meal and rest period violations, and other claims); *Gonzales v. PathPoint*, Case No. BC657147, California Superior Court, Los Angeles County, Judge Carolyn B. Kuhl presiding (granting final approval of settlement on behalf of non-exempt direct support professionals involving claims for meal and rest period violations and other claims); *Duran v. PRADA USA CORP.*, Case No. BC644319, California Superior Court, Los Angeles County, Judge Maren E. Nelson presiding (granting final approval of settlement on behalf of non-exempt commissioned salespersons involving claims for unpaid overtime wages, meal and rest period violations, failure to reimburse for necessary expenditures, and other claims); *Banegas v. UPM, Inc.*, Case No. BC644438, California Superior Court, Los Angeles County, Judge Carolyn B. Kuhl presiding (granting final approval of settlement on behalf of non-exempt manufacturing employees involving claims for unpaid wages, meal and rest period violations, and other claims); *Palafox v. Pacific Line Clean-Up, Inc.*, Case No. 30-2017-00921632-CU-OE-CXC, California Superior Court, Orange County, Judge William D. Claster presiding (granting final approval of settlement on behalf of non-exempt employees involving claims for unpaid overtime wages, meal and rest period violations, and other claims); *Janet Arroyo v. AST Sportswear, Inc., dba Bayside Apparel Manufacturing, Inc.*, Case No. 30-2017-00909663-CU-OE-CXC, California Superior Court, Orange County, Judge Glenda Sanders presiding (granting final approval of settlement on behalf of non-exempt garment employees involving claims for unpaid minimum wages, meal and rest period violations, and other claims); *Carlos Garcia v. Fabrica International, Inc.*, Case No. 30-2017-00949461-CU-OE-CXC, California Superior Court, Orange County, Judge William D. Claster presiding (granting final approval of settlement on behalf of non-exempt manufacturing employees involving claims for unpaid minimum and overtime wages, meal and rest period violations, and statutory penalties); *Jonathan Leon v. Piercey West, Inc.*, Case No. BC656874, California Superior Court, Los Angeles County, Judge Amy D. Hogue presiding (granting final approval of settlement on behalf of non-exempt commissioned salespersons and other employees involving claims for unpaid wages, meal and rest period violations, unreimbursed business expenses, and other claims); and *Matthew Tovar, et al. v. Rentokil North America, Inc.*, Case No. BC676386, California Superior Court, Los Angeles County, Judge Daniel J. Buckley presiding (granting final approval of settlement on behalf of non-exempt employees involving claims for unpaid overtime, meal and rest break violations, and other claims); *Seungmin Samantha Lee v. Infor (US) Inc.*, Case No. CGC-18-566393, California Superior Court, San Francisco County, Judge Ethan P. Schulman presiding (granting final approval of settlement on behalf of sales development representatives involving claims for unpaid overtime, meal and rest period violations, and penalty claims); *Tracy Aguilar, et al. v. Aero Port Services, Inc.*, Case No. BC659234, California Superior Court, Los Angeles County, Judge Carolyn B. Kuhl presiding (granting final approval of settlement on behalf of non-exempt employees involving claims for meal and rest period violations, and other claims); *Carlos Perez, et al. v. Moss Bros. Auto Group, Inc., et al.*, Case No. RIC1709905, California Superior Court, Riverside County, Judge Sunshine S. Sykes presiding (granting final approval of settlement on behalf of non-exempt commissioned salespersons involving claims for unpaid wages, meal and rest period violations, other claims); and *Julio Alfaro v. Orange Automotive d/b/a Kia of Orange*, Case No. 30-2017-00945105-CU-OE-CXC, California Superior Court, Orange County, Judge Randall J. Sherman presiding (granting final approval settlement on behalf of non-exempt commissioned employees involving claims for unpaid wages, meal and rest period violations, unreimbursed business expenses, and penalty claims).

5. I have also moved to certify and have received an order certifying a class action in *Ontiveros v. Safelite Fulfillment, Inc., et al.*, Case No. CV 15-7118-DMG (RAOx), United States District Court, Central District of California, Honorable Dolly M. Gee presiding (certifying six classes of employees for rest period violations, wage statement violations, meal period violations, and overtime and double-time violations); and *Vazquez v. Kraft Heinz Foods Company,* Case No. 16-CV-02749-WQH (BLM), United States District Court, Southern District of California, Honorable William Q. Hayes, presiding (certifying unpaid wages classes, meal period classes, wage statement class, and waiting time penalty class).

6. In each year from 2018-2023, Thomson Reuters recognized me as a Top Young Attorney in Southern California in the annual Rising Star Edition of Super Lawyers. This is an honor awarded to no more than two-and-a-half percent (2.5%) of attorneys under the age of forty in Southern California each year.

7. As counsel for Plaintiffs and the proposed Settlement Class, I have been intimately involved in this case since its inception and I believe that the proposed Settlement is an excellent result for the Settlement Class.

8. Defendant K&P Janitorial Services ("K&P") is a provider of janitorial and building maintenance services for commercial office buildings throughout Los Angeles.

9. On August 18, 2023, Plaintiffs filed this class action asserting causes of action for: (1) failure to pay all minimum wages; (2) failure to pay all overtime wages; (3) meal period violations; (4) rest period violations; (5) failure to reimburse all necessary business expenditures; (6) wage statement violations; (7) waiting time penalties; and (8) unfair competition in violation of California Business & Professions Code § 17200 *et seq*. On August 18, 2023, Plaintiffs sent their PAGA notification letter to the Labor & Workforce Development Agency ("LWDA"). Attached hereto as **Exhibit B** is a true and correct copy of Plaintiffs' August 18, 2023 PAGA letter. On October 23, 2023, Plaintiffs filed the operative First Amended Class and Representative Complaint ("FAC") adding a cause of action for civil penalties under the Private Attorneys' General Act of 2004, Labor Code Section 2698, *et seq*. ("PAGA").

10. In connection with mediation, K&P provided Plaintiffs with a 25% sampling of timekeeping and payroll records for putative class members employed during the Class Period. K&P also produced relevant policy documents, including its written meal and rest period policies, timekeeping policies, and overtime policies; and the number of current and former employees employed during the Class Period, as well as the aggregate number of workweeks worked by all putative class members. This discovery allowed the Parties to assess the merits and value of Plaintiffs' claims, the chances of certification of Plaintiffs' claims, and K&P's potential defenses.

11. On February 8, 2024, the Parties attended a full-day mediation with Kevin T. Barnes, Esq., an experienced wage and hour class action mediator. During mediation, the Parties

vigorously debated their legal positions, the likelihood of certification of Plaintiffs' claims, and the legal bases for the claims and defenses. At the conclusion of mediation, the Parties reached a settlement. During the months that followed, the Parties negotiated and finalized the terms of the Settlement and executed the long-form Settlement Agreement now before the Court. A true and correct copy of the Stipulation of Settlement ("Settlement") is attached hereto as **Exhibit A.** The proposed Class Notice and Notice of Estimated Settlement Payment are attached as **Exhibits 1** and **2**, respectively, to the Settlement Agreement.

12. The monetary terms of the Settlement are summarized below:

• Gross Settlement Amount ("GSA"):	$244,241.00
• Minus Court-approved attorneys' fees:	$81,413.67
• Minus Court-approved verified costs (up to):	$25,000.00
• Minus Court-approved Enhancement Payments:	$10,000.00
• Minus amount set aside as PAGA penalties:	$10,000.00
• Minus estimated Settlement Administration costs:	$10,000.00
• Minus previously paid unpaid wages and premiums	$44,241.00
Net Settlement Amount ("NSA"):	$63,586.33
• PLUS 25% of PAGA penalties ("PAGA Amount")	$2,500.00
TOTAL Amount Paid to Settlement Class:	**$110,327.33**

13. Based on information provided by K&P, the Settlement Class consists of approximately 130 current and former non-exempt employees. Thus, the average Settlement Payment from the NSA is estimated to be $489.13. Further, there are approximately 130 Aggrieved Employees who worked during the PAGA Period. Therefore, the average payment from the PAGA Amount is estimated to be approximately $19.23.

14. As an initial matter, K&P asserts that Plaintiffs and nearly all Settlement Class members signed valid and enforceable arbitration agreements with class action waivers. Setting aside any arguments as to the merits of Plaintiffs' claims, K&P contends that absent settlement, a class-wide recovery for all Settlement Class members was not possible and that only PAGA civil penalties could potentially be recovered on behalf of a subset of Settlement Class members. As such, K&P contends that absent its agreement to not raise the arbitration agreements as an affirmative defense any recovery to Settlement Class members would be limited to only the employee's potential 25% share of PAGA civil penalties.

15. Plaintiffs allege that K&P utilized a timekeeping system that systematically underpaid wages to Settlement Class members. Specifically, Plaintiffs allege that K&P required

its employees to clock in and out through an application on their personal cellular phones that recorded hours worked to the minute; however, K&P only compensated employees for their scheduled hours of work, rather than for all hours on the clock. Based on Plaintiffs' analysis of K&P's records, Plaintiffs estimate that K&P underpaid Settlement Class members by approximately 2,373 hours during the Class Period. Based on the average hourly rate of pay of approximately $17.33, Plaintiffs calculated K&P's maximum exposure at approximately $41,124 (2,373 unpaid hours * $17.33 average hourly rate). However, K&P contends that it utilized an even-handed timekeeping system that, on balance, resulted in employees being paid for all hours actually worked. K&P also argues that it changed its timekeeping policies/practices in August 2023, and began to compensate employees to the minute, thereby cutting off its potential liability for this claim. K&P further asserts that after the filing of this lawsuit, it made retroactive payments to Settlement Class members for any unpaid time as a result of its timekeeping policies/practices. Finally, K&P argues that Plaintiffs would be unable to certify this claim since its timekeeping policies/practices are facially neutral and individualized inquiries would be necessary as to whether employees were in fact underpaid for each workday in question (including whether they were actually working when they were clocked in), resulting in an unmanageable series of mini-trials. Based on these defenses, Plaintiffs discounted the maximum exposure by 70% to account for the risk of non-certification and potential inability to proceed on a class wide basis due to the arbitration agreements, and an additional 25% to account for K&P's defenses on the merits, to arrive at an estimated exposure of approximately $9,253.

16. Plaintiffs allege that K&P failed to pay all overtime wages owed to Plaintiffs and Settlement Class members by failing to include the value of all non-discretionary remuneration into the "regular rate" of pay when calculating overtime compensation. Specifically, Plaintiffs contend that K&P paid Settlement Class members non-discretionary incentive pay, including "Laundry" bonuses, but failed to include these payments when calculating the regular rate of pay for overtime purposes. Based a review of K&P's payroll records, Plaintiffs calculate the maximum overtime wages owed to Settlement Class members as a result of K&P's failure to incorporate bonuses into the regular rate of pay at approximately $5,000. However, K&P argues

that the incentive payments at issue were discretionary bonuses and therefore excludable from the "regular rate." K&P further argues that only a small number of employees received "Laundry" renumeration throughout the Class Period, creating substantive differences among Settlement Class members with respect to the incentives received, making class certification unlikely. In light of these defenses, Plaintiffs discounted the maximum amount that the class could potentially recover by 70% for risk of non-certification and potential inability to proceed on a classwide basis due to the arbitration agreements, and discounted an additional 15% for risk of being unsuccessful on the merits or failure to recover the full amount sought, to arrive at an estimated total of approximately $1,275.

17. Plaintiffs allege that K&P routinely failed to provide timely, duty-free, and uninterrupted 30-minute meal periods commencing before the end of the fifth hour of work. Based on Plaintiffs' review, 16% of the 22,422 shifts over 6.0 hours were non-compliant. Accordingly, Plaintiffs calculated K&P's maximum exposure at $62,180 (3,588 non-compliant first meal periods * $17.33 average meal period premium). K&P counters it has maintained compliant written meal period policies throughout the Class Period and has always provided compliant meal periods in line with those policies. K&P contends that it is only required to "provide" the opportunity to take meal periods, not "ensure" meal periods are taken. Therefore, K&P maintains that any short, missed, or late first meal periods were the result of lawful employee waiver or choice, thereby precluding liability. K&P further argues that after the filing of this lawsuit, it conducted an internal audit of employee meal periods and retroactively paid meal period premiums to Settlement Class members for facial meal period violations. Lastly, K&P argues that individualized inquiries will be required to determine why each meal period was taken late or short or missed by each employee, and whether there was a valid waiver, thereby making class certification of this claim unlikely. Based on these defenses, Plaintiffs discounted the maximum amount by 70% for risk of non-certification and potential inability to proceed on a classwide basis due to the arbitration agreements, and an additional 30% or risk of losing on the merits or failing to recover the full amount sought, to arrive at an estimated exposure of approximately $13,058.

18. Plaintiffs allege that due to persistent understaffing at each work site, K&P failed

to authorize and permit all legally compliant off-duty rest periods. Specifically, Plaintiffs allege they and other non-exempt employees were often required to work through their rest periods, as a result of the work demands imposed by K&P. Based on Plaintiffs' analysis and extrapolation of employee timekeeping records, Plaintiffs estimated there were approximately 35,590 shifts with a rest period violation during the Class Period. Therefore, Plaintiffs estimated the maximum potential exposure for this claim at approximately $616,775 (35,590 rest period violations * $17.33 average premium). K&P counters that it maintained compliant written rest period policies throughout the Class Period and has always authorized and permitted employees a 10-minute rest period for each four (4) hours worked, or major fraction thereof, as required under the Wage Order, and that any failure to take rest periods was a result of employee choice, rather than any K&P's policy and/or practice. K&P also argues that Plaintiffs' rest period claim is not amenable to class treatment, since individual inquiries would be required to determine which Settlement Class members failed to take rest periods, how many rest periods they failed to take, and the reasons why each employee failed to take rest period(s) on a particular shift. These manageability concerns are especially present with respect to rest period claims, K&P argues, given that rest periods are not recorded. In light of these defenses, Plaintiffs assessed a 70% risk of non-certification and potential inability to proceed on a classwide basis due to the arbitration agreements, and discounted an additional 35% for risk of being unsuccessful on the merits or failure to recover the full amount sought, to arrive at a projected exposure of $120,271.

19. Plaintiffs allege that K&P failed to reimburse Plaintiffs and other non-exempt employees for all reasonable and necessary work expenditures, including, but not limited to use of the employee's personal cellular phones. Specifically, Plaintiffs allege K&P required employees to use their personal cellular phones to clock in and out of shifts and meal periods starting in 2020 but failed to reimburse employees for use of their personal cellular in violation of Labor Code § 2802(a). Plaintiffs estimated that Settlement Class members expended approximately $25.00 per pay period during the Class Period in reasonable work-related business expenses. Therefore, Plaintiffs calculated K&P's maximum exposure for this claim at approximately $88,975 ($25.00 per pay period * 3,559 pay periods in Class Period). However,

K&P argues that employees were not required to use their cellular phones in the discharge of their work duties. K&P further contends that this claim would require individual inquiries into whether Settlement Class members actually used their personal cellular phones for work purposes, how much expense they incurred, whether they submitted a request for reimbursement, and the reasonableness of that expense, thus precluding class certification. Lastly, K&P argues that it began to reimburse Settlement Class members for the use of their cell phones during the Class Period, thereby cutting off its liability for this claim. In light of K&P's arguments and defenses, Plaintiffs discounted the maximum amount that the class could potentially recover by 70% for a risk of non-certification and potential inability to proceed on a classwide basis due to the arbitration agreements, and an additional 45% for risk of losing on the merits or failure to recover the full amount, to arrive at a projected exposure of $14,681.

20. As a result of the unpaid wages and unpaid meal and rest period premium wages described above, Plaintiffs allege that K&P is liable for wage statement penalties. Those penalties are calculated as $50 for each "initial" violation and $100 for each "subsequent" violation, with a maximum of $4,000 per employee. Plaintiffs' analysis reflected that there were approximately 130 unique employees and approximately 3,559 pay periods worked during the liability period applicable to Plaintiffs' wage statement claim. The maximum possible exposure for all Settlement Class members is calculated as $349,400 ([130 "initial" violations * $50] + [3,429 "subsequent" violations * $100]). K&P argues any alleged wage statement violations were not "knowing and intentional," and Plaintiffs cannot show that they or other employees "suffer[ed] injury" due to the alleged wage statement violations, as required by Labor Code § 226(e) for the imposition of penalties. K&P further contends its wage statements always accurately reflected hours worked and amounts paid as well as all other required information, precluding liability for wage statement penalties. In light of these defenses, Plaintiffs discounted the maximum exposure by 70% for risk of non-certification and an additional 45% for a risk of being unsuccessful on the merits or of failing to recover the full amount sought, to arrive at an estimated realistic exposure of approximately $52,410.

21. As a further result of the unpaid wages and unpaid meal and rest period premium

wages described above, Plaintiffs alleges that K&P failed to comply with its final pay obligations set forth in Labor Code §§ 201-203. Based on data produced by K&P, there are approximately 46 Settlement Class members who separated their employment from K&P at any time after August 1, 2022 and are therefore eligible for waiting time penalties. Plaintiffs estimated an average waiting time penalty of approximately $4,159 ($17.33/hr. * 8 hrs. * 30 days), and calculated K&P's maximum waiting time penalty exposure at approximately $191,314 (46 former employees * $4,159 average waiting time penalty). K&P argues that it possesses strong, good-faith defenses to Plaintiffs' underlying claims, thus precluding recovery of waiting time penalties, which are only available for the "willful" failure to pay wages. K&P further asserts that Plaintiffs' waiting time penalty exposure was grossly inflated as not every former employee experienced the alleged Labor Code violations. Based on these defenses, Plaintiffs discounted K&P's maximum exposure by 70% for risk of non-certification and potential inability to proceed on a classwide basis due to the arbitration agreements, and by an additional 60% for risk of being unsuccessful on the merits or failure to recover the full amount sought, to arrive at an estimated total of approximately $22,958.

22. As a result of the foregoing Labor Code violations, Plaintiffs allege that K&P is liable for civil penalties under the PAGA. Plaintiffs estimated a maximum PAGA exposure of $355,900 (3,559 pay periods during PAGA Period * $100 "initial" violation rate). Since Plaintiffs' PAGA claim is derivative of Plaintiffs' underlying wage claims, K&P asserts that the PAGA claim would fail with those claims. Thus, Plaintiffs discounted the maximum figure by 65% for risk of losing on the merits and/or not recovering a PAGA penalty for each and every pay period, and by an additional 70% for risk of the Court reducing penalties, for an estimated exposure of approximately $37,370.

23. Using these figures, Plaintiffs estimated the realistic total recovery for the Settlement Class would be approximately $271,276. Thus, the proposed $244,241 GSA represents approximately 90% of Plaintiffs' reasonably forecasted recovery.

24. Although the Parties engaged in significant informal discovery in advance of mediation, the Parties still had substantial formal discovery to complete in formal litigation had

the matter not settled, which would have required the expenditure of substantial time and resources by all Parties. Even if Plaintiffs overcame the arbitration agreements and obtained class certification, the Parties would incur considerable attorneys' fees and costs through a possible decertification motion, trial, and possible appeal. The Settlement avoids those risks and the accompanying delay and expense, and thus, this factor supports preliminary approval.

25. My office will also apply for an attorneys' fees award of one-third of the GSA, and up to $25,000 in verified costs. Plaintiffs submit the requested fee is fair compensation for undertaking complex, risky, expensive, and time-consuming litigation on a contingency basis. Plaintiffs' counsel has expended significant time conducting pre-filing investigation, legal research, analyzing Plaintiffs' claims, analyzing employee timekeeping and payroll records and other data and documents, engaging in informal discovery, developing a comprehensive damages model, preparing for and attending mediation, negotiating and preparing the long-form Stipulation of Settlement, preparing this Motion, and otherwise litigating this case. Counsel anticipates incurring additional fees in appearing at the hearing on this Motion, supervising the Notice process, and preparing the Final Approval motion and appearing at the Final Approval Hearing.

26. Plaintiffs will apply for Class Representative Enhancement Payments at final approval in the amount of $5,000 for each Plaintiff for their service to the Settlement Class. As will be fully briefed at the time of final approval, Plaintiffs' requested Enhancement Payments are intended to recognize the time and effort Plaintiffs expended on behalf of the Settlement Class, including providing substantial factual information and documents to Class Counsel, discussing the claims and theories at issue in the litigation, actively participating in the prosecution of their claims, as well as the significant risks Plaintiffs undertook by agreeing to serve as named plaintiffs in this case, and the fact that Plaintiffs agreed to a general release of all claims subject to a waiver of Civil Code § 1542.

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I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on October 3, 2024, at El Segundo, California.

Sean M. Blakely

EXHIBIT A

STIPULATION OF SETTLEMENT

This Stipulation of Settlement ("Settlement Agreement") is reached by and between Plaintiffs Cristina Miranda and Maribel Torres Lopez (hereinafter "Plaintiffs"), individually and on behalf of all members of the Settlement Class (defined below), on one hand, and Defendant K&P Janitorial Services (hereinafter "Defendant"), on the other hand. Plaintiffs and Defendant are referred to herein collectively as the "Parties." Plaintiffs and the Settlement Class are represented by Paul K. Haines, Sean M. Blakely, and Joel M. Gordon of Haines Law Group, APC ("Class Counsel"). Defendant is represented by Jonathan Fraser Light of LightGabler LLP.

On August 18, 2023, Plaintiffs filed a wage and hour class action complaint in Los Angeles County Superior Court in the matter entitled *Cristina Miranda and Maribel Torres Lopez v. K&P Janitorial Services, et al.,* Los Angeles Superior Court Case No. 23STCV19824 (the "Action"). On October 23, 2023, Plaintiffs filed their operative First Amended Class and Representative Action Complaint ("FAC") adding a cause of action for civil penalties under the Private Attorneys General Act ("PAGA"), Labor Code § 2698 *et seq*. On February 8, 2024, the Parties attended a private mediation with Kevin Barnes, Esq., and have reached a class-wide settlement which resolves the Action, subject to court approval.

Given the uncertainty of litigation, Plaintiffs and Defendant wish to settle both individually and on behalf of the Settlement Class. The Parties believe that the Settlement is fair, reasonable and adequate. The Settlement was arrived at through arm's-length negotiations, taking into account all relevant factors. Accordingly, Plaintiffs and Defendant agree as follows:

1. **Settlement Class or Settlement Class member(s).** For the purposes of this Settlement Agreement only, Plaintiffs and Defendant stipulate to the conditional certification of the following Settlement Class:

> All current and former non-exempt employees who worked for Defendant K&P Janitorial Services in California from August 1, 2022 until April 9, 2024 (the "Class Period").

The Parties stipulate to conditional class certification of the Settlement Class for the Class Period for purposes of settlement only. The Parties agree that certification for purposes of settlement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure. If for any reason this Settlement Agreement is not approved by the Court, fails to become effective, or is reversed, withdrawn or modified by the Court, in any way prevents or prohibits Defendant from obtaining a complete resolution of the claims as described herein, the conditional class certification (obtained for any purpose) shall be void *ab initio* and of no force or effect, and shall not be admissible in this matter or in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural, and the Parties shall revert to the respective positions they held prior to entering into the Settlement Agreement.

2. **Release by Settlement Class Members and Plaintiffs**. Plaintiffs and every member of the Settlement Class (except those who opt out and except as to the PAGA claims specified below) will fully release and discharge Defendant, and all of its past and present owners, officers, directors, shareholders, direct and/or indirect owners, members, parents, trustees, fiduciaries,

beneficiaries, subrogees, executors, partners, joint employers, employees, predecessors, successors, assigns, affiliates, brother and sister corporations, agents, principals, heirs, representatives, attorneys, insurers, accountants, administrators, auditors, consultants, divisions, related companies, related entities, and all of their respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys (the “Released Parties”), as follows:

A. Upon the Effective Date and the complete funding of the Gross Settlement Amount, Settlement Class members release any and all claims alleged in the operative First Amended Class and Representative Action Complaint (“FAC”), or those claims that could have been alleged based on the facts alleged in the FAC, including: (a) failure to pay all minimum wages; (b) failure to pay all overtime wages; (c) failure to provide all meal periods, or premium pay for non–compliant meal periods; (d) failure to authorize and permit all rest periods, or premium pay for non-compliant rest periods; (e) failure to issue accurate, compliant, and itemized wage statements; (f) failure to timely pay all wages due or final wages due; (g) failure to reimburse employees for necessary business expenditures; and (h) all claims for unfair business practices that were premised on the facts, claims, causes of action or legal theories of relief pled in the operative FAC (collectively, the “Released Claims”). The period of the Released Claims shall extend to the limits of the Class Period.

B. **Release of PAGA Claims.** In addition, all Settlement Class members (regardless of whether they opt out) who worked for Defendant from August 18, 2022 through April 9, 2024 (“PAGA Period”) are “Aggrieved Employees” and shall release the Released Parties from all claims for civil penalties under PAGA as disclosed in Plaintiffs’ August 18, 2023 Notification Letter to the Labor and Workforce Development Agency (“LWDA”) (“the PAGA Released Claims”).

C. In light of Plaintiffs’ Class Representative Enhancement Payments, Plaintiffs have also released, in addition to the Released Claims and the PAGA Released Claims described above, all claims, whether known or unknown, under federal law or state law against the Released Parties. Plaintiffs understand that this release includes unknown claims and that they are, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

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

However, to the extent that Plaintiffs have claims that cannot be released as a matter of law (i.e., workers’ compensation claims), then those claims will not be released.

3. **Gross Settlement Amount.** As consideration, Defendant has agreed to pay a non-reversionary Gross Settlement Amount (or “GSA”) of Two-Hundred Forty-Four Thousand Two Hundred Forty-One Dollars and Zero Cents ($244,241.00), which includes the Forty-Four Thousand Two Hundred Forty-One Dollars and Zero Cents ($44,241.00) in payments

previously made by Defendant for alleged unpaid wages and meal period premiums, in full and complete settlement of the Action, as follows:

A. The Parties have agreed to engage ILYM Group, Inc. as the "Settlement Administrator" to administer this Settlement.

B. The Gross Settlement Amount shall be deposited with the Settlement Administrator within thirty (30) calendar days of the Effective Date (which, for this purpose, shall be defined as the later of (1) date on which the Court enters an Order granting Final Approval of the Settlement Agreement or, (2) solely in the event that there are any objections to the Settlement Agreement (the filing of an objection being a prerequisite to the filing of an appeal), the later of: (i) the last date on which any appeal might be filed or (ii) the successful resolution of any appeal(s) – including expiration of any time to seek reconsideration or further review.

C. This is a non-reversionary settlement. The Gross Settlement Amount includes:

(1) All payments (including interest) to the Settlement Class;

(2) The Forty-Four Thousand Two Hundred Forty-One Dollars and Zero Cents ($44,241.00) in payments previously made by Defendant for alleged unpaid wages and meal period premiums

(3) All costs of the Settlement Administrator and settlement administration, which are anticipated to be no greater than Ten Thousand Dollars and Zero Cents ($10,000.00). If the actual costs are less than Ten Thousand Dollars and Zero Cents ($10,000.00), the difference will revert to the participating Settlement Class members;

(4) Up to Five Thousand Five Hundred Dollars and Zero Cents ($5,000.00) each, for a total of Ten Thousand Dollars and Zero Cents ($10,000.00), for Plaintiffs' Class Representative Enhancement Payments in recognition of their contributions to the Action and their service to the Settlement Class. In the event that the Court reduces or does not approve the requested Class Representative Enhancement Payments, Plaintiffs shall not have the right to revoke this settlement, and it will remain binding. Any amount reduced and/or not approved by the Court will revert to the participating Settlement Class members;

(5) Up to one-third of the Gross Settlement Amount in Class Counsel's attorneys' fees, plus actual costs and expenses incurred by Class Counsel related to the Action as supported by declaration, which are currently estimated to be no greater than Twenty-Five Thousand Dollars and Zero Cents ($25,000.00). In the event that the Court reduces or does not approve the requested Class Counsel attorneys' fees or costs, Class Counsel shall not have the right to revoke this settlement, and it will remain binding. Any

amount reduced and/or not approved by the Court will revert to the participating Settlement Class members; and

(6) Ten Thousand Dollars and Zero Cents ($10,000.00) of the Gross Settlement Amount has been set aside by the Parties as PAGA civil penalties. Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Seven Thousand Five Hundred Dollars and Zero Cents ($7,500.00) will be payable to the LWDA, and the remaining twenty-five percent (25%), or Two Thousand Five Hundred Dollars and Zero Cents ($2,500.00), will be payable to the Settlement Class as the "PAGA Amount."

D. Defendant's share of employer-side payroll taxes shall be paid by Defendant separately, and in addition to, the Gross Settlement Amount.

E. Defendant represents there are approximately 3,559 total pay periods worked by Settlement Class members from August 1, 2022 to February 8, 2024. If the number of pay periods worked from August 1, 2022 to February 8, 2024 has increased by 15% or more (i.e., if there are 4,093 pay periods or more during the Class Period), then Defendant shall increase the Gross Settlement Amount on a proportional basis (i.e., if there was a 18% increase in the number of total pay periods, Defendant shall increase the Gross Settlement Amount by 18%).

4. **Payments to the Settlement Class.** Settlement Class members are not required to submit a claim form to receive a payment ("Settlement Payment") from the Settlement. Settlement Payments will be determined and paid as follows:

A. The Settlement Administrator shall first deduct from the Gross Settlement Amount the amounts approved by the Court for Class Counsel's attorneys' fees, Class Counsel's costs and expenses, Plaintiffs' Class Representative Enhancement Payments, the amount set aside as PAGA civil penalties, and the Settlement Administrator's fees and expenses for administration. The remaining amount shall be known as the "Net Settlement Amount" or " NSA."

B. From the Net Settlement Amount, the Settlement Administrator will calculate each Settlement Class member's Settlement Payment based on the following formula:

i. <u>Payments to all participating Settlement Class Members</u>: The Settlement Administrator will calculate payments from the NSA based on each participating Settlement Class member's proportionate Workweeks worked during the Class Period. Specifically, each participating Settlement Class member's payment from the Net Settlement Amount will be calculated by multiplying the Net Settlement Amount by a fraction, the numerator of which is the participating Settlement Class member's number of Workweeks worked during the Class Period, and the denominator of which is the total Workweeks worked by all participating Settlement Class members during the Class Period

ii. PAGA Amount: In addition to the NSA, each Settlement Class member who was employed by Defendant at any time during the PAGA Period (including those Settlement Class members who submit a valid and timely Request for Exclusion from the class action settlement) shall receive a portion of the Two Thousand Five Hundred Dollars and Zero Cents ($2,500.00) designated as the "PAGA Amount" taken from the GSA as described above and shall be paid based on the proportionate number of Workweeks that he or she worked during the PAGA Period.

C. Within ten (10) calendar days following Defendant's deposit of the Gross Settlement Amount with the Settlement Administrator, the Settlement Administrator will calculate Individual Settlement Award amounts and provide the same to the Parties' counsel for review and approval. Within seven (7) calendar days of approval by the Parties' counsel, the Settlement Administrator will prepare and mail Individual Settlement Payments, less applicable taxes and withholdings, to participating Settlement Class members. The Settlement Administrator shall simultaneously pay the withholdings to the applicable authorities with the necessary reports, submitting copies to Defendant's counsel. After the Settlement Administrator mails Individual Settlement Payments to Settlement Class members, the Settlement Administrator shall make the Court-approved payment for Class Counsel's attorneys' fees and costs, Class Representative Enhancement Payments, LWDA Payment, and settlement administration costs.

D. For purposes of calculating applicable taxes and withholdings, each Settlement Payment shall be allocated as follows: any payment made from the PAGA Amount shall be treated as 100% penalties. Any payment made from the NSA shall be allocated as follows: Thirty-Three percent (33%) as wages; Thirty-Three percent (33%) as penalties; and Thirty-Three percent (33%) as interest. The Settlement Administrator will be responsible for issuing to participating Settlement Class members IRS Forms W-2 for amounts deemed "wages" and IRS Forms 1099 for the amounts allocated as penalties and interest. Notwithstanding the treatment of the payments to each Class Member above, none of the payments called for by this Settlement Agreement, including the wage portion, are to be treated as earnings, wages, pay, or compensation for any purpose of any applicable benefit or retirement plan, unless required by such plans.

E. Each Settlement Class member who receives a Settlement Payment must cash that check within 180 days from the date the Settlement Administrator mails it. Any funds payable to Settlement Class members whose checks are not cashed within 180 days after mailing, shall escheat to the California State Controller's Office for deposit in the Unclaimed Property Fund, in the name of the Settlement Class member.

F. Neither Plaintiffs nor Defendant shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement Administrator.

5. **Attorneys' Fees and Costs.** Defendant will not object to Class Counsel's request for a total award of attorneys' fees of one-third of the Gross Settlement Amount, which is currently estimated to be Eighty-One Thousand Four Hundred Thirteen Dollars and Sixty-Seven Cents ($81,413.67). Additionally, Class Counsel will request an award of actual costs and expenses as supported by declaration, in an amount not to exceed Twenty-Five Thousand Dollars and Zero Cents ($25,000.00), from the Gross Settlement Amount. These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation: all work performed and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator when the Settlement Administrator pays the fee award awarded by the Court.

6. **Class Representative Enhancement Payments.** Defendant will not object to a request for a Class Representative Enhancement Payment of up to Five Thousand Dollars and Zero Cents ($5,000.00) to each Plaintiff, for a total of Ten Thousand Dollars ($10,000.00) for their time and risk in prosecuting this case, and their service to the Settlement Class. These payments will be in addition to Plaintiffs' Settlement Payments as Settlement Class members and shall be reported on an IRS Form 1099 issued by the Settlement Administrator. Even in the event that the Court reduces or does not approve the requested enhancement payments, Plaintiffs shall not have the right to revoke this Settlement, and it will remain binding.

7. **Settlement Administrator.** Defendant will not object to the appointment of ILYM Group, Inc. as Settlement Administrator. Defendant will not object to Plaintiffs' seeking permission to pay up to Ten Thousand Dollars and Zero Cents ($10,000.00) for its services from the Gross Settlement Amount. The Settlement Administrator shall be responsible for sending notices, calculating Settlement Payments, preparing all checks and mailings, and other duties as described in this Settlement Agreement. The Settlement Administrator shall be authorized to pay itself from the Gross Settlement Amount by Class Counsel only after Settlement Payments have been mailed to all participating Settlement Class members.

8. **Preliminary Approval.** Within a reasonable time after execution of this Settlement Agreement by the Parties, Plaintiffs shall apply to the Court for the entry of an Order:

A. Conditionally certifying the Settlement Class for purposes of this Settlement Agreement;

B. Appointing Paul K. Haines, Sean M. Blakely, and Joel Gordon of Haines Law Group, APC as Class Counsel;

C. Appointing Cristina Miranda and Maribel Torres Lopez as Class Representatives for the Settlement Class;

D. Approving ILYM Group, Inc. as the Settlement Administrator;

E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;

F. Approving the form and content of the Notice Packet (which is comprised of the Class Notice and Notice of Estimated Settlement Payment), which are attached hereto as Exhibits 1 and 2, respectively, and directing the mailing of same; and

G. Scheduling a Final Approval hearing.

9. **Notice to Settlement Class.** Following preliminary approval, the Settlement Class shall be notified as follows:

A. Within ten (10) business days after entry of an order preliminarily approving this Settlement Agreement, Defendant will provide the Settlement Administrator with the names, last known addresses, phone numbers, social security numbers, the dates of employment, and the number of workweeks worked by each Settlement Class member while employed during the Class Period (the "Class Data"). The Class Data shall be provided to the Settlement Administrator in an electronic format satisfactory to the Settlement Administrator.

B. Within ten (10) business days from receipt of this information, the Settlement Administrator shall: (i) run the names of all Settlement Class members through the National Change of Address ("NCOA") database to determine any updated addresses for Settlement Class members; (ii) update the address of any Class Member for whom an updated address was found through the NCOA search; (iii) calculate the estimated Settlement Payment for each Class Member; and (iv) mail a Notice Packet to each Settlement Class member in both English and Spanish at his or her last known address or at the updated address found through the NCOA search, and retain proof of mailing.

C. Requests for Exclusion. Any Settlement Class member who wishes to opt out of the settlement must complete and mail or deliver a Request for Exclusion to the Settlement Administrator within sixty (60) calendar days of the date of the initial mailing of the Notice Packets (the "Response Deadline").

i. The Notice Packet shall state that a Settlement Class member who wishes to exclude themselves from the Settlement must submit a Request for Exclusion by the Response Deadline. The Request for Exclusion must: (1) contain the name, address, and telephone number of the Class Member; (2) contain a statement that the Settlement Class member wishes to be excluded from the Settlement; (3) be signed by the Settlement Class member; and (4) be postmarked by the Response Deadline and mailed or delivered to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion does not contain the information listed in (1)-(3), it will not be deemed valid for exclusion from the Settlement, except that a Request for Exclusion not containing a Settlement Class member's telephone number will be deemed valid. The date of the postmark on the Request for Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Settlement Class member who requests to be excluded from the Settlement Class will not be entitled to any recovery under this Settlement Agreement and will not be bound by the terms of the Settlement or have any right to object, appeal, or comment thereon. However, Settlement Class members who were employed by Defendant at any time during the PAGA Period and submit a valid and timely Request for Exclusion from the class action settlement shall still be entitled to their portion of the PAGA Amount and will be bound by the PAGA Release as described above.

ii. Notwithstanding any other provisions of this Settlement Agreement, in the event that ten percent (10%) or more of the total Settlement Class members exclude themselves and opt out of the settlement, Defendant may, in its sole discretion, unilaterally withdraw from and terminate the settlement no later than five (5) days prior to the date of the Final Approval Hearing. In the event of Defendant's withdrawal, no party may use the fact that the Parties agreed to the Settlement Agreement for any reason. In the event that Defendant elects to terminate this settlement under this provision, Defendant shall pay all the Administrative Costs incurred by the Settlement Administrator up to that point.

D. Objections. Settlement Class members who do not request exclusion may object to this Settlement Agreement as explained in the Class Notice by submitting a written objection with the Settlement Administrator (who shall serve all objections as received on Class Counsel and Defendant's counsel, as well as file all such objections with the Court). Defendant's counsel and Class Counsel shall file any responses to objections no later than the deadline to file the Motion for Final Approval, unless the objections are filed within ten (10) days of the Motion for Final Approval filing deadline, in which case Defendant's counsel and Class Counsel shall have ten (10) days to file a response to the objections. To be valid, any objection must: (1) contain the objecting Settlement Class member's full name, current address and last four digits of the Social Security number, as well as contact information for any attorney representing the objecting Settlement Class member for purposes of the objection; (2) include all objections and the factual and legal bases for same; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence; and (4) be postmarked no later than the Response Deadline. Members of the Settlement Class who do not request exclusion may also object to the Settlement by appearing at the Final Approval Hearing. Members of the Settlement class who request exclusion *may not* object to the Settlement.

E. Notice of Estimated Settlement Payment / Disputes. Each Notice Packet mailed to a Settlement Class member shall disclose the amount of the Settlement Class member's estimated Settlement Payment as well as all of the information that was used from Defendant's records in order to calculate the Settlement Payment. Settlement Class members will have the opportunity, should they disagree with Defendant's records regarding the information stated in the Notice Packet, to provide documentation and/or an explanation to show contrary information. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Settlement Payments under the terms of this Settlement Agreement. The Settlement Administrator's determination of the eligibility for and amount of any Settlement Payment shall be binding upon the Settlement Class member and the Parties.

F. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a "skip trace," to obtain an updated mailing address within five (5) business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement Administrator shall resend the Notice Packet to the Settlement Class member immediately, and in any event within five (5) business days of obtaining the updated address. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Settlement Class member. Settlement Class members to whom Notice Packets are re-mailed after having been returned as undeliverable to the Settlement Administrator shall have fourteen (14) calendar days from the date of re-mailing, or until the Response Deadline has expired, whichever is later, to submit a Request for Exclusion, an Objection, or a dispute. Notice Packets that are re-mailed shall inform the recipient of this adjusted deadline. If a Settlement Class member's Notice Packet is returned to the Settlement Administrator more than once as non-deliverable, then an additional Notice Packet shall not be mailed. Nothing else shall be required of, or done by, the Parties, Class Counsel, or Defendant's counsel to provide notice of the proposed settlement.

10. **Final Approval.** Following preliminary approval and the close of the period for filing requests for exclusion, objections, or disputes under this Settlement Agreement, Plaintiffs shall apply to the Court for entry of an Order:

A. Granting final approval to the Settlement Agreement and adjudging its terms to be fair, reasonable, and adequate;

B. Approving Plaintiffs' and Class Counsel's application for attorneys' fees and costs, Class Representative Enhancement Payments, LWDA payment, and settlement administration costs; and

C. Entering judgment pursuant to California Rule of Court 3.769. Said judgment shall be posted on the Settlement Administrator's website.

11. **Non-Admission of Liability.** Defendant denies any liability or wrongdoing of any kind associated with the claims alleged in the Action, and nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this Settlement. Each of the Parties has entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any proceeding, except a

proceeding to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by California Evidence Code Section 1152.

12. **Non-disclosure and Non-publication**. Plaintiffs and Class Counsel agree not to disclose or publicize the Settlement Agreement contemplated herein, the fact of the Settlement Agreement, its terms or contents, or the negotiations underlying the Settlement Agreement, in any manner or form, directly or indirectly, to any person or entity, except to Settlement Class members, as shall be contractually required to effectuate the terms of the Settlement Agreement as set forth herein, or unless otherwise ordered by the Court. Class Counsel shall not report this Settlement in any medium or in any publication, shall not post or report anything regarding Plaintiffs' claims on Class Counsel's website, and shall not contact any reporters or media regarding the Settlement. Class Counsel are authorized to make a limited disclosure for the purpose of obtaining approval of the Settlement. For the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions, Class Counsel may disclose the names of the Parties in this Action, the venue/case number of this Action, and a general description of the Action, to a court in a declaration by Class Counsel.

13. **Waiver and Amendment.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by all of the Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

14. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery and by e-mail at the addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

if to Defendant: Jonathan Fraser Light, LightGabler,LLP, 760 Paseo Camarillo, Suite 300, Camarillo, California 93010; jlight@lightgablerlaw.com

if to Plaintiffs: Paul K. Haines, Haines Law Group, APC, 2155 Campus Drive, Suite 180, El Segundo, California 90245; phaines@haineslawgroup.com.

15. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof.

16. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

17. **Enforcement and Continuing Jurisdiction of the Court.** To the extent consistent with class action procedure, this Settlement Agreement shall be enforceable by the Court pursuant to California Code of Civil Procedure section 664.6. The Court shall retain continuing jurisdiction

over this Lawsuit and over all Parties and Settlement Class members, to the fullest extent to enforce and effectuate the terms and intent of this Settlement Agreement, and to adjudicate any claimed breaches of this Settlement Agreement. The Court may award reasonable attorneys' fees and costs to the prevailing party in any motion or action taken based on an alleged violation of any material term of this Settlement Agreement.

DATED: K&P Janitorial Services

By:____________________________

DATED: Cristina Miranda

By:____________________________
Plaintiff and Settlement Class Representative

DATED: Maribel Torres Lopez

By:____________________________
Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED: LIGHTGABLER, LLP

By:____________________________
Jonathan Fraser Light
Attorneys for Defendant

DATED: HAINES LAW GROUP, APC

BY:____________________________
Paul K. Haines
Sean M. Blakely
Attorneys for Plaintiffs

over this Lawsuit and over all Parties and Settlement Class members, to the fullest extent to enforce and effectuate the terms and intent of this Settlement Agreement, and to adjudicate any claimed breaches of this Settlement Agreement. The Court may award reasonable attorneys' fees and costs to the prevailing party in any motion or action taken based on an alleged violation of any material term of this Settlement Agreement.

DATED: K&P Janitorial Services

By:________________________________

DATED: 06/14/24 Cristina Miranda

By: Cristina Miranda
Cristina Miranda (Jun 14, 2024 11:16 PDT)
Plaintiff and Settlement Class Representative

DATED: Maribel Torres Lopez

By:________________________________
Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED: LIGHTGABLER, LLP

By:________________________________
Jonathan Fraser Light
Attorneys for Defendant

DATED: HAINES LAW GROUP, APC

BY:________________________________
Paul K. Haines
Sean M. Blakely
Attorneys for Plaintiffs

over this Lawsuit and over all Parties and Settlement Class members, to the fullest extent to enforce and effectuate the terms and intent of this Settlement Agreement, and to adjudicate any claimed breaches of this Settlement Agreement. The Court may award reasonable attorneys' fees and costs to the prevailing party in any motion or action taken based on an alleged violation of any material term of this Settlement Agreement.

DATED: K&P Janitorial Services

By:__________________________________

DATED: Cristina Miranda

By:__________________________________
Plaintiff and Settlement Class Representative

DATED: 06/12/24 Maribel Torres Lopez

By: MTL
Maribel Torres Lopez (Jun 12, 2024 13:06 PDT)
Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED: LIGHTGABLER, LLP

By:__________________________________
Jonathan Fraser Light
Attorneys for Defendant

DATED: 06/12/2024 HAINES LAW GROUP, APC

BY: Sean Blakely
Paul K. Haines
Sean M. Blakely
Attorneys for Plaintiffs

EXHIBIT 1

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

CRISTINA MIRANDA and MARIBEL TORRES LOPEZ, as individuals and on behalf of all others similarly situated, Plaintiffs, vs. K&P JANITORIAL SERVICES, a California Corporation; and DOES 1 through 100, Defendants.	Case No. 23STCV19824 **NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT**

To: All current and former non-exempt employees who worked for Defendant K&P Janitorial Services in California from August 1, 2022 until April 9, 2024. Collectively, these employees will be referred to as "Settlement Class members."

PLEASE READ THIS NOTICE CAREFULLY
THIS NOTICE IS BEING SENT IN ENGLISH AND SPANISH
YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR NOT

Why should you read this notice?

The Los Angeles County Superior Court has granted preliminary approval of a proposed class action settlement (the "Settlement") in the case of *Cristina Miranda and Maribel Torres Lopez v. K&P Janitorial Services,* Los Angeles Superior Court Case No. 23STCV19824 (the "Action"). Because your rights may be affected by the Settlement, it is important that you read this notice carefully.

You may be entitled to money from this Settlement. Defendant K&P Janitorial Services' ("K&P Janitorial") records show that you were employed at K&P Janitorial in California as a non-exempt employee in California between August 1, 2022 and April 9, 2024 (the "Class Period"). The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

The purpose of this notice is to provide you with a brief description of the Action, to inform you of the terms of the Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves the Settlement, you will be bound by the terms of the Settlement and any final judgment.

What is this case about?

Plaintiffs Cristina Miranda and Maribel Torres Lopez ("Plaintiffs") brought this Action against K&P Janitorial, seeking to assert claims on behalf of a class of current and former non-exempt employees who worked for K&P Janitorial in California at any time from August 1, 2022 and April 9, 2024. Plaintiffs are known as the "Class Representatives," and their attorneys, who also represent the interests of all Settlement Class members, are known as "Class Counsel."

Plaintiffs allege that K&P Janitorial failed to pay Settlement Class members all their minimum and overtime wages, failed to provide Settlement Class members with all required meal and rest periods, and failed to reimburse Settlement Class members for their necessary business expenses. The Action also alleges that K&P Janitorial failed to provide Settlement Class members with accurate and complete wage statements and failed to timely pay all final wages at the time of separation of employment, and as a result of the foregoing alleged violations, engaged in unfair business practices and is liable for civil penalties under the Labor Code Private Attorneys General Act ("PAGA").

K&P Janitorial denies all liability to Settlement Class members, denies the factual and legal allegations in the case and believes that it has valid defenses to Plaintiffs' claims. K&P Janitorial has entered into the Settlement solely for the purposes of resolving this dispute and has agreed to settle the case as part of a compromise with Plaintiffs. Accordingly, the Settlement constitutes a compromise of disputed claims and should not be construed as an admission of liability on the part of K&P Janitorial, which expressly denies all liability.

The Court has not ruled on the merits of Plaintiffs' claims. However, to avoid additional expense, inconvenience, and interference with its business operations, K&P Janitorial has concluded that it is in its best interests and the interests of Settlement Class members to settle the Action on the terms summarized in this Notice. After K&P Janitorial provided relevant information to Class Counsel, the Settlement was reached after mediation and arm's-length negotiations between the parties.

The Class Representatives and Class Counsel support the Settlement. Among the reasons for support are the defenses to liability potentially available to K&P Janitorial, the risk of denial of class certification, the inherent risks of trial on the merits, and the delays and uncertainties associated with litigation.

If you are still employed by K&P Janitorial, your decision about whether to participate in the Settlement will not affect your employment. California law and K&P Janitorial's policy strictly prohibit unlawful retaliation. K&P Janitorial will not take any adverse employment action against or otherwise retaliate or discriminate against any Settlement Class member because of the Settlement Class member's decision to either participate or not participate in the Settlement.

Who are the Attorneys?

Attorneys for the Plaintiffs/Settlement Class members:	Attorneys for Defendant K&P Janitorial:
HAINES LAW GROUP, APC Paul K. Haines phaines@haineslawgroup.com Sean M. Blakely sblakely@haineslawgroup.com 2155 Campus Drive, Suite 180 El Segundo, California 90245 Tel: (424) 292-2350 Fax: (424) 292-2355 haineslawgroup.com	**LIGHTGABLER** Jonathan Fraser Light jlight@lightgablerlaw.com 760 Paseo Camarillo, Suite 300 Camarillo, California 93010 Tel: (805) 248-7208 Fax: (805) 248-7209 lightgablerlaw.com

What are the terms of the Settlement?

On <<PRELIM APPROVAL DATE>>, the Court preliminarily certified a class, for settlement purposes only, of all current and former non-exempt employees who worked for K&P Janitorial in California from August 1, 2022 until April 9, 2024. Settlement Class members who do not opt out of the Settlement pursuant to the procedures set forth in this Notice will be bound by the Settlement and will release their claims against K&P Janitorial as described below.

K&P Janitorial has agreed to pay $244,241.00 (the "Gross Settlement Amount"), which includes the $44,241.00 in payments previously made by K&P Janitorial to Settlement Class members for alleged unpaid wages and meal period premiums, to fully resolve all claims in the Action. The Gross Settlement Amount includes previous payments to Settlement Class members, requested attorneys' fees and expenses, settlement administration costs, payment to the California Labor and Workforce Development Agency ("LWDA") for its share of civil penalties under the PAGA, and the Class Representatives' Enhancement Payments.

The following deductions from the Gross Settlement Amount will be requested by the parties:

> Settlement Administration Costs. The Court has approved ILYM Group, Inc. to act as the "Settlement Administrator," who is sending this Notice to you and will perform many other duties relating to the Settlement. The Court has approved setting aside up to $10,000.00 from the Gross Settlement Amount to pay the settlement administration costs.
>
> Attorneys' Fees and Expenses. Class Counsel have been prosecuting the Action on behalf of the Settlement Class members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys' fees, which will be paid from the Gross Settlement Amount. Settlement Class members are not personally responsible for any of Class Counsel's attorneys' fees or expenses. Class Counsel will ask for fees of up to one-third of the Gross Settlement Amount, which is currently estimated to be $81,413.67, as reasonable compensation for the work Class Counsel performed and will continue to perform in this Action through Settlement finalization. Class Counsel also will ask for reimbursement of up to $25,000.00 for verified costs Class Counsel incurred in connection with the Action.
>
> Enhancement Payments to Class Representatives. Class Counsel will ask the Court to award the Class Representatives an enhancement payment in the amount of $5,000.00 to each Plaintiff, for a total of $10,000.00, to compensate them for their service and extra work provided on behalf of the Settlement Class members.
>
> PAGA Payment to State of California. $7,500.00 will be paid to the LWDA, representing 75% of the $10,000.00 the parties have agreed to allocate to the settlement of Plaintiffs' claim on behalf of the Settlement Class members under the PAGA. The remaining $2,500.00 will be payable to certain Settlement Class members as the "PAGA Amount," as described below.

Calculation of Settlement Class Members' Settlement Payments. After deducting the Court-approved amounts above, the balance of the Gross Settlement Amount will form the Net Settlement Amount ("NSA"), which will be distributed to all Settlement Class members who do not submit a valid and timely Request for Exclusion (described below). The NSA is estimated at approximately $63,586.33 and will be distributed as follows:

(i) Payments to All Participating Settlement Class Members: The Settlement Administrator will calculate payments from the NSA based on each participating Settlement Class member's proportionate Workweeks worked during the Cass Period. Specifically, each participating Settlement Class member's payment from the NSA will be calculated by multiplying the NSA by a fraction, the numerator of which is the participating Settlement Class member's number of Workweeks worked during the Class Period, and the denominator of which is the total Workweeks worked by all participating Settlement Class members during the Class Period.

(ii) PAGA Amount: $2,500 has been designated as the "PAGA Amount" and will be allocated to all Aggrieved Employees who were employed by K&P Janitorial at any time from August 18, 2022 and April 9, 2024 (the "PAGA Period") (regardless of whether they opt out of the Settlement Class) in proportion to the number of workweeks that he or she worked during the PAGA Period.

Payments to Settlement Class Members. If the Court grants final approval of the Settlement, Settlement Payments will be mailed to all Settlement Class members who did not submit a valid and timely Request for Exclusion. Settlement checks will be valid for 180 days from the date the Settlement Administrator mails it. Any funds payable to Settlement Class members whose checks are not cashed within 180 days after mailing, shall be distributed to the California State Controller's Office for deposit in the Unclaimed Property Fund, in the name of the Settlement Class member.

Allocation and Taxes. For tax purposes, each Settlement Payment from the NSA will be treated as follows: thirty-three percent (33%) as "wages," for which an IRS form W-2 will be issued; thirty-three percent (33%) as penalties and thirty-three percent (33%) as interest, for which an IRS form 1099 will be issued. Any payment from the PAGA Amount shall be designated as 100% penalties. Settlement Class members are responsible for the proper income tax treatment of the Settlement Payments. The Settlement Administrator, K&P Janitorial and its counsel, and Class Counsel cannot provide tax advice. Accordingly, Settlement Class members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Release. If the Court approves the Settlement, and upon the complete funding of the Gross Settlement Amount, all Settlement Class members who did not submit a timely and valid Request for Exclusion, will release and discharge K&P Janitorial and all of its past and present owners, officers, directors, shareholders, direct and/or indirect owners, members, parents, trustees, fiduciaries, beneficiaries, subrogees, executors, partners, joint employers, employees, predecessors, successors, assigns, affiliates, brother and sister corporations, agents, principals, heirs, representatives, attorneys, insurers, accountants, administrators, auditors, consultants, divisions, related companies, related entities, and all of their respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys (the "Released Parties"), from any and all claims alleged in the operative First Amended Class and Representative Action Complaint ("FAC"), or those claims that could have been alleged based on the facts alleged in the FAC, including: (a) failure to pay all minimum wages; (b) failure to pay all overtime wages; (c) failure to provide all meal periods, or premium pay for non–compliant meal periods; (d) failure to authorize and permit all rest periods, or premium pay for non-compliant rest periods; (e) failure to issue accurate, compliant, and itemized wage statements; (f) failure to timely pay all wages due or final wages due; (g) failure to reimburse employees for necessary business expenditures; and (h) all claims for unfair business practices that were premised on the facts, claims, causes of action or legal theories of relief pled in the operative FAC (collectively, the "Released Claims"). The period of the Released Claims shall extend to the limits of the Class Period.

In addition, all Settlement Class members (regardless of whether they opt out) who worked for K&P Janitorial during the PAGA Period are "Aggrieved Employees" and shall release the Released Parties from all claims for civil penalties under PAGA as disclosed in Plaintiffs' August 18, 2023 Notification Letter to the LWDA ("the PAGA Released Claims").

Conditions of Settlement. The Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement as fair, reasonable, adequate and in the best interests of the Settlement Class, and the entry of Judgment.

How can I claim money from the Settlement?

Do Nothing. If you do nothing, you will be entitled to your share of the Settlement based on the proportionate number of workweeks you worked during the Class Period and the proportionate number of workweeks you worked during the PAGA Period, as stated in the accompanying Notice of Estimated Settlement Payment. You also will be bound by the Settlement, including the release of claims stated above.

What other options do I have?

Dispute Information in Notice of Estimated Settlement Payment. Your award is based on the proportionate number of workweeks you worked during the Class Period and the proportionate number of workweeks you worked during the PAGA Period. The information contained in K&P Janitorial's records regarding each of these factors, along with your estimated Settlement Payment, is listed on the accompanying Notice of Estimated Settlement Payment. If you disagree with the information in your Notice of Estimated Settlement Payment, you may submit a dispute, along with any supporting documentation, in accordance with the procedures stated in the Notice of Estimated Settlement Payment. Any disputes, along with supporting documentation, must be postmarked no later than <<RESPONSE DEADLINE>>. **DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.**

The Parties and the Settlement Administrator will evaluate the evidence submitted and discuss in good faith how to resolve any disputes submitted by Settlement Class members. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Settlement Payments under the terms of this Settlement Agreement. The Settlement Administrator's determination of the eligibility for and amount of any Settlement Payment will be binding on the Settlement Class member and the Parties.

Exclude Yourself from the Settlement. If you **do not** wish to take part in the Settlement, you may exclude yourself by sending to the Settlement Administrator a written "Request for Exclusion" letter or card postmarked no later than <<RESPONSE DEADLINE>>, with your name, address, telephone number, last four digits of your social security number, and your signature.

Send the Request for Exclusion directly to the Settlement Administrator at <<INSERT ADMINISTRATOR CONTACT INFO>>. Any person who submits a timely Request for Exclusion from the Settlement shall, upon receipt by the Settlement Administrator, no longer be a Settlement Class member, shall be barred from participating in any portion of the class action Settlement, and shall receive no benefits from the class action Settlement. However, all Settlement Class members who worked for K&P Janitorial during the PAGA Period, including those who opt out, will be bound by the PAGA portion of the Settlement and will receive a portion from the PAGA Amount. **Do not submit both a Dispute and a Request for Exclusion.** If you do, the Request for Exclusion will be invalid, you will be included in the Settlement Class, and you will be bound by the terms of the Settlement.

Objecting to the Settlement. You also have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you should mail a written objection to the Settlement Administrator. Your written objection should include your name, address, as well as contact information for any attorney representing you regarding your objection, the case name and number, each specific reason in support of your objection, and any legal or factual support for each objection together with any evidence in support of your objection. Objections should be in writing and must be postmarked on or before <<RESPONSE DEADLINE>>.

You may also appear at the Final Approval Hearing scheduled for <<FINAL APPROVAL HEARING DATE/TIME>> in Department 11 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California 90012. You have the right to appear either in person or through your own attorney at this hearing. Any attorney who intends to represent an individual objecting to the Settlement must file a notice of appearance with the Court and serve counsel for all parties on or before <<RESPONSE DEADLINE>>. All objections or other correspondence must state the name and number of the case, which is *Cristina Miranda and Maribel Torres Lopez v. K&P Janitorial Services*, Los Angeles Superior Court Case No. 23STCV19824. You do not need to object in writing to be heard at the Final Approval Hearing.

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class members who do not object.

What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on <<FINAL APPROVAL HEARING DATE/TIME>>, in Department 11 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California 90012. The Court also will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses and the Enhancement Payments to the Class Representatives. The Final Approval Hearing may be postponed without further notice to the Settlement Class. You may contact Class Counsel using the contact information provided above to confirm the address and time of the hearing. **You are not required to attend the Final Approval Hearing, although any Settlement Class member is welcome to attend the hearing.**

How can I get additional information?

This Notice is only a summary of the Action and the Settlement. For more information, you may inspect the Court's files and the Settlement Agreement at the Office of the Clerk of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California 90012, during regular court hours. <u>You may also contact Class Counsel using the contact information listed above for more information</u>.

<u>PLEASE DO NOT CALL OR WRITE THE COURT, K&P JANITORIAL, OR ITS ATTORNEYS FOR INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS</u>

REMINDER AS TO TIME LIMITS

The deadline for submitting any Disputes, Requests for Exclusion, or Objections is **<<RESPONSE DEADLINE>>**. These deadlines will be strictly enforced.

BY ORDER OF THE COURT ENTERED ON <<PRELIM APPROVAL DATE>>.

EXHIBIT 2

NOTICE OF ESTIMATED SETTLEMENT PAYMENT

CRISTINA MIRANDA AND MARIBEL TORRES LOPEZ V. K&P JANITORIAL SERVICES
LOS ANGELES COUNTY SUPERIOR COURT CASE NO. 23STCV19824

Please complete, sign, date and return this Form to <<ADMINISTRATOR CONTACT INFO>> **ONLY IF** (1) your personal contact information has changed, and/or (2) you wish to dispute any of the items listed in Section (III), below. It is your responsibility to keep a current address on file with the Settlement Administrator.

(I) Please type or print your name:

____
(First, Middle, Last)

(II) Please type or print the following identifying information if your contact information has changed:

____
Former Names (if any)

____
New Street Address

____
City State Zip Code

(III) Information Used to Calculate Your Settlement Payment:

According to K&P Janitorial Services' ("K&P Janitorial") records:

(a) you worked ____ workweeks for K&P Janitorial in California from August 1, 2022 until April 9, 2024; and

(b) you worked ____ workweeks for K&P Janitorial in California from August 18, 2022 until April 9, 2024.

Based on the above, your Settlement Payment is estimated at $________.

(IV) If you disagree with item (a) and/or (b) in Section (III) above, please explain why in the space provided below and include copies of any supporting evidence or documentation with this Form:

____
____
____
____
____
____

If you dispute the above information from K&P Janitorial's records, K&P Janitorial's records will control unless you are able to provide documentation that establishes otherwise, and that K&P Janitorial's records are mistaken. If there is a dispute about whether K&P Janitorial's information or yours is accurate, and the dispute cannot be resolved informally, the dispute will be resolved by the Parties and the Settlement Administrator as described in the "Notice of Pendency of Class Action and Proposed Settlement" that accompanies this Form.

ANY DISPUTES, ALONG WITH ANY SUPPORTING DOCUMENTATION, MUST BE POSTMARKED NO LATER THAN <<RESPONSE DEADLINE>>.

Signature: ____________________________ Date: ________________

EXHIBIT B

August 18, 2023

VIA LWDA WEBSITE

Labor and Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

Re: *Cristina Miranda and Maribel Torres Lopez v. K&P Janitorial Services*

To Whom It May Concern:

Please be advised that this law firm represents Cristina Miranda and Maribel Torres Lopez ("Ms. Miranda and Ms. Torres") in claims arising from their employment with K&P Janitorial Services; and Does 1 through 100 (collectively "K&P Janitorial Services"). Ms. Miranda and Ms. Torres are "aggrieved employee" as defined by Labor Code Section 2698 *et seq*., due to K&P Janitorial Services' numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code Section 2699.3, which requires aggrieved employees to notify their employer and the Labor & Workforce Development Agency ("LWDA") of the specific provisions of the Labor Code allegedly violated. For purposes of this letter, "aggrieved employees" include all of K&P Janitorial Services' non-exempt employees who worked for K&P Janitorial Services in California during the one year immediately preceding the date of this letter through the present.

K&P Janitorial Services employed Ms. Miranda and Ms. Torres in the non-exempt job position of "Janitor" (or similarly titled position). Ms. Miranda was employed by K&P Janitorial Services from approximately January 1, 2019, until approximately December 22, 2022. Ms. Torres was employed by K&P Janitorial Services from approximately June 11, 2018, until approximately December 22, 2022.

During Ms. Miranda's and Ms. Torres' employment with K&P Janitorial Services, K&P Janitorial Services utilized a timekeeping system which resulted in Ms. Miranda, Ms. Torres, and other aggrieved employees not being compensated for all hours actually worked, whether by rounding, time-shaving, or otherwise. Prior to 2020, Ms. Miranda, Ms. Torres, and other aggrieved employees did not record their hours worked, but instead reported their hours worked to the site supervisor. Upon information and belief, K&P Janitorial Services' supervisors failed to accurately record Ms. Miranda, Ms. Torres, and other aggrieved employees' hours worked, resulting in unpaid minimum and overtime wages. Starting in 2020, Ms. Miranda, Ms. Torres, and other aggrieved employees were asked to download an app to their personal cell phones in order to clock in and out of their shifts, including their meal periods. Upon information and belief, this timekeeping system recorded hours worked to the minute; however, K&P Janitorial Services rounded Ms.

Miranda, Ms. Torres, and other non-employees' hours, so that over a period of time they were deprived of all minimum and overtime wages. K&P Janitorial Services' timekeeping policies/practices were not even-handed and have resulted in Ms. Miranda, Ms. Torres, and other aggrieved employees not being compensated for all hours worked.

During Ms. Miranda and Ms. Torres' employment with K&P Janitorial Services, Ms. Miranda and Ms. Torres worked over 8.0 hours in a workday and/or 40.0 in a workweek, but upon information and belief did not receive overtime compensation equal to one and one-half times their regular rate of pay for working overtime hours. Specifically, Ms. Miranda, Ms. Torres, and other aggrieved employees would also be asked to work additional hours over 8.0 hours in a workday, with pay for these hours in excess of 8.0 hours paid in cash at their base hourly rate and not recorded on timesheets, resulting in unpaid overtime compensation. Additionally, K&P Janitorial Services paid Ms. Miranda, Ms. Torres, and other aggrieved employees non-discretionary incentive pay, including but not limited to, payments denoted on wage statements as "Laundry" and/or other forms of pay that are not excludable from an employee's "regular rate" of pay (hereinafter the aforementioned forms of pay are collectively referred to as "Incentive Pay"). However, K&P Janitorial Services failed to properly calculate Ms. Miranda's, Ms. Torres', and other aggrieved employees' regular rates of pay as a result of their receipt of Incentive Pay, thereby miscalculating and underpaying the overtime wages owed to them.

K&P Janitorial Services also failed to provide Ms. Miranda, Ms. Torres, and other aggrieved employees with all legally compliant meal periods due to K&P Janitorial Services' meal period policies/practices, which have resulted in late (commencing after the fifth hour of work) and short (fewer than 30 minutes) meal periods. Ms. Miranda, Ms. Torres, and other aggrieved employees' meal periods were frequently "late" (i.e., starting after the completion of the fifth hour of work) because K&P Janitorial Services' work demands prevented them from taking a timely meal period. During at least a portion of the relevant time period, K&P Janitorial Services did not require Ms. Miranda, Ms. Torres, and other aggrieved employees to record their meal periods. Instead, upon information and belief, Ms. Miranda, Ms. Torres, and other aggrieved employees reported their meal periods to supervisors, and K&P Janitorial Services automatically deducted 30 minutes from the total hours worked for each shift worked regardless of whether the employee took a full 30-minute compliant meal period. In addition, K&P Janitorial Services failed to provide Ms. Miranda, Ms. Torres, and other aggrieved employees with second meal periods on shifts over 10.0 hours. On those occasions when Ms. Miranda, Ms. Torres, and other aggrieved employees were not provided with all legally required meal periods to which they were entitled, K&P Janitorial Services failed to compensate Ms. Miranda, Ms. Torres, and other aggrieved employees with the required meal period premium for each workday in which they experienced a meal period violation as mandated by Labor Code § 226.7. Upon information and belief, during at least a portion of the relevant time period, K&P Janitorial Services maintained no payroll code for paying meal period premiums under Labor Code § 226.7.

K&P Janitorial Services has also failed to authorize and permit all required rest periods for Ms. Miranda, Ms. Torres, and other aggrieved employees. Specifically, K&P Janitorial Services has often failed to authorize and permit a 10-minute rest period for every four hours worked or major fraction thereof due to work demands imposed by K&P Janitorial Services. On those occasions when Ms. Miranda, Ms. Torres, and other aggrieved employees were not authorized and permitted all legally required rest periods to which they were entitled, K&P Janitorial Services failed to compensate Ms. Miranda, Ms. Torres, and other aggrieved employees with the required rest period premium for each workday in which they experienced a rest period violation as mandated by Labor Code § 226.7. Upon information and belief, during at least a portion of the relevant time period, K&P Janitorial Services maintained no payroll code for paying rest period premiums under Labor Code § 226.7.

K&P Janitorial Services also failed to adequately reimburse Ms. Miranda, Ms. Torres, and other aggrieved employees for all reasonable and necessary work expenditures, including, but not limited to, use of personal cellular phones to clock in and out of shifts and meal periods starting in 2020. Ms. Miranda, Ms. Torres, and other aggrieved employees also purchased cleaning supplies for which they were not reimbursed.

As a result of K&P Janitorial Services' failure to compensate Ms. Miranda, Ms. Torres, and other aggrieved employees for all minimum wages, overtime wages, and all meal and rest period premium wages, K&P Janitorial Services maintained inaccurate payroll records and failed to issue accurate, compliant, itemized wage statements. As a further result of K&P Janitorial Services' failure to compensate Ms. Miranda, Ms. Torres, and other aggrieved employees for all minimum wages, overtime wages, and all meal and rest period premium wages, K&P Janitorial Services failed to pay Ms. Miranda, Ms. Torres, and other aggrieved employees all wages owed at the time of their separation of employment with K&P Janitorial Services.

As described above, K&P Janitorial Services committed the following violations of the Labor Code, and Industrial Welfare Commission Wage Order 5 ("Wage Order 5"):

Minimum Wage Violations

K&P Janitorial Services was required to pay Ms. Miranda, Ms. Torres, and other aggrieved employees an hourly rate at least equal to the minimum wage for each hour actually worked. *See* Labor Code §§ 1182.12, 1194, 1194.2, 1197; Wage Order 5, § 4. As alleged above, Defendants failed to conform their pay practices to the requirements of the law by failing to pay Plaintiffs and members of the Minimum Wage Class for all hours worked including, but not limited to, all hours they were subject to the control of Defendants and/or suffered or permitted to work under the California Labor Code and Wage Order 5. As a result of these policies/practices, which fail to compensate for all hours worked, Ms. Miranda, Ms. Torres, and other aggrieved employees were deprived of all required minimum wages.

Overtime Wage Violations

K&P Janitorial Services was required to pay Ms. Miranda, Ms. Torres, and other aggrieved employees overtime wages for all hours worked in excess of eight hours per workday and/or forty hours per workweek. *See* Labor Code §§ 1194(a) and 1198; Wage Order 5, § 3. According to Labor Code § 510(a), "Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee." This Section further provides, "Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee." As alleged above, K&P Janitorial Services caused Ms. Miranda, Ms. Torres, and other aggrieved employees to work overtime hours but did not compensate Ms. Miranda, Ms. Torres, or other aggrieved employees with one and one-half times their regular rate of pay for such hours. As a result of these policies/practices, Ms. Miranda, Ms. Torres, and other aggrieved employees were not compensated for all overtime and double-time wages.

Meal Period Violations

As alleged above, K&P Janitorial Services failed to provide Ms. Miranda, Ms. Torres, and other aggrieved employees with all required and compliant meal periods. *See* Labor Code §§ 226.7 and 512; Wage Order 5, § 11. As a result, Ms. Miranda, Ms. Torres, and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. *See* Labor Code § 226.7 ("If an employer fails to provide an employee a meal or rest or recovery period in accordance with … [an] order of the Industrial Welfare Commission … the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided.").

Rest Period Violations

As alleged above, K&P Janitorial Services also failed to authorize and permit Ms. Miranda, Ms. Torres, and other aggrieved employees to take all required rest periods. *See* Labor Code §§ 226.7 and 516; Wage Order 5, § 12. As a result, Ms. Miranda, Ms. Torres, and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required rest periods. *See* Labor Code § 226.7 ("If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest period is not provided.")

Wage Statement Violations

K&P Janitorial Services was required to furnish Ms. Miranda, Ms. Torres, and other aggrieved employees with complete and accurate itemized wage statements that showed, among other things, their rates of pay, corresponding number of hours worked at each rate of pay, total gross wages earned, total net wages earned, and the name of the legal entity that is the employer. *See* Labor Code §§ 226(a) and 1174(d); Wage Order 5, § 7. As a result of K&P Janitorial Services' failure to pay all overtime, minimum, and double-time wages, and failure to pay all required meal and rest period premium wages, K&P Janitorial Services maintained inaccurate payroll records and issued inaccurate wage statements to Ms. Miranda, Ms. Torres, and other aggrieved employees in violation of Labor Code § 226. K&P Janitorial Services' failure to comply with its wage statement obligations was knowing and intentional, and Ms. Miranda, Ms. Torres, and other aggrieved employees have suffered injury as a result.

Waiting Time Penalties

Labor Code §§ 201 and 202 require that employees receive all of their final wages at the time of their separation of employment. K&P Janitorial Services failed to timely pay Ms. Miranda, Ms. Torres, and other aggrieved employees all of their final wages at the time of separation, which included all overtime, double-time, and minimum wages as well as all meal and rest period premium wages. Pursuant to Labor Code § 203, K&P Janitorial Services' failure to pay all final wages due to Ms. Miranda, Ms. Torres, and other aggrieved employees was willful and, consequently, entitles Ms. Miranda, Ms. Torres, and other aggrieved employees to waiting time penalties equal to one day of wages at their standard hourly rate for each day K&P Janitorial Services failed to pay their final wages after their separation, up to a maximum of thirty days.

Failure to Reimburse Employees for Necessary Business Expenditures

K&P Janitorial Services failed to reimburse Ms. Miranda, Ms. Torres, and other aggrieved employees for necessary work expenses, including the use of their personal cellular phones and the purchase of cleaning supplies for business purposes. K&P Janitorial Services' policy of not providing reimbursement for necessary work-related expenses is in violation of Wage Order 4, § 9, and Labor Code §§ 2802 and 2804 ("An employer shall indemnify his or her employees for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or obedience to the directions of the employer.") Ms. Miranda, Ms. Torres, and other aggrieved employees are therefore entitled to reimbursement of such unpaid work expenses with interest.

As "aggrieved employees," Ms. Miranda and Ms. Torres will initiate a civil action on behalf of themselves and other aggrieved employees to recover civil penalties resulting from the wage and hour violations alleged herein. Based on Ms. Miranda and Ms. Torres' own investigation, and on information and belief, K&P Janitorial Services committed and continues to commit the following Labor Code violations:

a. K&P Janitorial Services violated Labor Code §§ 1182.12, 1194, 1194.2, and 1197 by failing to pay Ms. Miranda, Ms. Torres, and other aggrieved employees the statutory minimum wage for all hours worked;

b. K&P Janitorial Services violated Labor Code §§ 204, 510, 1194, and 1198 by failing to pay Ms. Miranda, Ms. Torres, and other aggrieved employees all overtime compensation earned;

c. K&P Janitorial Services violated Labor Code §§ 226.7, 512, 558, and 1198 by failing to provide meal periods as required by law and failing to pay meal period premiums to Ms. Miranda, Ms. Torres, and other aggrieved employees at these employees' respective regular rates of compensation for meal period violations;

d. K&P Janitorial Services violated Labor Code §§ 226.7, 516, 558, and 1198 by failing to authorize and permit Ms. Miranda, Ms. Torres, and other aggrieved employees all required rest periods and failing to pay rest period premiums to Ms. Miranda, Ms. Torres, and other aggrieved employees at these employees' respective regular rates of compensation for rest period violations;

e. K&P Janitorial Services violated Labor Code § 226 by failing to furnish Ms. Miranda, Ms. Torres, and other aggrieved employees with accurate and compliant itemized wage statements;

f. K&P Janitorial Services violated Labor Code §§ 201, 202, and 203 by failing to timely pay all final wages due to Ms. Miranda, Ms. Torres, and other aggrieved employees;

g. K&P Janitorial Services violated Labor Code §§ 2802 and 2804 by failing to reimburse Ms. Miranda, Ms. Torres, and other aggrieved employees for all necessary expenditures incurred;

h. K&P Janitorial Services violated Labor Code § 204 by failing to pay Ms. Miranda, Ms. Torres, and other aggrieved employees all wages earned at least twice during each calendar month; and

i. K&P Janitorial Services violated Labor Code §§ 1174 and 1198 by failing to maintain accurate records on behalf of Ms. Miranda, Ms. Torres, and other aggrieved employees.

/ / /

Pursuant to Labor Code Section § 2699.3(a)(2)(A), please notify us and K&P Janitorial Services if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,
HAINES LAW GROUP, APC

Paul K. Haines

cc: K&P Janitorial Services (via certified mail)

PROOF OF ACCEPTANCE
(ELECTRONIC)

PRODUCED DATE: 08/19/2023

HAINES LAW GROUP:

The following is information for Certified Mail™/RRE item number:
 9214 8901 9403 8327 0989 35

Our records indicate that this item was accepted by the USPS at:
 SHIPMENT RECEIVED ACCEPTANCE PENDING EL SEGUNDO,CA 90245 08/18/2023

ORIGINAL INTENDED RECIPIENT:
 K & P JANITORIAL SERVICES
 C/O: BETH CRONIN LYNCH
 412 S PACIFIC COAST HWY STE 200
 REDONDO BEACH CA 90277-3712