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Attorneys for Plaintiffs
Leticia Haynes, Ezell Young,
Deborah Hooker, Robert White,
Frederick Howard, and Angel Howard

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

LETICIA HAYNES, individually, and on
behalf of all others similarly situated,

Plaintiffs,

v.

TOWER WAV LLC, a California limited
liability company; and DOES 1 through 10,
inclusive,

Defendants.

Case No.: CGC-22-603761

**DECLARATION OF JOHN G. YSLAS IN
SUPPORT OF PLAINTIFFS' MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION AND PAGA
SETTLEMENT**

Preliminary Approval Hearing:

Date: October 2, 2026

Time: 9:00 a.m.

Dept.: 301

Action Filed: December 30, 2022

DECLARATION OF JOHN G. YSLAS

I, John G. Yslas, hereby declare as follows:

1. I am an attorney at law licensed to practice before all of the courts of the State of California. I am a senior partner at Wilshire Law Firm, PLC (“WLF”), counsel for Plaintiffs Leticia Haynes, Ezell Young, Deborah Hooker, Robert White, Frederick Howard, and Angel Howard (“Plaintiffs”) in this matter. I am thoroughly familiar with and have personal knowledge of all of the facts set forth herein.

2. I submit this declaration in support of Plaintiffs’ Motion for Preliminary Approval of Class Action and PAGA Settlement.

Procedural History

3. On December 30, 2022, Plaintiff Leticia Haynes (“Plaintiff Haynes”) filed this putative class action against Defendant alleging: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to indemnify employees for expenditures; and (8) unfair business practices.

4. On June 2, 2023, Plaintiff Carol Martinez (“Plaintiff Martinez”) provided written notice to the LWDA and Defendant of the specific provisions of the Labor Code alleged to have been violated. A true and correct copy of Plaintiff Martinez’s June 2, 2023 PAGA Notice to the LWDA and Defendant is attached hereto as **Exhibit 1**. On August 9, 2023, Plaintiff Martinez filed a putative class and representative PAGA action complaint against Defendant in the Superior Court of California, County of San Francisco, Case No. CGC-23-608253.

5. On August 25, 2023, Plaintiff Deborah Hooker (“Plaintiff Hooker”) provided written notice to the LWDA and Defendant of the specific provisions of the Labor Code alleged to have been violated. A true and correct copy of Plaintiff Hooker’s August 25, 2023 PAGA Notice to the LWDA and Defendant is attached hereto as **Exhibit 2**.

6. On September 15, 2023, Plaintiffs Haynes and Plaintiff Ezell Young (“Plaintiff Young”) provided written notice to the LWDA and Defendant of the specific provisions of the Labor

Code alleged to have been violated, including the facts and theories in support. A true and correct copy of Plaintiff Haynes and Plaintiff Young’s September 15, 2023 PAGA Notice to the LWDA and Defendant is attached hereto as **Exhibit 3**. The LWDA did not notify Plaintiffs Haynes and Plaintiff Young that it intended to investigate within 65 days of this written notice.

7. On October 30, 2023, Plaintiff Hooker filed a complaint against Defendant for civil penalties under PAGA in the Superior Court of California, County of San Francisco, Case No. CGC-23-610064.

8. On November 17, 2023, Plaintiff Haynes and Plaintiff Young filed a separate action against Defendant for civil penalties under PAGA in the Superior Court of California, County of San Francisco, Case No. CGC-23-610504.

9. On February 8, 2024, Plaintiff David Villatoro (“Plaintiff Villatoro”) provided written notice to the LWDA and Defendant of the specific provisions of the Labor Code alleged to have been violated. On February 8, 2024, Plaintiff Villatoro filed a putative class action complaint against Defendant in the Superior Court of California, County of Los Angeles, Case No. 24STCV03367.

10. On December 30, 2024, Plaintiff Haynes and Plaintiff Young provided amended written notice to the LWDA and Defendant of the specific provisions of the Labor Code alleged to have been violated. A true and correct copy of Plaintiff Haynes and Plaintiff Young’s December 30, 2024 PAGA Notice to the LWDA and Defendant is attached hereto as **Exhibit 4**. On June 23, 2025, Plaintiff Haynes filed a First Amended Complaint in the Instant Action adding a cause of action for civil penalties under PAGA and adding Plaintiffs Ezell Young, Deborah Hooker, Robert White, Frederick Howard, Angel Howard, Carol Martinez, and David Villatoro, effectively consolidating the actions.

11. On February 14, 2025, the Parties participated in a private mediation with Tagore Subramaniam. With the help of Mr. Subramaniam, the Parties were able reach an agreement at mediation.

12. The Parties negotiated the terms of the Settlement over the next several months, which was finalized in July 2026. A true and correct copy of the Parties’ fully executed Class Action and PAGA Settlement Agreement is attached hereto as **Exhibit 5**. Attached thereto as **Exhibit A** is a true

1 and correct copy of the Parties' proposed Class Notice.

2 13. On September 4, 2026, Plaintiffs submitted a copy of the Settlement Agreement to
3 the LWDA. A true and correct copy of the confirmation of submission my office received after
4 submitting the Settlement Agreement to the LWDA is attached hereto as **Exhibit 6**.

5 **Investigation and Exposure Analysis**

6 14. Prior to attending mediation, Plaintiffs' Counsel thoroughly investigated the claims,
7 applicable law, and potential defenses. Plaintiffs' Counsel assessed the value to the class claims using
8 the data and documents that Defendant produced in informal discovery, including the number of
9 Class Members; the number of workweeks in the Class Period; the number of pay periods in the
10 PAGA Period; the number of Aggrieved Employees; Plaintiffs' personnel files, time records, and
11 wage records; Defendant's written wage-and-hour policies; Defendant's handbooks, and a sampling
12 of time and payroll records. Plaintiffs' Counsel engaged an expert consultant to quantify the potential
13 exposure using the time and payroll records, and then assessed the risks associated with each claim
14 meriting reductions in the likely success at class certification and likely recovery at trial.

15 15. Defendant's records show that there are approximately 3,988 Class Members, making
16 joinder of all Class Members impracticable. Further, given the size and amount of each Class
17 Members' claim, Class Members have little incentive to litigate their claims on an individual basis
18 because the out-of-pocket expenses and personal commitment necessary to litigate each claim likely
19 outweigh any potential recovery.

20 16. Plaintiffs have alleged that Defendant maintained common employment policies
21 and/or practices that unlawfully deprived Class Members of wages, meal period, rest periods,
22 reimbursements for business expenses, accurate wage statements, and timely payment of wages upon
23 separation of employment. These allegations present common factual and legal questions of, *inter*
24 *alia*, whether Defendant applied the same scheduling, timekeeping, pay, meal period, rest period,
25 and reimbursement policies to all Class Members, whether these policies and practices resulted in
26 Labor Code violations, whether Defendant's conduct was intentional, and whether Class Members
27 are entitled to damages and/or penalties. These common questions could be resolved using Class
28 Members' time records, payroll records, testimony from Defendant's designated representative(s),

and Class Members' testimony.

17. Although the exposure Plaintiffs' Counsel calculated is substantial, the various risks at succeeding at class certification and through trial affected the valuation of the claims for settlement purposes. At mediation, Defendant contended that the vast majority of Class Members had executed arbitration agreements containing class action waivers. Additionally, some of the Class Members were recipients of *Pick-Up-Stix* individual settlements and had released all wage and hour claims that had arisen as of the date of such *Pick-Up-Stix* settlements.

18. Minimum and Overtime Wages: Plaintiffs' unpaid minimum and overtime wage claims were based on the allegation that Defendant required Class Members to perform work duties while off the clock, without compensation. For example, Plaintiffs alleged that Defendant required them and other Class Members to work off the clock during their meal periods due to Defendant's understaffing. Plaintiffs also alleged that Defendant required them and other Class Members to perform lengthy pre-shift procedures off the clock and would require them to go off the clock for a period of time when dropping passengers off at the airport, despite the fact that they were working continuously. These allegations were disputed by Defendant. For purposes of calculating Defendant's liability based on a best-case scenario for Plaintiffs and the Class, Plaintiffs' Counsel assumed that all unpaid worktime should have been paid at the overtime rate of pay and conservatively estimated that Defendant is liable for one (1) hour of unpaid worktime per workweek. This results in potential exposure for this claim of approximately \$1,552,153.68 (55,994 workweeks x \$18.48 average hourly rate of pay x 1 hour/workweek x 1.5 overtime rate). Because this claim would have relied heavily on Class Member testimony and would not be evidenced in Defendant's time and payroll records, the risk of succeeding at class certification and trial was substantial. Accordingly, Plaintiffs' Counsel applied a risk discount based on a 40% chance of succeeding at class certification and a 40% chance of succeeding at trial on the merits, yielding a realistic damage estimate of approximately \$248,344.59 (\$1,552,153.68 x 40% x 40%).

19. Meal Periods: Plaintiffs' meal period claim was based on the allegation that Defendant failed to provide Class Members with legally compliant meal periods or pay meal period premiums in lieu thereof. For example, Plaintiffs alleged that Defendant required them and other

1 Class Members to continue working during their recorded meal periods. Defendant denied these
2 allegations. Additionally, Plaintiffs' Counsel's expert consultant determined there was a 7.8% meal
3 period violation rate for shifts over five (5) hours from the sampling of Defendant's time and
4 payroll records (and 5.7% meal period violation rate for shifts over six (6) hours), where meal
5 periods were short, late, or missed. Therefore, potential liability for the meal period claim is
6 approximately \$224,664.28 (155,861 shifts over 5 hours x \$18.48 average hourly rate x 7.8%
7 violation rate). After taking into account the difficulty of certifying and proving meal period
8 claims, as well as Defendant's contention that the claim lacks merit and that meal period variances
9 had explanations, Plaintiffs' Counsel discounted this figure based on a 50% chance of succeeding
10 at class certification and a 40% chance of succeeding at trial, yielding a realistic damage estimate
11 of approximately \$44,932.86 (\$224,664.28 x 50% x 40%).

12 20. Rest Periods: Plaintiffs' rest period claim was based on the allegation that Defendant
13 failed to provide Class Members with legally compliant rest periods or pay rest period premiums
14 in lieu thereof. For example, Plaintiffs alleged that Defendant failed to provide them and other
15 Class Members with timely uninterrupted rest periods of at least 10 minutes. Defendant denied
16 these allegations. Based on Plaintiffs' allegations, Plaintiffs' experience working for Defendant,
17 as well as Defendants' written wage-and-hour policies, Plaintiffs' Counsel applied a 100%
18 violation rate to all qualifying shifts during the Class Period. Therefore, Defendant's potential
19 liability for the rest period claim is approximately \$2,985,000.48 (161,526 shifts of 3.5 hours or
20 longer x \$18.48 average hourly rate x 100% violation rate). However, Plaintiffs' Counsel
21 discounted this figure to account for the difficulty of certifying and proving rest period claims,
22 particularly because rest periods do not have to be recorded, and to account for the possibility of
23 Class Members voluntarily choosing to forego a rest period. Because this claim would have relied
24 exclusively on Class Member testimony, Plaintiffs' Counsel discounted this claim based on a 30%
25 chance of succeeding at class certification and a 20% chance of succeeding at trial, yielding a
26 realistic damage estimate of approximately \$179,100.03 (\$2,985,000.48 x 30% x 20%).

27 21. Reimbursements: Plaintiffs' reimbursement claim was based on the allegation that
28 Defendant failed to indemnify Class Members for expenses incurred as a direct result of performing

1 their job duties for Defendant. For example, Plaintiffs alleged that Defendants required them and
2 other Class Members to ensure their vehicles were clean for the passengers but failed to provide
3 sufficient cleaning supplies for them to perform this job duty. Defendant denied any failure to
4 provide sufficient cleaning products. Plaintiffs alleged that because of this, they and other Class
5 Members were forced to regularly purchase disinfectant supplies to use for this purpose, however
6 Defendant failed to reimburse them for this expense. For purposes of calculating Defendant's
7 liability based on a best-case scenario for Plaintiff and the Class, Plaintiffs' Counsel estimated that
8 Defendant was liable to each Class Member for \$7.50 per workweek in unreimbursed expenses,
9 for a total amount of approximately \$419,955.00 (\$7.50/workweek x 55,994 workweeks).
10 However, Defendant argued that these expenses were not required by Defendant, and that it could
11 not have known that these expenses were being incurred as no Class Member requested any
12 reimbursement for them. Accordingly, Plaintiffs' Counsel discounted this claim based on a 30%
13 chance of succeeding at class certification and a 30% chance of succeeding at trial, yielding a
14 realistic damage estimate of approximately \$37,795.95 (\$419,955.00 x 30% x 30%).

15 22. In sum, Plaintiffs' Counsel estimated that Plaintiffs' maximum recovery for the off-
16 the-clock claim, meal period violations, and rest period violations (i.e., the wage claims) is
17 approximately \$4.7 million. However, after factoring in the risk and uncertainty of prevailing at
18 certification and trial, Plaintiffs' Counsel estimates that Plaintiffs' realistic estimated recovery for
19 these non-penalty wage claims is approximately \$472,377.48.

20 23. Derivative Penalties: Plaintiffs alleged that as a result of Defendant's failure to pay
21 all wages owed, Defendant owed waiting time penalties and wage statement penalties. With respect
22 to Plaintiffs' derivative claims for statutory penalties, Plaintiffs' Counsel estimated that
23 Defendant's realistic potential liability is approximately \$559,292.44. Defendant's maximum
24 potential liability for waiting time penalties is approximately \$8,291,190.60 ([1,835 employees x
25 \$18.48 average hourly rate of pay x 8.00 hours/day x 30 days] + [1,835 employees x \$18.48 average
26 hourly rate of pay x 0.10 hours of overtime/day x 1.5 overtime rate x 30 days]) based on
27 approximately 1,835 formerly employed Class Members during the 3-year statute of limitations
28 period and an average shift length of 8.10 hours. Defendant's maximum potential liability for

1 inaccurate wage statements is approximately \$1,030,350.00 ([3,147 employees x 1 initial
2 violation/employee x \$50 for an initial violation] + [(11,877 pay periods - 3,147 initial violations)
3 x \$100 for each subsequent violation]) based on approximately 3,147 Class Members who worked
4 during the 1-year statute of limitations period and approximately 11,877 pay periods in that
5 statutory timeframe. In light of the foregoing, Plaintiffs' Counsel believes that it would be
6 unrealistic to expect the Court to award the full \$9,321,540.60 in statutory penalties given
7 Defendant's defenses, the contested nature of Plaintiffs' claims, the challenges of establishing
8 willfulness as applicable, and the discretionary nature of penalties. Considering that the underlying
9 wage claims are realistically estimated to be approximately \$472,377.48, such a disproportionate
10 award would also raise due process concerns. As such, Plaintiffs' Counsel discounted these figures
11 to account for the risk and uncertainty of obtaining class certification and prevailing at trial,
12 resulting in a realistic evaluation of approximately \$497,471.44 for waiting time penalty claims
13 (\$8,291,190.60 x 30% x 20%), and approximately \$61,821.00 for wage statement penalty claims
14 (\$1,030,350.00 x 30% x 20%), or approximately \$559,292.44 total for statutory penalties.

15 24. PAGA: For the PAGA claim, Plaintiffs' Counsel determined that Defendant's
16 potential exposure could potentially reach \$2,138,600.00, assuming the initial \$100 penalty would
17 apply for each of the estimated 21,386 pay periods in the PAGA Period. However, even assuming
18 success on the merits of each claim, PAGA gives the Court discretion to reduce penalties for a
19 variety of reasons, including where to do otherwise would result in an award that is unjust, arbitrary
20 and oppressive, or confiscatory. As such, Plaintiffs' counsel discounted this figure to account for
21 the risk and uncertainty of prevailing at trial, resulting in a realistic evaluation of approximately
22 \$213,860.00 for PAGA penalties (\$2,138,600.00 x 10%). The settlement allocates \$50,000.00 of
23 the Gross Settlement Amount to PAGA, therefore the PAGA allocation amounts to 5% of the Gross
24 Settlement Amount and approximately 23% of the realistic maximum damages for PAGA penalties
25 (\$50,000.00 / \$213,860.00).

26 25. Using these estimated figures, Plaintiffs' Counsel predicted that the realistic
27 maximum recovery for all claims, including penalties, would be approximately \$1,283,325.87.
28 This means that the gross settlement figure represents approximately 78% of the estimated realistic

1 maximum recovery (\$1,000,000.00 / \$1,283,325.87). Considering the risk and uncertainty of
2 prevailing at class certification and at trial, this is an excellent result for the Class. Indeed, because
3 of the proposed Settlement, Class Members will receive timely, guaranteed relief and will avoid
4 the risk of an unfavorable judgment.

5 26. Based on the figures in the Settlement Agreement, the Net Settlement Amount
6 available for class settlement payments is currently estimated to be \$375,666.67 for approximately
7 3,988 Class Members. As a result, each Settlement Class Member would be eligible to receive an
8 average net benefit of approximately \$94.20. Based on the estimated Net Settlement Amount
9 available for individual class payments and there being approximately 55,994 workweeks in the
10 Class Period, the estimated weekly valuation for Individual Class Payments is \$6.71 (\$375,666.67
11 / 55,994 workweeks).

12 **Plaintiffs' Counsel's Qualifications**

13 27. Plaintiffs are represented by WLF. The attorneys at WLF performed significant work
14 and expended litigation costs in prosecuting this matter with no guarantee of payment.

15 28. WLF was selected by Best Lawyers and U.S. News & World Report as one of the
16 nation's Best Law Firms since 2020 and is comprised of more than 100 attorneys and over 600
17 employees. WLF is actively and continuously practicing in employment litigation, representing
18 employees in both individual and class actions in both state and federal courts throughout California.

19 29. WLF is qualified to handle this Litigation because its attorneys are experienced in
20 litigating Labor Code violations in individual, class action, and representative action cases. WLF
21 has handled, and is currently handling, numerous wage and hour class action lawsuits, as well as
22 class actions involving consumer rights and data privacy litigation.

23 30. I graduated from the University of California, Santa Barbara with High Honors in
24 1991 with Bachelor of Arts degrees in Psychology. I received my Juris Doctor from UCLA Law
25 School in 1996.

26 31. Upon graduating from law school in 1996, I worked for a boutique law firm practicing
27 general litigation which included employment law matters. Since 2000 (that is, the last 25 years) my
28 practice has been exclusively focused on labor and employment matters including handling wage

1 and hour class, collective and representative actions (including the California Private Attorneys
2 General Act, or “PAGA”), including in the international law firms of Morgan, Lewis & Bockius LLP
3 (where I was a senior associate), Foley & Lardner LLP (where I was a partner and a national Vice
4 Chair of the Labor and Employment Group), Norton Rose Fulbright LLP (where I was a partner) and
5 Seyfarth Shaw LLP (where I was a partner and member of the Wage and Hour Practice Group).
6 During my time at these law firms, I was the primary attorney or took a major leading role in
7 defending employers on numerous wage and hour class, collective and representative actions.

8 32. In late June 2022 I left Seyfarth Shaw LLP and joined my current firm, Wilshire Law
9 Firm, PLC, to represent plaintiff employees. I have been and am handling many wage and hour class
10 and representative actions litigating such matters on behalf of plaintiff employees in numerous
11 Superior Courts and District Courts. From matters representing both plaintiffs and defendants, I have
12 successfully mediated the resolution of many wage and hour class, collective, and representative
13 actions. Just since starting to settle cases in late April 2023 I have already successfully mediated
14 matters in which I have been counsel or co-counsel resulting in **over \$280 million** in settlements and
15 verdicts which are in the process of being finalized, and with numerous upcoming mediations
16 scheduled. In those and numerous other matters, I have managed and assisted with the litigation and
17 settlement of many wage and hour PAGA and class actions. In those actions, I performed similar
18 tasks as those performed in the course of prosecuting this action. Indeed, I recently tried and prevailed
19 in achieving a jury verdict in a certified wage and hour class action in the matter of *Aguilar-Flores*
20 *v. Javier’s – CC LLC*, Los Angeles County Superior Court, Case No. 19STCV36438 (settled after
21 verdict).

22 33. I have received numerous awards for my legal work. For example, from 2015 to 2018,
23 I was listed in Los Angeles Super Lawyers for Employment Litigation (Thomson Reuters). I have
24 also served on numerous prominent boards and in other leadership positions, including serving as
25 Southern California Regional President for the Hispanic National Bar Association and on the board
26 of directors of the Mexican American Bar Foundation. I also previously served on the 5-member Los
27 Angeles Civil Service Commission, which generally oversees the personnel decisions for the City of
28 Los Angeles.

1 34. I have also published numerous blogs on labor and employment issues including on
2 wage and hour issues. For example, I published “Headline News: Wal-Mart v. Dukes-Impact on
3 Class Action Litigation” (while a partner with Foley & Lardner LLP) and “Are You Really Protected
4 From Wage-and-Hour Successor Liability in an Asset Purchase” (while a partner with Seyfarth Shaw
5 LLP). I have also been a presenter at numerous conferences, including being a presenter involving
6 the “Employment Law Update” at a National Employment Law Council conference.

7 35. Diego Aviles is a Junior Partner at WLF. Mr. Aviles graduated from the University
8 of California, Irvine, with a Bachelor of Arts in Political Science as well as a Bachelor of Arts in
9 Criminology, Law, and Society, and received his Juris Doctor from the Santa Clara University
10 School of Law in 2015. During law school, Mr. Aviles was President for the Santa Clara
11 Employment Law Society, Board Member of the Honors Moot Court, and President of the Santa
12 Clara University La Raza Chapter. He clerked for the Equal Employment Opportunity Commission
13 in San Francisco, California, and also worked with the Workers’ Rights Clinic in San Jose,
14 California, among other employment law firms. He was admitted to practice law in the State of
15 California in 2017. Since graduating from law school, he has focused his legal work exclusively
16 on employment matters, including wage-and-hour class action and PAGA representative action
17 litigation, and he has helped obtain dozens of settlements on behalf California workers. He has
18 been appointed Class Counsel numerous times in California and most recently achieved a
19 published California Appellate opinion in the matter of *Alberto v. Cambrian Homecare, et al.*, 91
20 Cal.App.5th 482 regarding employment arbitration agreements. He has also been a member of the
21 California Employment Lawyers Association (CELA) since at least 2019.

22 36. Harry Erganyan is an Associate Attorney at WLF. He was admitted to practice law
23 in the State of California in 2021. Mr. Erganyan graduated from Loyola Marymount University,
24 with a Bachelor of Arts in Political Science. He received his Juris Doctor from Southwestern Law
25 School. During law school, he externed for the Los Angeles City Attorney. Since January 2021,
26 Mr. Erganyan’s practice has been focused on wage and hour class action litigation.

27 37. Mariam Nazaretyan is an Associate Attorney at WLF. She was admitted to practice
28 law in the State of California in 2021. Ms. Nazaretyan graduated from Loyola Marymount

1 University with a Bachelor of Arts in Political Science. She received her Juris Doctor from
2 Southwestern Law School. During law school, she was a student editor for the Journal of
3 International Media and Entertainment Law and secretary of the Student Bar Association. Since
4 graduating, Ms. Nazaretyan's practice has been focused on international humanitarian law and
5 employment law.

6 38. Courtney M. Miller is a Settlement Attorney at WLF. She was admitted to practice
7 law in the State of California in 2019. Ms. Miller graduated from the University of California,
8 Santa Cruz, with a Bachelor of Arts in Sociology. Prior to becoming an attorney, Ms. Miller worked
9 at a boutique civil litigation firm for nearly a decade, primarily handling employment matters. She
10 earned her Juris Doctor from Southwestern Law School in 2019. Ms. Miller has prosecuted wage
11 and hour class and PAGA actions, almost exclusively, since 2020. As a handling attorney, Ms.
12 Miller obtained over \$30 million dollars in settlements on behalf of California employees.

13 Conflicts

14 39. WLF has no actual or potential conflicts of interest with Class Members or the
15 proposed Administrator, Phoenix Class Action Administration.

16 40. As noted in Paragraph 2.7 of the Settlement Agreement, WLF is aware of the
17 following later-filed actions which will be affected or extinguished by this Settlement in that the
18 plaintiffs in such later-filed actions are Class Members and/or Aggrieved Employees in the Instant
19 Action:

20 a. *Jennifer Young Pae v. Tower EV, LLC* – Los Angeles Superior Court
21 (“LASC”) Case No. 25STCV00717, filed January 10, 2025. Petition for coordination with multiple
22 other cases was denied. Tower EV then filed a motion to compel arbitration, strike class claims, and
23 stay non-individual PAGA claims pending arbitration and the motion is set for hearing in February
24 2027.

25 b. *Keonna Reese v. Tower EV, LLC* – LASC Case No. 25STCV20991, filed July
26 15, 2025. Putative wage and hour class action. Motion to strike class claims and to compel arbitration
27 granted. Reese filed an appeal from this ruling.

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1 c. *Keonna Reese v. Tower EV, LLC* – LASC Case No. 25STCV28147, filed
2 September 25, 2025. PAGA representative action. Plaintiff was ordered to arbitrate her individual
3 wage and hour claims. PAGA representative action stayed pending outcome of plaintiff’s individual
4 arbitration.

5 **Administrator**

6 41. The Parties agreed upon Phoenix Class Action Administration administering this
7 Settlement. A true and correct copy of the not-to-exceed bid from Phoenix Class Action
8 Administration to administer this Settlement is attached hereto as **Exhibit 7**.

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

11 Executed on September 4, 2026 at Los Angeles, California.

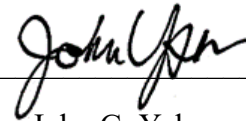
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EXHIBIT 1

June 2, 2023

BY U.S. EMAIL/ELECTRONIC SUBMISSION

PAGAfilings@dir.ca.gov

State of California

Labor & Workforce Development Agency

800 Capitol Mall, MIC-55

Sacramento, California 95814

Re: TOWER WAV LLC

Dear Representative:

We have been retained to represent Carol Martinez against Tower WAV LLC (including any and all affiliates, managers, members, subsidiaries, and parents, and their shareholders, officers, directors, and employees), any individual, owner, officer and managing agent, DOES 1-10 as an "Employer" or person acting on behalf of an "Employer" pursuant to California Labor Code section 558.1, and DOES 11-20¹ for violations of California wage-and-hour laws (hereinafter collectively referred to as "TWAV").

Ms. Martinez is pursuing her California Labor Code section 2698, *et seq.*, the Private Attorneys General Act of 2004 ("PAGA") claim on a representative basis. Therefore, Ms. Martinez may seek penalties for violations of the Labor Code on behalf of the State of California and aggrieved employees, which are recoverable under PAGA. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

Tower WAV LLC is a California limited liability company located at 134 Alhambra Street, San Francisco, California 94123.

TWAV employed Ms. Martinez as an hourly-paid non-exempt Driver within one year of the date of this letter (until in or about July of 2022) in the State of California. TWAV directly controlled the wages, hours and/or working conditions of Ms. Martinez and other aggrieved employees' employment, including direction, retention, scheduling, supervision, and termination.

The "aggrieved employees" that Ms. Martinez may seek penalties on behalf of are all current and former hourly-paid or non-exempt employees (whether hired directly or through a staffing agency) of TWAV within the State of California.

¹ Ms. Martinez does not know the true names or capacities, whether individual, partner or corporate, of DOES 1 through 20, inclusive, and for that reason, said DOES are designated under such fictitious names. Ms. Martinez will amend this notice when the true names and capacities are known. Ms. Martinez is informed and believes that each DOE was responsible in some way for the matters alleged herein and proximately caused Ms. Martinez and other current and former aggrieved employees to be subject to the illegal employment practices, wrongs and injuries complained of herein.

TWAV failed to properly pay its hourly-paid or non-exempt employees for all hours worked, failed to properly provide or compensate minimum and overtime wages and for meal and rest breaks, failed to issue compliant wage statements and failed to reimburse for all necessary business-related costs and expenses, thus resulting in other Labor Code violations as stated below.

Pursuant to *Huff v. Securitas Security Services*, 23 Cal. App. 5th 745, 751 (2018), an employee who brings a representative action and was affected by at least one of the violations alleged in the complaint has standing to pursue penalties on behalf of the state not only for that violation, but for violations affecting other employees as well. Accordingly, Ms. Martinez has standing to pursue penalties on behalf of the state for violations affecting all the aggrieved employees at TWAV, regardless of their classification, job title, location, or whether they were hired directly or through a staffing agency.

TWAV has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201, 202, 203, 204, 210, 218.5, 221, 226(a), 226.3, 226.7, 246, 432.5, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and the IWC Wage Orders.

California Labor Code sections 510, 1194, and 1198 require employers to pay at least minimum wage for all hours worked, pay time-and-a-half, or double-time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates. During the relevant time period, Ms. Martinez and other aggrieved employees routinely worked in excess of 8 hours in a day and 40 hours in a week. TWAV failed to compensate Ms. Martinez and other aggrieved employees for all hours worked and performing off-the-clock work, including pre- and post-shift, and during meal breaks. TWAV also failed to include non-discretionary bonuses and incentives in Ms. Martinez and other aggrieved employees' regular rate of pay for purposes of overtime compensation. Therefore, Ms. Martinez and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked.

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California Labor Code section 246 requires that employers provide employees with paid sick leave of not less than one hour per every 30 hours worked. California Labor Code section 246(l) also requires that paid sick leave be paid at a non-exempt employee's regular rate of pay for the workweek in which the employee uses paid sick time or at a rate calculated by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment. During the relevant time period, TWAV failed to pay Ms. Martinez and other aggrieved employees with paid sick leave that complied with California Labor Code section 246, by, for example, failing to pay paid sick leave at non-exempt employee's regular rate of pay or at a rate calculated by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment.

California Labor Code sections 226.7 and 512 require employers to pay an employee one additional hour of pay at the employee's regular rate for each workday that a meal or rest break is not provided. During the relevant time period, TWAV routinely required Ms. Martinez and other aggrieved employees to work through, interrupt, cut short, and/or delay their meal and rest breaks to comply with TWAV's policies and expectations, and meet production quotas. TWAV failed to provide coverage to Ms. Martinez and other aggrieved employees so they may be relieved of all work duties and take legally mandated meal and rest breaks. Lastly, TWAV also failed to authorize and permit Ms. Martinez and other aggrieved employees to take the requisite number of meal and rest breaks, including second meal breaks and third rest breaks, when working shifts exceeding 10 hours in length. Despite these facts, TWAV failed to compensate Ms. Martinez and other aggrieved employees all the premium wages they were owed, including failing to pay premium wages at aggrieved employees' regular rate of pay.

California Labor Code section 551 states "[e]very person employed in any occupation of labor is entitled to one day's rest therefrom in seven." Section 552 further states "[n]o employer of labor shall cause his employees to work more than six days in seven." TWAV required aggrieved employees to work seven days in a row or more without one day's rest.

California Labor Code section 432.5 states "[n]o employer, or agent, manager, superintendent, or officer thereof, shall require any employee or applicant for employment to agree, in writing, to any term or condition which is known by such employer, or agent, manager, superintendent, or officer thereof to be prohibited by law." TWAV required aggrieved employees to execute arbitration agreements as a condition of employment despite knowing that such agreements are prohibited under Labor Code section 432.6.

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California Labor Code section 201 requires that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately. California Labor Code section 202 requires that if an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. California Labor Code section 203 provides that if an employer willfully fails to pay, without abatement or reduction, in accordance with Labor Code sections 201, 201.3, 201.5, 201.6, 201.8, 201.9, 202, and 205.5, any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced; but the wages shall not continue for more than 30 days. During the relevant time period, TWAV failed to pay Ms. Martinez and other aggrieved employees all wages, including for uncompensated off-the-clock work, unpaid overtime premiums and premium wages for failing to provide legally mandated meal and rest breaks, due to them within any time period specified by California Labor Code sections 201 and 203 and therefore is liable under California Labor Code sections 203 and 210.

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, TWAV failed to pay Ms. Martinez and other aggrieved employees all wages due to them, including for uncompensated off-the-clock work, unpaid overtime premiums and premium wages for failing to provide legally mandated meal and rest breaks within any time period specified by California Labor Code sections 204 and 210.

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California Labor Code section 226 requires employers to make, keep and provide complete and accurate itemized wage statements to their employees. During the relevant time period, TWAV did not provide Ms. Martinez and other aggrieved employees with complete and accurate itemized wage statements. The wage statements they received from TWAV were in violation of California Labor Code section 226(a). The violations include, but are not limited to, the failure to include (1) gross wages earned by Ms. Martinez and other aggrieved employees, (2) total hours worked by Ms. Martinez and other aggrieved employees, (3) the number of piece-rate units earned and any applicable piece rate by Ms. Martinez and other aggrieved employees (4) all deductions for Ms. Martinez and other aggrieved employees, (5) net wages earned by Ms. Martinez and other aggrieved employees, (6) the inclusive dates of the period for which Ms. Martinez and other aggrieved employees are paid, (7) the name of the aggrieved employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by Ms. Martinez and other aggrieved employees.

California Labor Code section 558 allows recovery of penalties. (a) Any employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages. (2) For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages. (3) Wages recovered pursuant to this section shall be paid to the affected employee. Ms. Martinez and other aggrieved employees have been denied their wages and premium wages and, therefore, are entitled to penalties.

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

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California Labor Code sections 1194, 1197 and 1197.1 provide the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful. During the relevant time period, TWAV did not provide Ms. Martinez and other aggrieved employees with the minimum wages to which they were entitled despite constructive and actual knowledge of off-the-clock work, including pre- and post-shift, and during meal breaks.

California Labor Code sections 2800 and 2802 require an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. During their employment, Ms. Martinez and other aggrieved employees incurred necessary business-related expenses and costs that were not fully reimbursed by TWAV, including for using their personal cellular phones for work-related purposes.

We believe that Ms. Martinez and other current and former California-based hourly-paid or non-exempt employees are entitled to penalties as allowed under California Labor Code section 2698, *et seq.* for violations of Labor Code sections 201, 202, 203, 204, 210, 218.5, 221, 226(a), 226.3, 226.7, 246, 432.5, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and the IWC Wage Orders.

California Labor Code section 2699.3 requires that a claimant send a certified letter to the employer in questions and the California Labor & Workforce Development Agency setting forth the claims, and the basis for the claims, thereby giving the California Labor & Workforce Development Agency an opportunity to investigate the claims and/or take any action it deems appropriate.

The purpose of this letter is to satisfy the requirement created by California Labor code section 2699 prior to seeking penalties allowed by law for the aforementioned statutory violations. We look forward to determining whether California Labor & Workforce Development Agency intends to take any action in reference to these claims. We kindly request that you respond to this notice according to the time frame contemplated by the California Labor Code.

Ms. Martinez will seek these penalties on her own behalf and on behalf of other similarly situated California-based hourly-paid or non-exempt employees of TWAV within one year of the date of this letter, as allowed by law.

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LWDA

June 2, 2023

Page 7 of 7

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

Very truly yours,

JUSTICE LAW CORPORATION

A handwritten signature in black ink, appearing to read 'D. Han', with a long horizontal stroke extending to the right.

Douglas Han, Esq.

CC: (By Certified U.S. Mail Only):

Andres Munoz

c/o Tower WAV LLC

134 Alhambra Street

San Francisco, CA 94123

Agent for Service of Process for Tower WAV LLC

EXHIBIT 2

August 25, 2023

PAGA Claim Notice Via Online Electronic Submission

California Labor & Workforce Development Agency

800 Capitol Mall, Suite 5000 (MIC-55)

Sacramento, CA 95814

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

RE: *Deborah Hooker v. Tower Wav LLC*

Dear Representative:

This office represents Deborah Hooker (“Claimant”) with respect to her claims under the California Labor Code against Tower Wav LLC (including any and all affiliates, subsidiaries, parents, directors, and officers thereof) (collectively referred to herein as “Employers”). This letter is being sent simultaneously to Employers by certified mail.

Employers employed Claimant from approximately April 2023 to August 2023 as a non-exempt, hourly-paid employee. During her employment with Employers, Claimant was employed as a Driver at its location at 727 Folsom Street, San Francisco, CA 94107 and surrounding areas.

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

As detailed below, Employers violated several of California’s wage and hour laws during Claimant’s employment, including but not limited to California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, 2802, and the Industrial Welfare Commission Wage Orders (“IWC Wage Orders”). The claims made on behalf of Claimant and Aggrieved Employees are based upon the following facts and theories:

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

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

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

Throughout the relevant time period, Employers regularly required Claimant and other Aggrieved Employees to perform work off-the-clock. This off-the-clock work included, amongst other things, requiring Claimant and other Aggrieved Employees to wait approximately thirty minutes each morning to be allowed inside the office and clock in, and drive patients to and from their destinations during meal periods and after clocking out. Employers failed to compensate Claimant and other Aggrieved Employees for any of this off-the-clock work, in violation of California law. In addition, Employers utilized time rounding practices that resulted in the systematic underpayment of wages (including minimum wages, straight time wages and overtime wages) to Claimant and Aggrieved Employees.

Employers also failed to accurately record the actual time worked by Claimant and Aggrieved Employees. Moreover, the uncompensated work described herein was often performed when Claimant and other Aggrieved Employees had already worked eight (8) hours in a day and/or forty (40) hours in week resulting in a failure to pay overtime compensation. Finally, Employers failed to pay overtime to Claimant and Aggrieved Employees for all overtime hours worked based on regular rates of pay correctly calculated to include all applicable remuneration, including non-discretionary commissions, non-discretionary bonuses, and non-discretionary performance pay.

As a result of the foregoing practices, Employers have failed to pay Claimant and other Aggrieved Employees for all wages earned at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation. Accordingly, Employers violated IWC Wage Orders and California Labor Code sections 204, 510, 1194, 1197, 1197.1 and 1198.

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

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

California law requires employers to provide employees with an opportunity to take an uninterrupted meal period of no less than thirty (30) minutes before the end of the fifth hour of work when an employee works more than five (5) hours in a day. Cal. Lab. Code §§ 226.7, 512(a). A second meal period of no less than thirty (30) minutes must be provided before the end of the tenth hour of work when an employee works more than ten (10) hours in a day. Cal. Lab. Code §§ 226.7, 512(a). When an employer fails to provide a meal or rest period, an hour of pay at the employee's regular rate of compensation is owed to the employee. Cal. Lab. Code § 226.7(c).

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

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

Claimant and other Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the meal periods which were not provided to them in compliance with California law. Accordingly, Employers violated the applicable IWC Wage Orders and California Labor Code sections 226.7, 512(a) and 1198.

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

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

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

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

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

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

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

4. FAILURE TO TIMELY PAY WAGES DURING EMPLOYMENT

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, Employers have failed to timely pay all wages earned because Claimant and other Aggrieved Employees were not paid all the wages they were owed including, *inter alia*, overtime compensation, straight time wages, minimum wages, and meal and rest period premiums. Accordingly, Employers violated California Labor Code section 204(a).

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

5. FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

California Labor Code section 226(a) requires an employer semimonthly or at the time of each payment of wages to furnish wage statements to its employees setting forth, *inter alia*, (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, and (8) the name and address of the legal entity that is the employer.

As a result of the practices described herein, the wage statements provided to Claimant and other Aggrieved Employees failed to include the actual hours worked (including time spent working off-the-clock), the actual gross wages earned (including wages owed for time spent working off the

clock and meal and rest period premiums), and the correct rates of pay. The wage statements provided to Claimant and other Aggrieved Employees also failed to include the name of the legal entity that employed Claimant and the Aggrieved Employees. Accordingly, Employers violated California Labor Code section 226(a).

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

6. FAILURE TO MAINTAIN ACCURATE RECORDS

California Labor Code section 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case, shall be kept on file for not less than two years. During the relevant time period, Employers have failed to maintain accurate records relating to Claimant and other Aggrieved Employees' work periods, meal periods, total daily hours worked, and total hours worked per payroll period. Accordingly, Employers violated the applicable IWC Wage Orders and California Labor Code sections 1198.5 and 1174(d).

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph of the applicable IWC Wage Orders; California Labor Code section 1174.5 penalties; and attorneys' fees and costs.

7. FAILURE TO REIMBURSE NECESSARY EXPENDITURES

California Labor Code sections 2800 and 2802 require an employer to reimburse its employees for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. The IWC Wage Orders require employers to provide employees with the tools or equipment necessary for the performance of their job. During the relevant time period, Claimant and Aggrieved Employees incurred necessary business-related expenses and costs that were not fully reimbursed by Employers. These costs include but are not limited to the purchase of a phone charger and the usage of personal cell phones for work-related purposes.

Accordingly, Employers violated the IWC Orders **¡Error! No se encuentra el origen de la referencia.** and California Labor Code sections 2800 and 2802. Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph of the applicable IWC Wage Orders; and attorneys' fees and costs.

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

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

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

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

9. EMPLOYER'S OTHER VIOLATIONS OF THE CALIFORNIA LABOR CODE

Finally, pursuant to *Huff v. Securitas Security Services USA, Inc.* (2018) 25 Cal.App.5th 745 ("*Huff*"), as an Aggrieved Employee, Claimant has standing, and intends, on behalf of LWDA, to pursue civil penalties against Employer for any and all other Labor Code violations committed by Employer. In *Huff*, the California Court of Appeals held that an employee alleging a single violation of the Labor Code under PAGA may also bring PAGA claims against Employer for all other alleged Labor Code violations, even those suffered by other employees of the same employer. According to the *Huff* decision, Employee, as an "aggrieved" employee affected by at least one Labor Code violation may, and hereby does, pursue penalties on behalf of LWDA for unrelated Labor Code violations by Employer.

Employers are in direct violation of numerous California wage and hour laws including but not limited to said sections stated above. We hereby provide notice under the California Labor Code Private Attorneys General Act of 2004, California Labor Code Sections 2698, et seq., and specifically ask for an investigation, or if the agency does not intend to investigate the alleged violations, a letter confirming the same so that we may allege a cause of action under PAGA against

Employers for the violations discussed in this letter.

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

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

BLACKSTONE LAW

Miriam Schimmel
Miriam Schimmel, Esq.

cc: By U.S. Certified Mail, Return Receipt Requested

Tower Wav, LLC
Attn: Andres Muñoz, Agent for Service of Process
134 Alhambra Street
San Francisco, CA 94123

EXHIBIT 3

WILSHIRE LAW FIRM, PLC

3055 Wilshire Blvd, 12th Floor
Los Angeles, CA 90010
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www.wilshirelawfirm.com



Bobby Saadian, Esq. JD/MBA

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Jeffrey Bils, Esq.
Nathan Kingery, Esq.
Elizabeth Votra, Esq.
Benjamin Haber, Esq.
Ghazaleh Attaran, Esq.
Adam Sherman, Esq.
Jesenia Martinez, Esq.
Arrash Fattahi, Esq.
Jesse Chen, Esq.

September 15, 2023

LWDA
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612
(Via Online Submission)

Tower Wav LLC
134 Alhambra Street
San Francisco, CA 94123
(Via Certified Mail, Return Receipt Requested)
9489 0090 0027 6362 4836 24

Andres Munoz
Agent for Service of Process
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Jennifer Kearns
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Sarah Gilbert
Anita La Fuze
Duane Morris LLP
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San Diego, CA 92101
(Via Certified Mail, Return Receipt Requested)
9489 0090 0027 6362 4836 31

Re: ***Leticia Haynes and Ezell Young v. Tower Wav LLC, et al.***
Notice of Labor Code Violations and PAGA Penalties

To Whom It May Concern:

Please be advised that my office has been retained by Leticia Haynes and Ezell Young ("Employees") to pursue a Labor Code Private Attorneys General Act of 2004 ("PAGA") representative action (Cal. Lab. Code §§ 2699, *et seq.*) against their former employers, Tower Wav LLC ("Tower WAV" or "Employers"). The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations which we allege Employers engaged in with respect to Employees and potentially all of Employers' Aggrieved Employees.

Employees wish to pursue this action on behalf of Employees as Aggrieved Employees, on behalf of the State of California, as well as on behalf of potentially all other persons who worked for Employers in California as a non-exempt or hourly-paid employee at any time within the applicable statutory period (hereafter, the "Aggrieved Employees").

Employees and the Aggrieved Employees suffered the Labor Code violations described below.

Employees' Employment with Tower WAV

Tower Wav is a nationwide transportation provider. Employees worked as drivers of wheelchair accessible vehicles. Their primary job functions included providing transportation service to individuals. In performing their duties, Employees were regularly required to perform work (off-the-clock), without compensation. Due to understaffing and high workloads, Employees were also frequently deprived of an opportunity to take legally compliant meal and rest breaks. Moreover, Employers failed to provide Employees and other Aggrieved Employees with the meal and rest break premiums as required by the Labor Code. Additionally, Employees were expected to and did incur business-related expenses, but Employers failed to reimburse such business-related expenses. These are just non-exhaustive examples of the facts and theories the Employees assert, which are described in more detail below.

Employers own/owned and operate/operated an industry, business, and establishment within the State of California. As such, and based upon all the facts and circumstances incident to Employers' business in California, Employers are subject to the California Labor Code, Wage Orders issued by the Industrial Welfare Commission ("IWC"), and the California Business & Professions Code.

Employee Leticia Haynes is a resident of San Francisco, California who worked for Employers in San Francisco County, California as an hourly-paid, non-exempt employee from approximately August 2020 to approximately November 2022.

Employee Ezell Young is a resident of Turlock, California who worked for Employers in San Francisco County, California as an hourly-paid, non-exempt employee from approximately February 2021 to approximately July 2023.

During their employment for Employers, Employers paid Employees an hourly wage and classified them as non-exempt from overtime. Employers typically scheduled Employees to work at least five days in a workweek and at least eight hours per day, but Employees also worked more than eight hours in a workday and more than forty (40) hours in a workweek.

Throughout Employees' employment, Employers failed to pay for all hours worked (including minimum, straight time, and overtime wages), failed to provide Employees with legally compliant meal periods, failed to authorize and permit Employees to take rest periods, failed to timely pay all final wages to Employees when Employers terminated Employees' employment, failed to furnish accurate wage statements to Employees, failed to indemnify Employees for business expenditures, and failed to timely produce Employees' requested employment records. As discussed below, Employees' experience working for Employers was typical and illustrative.

Haynes and Young would report to work to pick up their vehicles and were required to perform off-the-clock work involving inspecting the vehicle, getting instructions, and waiting on dispatch. They were not paid for this time but rather only for the time once they logged into a mobile phone application.

Haynes and Young were required to use their personal cell phones and use the application on their personal phones. They were not reimbursed for the use of their phones. At one point, TOWER WAV provided Haynes with a cell phone, but she had to purchase a charger for it and was not reimbursed for that expense.

Employees were also not compensated for purchasing a uniform, nor maintenance of the uniform, nor for any use of their personal vehicle for work.

Once logged into the application, Haynes and Young would go to an assigned area where they would begin servicing calls. They were required to remain with the vehicle and promptly respond to all calls. They were subject to discipline if they did not promptly respond to calls. They were not provided meal or rest breaks because they constantly had to be with the vehicle, have their application logged in, and respond promptly to any calls that came in.

TOWER WAV did not pay double time for hours worked in excess of 12 in a day.

Haynes and Young received various “bonuses” or other incentive payments for their work and these amounts were not included in computing the regular rate of pay on which overtime is paid even though they were direct incentive payments.

TOWER WAV did not record the actual start time of work each day as the Haynes and Young worked off-the-clock prior to their shifts.

TOWER WAV also did not record the time of any alleged meal breaks because no meal breaks were provided.

TOWER WAV’s time records are inaccurate in that they do not match the payroll records and show time for “Unpaid Breaks” when the time was worked and paid for and was not any type of break.

The policies of working off-the-clock pre-shift, not receiving proper overtime and double time, not receiving meal nor rest breaks, and not being reimbursed for business expenses were company-wide and applied to all Aggrieved Employees. **Failure to Pay for All Hours Worked, Including Minimum, Straight Time, and Overtime Wages**

Under California law, an employer must pay for all hours worked by an employee. “Hours worked” is the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the IWC is unlawful.

Throughout the statutory period, Employers failed to pay Employees and the Aggrieved Employees for all hours worked, including minimum, straight time, and overtime wages. Employers required Employees and the Aggrieved Employees to work “off-the-clock,” uncompensated, by, for example, requiring Employees and the Aggrieved Employees to perform work during uncompensated meal periods and rest periods, and requiring Employees and the Aggrieved Employees to perform work before clocking in and/or after clocking out. Some of this unpaid work should have been paid at the overtime rate. California Labor Code § 510 requires that employers compensate employees 1.5 times their regular rate of pay when employees work over eight hours per day, 40 hours per week, or when employees work up to eight hours on any seventh day of a workweek. Employer failed to properly calculate Employees’ regular rate of pay when

paying overtime, by failing to include all compensation in Employees' overtime calculations. In failing to pay for all hours worked, Employers also failed to maintain accurate records of the hours Employees and the Aggrieved Employees worked.

Throughout the statutory period, Employers also engaged in a practice of improper rounding. Under *Camp v. Home Depot U.S.A., Inc.* (2022) 84 Cal.App.5th 638, because Employers could and did track the exact time in minutes that Employees worked, they must pay for all time worked. When an employer uses an electronic timekeeping system to record time worked, this ability to "precisely capture time worked" means that "the employer must pay the employee for that worktime when due." (*Id.* at 671.) As a result of Employers' rounding policy, Employees consistently were not compensated at least minimum wage for all hours that Employees worked.

As a result, Employers are liable to Employees and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including minimum, straight time, and overtime wages.

Failure to Provide Meal Periods

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal periods no later than the start of sixth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s). Despite these legal requirements, Employers wrongfully failed to provide Employees and the Aggrieved Employees with their legally mandated 30-minute, uninterrupted, and duty-free meal period in a manner required by law (and also including but not limited to failing to provide Plaintiff, the Class, and the Aggrieved Employees the opportunity to leave the work premises to take meal periods). Employers also continued to assert control over Employees and the Aggrieved Employees by, among other things, requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory meal periods, or by denying Employees and the Aggrieved Employees permission to take a meal period under the conditions required by law, and without properly compensating Employees and the Aggrieved Employees for meal periods that were not provided as required by law. Employers also did not inform Employees of their right to, nor permitted them to take, all of Employees' second meal periods when they worked at least ten hours of work in a workday and otherwise unlawfully pressured Employees to waive such breaks. Accordingly, Employers failed to provide meal periods to Employees and the Aggrieved Employees in compliance with California law.

Employees and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s). Employers, however, regularly failed to pay Employees and the Aggrieved Employees the additional wages to which they were entitled for meal periods that were not provided.

As a result, Employers are liable to Employees and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to provide meal periods and pay meal period premium wages.

Failure to Authorize and Permit Rest Periods

Employers are required by California law to authorize and permit breaks of ten uninterrupted minutes for each four hours of work or major fraction of four hours (i.e. more than two hours).

Thus, for example, if an employee's work time is six hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws.

Throughout the statutory period, Employers have wrongfully failed to authorize and permit Employees and the Aggrieved Employees to take legally compliant rest periods in a manner required by law (and also including but not limited to failing to authorize and permit Plaintiff, the Class, and the Aggrieved Employees the opportunity to leave the work premises to take rest periods). Employers regularly required Employees and the Aggrieved Employees to work in excess of four consecutive hours a day without Employers authorizing and permitting Employees to take a 10-minute, uninterrupted, duty-free rest period for every four hours of work (or major fraction of four hours), or without compensating Employees and the Aggrieved Employees for rest periods that were not authorized or permitted. Instead, Employers continued to assert control over Employees and the Aggrieved Employees by requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory rest periods, or by denying Employees and the Aggrieved Employees permission to take a rest period. Accordingly, Employers failed to authorize and permit Employees and the Aggrieved Employees to take rest periods in compliance with California law.

Employees and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday they were not authorized and permitted to take all required rest period(s). Employers, however, regularly failed to pay Employees and the Aggrieved Employees the additional wages to which they were entitled for rest periods that they were not authorized and permitted to take.

As a result, Employers are liable to Employees and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

Failure to Pay All Earned Wages Twice Per Month

Based on Employers' failure to pay Employees and the Aggrieved Employees for all wages as discussed above, Employers also violated Labor Code § 204.

Labor Code § 204 requires employers to pay employees all earned wages two times per month. Throughout the statute of limitations period applicable to this cause of action, employees were entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for overtime hours worked. However, during all such times, Employers failed and refused to pay the Employees all wages due, and failed to pay those wages twice a month, in that Employees were not paid all wages for all meal periods not provided by Employers, all wages for all rest periods not authorized and permitted by Employers, and all wages for all hours worked. As a result, Employers owe Employees the legally required wages for unpaid wages, and Employees and the Aggrieved Employees suffered damages in those amounts.

Moreover, Employers are liable to Employees and the Aggrieved Employees for the civil penalties provided for in Labor Code § 210 for failing to pay all earned wages twice per month.

Failure to Maintain Accurate Records of Hours Worked and Meal Periods

Employees seek penalties under California Labor Code § 1174(d). Pursuant to California Labor

Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by California Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

Employers, however, failed to maintain accurate records of hours worked and all meal periods taken or missed by Employees and the Aggrieved Employees.

Employers' failure to provide and maintain records required by the California Labor Code and the applicable IWC Wage Orders deprived Employees and the Aggrieved Employees the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Employers' records. Therefore, Employees and the Aggrieved Employees had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Employers. As a direct result, Employees and the Aggrieved Employees have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorneys' fees in seeking to compel Employers to fully perform their obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Employers' knowing failure to comply with the California Labor Code and applicable IWC Wage Orders, Employees and the Aggrieved Employees have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

Failure to Timely Pay All Wages at Termination

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

Within the applicable statute of limitations, the employment of Employees and many other Aggrieved Employees ended, i.e., was terminated by quitting or being discharged, and the employment of others will be terminated. However, during the relevant time period, Employers failed, and continue to fail to pay Employees and terminated Aggrieved Employees, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Employers' employment. These unpaid wages include wages for unpaid work time (including minimum, straight time, and overtime wages), missed meal period premium wages, and missed rest period premium wages.

Employers' conduct violates Labor Code §§ 201 and 202. Labor Code § 203 provides that if an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, then the wages of the employee shall continue as a penalty wage from the due date, and at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

Accordingly, Employees and the Aggrieved Employees are entitled to recover from Employers their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to thirty (30) days maximum pursuant to Labor Code § 203.

Moreover, Employers are liable to Employees and the Aggrieved Employees for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to timely pay all wages at termination.

Failure to Furnish Accurate Itemized Wage Statements

Labor Code § 226(a) provides that every employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. An employee is presumed to suffer an injury if this information is missing. (Lab. Code § 226(e)(2)(B)(iii).)

The statute further provides: “An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars (\$4,000), and is entitled to an award of costs and reasonable attorney’s fees.” (Lab. Code § 226(e)(1).)

Throughout the statutory period, Employers failed to, and continue to fail to timely furnish Employees and the Aggrieved Employees with accurate, itemized wage statements showing all applicable hourly rates, and all gross and net wages earned (including correct hours worked, correct wages for meal periods that were not provided in accordance with California law, and correct wages for rest periods that were not authorized and permitted to take in accordance with California law).

Because Employers violated Labor Code § 226, Employees and similarly Aggrieved Employees suffered injury and damage to their statutorily protected rights. Accordingly, Employees and similarly Aggrieved Employees are entitled to recover from Employers the greater of their actual damages caused by Employers’ failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding four thousand dollars (\$4,000) per employee. Moreover, Employers are liable to Employees and the Aggrieved Employees for the civil penalties provided for in Labor Code § 226.3 for failing to timely furnish accurate itemized wage statements.

Failure to Indemnify for Necessary Expenditures

Labor Code § 2802(a) provides that employers shall indemnify their employees for all necessary business expenditures or losses that have been incurred by the employees in direct discharge of his or her duties. Throughout the statute of limitations period applicable to this cause of action, Employers wrongfully required Employees and the Aggrieved Employees to pay expenses that they incurred in direct discharge of their duties for Employers. Employees and the Aggrieved Employees regularly paid out-of-pocket for necessary employment-related expenses. Employees and the Aggrieved Employees incurred substantial expenses as a direct result of performing their job duties for Employers, but Employers failed to indemnify Employees and the Aggrieved Employees for these employment-related expenses.

As a result, Employers are liable to Employees and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 2802 and 2699(f)(2) for failing to indemnify Employees and the Aggrieved Employees for necessary business expenditures.

Failure to Produce Requested Employment Records

Labor Code § 226 provides that current and former employees have the right to inspect or receive a copy of their records pertaining to their employment, upon reasonable request to their employer. Under this statute, an employer that receives a request to inspect or receive a copy of records pertaining to a current or former employee must comply with the request as soon as practicable, but no later than twenty-one (21) calendar days from the date of the request. Labor Code § 1198.5(a) also provides that every current and former employee, or his or her representative, has the right to inspect and receive a copy of the personnel records that the employer maintains relating to the employees' performance or to any grievance concerning the employee. Under this statute, upon written request from a current or former employee or his or her representative, an employer must make the contents of those personnel records available for inspection or provide a copy of the personnel records to the current or former employee, or his or her representative, not later than thirty (30) calendar days from the date the employer receives the written request, subject to some limited exceptions. Labor Code § 432 provides that if an employee or applicant signs any instrument relating to the obtaining or holding of employment, he or she shall be given a copy of the instrument upon request. On information and belief, Employees and the Aggrieved Employees, or some of them, submitted written request(s) to Employers for their payroll records, timecards, and personnel records but did not timely receive them as required by the Labor Code.

As a result, Employers are liable to Employees and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 226(f), 1198.5(k), and 2699 for failing to timely produce the requested records.

Recordkeeping Requirement Violations

California Labor Code section 1174 requires employers to keep "accurate and complete" payroll records showing, among other things, the hours worked daily by Employees and Aggrieved Employees. All applicable IWC Wage Orders, section 7 similarly requires employers to keep accurate time records reflecting the times during which all owed meal periods were provided each day.

Based on information and belief, Employers failed, and continue to fail, to keep accurate and complete payroll records as required by law, including but not limited to the following records: total daily hours worked, applicable rates of pay, time records showing when Employees and other Aggrieved Employees began and ended each work period, time records of meal periods, and accurate itemized wage statements.

Based on information and belief, Employers failed and continue to fail to keep accurate and complete records showing total hours worked by Employees and Aggrieved Employees by virtue of Employers' time rounding and/or auto deduction policies and practices and/or other off-the-clock work policies and practices.

Employers failed and continue to fail to keep accurate and complete records showing total hours worked by virtue of Employers' failure to relieve Employees and Aggrieved Employees of all duties and Employers' control for unpaid meal periods, resulting in unpaid hours worked.

Based on information and belief, Employers further failed, and continue to fail, to record the true start and end times of Employees' and Aggrieved Employees' meal periods.

Based on further information and belief, Employers further failed and continue to fail, to record the true start and end times of Employees' and Aggrieved Employees' work shifts.

Additionally, Employers failed, and continue to fail to keep accurate records and issue accurate wage statements by not documenting accrued sick time for Employees and Aggrieved Employees. Employers' failure to keep "accurate and complete" payroll records for Employees and Aggrieved Employees violates Labor Code sections 1174, 1198, 1199, and all applicable IWC Wage Orders, section 7. These violations subject Employers to civil penalties under Labor Code sections 558.1, 226.6, 1174.5 and 2699. Each violation of each Labor Code section and Wage Order provision, for each Aggrieved Employees, results in a separate civil penalty.¹

Violation of Wage Theft Protection Act of 2011

Based on information and belief, Employers failed, and continue to fail, to comply with the notice requirements of Labor Code section 2810.5 (*i.e.*, the Wage Theft Protection Act of 2011) by, among other things, failing to provide Employees and Aggrieved Employees with the rates of pay and overtime rates of pay applicable to their employment, allowances claimed as part of the minimum wage, the regular payday designated by Employers, the name of the employer, including any "doing business as" names used, the name, address and telephone number of the workers' compensation insurance carrier, information regarding paid sick leave, and other pertinent information required to be disclosed by Employers under Labor Code section 2810.5. Employees are informed and believe that failure to provide such information, including rates of pay that are in effect, has permitted Employers to pay employees at rates of pay that were not agreed upon and violate minimum wage and overtime wage laws in California. Employees are additionally informed and believe that the notice requirement of Labor Code section 2810.5 involves a mandatory payroll or workplace injury reporting. Among other relief, employees may collect from Employers in connection with these violations' civil penalties pursuant to Labor Code sections 558 and 2699.

Violation of California Labor Code §§ 245-248.5

Throughout the relevant time period, Employers failed to provide proper paid sick leave to Employees and other Aggrieved Employees. Employers either failed to provide paid sick leave at all or improperly calculated the sick leave accrual and the sick leave rate of pay owed to Employees and other Aggrieved Employees by failing to base the accrued sick leave hours on the correct number of hours worked (as a result of the rounding/automatic deduction policies and practices for meal periods and/or shift start and end times/other required off-the-clock work including but not limited to unpaid meal periods that were restricted to Employers' premises) and by failing to incorporate multiple rates of pay and/or all non-discretionary remuneration, including but not limited to, non-discretionary bonuses, shift differential pay and/or other non-discretionary compensation into the sick leave pay rate calculation.

Based on information and belief, Employers further failed to provide notice of the correct sick

¹ See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period").

leave amount balance available to Employees and other Aggrieved Employees on their wage statements or other written statement.

Based on information and belief, Employers failed to put NON-EXEMPT AGGRIEVED on notice of their paid sick leave rights—or thereby putting their entitlement to sick leave in a Labor Code section 2810.5 notice. In addition, Employers failed to maintain accurate records of used sick leave and the balance of paid sick leave left to the NON-EXEMPT AGGRIEVED EMPLOYEE throughout the relevant time period.

Based on information and belief, throughout the relevant period, Employers failed to provide notice of sick leave amount balance left for Employees and other Aggrieved Employees, thus affecting their intelligent exercise of their paid sick leave. But for this failure, Employees and other Aggrieved Employees would have used their paid sick leave at least prior to their respective separations, for as on several occasions thereafter, he or she would have been entitled to use the banked sick leave and earn appropriate compensation.

This illegal retention of paid sick leave is unlawful, and Employees seek all forms of injunctive relief, restitution, and declaratory relief as permitted by California law, on behalf of Employees and all Aggrieved Employees.

In violation of Labor Code section 247.5, Employers failed to maintain records documenting the hours worked and paid sick days accrued and used by Employees and all Aggrieved Employees, permitting the presumption that Employees and all Aggrieved Employees were entitled to the maximum number of hours accruable under this article.

Upon information and belief, Employers further failed and continue to fail to comply with Labor Code section 246, by failing to provide Employees and all Aggrieved Employees with a Labor Code section 226 wage statement, or separate writing containing the amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, at the time it pays wages.

Employers unlawfully retained and continue to retain paid sick leave that should have been paid but was not, as a result of Employers' failure to properly institute a paid sick leave program.

On information and belief, Employees allege that all of these practices were experienced and continue to be experienced by other Aggrieved Employees.

Employees request all appropriate relief under the PAGA and these statutes, including but not limited to the restitution of earned paid sick leave that could have been used, but was not due to Employers' sole failure to institute such a paid sick leave entitlement or paid sick leave bank as required by California law.

Accordingly, Employees and other Aggrieved Employees are entitled to injunctive relief, attorney's fees, declaratory relief, restitution, and penalties as permitted by law. Employees request all relief pursuant to the aforementioned code provisions, including but not limited to Labor Code sections 233 and 234, which incorporates the paid sick leave requirements.

Failure To Provide Supplemental Paid Sick Leave

Labor Code section 248.2 provides that all employers with 26 or more employees are required to provide up to 80 hours for covered employees to take 2021 COVID-19 Supplemental Paid Sick

Leave to care for themselves, to care for a family member or if it is vaccine-related. Based on information and belief, Employers violated Labor Code section 248.2 by not providing Aggrieved Employees with required 2021 COVID-19 Supplemental Paid Sick Leave.

Refusal to Make Payment

Labor Code section 216 declares unlawful an employer's refusal to pay wages due and payable and/or denial of the validity of any claim to wages due.

Employers violated and continue to violate Labor Code section 216 by failing to pay Employees and all Aggrieved Employees for all hours worked at the proper wage rate and by failing to pay Employee and all Aggrieved Employees an additional hour of pay for each meal and/or rest period not provided or that was invalid. *Gould v. Maryland Sound Industries, Inc.* (1995) 31 Cal.App.4th 1137, 1154-1155.

These violations subject Employers to civil penalties under Labor Code section 225.5. Each violation results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE, for each pay period during which the statute's provisions were violated.²

Seating Violations

Per section 14(A-B) of all applicable IWC Wage Orders, employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats and when they are not actively engaged in the work duties that would not permit them to be seated.

All applicable IWC Wage Orders, Section 14(A-B) provides:

(A) All working employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats.

(B) When employees are not engaged in the active duties of their employment and the nature of the work requires standing, an adequate number of suitable seats shall be placed in reasonable proximity to the work area and employees shall be permitted to use such seats when it does not interfere with the performance of their duties.

Suitable seating is one of the worker protections covered by California's Wage Orders, which have the same dignity as statutes, are remedial in nature and are to be broadly construed to effectuate the goal of protecting the comfort and welfare of employees. *Brinker Restaurant Corp. v. Superior Court*, 53 Cal.4th 1004, 1027 (2012).

Based on information and belief, Employers failed to provide Aggrieved Employees with suitable seating, and when such employees were not engaged in duties which required them to stand, no seating was placed in reasonable proximity to their workstations.

² Labor Code § 225.5 (establishing that “[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who unlawfully withholds wages due any employee in violation of sections 212, 216, 221, 222, or 223 shall be subject to a civil penalty...for each failure to pay each employee”) (emphasis added).

Moreover, based on information and belief, the nature of the work reasonably permitted the use of seats for at least part of the time that Aggrieved Employees were working. Lastly, based on information and belief, there were periods of time when Aggrieved Employees were not engaged in active duties of their employment, yet there were no suitable seats in reasonable proximity to the work area and use of seats would not interfere with the performance of their duties.

Employers' Aggrieved Employees worked in various positions. The nature of Employees' and other Aggrieved Employees' work reasonably permitted the use of seats. However, Employers failed to provide suitable seating in reasonable proximity to Aggrieved Employees' work areas in violation of section 14(A-B) of all applicable Wage Orders, and Labor Code sections 1198 and 1199, subjecting Employers to civil penalties under Labor Code sections 1199 and 2699. Each violation of each Labor Code section and IWC Wage Order provision, for each NON-EXEMPT AGGRIEVED EMPLOYEE, results in a separate civil penalty.³

Statutory Wage Violations

Labor Code section 223 makes it unlawful for an employer to secretly pay wages lower than required by statute while purporting to pay legal wages.

As described above, Employers willfully and systematically denied Employees and other Aggrieved Employees of minimum and overtime wage compensation for all hours worked which resulted in the payment of less than statutorily required wages owed to them. Employers acted with the intent to deprive them of statutory wages, including, but not limited to, overtime wages and minimum wages, to which they were entitled to under California law.

Thus, Employers paid Employees and other Aggrieved Employees lower wages than those they were entitled to while purporting that Employees and all Aggrieved Employees were properly paid. As such, Employees and all Aggrieved Employees are entitled to recover penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code § 2699(f)-(g).

Failure to Pay Vested Vacation/Paid Time Off

California Labor Code section 227.3 provides that when an employer policy provides for paid vacations and/or paid time off, and an employee is terminated without having taken off his, her, or their vested vacation time, all vested vacation shall be paid to the employee as wages at the employee's final rate in accordance with such contract of employment or employer policy respecting eligibility or time served and that there shall be no forfeiture of vested vacation time or paid time off upon termination. Based on information and belief, Employers had and continue to have a uniform policy and practice of failing to allow Aggrieved Employees and Exempt Aggrieved Employees to use their earned vacation/paid time off during their employment and failing to pay all vested, accrued paid time off to Aggrieved Employees and/or Exempt Aggrieved Employees upon separation of employment, in violation of California law, including but not limited to, Labor Code section 227.3.

Failure to Timely Provide Temporary Workers with Owed Wages

³ See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period").

On information and belief, Employers had and have a policy of failing to provide all temporary workers with owed wages weekly by not later than the regular payday of the following week. As a result, pursuant to Labor Code section 201.3, Employers would be liable for civil penalties pursuant to Labor Code sections 201.3.

Unlawful Agreements/ Unlawful Criminal History Inquiries

Unlawful Agreements

Labor Code section 432.5 provides that “no employer ... shall require any employee or applicant for employment to agree, in writing, to any term or condition which is known by such employer ... to be prohibited by law.” Based on information and belief, Employers required Employees, Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to unlawful conditions of employment including but not limited to, unlawful non-compete and/or non-solicitation agreements as well as unlawful criminal and/or financial checks as a condition of obtaining and/or continuing employment in violation of Labor Code section 432.5.

The California Labor Code places certain procedural and substantive limits on employers’ ability to conduct employee background checks and on how employers can use the information they obtain through those background checks. Labor Code section 1024.5 states that employers, except for financial institutions, may order a credit check only if the individual works (or is applying to work) in certain positions (e.g., managerial positions, financially-related positions, and certain government positions). Additionally, the Investigative Consumer Reporting Agencies Act (ICRAA - CA Civil Code section 1786, *et seq.*) and the Fair Credit Reporting Act (FCRA - 15 U.S.C. section 1681, *et seq.*) mandate several requirements prior to and following an employee background check, including but not limited to identifying an appropriate reason for the background check, a separate consent form with required disclosures and certain formatting requirements, additional forms such as a summary of rights, a way by which to request a copy of the report, as well as proper notice of adverse actions taken, among other statutory requirements.

Based on information and belief, Employers ordered unlawful financial credit checks on Aggrieved Employees and Exempt Aggrieved Employees, in violation of Labor Code section 1024.5, and required Aggrieved Employees and Exempt Aggrieved Employees to provide ongoing written consent to the unlawful credit checks as a condition of employment, in violation of California and Federal law, which results in a further violation of Labor Code section 432.5.

Based on information and belief, Employers also required Aggrieved Employees and Exempt Aggrieved Employees to submit and/or agree to submit in writing to unlawful criminal background checks as a condition of obtaining and/or holding employment in violation of the ICRAA and the FCRA. For example, based on information and belief, Employers required Employees to submit and/or agree to submit in writing to an unlawful background check as a condition of obtaining and/or holding employment in violation of, including but not limited to, Labor Code section 432.5.

Based on information and belief, Employers required Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to a background check which failed to abide by the requirements set forth in CA Civil Code section 1786, *et seq.* and 15 U.S.C. section 1681, *et seq.*, including but not limited to by failing to provide a clear and conspicuous disclosure (and/or failing to provide any disclosure at all), failing to provide disclosures free of extraneous information, failing to provide a lawful purpose for the background check, failing to provide a summary of rights under the ICRAA and/or the FCRA, failing to provide a way by which the individual could request a copy of the report, failing to disclose the name, address, and telephone number of the third party preparing the report, and failing to properly obtain authorization or consent to such a

background check, and thus was an unlawful background check.

By requiring Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to unlawful criminal and/or financial checks not in conformance with the applicable laws, Employers violated Labor Code section 432.5.

Based on information and belief, Employers also required Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to provide ongoing consent to Employers to conduct background checks throughout the duration of employment, in violation of the ICRAA and/or FCRA and/or other applicable laws, resulting in a further violation of Labor Code section 432.5, by requiring applicants and employees to agree to an unlawful provision as a condition of employment.

Based on further information and belief, Employers knew that requiring Aggrieved Employees and Exempt Aggrieved Employees to agree to unlawful criminal and/or financial background checks as a condition of obtaining and/or holding employment was unlawful.

By requiring Aggrieved Employees and Exempt Aggrieved Employees agree in writing to unlawful provisions as a condition of employment, Employers violated Labor Code section 432.5.

Unlawful Inquires into Criminal History

Labor Code section 432.7 prohibits an employer from asking applicants about past arrest(s) unless they resulted in conviction(s) and even then, certain limitations apply. Based on information and belief, Employers asked Aggrieved Employees, and Exempt Aggrieved Employees about arrests not resulting in convictions on their employment application, in violation of California law.

Upon information and belief, Employers, in violation of California law, including but not limited to the Fair Chance Act/the California Fair Employment and Housing Act (“FEHA”), asked Aggrieved Employees and Exempt Aggrieved Employees about convictions prior to extending an offer of employment and/or otherwise impermissibly inquired into criminal history on their employment application in violation of California law.

By asking about arrests not resulting in convictions, Employers violated Labor Code section 432.7. By asking about convictions at the application phase or prior to extending an employment offer, Employers violated California’s Fair Chance Act, and thereby violated Labor Code section 432.5 by unlawfully requiring Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to disclose arrests and/or convictions as a condition of employment.

Unlawful PAGA Waiver

Additionally, Employers violated Labor Code section 432.5 by requiring Employees, Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to other unlawful agreements, including but not limited to, an unlawful waiver of PAGA and or representative actions as a condition of employment.

An action pursuant to PAGA “...is a representative action on behalf of the state” *Kim v Reins Int’l California, Inc.*, (2020) 9 Cal. 5th 73, 86-87. It is well settled that agreements purporting to waive an employee’s right to a trial of PAGA claims is contrary to California law and unenforceable. *See Iskanian v CLS Transportation Los Angeles, LLC* (2014) 59 Cal. 4th 348, 384 (“We conclude that where, as here, an employment agreement compels the waiver of representative claims under the PAGA, it is contrary to public policy and unenforceable as a matter of state law.”)

Moreover, the California Supreme Court has ruled that a court cannot compel arbitration of an aggrieved employee's individual PAGA claim because there is no such thing as an individual PAGA claim. *Kim v Reins Int'l California, Inc.*, (2020) 9 Cal. 5th 73, 86-87 ("There is no individual component to a PAGA action because 'every PAGA action ... is a representative action on behalf of the state.'")

Upon information and belief, Employers required Employees, Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to waive their right to a trial of PAGA claims in violation of California law. By requiring Employees, Aggrieved Employees and Exempt Aggrieved Employees to agree, in writing, to an unlawful PAGA waiver, Employers required written agreement to an unlawful provision as a condition of employment which is a violation of labor code section 432.5.

As such, Employees, Aggrieved Employees and Exempt Aggrieved Employees continue to be subject to various unlawful provisions as a condition of employment.

Preventing Employees from Using or Disclosing Skills, Knowledge, and Experience

On information and belief, Employers had and have a policy or practice of preventing Employees and/or other Aggrieved Employees from using or disclosing the skills, knowledge, and experience they obtained at Employers for purposes of competing with Employers, including, without limitation, preventing Employees from disclosing their wages in negotiating a new job with a prospective employer, and from disclosing who else works at Employers and under what circumstances they might be receptive to an offer from a rival employer. As such, Employees are informed and believe that this violates Business and Professions Code sections 17200, 16600 and 16700, and, by virtue thereof, various provisions of the Labor Code, including Labor Code sections 232, 232.5, and 1197.5, subdivision (k). Employers would be liable for civil penalties pursuant to Labor Code section 2699.

Whistleblower Violations

On information and belief, Employers had and have a policy or practice of preventing Employees and/or other Aggrieved Employees from disclosing violations of state and federal law, either within Employers to their managers or outside Employers to private attorneys or government officials, among others, in violation of Business and Professions Code section 17200, and, thus, in violation of Labor Code section 1102.5. In addition, Employees are informed and believe that these policies and/or practices prevent Employees and/or other Aggrieved Employees from disclosing information about unsafe or discriminatory working conditions, or about wage and hour violations in violation of Labor Code sections 98.6, 232, and 232.5. These violations of the Labor Code would expose Employers to liability for civil penalties pursuant to Labor Code section 2699.

Workplace Health and Safety Violations

On information and belief, Employers had and have a policy or practice of failing to furnish and use safety devices and safeguards, and adopt and use practices, means, methods, operations and processes which are reasonably adequate to render such employment and place of employment safe and healthful, pursuant to, including but not limited to, Labor Code section 6401. Employees are informed and believe, and based thereon allege that Employers had and have a policy or practice of requiring or permitting employees to go or be in any employment or place of employment which is not safe and healthful, pursuant to Labor Code section 6402. Employees are

informed and believe, and based thereon allege that Employers had and have a policy or practice of failing or neglecting to: provide and use safety devices and safeguards reasonably adequate to render the employment and place of employment safe; adopt and use methods and processes reasonably adequate to render the employment and place of employment safe; and do every other thing reasonably necessary to protect the life, safety, and health of employees, pursuant to Labor Code section 6403. Employees are informed and believe, and based thereon allege that these failures include, without limitation, failing to disinfect time clocks and other surfaces after use by Employees and/or other Aggrieved Employees; failing to provide adequate protection equipment to Employees and/or other Aggrieved Employees; and failing to provide adequate distance in working conditions between Employees and/or other Aggrieved Employees.

On information and belief, Employers violated section 1527, 3366, 3457 and 8397.4 by failing to provide adequate and readily accessible sanitation facilities; a regular schedule for servicing, cleaning, and supplying each facility to ensure it is maintained in a clean, sanitary and serviceable condition; an adequate supply of suitable cleansing agents, water, single-use towels or blowers; and a sufficient number of toilets to be used by each sex of employee.

Action for Civil Penalties Under PAGA

In light of the above, Employees allege that Employers violated the following provisions of the Labor Code with respect to the Aggrieved Employees:

1. Labor Code §§ 204, 510, 1194, 1197, and 1198 by failing to pay for all hours worked, including minimum wages, straight time wages, and overtime wages;
2. Labor Code § 226.7 and applicable Wage Orders by failing to provide meal periods;
3. Labor Code § 226.7 and applicable Wage Orders by failing to authorize and permit rest periods;
4. Labor Code § 204 by failing to pay all earned wages two times per month;
5. California Labor Code § 1174.5 and applicable Wage Orders by failing to maintain accurate records of hours worked and meal periods taken or missed;
6. Labor Code §§ 201 to 203 by willfully failing to pay all wages owed at termination;
7. Labor Code § 226 by failing to provide accurate itemized wage statements;
8. Labor Code § 2802 by failing to indemnify for necessary expenditures;
9. Labor Code §§ 226, 432, and 1198.5 by failing to timely produce requested payroll records, timecards, and personnel records;
10. Labor Code § 1174 by failing to keep accurate and complete payroll records;
11. Labor Code §§ 245-248.5 by failing to provide proper sick leave and supplemental paid sick leave;
12. Labor Code § 216 for refusal to pay wages due and payable and/or denial of the validity of any claim to wages due;
13. Labor Code § 223 for secretly paying wages lower than required by statute while purporting to pay legal wages;
14. Labor Code § 227.3 for failure to pay vested vacation and/or paid time off;
15. Section 14(A-B) of all applicable IWC Wage Orders for failure to provide suitable

seating;

16. Labor Code § 432.5 for unlawful agreements;
17. Labor Code § 201.3 for failure to timely provide temporary workers with wages;
18. Labor Code §§ 98.6, 232, 232.5, 1102.5, and 1197.5 for preventing employees from using or disclosing the skills, knowledge and experience they obtained at Employers, and whistleblower violations;
19. Labor Code § 432.7 for unlawful inquiries into criminal histories; and
20. Labor Code §§ 1527, 3366, 3457, 8397.4, 6401, and 6401 for workplace health and safety violations.

Therefore, on behalf of potentially all Aggrieved Employees, Employees seek applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties under Labor Code §§ 210, 226.3, 1174.5, 1197.1, and 2699.

Employees have placed Employers on notice by mailing a certified copy of this correspondence, as indicated on the first page. Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Sincerely,

WILSHIRE LAW FIRM



John G. Yslas, Esq.

EXHIBIT 4

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December 30, 2024

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Re: ***Leticia Haynes, Ezell Young, Angel Howard, Frederick B. Howard II, and Robert White III v. Tower Wav LLC, et al.***
Amended Notice of Labor Code Violations and PAGA Penalties
LWDA Case No.: LWDA-CM-981948-23

To Whom It May Concern:

Please be advised that my office has been retained by Leticia Haynes, Ezell Young, Angel Howard, Frederick B. Howard II, and Robert White III ("Employees") to pursue a Labor Code Private Attorneys General Act of 2004 ("PAGA") representative action (Cal. Lab. Code §§ 2699, *et seq.*) against their former employers, Tower Wav LLC and Tower EV LLC ("Employers"). The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations which we allege Employers engaged in with respect to Employees and potentially all of Employers' Aggrieved Employees.

This letter amends Leticia Haynes and Ezell Young's LWDA notice letter sent on September 15, 2023 (LWDA-CM-981948-23), including but not limited to by adding Employees Angel Howard, Frederick B. Howard II, and Robert White III and Employer Tower EV LLC.

Employees wish to pursue this action on behalf of Employees as Aggrieved Employees, on behalf of the State of California, as well as on behalf of potentially all other persons who worked for Employers in California as a non-exempt or hourly-paid employee at any time within the applicable statutory period (hereafter, the "Aggrieved Employees").

Employees and the Aggrieved Employees suffered the Labor Code violations described below.

Employees' Employment with Employers

Employers are a nationwide transportation provider. Employees worked as drivers of wheelchair accessible vehicles. Their primary job functions included providing transportation service to individuals. In performing their duties, Employees were regularly required to perform work (off-the-clock), without compensation. Due to understaffing and high workloads, Employees were also frequently deprived of an opportunity to take legally compliant meal and rest breaks. Moreover, Employers failed to provide Employees and other Aggrieved Employees with the meal and rest break premiums as required by the Labor Code. Additionally, Employees were expected to and did incur business-related expenses, but Employers failed to reimburse such business-related expenses. These are just non-exhaustive examples of the facts and theories the Employees assert, which are described in more detail below.

Employers own/owned and operate/operated an industry, business, and establishment within the State of California. As such, and based upon all the facts and circumstances incident to Employers' business in California, Employers are subject to the California Labor Code, Wage Orders issued by the Industrial Welfare Commission ("IWC"), and the California Business & Professions Code.

Employee Leticia Haynes is a resident of San Francisco, California who worked for Employers in San Francisco County, California as an hourly-paid, non-exempt employee from approximately January 2021 to approximately December 2022.

Employee Ezell Young is a resident of Turlock, California who worked for Employers in San Francisco County, California as an hourly-paid, non-exempt employee from approximately February 2021 to approximately July 2023.

Employee Angel Howard is a resident of Los Angeles, California who worked for Employers in Los Angeles County, California as an hourly-paid, non-exempt employee from approximately March 2022 to approximately January 2024.

Employee Frederick B. Howard II is a resident of Los Angeles, California who worked for Employers in Los Angeles County, California as an hourly-paid, non-exempt employee from approximately July 2024 to approximately September 2024.

Employee Robert White III is a resident of Los Angeles, California who worked for Employers in Los Angeles County, California as an hourly-paid, non-exempt employee from approximately September 2023 to approximately October 2024.

During their employment for Employers, Employers paid Employees an hourly wage and classified them as non-exempt from overtime. Employers typically scheduled Employees to work at least five days in a workweek and at least eight hours per day, but Employees also worked more than eight hours in a workday and more than forty (40) hours in a workweek.

Throughout Employees' employment, Employers failed to pay for all hours worked (including minimum, straight time, and overtime wages), failed to provide Employees with legally compliant meal periods, failed to authorize and permit Employees to take rest periods, failed to timely pay all final wages to Employees when Employers terminated Employees' employment, failed to furnish accurate wage statements to Employees, failed to indemnify Employees for business expenditures, and failed to timely produce Employees' requested employment records.

As discussed below, Employees' experience working for Employers was typical and illustrative. Employees would report to work to pick up their vehicles and were required to perform off-the-clock work involving inspecting the vehicle, getting instructions, and waiting on dispatch. They were not paid for this time but rather only for the time once they logged into a mobile phone application.

Employees were required to use their personal cell phones and use the application on their personal phones. They were not reimbursed for the use of their phones. At one point, Employers provided Ms. Haynes with a cell phone, but she had to purchase a charger for it and was not reimbursed for that expense.

Employees were also not compensated for purchasing a uniform, nor maintenance of the uniform, nor for any use of their personal vehicle for work.

Once logged into the application, Employees would go to an assigned area where they would begin servicing calls. They were required to remain with the vehicle and promptly respond to all calls. They were subject to discipline if they did not promptly respond to calls. They were not provided meal or rest breaks because they constantly had to be with the vehicle, have their application logged in, and respond promptly to any calls that came in.

Employers did not pay double time for hours worked in excess of 12 in a day.

Employees received various "bonuses" or other incentive payments for their work and these amounts were not included in computing the regular rate of pay on which overtime is paid even though they were direct incentive payments.

Employers did not record the actual start time of work each day as the Employees worked off-the-clock prior to their shifts.

Employers also did not record the time of any alleged meal breaks because no meal breaks were provided.

Employers' time records are inaccurate in that they do not match the payroll records and show time for "Unpaid Breaks" when the time was worked and paid for and was not any type of break.

The policies of working off-the-clock pre-shift, not receiving proper overtime and double time, not receiving meal nor rest breaks, and not being reimbursed for business expenses were company-wide and applied to all Aggrieved Employees.

Failure to Pay for All Hours Worked, Including Minimum, Straight Time, and Overtime Wages

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

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Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the IWC is unlawful.

Throughout the statutory period, Employers failed to pay Employees and the Aggrieved Employees for all hours worked, including minimum, straight time, and overtime wages. Employers required Employees and the Aggrieved Employees to work “off-the-clock,” uncompensated, by, for example, requiring Employees and the Aggrieved Employees to perform work during uncompensated meal periods and rest periods, and requiring Employees and the Aggrieved Employees to perform work before clocking in and/or after clocking out. Some of this unpaid work should have been paid at the overtime rate. California Labor Code § 510 requires that employers compensate employees 1.5 times their regular rate of pay when employees work over eight hours per day, 40 hours per week, or when employees work up to eight hours on any seventh day of a workweek. Employer failed to properly calculate Employees’ regular rate of pay when paying overtime, by failing to include all compensation in Employees’ overtime calculations. In failing to pay for all hours worked, Employers also failed to maintain accurate records of the hours Employees and the Aggrieved Employees worked.

Throughout the statutory period, Employers also engaged in a practice of improper rounding. Under *Camp v. Home Depot U.S.A., Inc.* (2022) 84 Cal.App.5th 638, because Employers could and did track the exact time in minutes that Employees worked, they must pay for all time worked. When an employer uses an electronic timekeeping system to record time worked, this ability to “precisely capture time worked” means that “the employer must pay the employee for that worktime when due.” (*Id.* at 671.) As a result of Employers’ rounding policy, Employees consistently were not compensated at least minimum wage for all hours that Employees worked.

As a result, Employers are liable to Employees and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including minimum, straight time, and overtime wages.

Failure to Provide Meal Periods

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal periods no later than the start of sixth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s).

Despite these legal requirements, Employers wrongfully failed to provide Employees and the Aggrieved Employees with their legally mandated 30-minute, uninterrupted, and duty-free meal period in a manner required by law (and also including but not limited to failing to provide Plaintiff, the Class, and the Aggrieved Employees the opportunity to leave the work premises to take meal periods). Employers also continued to assert control over Employees and the Aggrieved Employees by, among other things, requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory meal periods, or by denying Employees and the Aggrieved Employees permission to take a meal period under the conditions required by law, and without properly compensating Employees and the Aggrieved Employees for meal periods that were not provided as required by law. Employers also did not inform Employees of their right to, nor permitted them to take, all of Employees’ second meal

periods when they worked at least ten hours of work in a workday and otherwise unlawfully pressured Employees to waive such breaks. Accordingly, Employers failed to provide meal periods to Employees and the Aggrieved Employees in compliance with California law.

Employees and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s). Employers, however, regularly failed to pay Employees and the Aggrieved Employees the additional wages to which they were entitled for meal periods that were not provided.

As a result, Employers are liable to Employees and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to provide meal periods and pay meal period premium wages.

Failure to Authorize and Permit Rest Periods

Employers are required by California law to authorize and permit breaks of ten uninterrupted minutes for each four hours of work or major fraction of four hours (i.e. more than two hours). Thus, for example, if an employee's work time is six hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws.

Throughout the statutory period, Employers have wrongfully failed to authorize and permit Employees and the Aggrieved Employees to take legally compliant rest periods in a manner required by law (and also including but not limited to failing to authorize and permit Plaintiff, the Class, and the Aggrieved Employees the opportunity to leave the work premises to take rest periods). Employers regularly required Employees and the Aggrieved Employees to work in excess of four consecutive hours a day without Employers authorizing and permitting Employees to take a 10-minute, uninterrupted, duty-free rest period for every four hours of work (or major fraction of four hours), or without compensating Employees and the Aggrieved Employees for rest periods that were not authorized or permitted. Instead, Employers continued to assert control over Employees and the Aggrieved Employees by requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory rest periods, or by denying Employees and the Aggrieved Employees permission to take a rest period. Accordingly, Employers failed to authorize and permit Employees and the Aggrieved Employees to take rest periods in compliance with California law.

Employees and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday they were not authorized and permitted to take all required rest period(s). Employers, however, regularly failed to pay Employees and the Aggrieved Employees the additional wages to which they were entitled for rest periods that they were not authorized and permitted to take.

As a result, Employers are liable to Employees and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

Failure to Pay All Earned Wages Twice Per Month

Based on Employers' failure to pay Employees and the Aggrieved Employees for all wages as discussed above, Employers also violated Labor Code § 204.

Labor Code § 204 requires employers to pay employees all earned wages two times per month. Throughout the statute of limitations period applicable to this cause of action, employees were entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for overtime hours worked. However, during all such times, Employers failed and refused to pay the Employees all wages due, and failed to pay those wages twice a month, in that Employees were not paid all wages for all meal periods not provided by Employers, all wages for all rest periods not authorized and permitted by Employers, and all wages for all hours worked. As a result, Employers owe Employees the legally required wages for unpaid wages, and Employees and the Aggrieved Employees suffered damages in those amounts.

Moreover, Employers are liable to Employees and the Aggrieved Employees for the civil penalties provided for in Labor Code § 210 for failing to pay all earned wages twice per month.

Failure to Maintain Accurate Records of Hours Worked and Meal Periods

Employees seek penalties under California Labor Code § 1174(d). Pursuant to California Labor Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by California Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

Employers, however, failed to maintain accurate records of hours worked and all meal periods taken or missed by Employees and the Aggrieved Employees.

Employers' failure to provide and maintain records required by the California Labor Code and the applicable IWC Wage Orders deprived Employees and the Aggrieved Employees the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Employers' records. Therefore, Employees and the Aggrieved Employees had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Employers. As a direct result, Employees and the Aggrieved Employees have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorneys' fees in seeking to compel Employers to fully perform their obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Employers' knowing failure to comply with the California Labor Code and applicable IWC Wage Orders, Employees and the Aggrieved Employees have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

Failure to Timely Pay All Wages at Termination

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

Within the applicable statute of limitations, the employment of Employees and many other Aggrieved Employees ended, i.e., was terminated by quitting or being discharged, and the

employment of others will be terminated. However, during the relevant time period, Employers failed, and continue to fail to pay Employees and terminated Aggrieved Employees, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Employers' employment. These unpaid wages include wages for unpaid work time (including minimum, straight time, and overtime wages), missed meal period premium wages, and missed rest period premium wages.

Employers' conduct violates Labor Code §§ 201 and 202. Labor Code § 203 provides that if an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, then the wages of the employee shall continue as a penalty wage from the due date, and at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

Accordingly, Employees and the Aggrieved Employees are entitled to recover from Employers their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to thirty (30) days maximum pursuant to Labor Code § 203.

Moreover, Employers are liable to Employees and the Aggrieved Employees for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to timely pay all wages at termination.

Failure to Furnish Accurate Itemized Wage Statements

Labor Code § 226(a) provides that every employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. An employee is presumed to suffer an injury if this information is missing. (Lab. Code § 226(e)(2)(B)(iii).)

The statute further provides: "An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars (\$4,000), and is entitled to an award of costs and reasonable attorney's fees." (Lab. Code § 226(e)(1).)

Throughout the statutory period, Employers failed to, and continue to fail to timely furnish Employees and the Aggrieved Employees with accurate, itemized wage statements showing all applicable hourly rates, and all gross and net wages earned (including correct hours worked, correct wages for meal periods that were not provided in accordance with California law, and correct wages for rest periods that were not authorized and permitted to take in accordance with California law).

Because Employers violated Labor Code § 226, Employees and similarly Aggrieved Employees suffered injury and damage to their statutorily protected rights. Accordingly, Employees and

similarly Aggrieved Employees are entitled to recover from Employers the greater of their actual damages caused by Employers' failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding four thousand dollars (\$4,000) per employee. Moreover, Employers are liable to Employees and the Aggrieved Employees for the civil penalties provided for in Labor Code § 226.3 for failing to timely furnish accurate itemized wage statements.

Failure to Indemnify for Necessary Expenditures

Labor Code § 2802(a) provides that employers shall indemnify their employees for all necessary business expenditures or losses that have been incurred by the employees in direct discharge of his or her duties. Throughout the statute of limitations period applicable to this cause of action, Employers wrongfully required Employees and the Aggrieved Employees to pay expenses that they incurred in direct discharge of their duties for Employers. Employees and the Aggrieved Employees regularly paid out-of-pocket for necessary employment-related expenses. Employees and the Aggrieved Employees incurred substantial expenses as a direct result of performing their job duties for Employers, but Employers failed to indemnify Employees and the Aggrieved Employees for these employment-related expenses.

As a result, Employers are liable to Employees and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 2802 and 2699(f)(2) for failing to indemnify Employees and the Aggrieved Employees for necessary business expenditures.

Failure to Produce Requested Employment Records

Labor Code § 226 provides that current and former employees have the right to inspect or receive a copy of their records pertaining to their employment, upon reasonable request to their employer. Under this statute, an employer that receives a request to inspect or receive a copy of records pertaining to a current or former employee must comply with the request as soon as practicable, but no later than twenty-one (21) calendar days from the date of the request. Labor Code § 1198.5(a) also provides that every current and former employee, or his or her representative, has the right to inspect and receive a copy of the personnel records that the employer maintains relating to the employees' performance or to any grievance concerning the employee. Under this statute, upon written request from a current or former employee or his or her representative, an employer must make the contents of those personnel records available for inspection or provide a copy of the personnel records to the current or former employee, or his or her representative, not later than thirty (30) calendar days from the date the employer receives the written request, subject to some limited exceptions. Labor Code § 432 provides that if an employee or applicant signs any instrument relating to the obtaining or holding of employment, he or she shall be given a copy of the instrument upon request. On information and belief, Employees and the Aggrieved Employees, or some of them, submitted written request(s) to Employers for their payroll records, timecards, and personnel records but did not timely receive them as required by the Labor Code.

As a result, Employers are liable to Employees and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 226(f), 1198.5(k), and 2699 for failing to timely produce the requested records.

Recordkeeping Requirement Violations

California Labor Code section 1174 requires employers to keep "accurate and complete" payroll records showing, among other things, the hours worked daily by Employees and Aggrieved Employees. All applicable IWC Wage Orders, section 7 similarly requires employers to keep

accurate time records reflecting the times during which all owed meal periods were provided each day.

Based on information and belief, Employers failed, and continue to fail, to keep accurate and complete payroll records as required by law, including but not limited to the following records: total daily hours worked, applicable rates of pay, time records showing when Employees and other Aggrieved Employees began and ended each work period, time records of meal periods, and accurate itemized wage statements.

Based on information and belief, Employers failed and continue to fail to keep accurate and complete records showing total hours worked by Employees and Aggrieved Employees by virtue of Employers' time rounding and/or auto deduction policies and practices and/or other off-the-clock work policies and practices.

Employers failed and continue to fail to keep accurate and complete records showing total hours worked by virtue of Employers' failure to relieve Employees and Aggrieved Employees of all duties and Employers' control for unpaid meal periods, resulting in unpaid hours worked.

Based on information and belief, Employers further failed, and continue to fail, to record the true start and end times of Employees' and Aggrieved Employees' meal periods.

Based on further information and belief, Employers further failed and continue to fail, to record the true start and end times of Employees' and Aggrieved Employees' work shifts.

Additionally, Employers failed, and continue to fail to keep accurate records and issue accurate wage statements by not documenting accrued sick time for Employees and Aggrieved Employees. Employers' failure to keep "accurate and complete" payroll records for Employees and Aggrieved Employees violates Labor Code sections 1174, 1198, 1199, and all applicable IWC Wage Orders, section 7. These violations subject Employers to civil penalties under Labor Code sections 558.1, 226.6, 1174.5 and 2699. Each violation of each Labor Code section and Wage Order provision, for each Aggrieved Employees, results in a separate civil penalty.¹

Violation of Wage Theft Protection Act of 2011

Based on information and belief, Employers failed, and continue to fail, to comply with the notice requirements of Labor Code section 2810.5 (*i.e.*, the Wage Theft Protection Act of 2011) by, among other things, failing to provide Employees and Aggrieved Employees with the rates of pay and overtime rates of pay applicable to their employment, allowances claimed as part of the minimum wage, the regular payday designated by Employers, the name of the employer, including any "doing business as" names used, the name, address and telephone number of the workers' compensation insurance carrier, information regarding paid sick leave, and other pertinent information required to be disclosed by Employers under Labor Code section 2810.5. Employees are informed and believe that failure to provide such information, including rates of pay that are in effect, has permitted Employers to pay employees at rates of pay that were not agreed upon and violate minimum wage and overtime wage laws in California. Employees are additionally informed and believe that the notice requirement of Labor Code section 2810.5 involves a mandatory payroll or workplace injury reporting. Among other relief, employees may collect from

¹ See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period").

Employers in connection with these violations' civil penalties pursuant to Labor Code sections 558 and 2699.

Violation of California Labor Code §§ 245-248.5

Throughout the relevant time period, Employers failed to provide proper paid sick leave to Employees and other Aggrieved Employees. Employers either failed to provide paid sick leave at all or improperly calculated the sick leave accrual and the sick leave rate of pay owed to Employees and other Aggrieved Employees by failing to base the accrued sick leave hours on the correct number of hours worked (as a result of the rounding/automatic deduction policies and practices for meal periods and/or shift start and end times/other required off-the-clock work including but not limited to unpaid meal periods that were restricted to Employers' premises) and by failing to incorporate multiple rates of pay and/or all non-discretionary remuneration, including but not limited to, non-discretionary bonuses, shift differential pay and/or other non-discretionary compensation into the sick leave pay rate calculation.

Based on information and belief, Employers further failed to provide notice of the correct sick leave amount balance available to Employees and other Aggrieved Employees on their wage statements or other written statement.

Based on information and belief, Employers failed to put NON-EXEMPT AGGRIEVED on notice of their paid sick leave rights—or thereby putting their entitlement to sick leave in a Labor Code section 2810.5 notice. In addition, Employers failed to maintain accurate records of used sick leave and the balance of paid sick leave left to the NON-EXEMPT AGGRIEVED EMPLOYEE throughout the relevant time period.

Based on information and belief, throughout the relevant period, Employers failed to provide notice of sick leave amount balance left for Employees and other Aggrieved Employees, thus affecting their intelligent exercise of their paid sick leave. But for this failure, Employees and other Aggrieved Employees would have used their paid sick leave at least prior to their respective separations, for as on several occasions thereafter, he or she would have been entitled to use the banked sick leave and earn appropriate compensation. This illegal retention of paid sick leave is unlawful, and Employees seek all forms of injunctive relief, restitution, and declaratory relief as permitted by California law, on behalf of Employees and all Aggrieved Employees.

In violation of Labor Code section 247.5, Employers failed to maintain records documenting the hours worked and paid sick days accrued and used by Employees and all Aggrieved Employees, permitting the presumption that Employees and all Aggrieved Employees were entitled to the maximum number of hours accruable under this article.

Upon information and belief, Employers further failed and continue to fail to comply with Labor Code section 246, by failing to provide Employees and all Aggrieved Employees with a Labor Code section 226 wage statement, or separate writing containing the amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, at the time it pays wages.

Employers unlawfully retained and continue to retain paid sick leave that should have been paid but was not, as a result of Employers' failure to properly institute a paid sick leave program.

On information and belief, Employees allege that all of these practices were experienced and continue to be experienced by other Aggrieved Employees.

Employees request all appropriate relief under the PAGA and these statutes, including but not limited to the restitution of earned paid sick leave that could have been used, but was not due to Employers' sole failure to institute such a paid sick leave entitlement or paid sick leave bank as required by California law.

Accordingly, Employees and other Aggrieved Employees are entitled to injunctive relief, attorney's fees, declaratory relief, restitution, and penalties as permitted by law. Employees request all relief pursuant to the aforementioned code provisions, including but not limited to Labor Code sections 233 and 234, which incorporates the paid sick leave requirements.

Failure To Provide Supplemental Paid Sick Leave

Labor Code section 248.2 provides that all employers with 26 or more employees are required to provide up to 80 hours for covered employees to take 2021 COVID-19 Supplemental Paid Sick Leave to care for themselves, to care for a family member or if it is vaccine-related. Based on information and belief, Employers violated Labor Code section 248.2 by not providing Aggrieved Employees with required 2021 COVID-19 Supplemental Paid Sick Leave.

Refusal to Make Payment

Labor Code section 216 declares unlawful an employer's refusal to pay wages due and payable and/or denial of the validity of any claim to wages due.

Employers violated and continue to violate Labor Code section 216 by failing to pay Employees and all Aggrieved Employees for all hours worked at the proper wage rate and by failing to pay Employee and all Aggrieved Employees an additional hour of pay for each meal and/or rest period not provided or that was invalid. *Gould v. Maryland Sound Industries, Inc.* (1995) 31 Cal.App.4th 1137, 1154-1155.

These violations subject Employers to civil penalties under Labor Code section 225.5. Each violation results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE, for each pay period during which the statute's provisions were violated.²

Seating Violations

Per section 14(A-B) of all applicable IWC Wage Orders, employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats and when they are not actively engaged in the work duties that would not permit them to be seated.

All applicable IWC Wage Orders, Section 14(A-B) provides:

(A) All working employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats.

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² Labor Code § 225.5 (establishing that “[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who unlawfully withholds wages due any employee in violation of sections 212, 216, 221, 222, or 223 shall be subject to a civil penalty...for each failure to pay each employee”) (emphasis added).

(B) When employees are not engaged in the active duties of their employment and the nature of the work requires standing, an adequate number of suitable seats shall be placed in reasonable proximity to the work area and employees shall be permitted to use such seats when it does not interfere with the performance of their duties.

Suitable seating is one of the worker protections covered by California's Wage Orders, which have the same dignity as statutes, are remedial in nature and are to be broadly construed to effectuate the goal of protecting the comfort and welfare of employees. *Brinker Restaurant Corp. v. Superior Court*, 53 Cal.4th 1004, 1027 (2012).

Based on information and belief, Employers failed to provide Aggrieved Employees with suitable seating, and when such employees were not engaged in duties which required them to stand, no seating was placed in reasonable proximity to their workstations.

Moreover, based on information and belief, the nature of the work reasonably permitted the use of seats for at least part of the time that Aggrieved Employees were working. Lastly, based on information and belief, there were periods of time when Aggrieved Employees were not engaged in active duties of their employment, yet there were no suitable seats in reasonable proximity to the work area and use of seats would not interfere with the performance of their duties.

Employers' Aggrieved Employees worked in various positions. The nature of Employees' and other Aggrieved Employees' work reasonably permitted the use of seats. However, Employers failed to provide suitable seating in reasonable proximity to Aggrieved Employees' work areas in violation of section 14(A-B) of all applicable Wage Orders, and Labor Code sections 1198 and 1199, subjecting Employers to civil penalties under Labor Code sections 1199 and 2699. Each violation of each Labor Code section and IWC Wage Order provision, for each NON-EXEMPT AGGRIEVED EMPLOYEE, results in a separate civil penalty.³

Statutory Wage Violations

Labor Code section 223 makes it unlawful for an employer to secretly pay wages lower than required by statute while purporting to pay legal wages. As described above, Employers willfully and systematically denied Employees and other Aggrieved Employees of minimum and overtime wage compensation for all hours worked which resulted in the payment of less than statutorily required wages owed to them. Employers acted with the intent to deprive them of statutory wages, including, but not limited to, overtime wages and minimum wages, to which they were entitled to under California law.

Thus, Employers paid Employees and other Aggrieved Employees lower wages than those they were entitled to while purporting that Employees and all Aggrieved Employees were properly paid. As such, Employees and all Aggrieved Employees are entitled to recover penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code § 2699(f)-(g).

Failure to Pay Vested Vacation/Paid Time Off

California Labor Code section 227.3 provides that when an employer policy provides for paid vacations and/or paid time off, and an employee is terminated without having taken off his, her, or

³ See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period").

their vested vacation time, all vested vacation shall be paid to the employee as wages at the employee's final rate in accordance with such contract of employment or employer policy respecting eligibility or time served and that there shall be no forfeiture of vested vacation time or paid time off upon termination. Based on information and belief, Employers had and continue to have a uniform policy and practice of failing to allow Aggrieved Employees and Exempt Aggrieved Employees to use their earned vacation/paid time off during their employment and failing to pay all vested, accrued paid time off to Aggrieved Employees and/or Exempt Aggrieved Employees upon separation of employment, in violation of California law, including but not limited to, Labor Code section 227.3.

Failure to Timely Provide Temporary Workers with Owed Wages

On information and belief, Employers had and have a policy of failing to provide all temporary workers with owed wages weekly by not later than the regular payday of the following week. As a result, pursuant to Labor Code section 201.3, Employers would be liable for civil penalties pursuant to Labor Code sections 201.3.

Unlawful Agreements/ Unlawful Criminal History Inquiries

Unlawful Agreements

Labor Code section 432.5 provides that "no employer ... shall require any employee or applicant for employment to agree, in writing, to any term or condition which is known by such employer ... to be prohibited by law." Based on information and belief, Employers required Employees, Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to unlawful conditions of employment including but not limited to, unlawful non-compete and/or non-solicitation agreements as well as unlawful criminal and/or financial checks as a condition of obtaining and/or continuing employment in violation of Labor Code section 432.5.

The California Labor Code places certain procedural and substantive limits on employers' ability to conduct employee background checks and on how employers can use the information they obtain through those background checks. Labor Code section 1024.5 states that employers, except for financial institutions, may order a credit check only if the individual works (or is applying to work) in certain positions (e.g., managerial positions, financially-related positions, and certain government positions). Additionally, the Investigative Consumer Reporting Agencies Act (ICRAA - CA Civil Code section 1786, *et seq.*) and the Fair Credit Reporting Act (FCRA - 15 U.S.C. section 1681, *et seq.*) mandate several requirements prior to and following an employee background check, including but not limited to identifying an appropriate reason for the background check, a separate consent form with required disclosures and certain formatting requirements, additional forms such as a summary of rights, a way by which to request a copy of the report, as well as proper notice of adverse actions taken, among other statutory requirements.

Based on information and belief, Employers ordered unlawful financial credit checks on Aggrieved Employees and Exempt Aggrieved Employees, in violation of Labor Code section 1024.5, and required Aggrieved Employees and Exempt Aggrieved Employees to provide ongoing written consent to the unlawful credit checks as a condition of employment, in violation of California and Federal law, which results in a further violation of Labor Code section 432.5.

Based on information and belief, Employers also required Aggrieved Employees and Exempt Aggrieved Employees to submit and/or agree to submit in writing to unlawful criminal background checks as a condition of obtaining and/or holding employment in violation of the ICRAA and the FCRA. For example, based on information and belief, Employers required Employees to submit

and/or agree to submit in writing to an unlawful background check as a condition of obtaining and/or holding employment in violation of, including but not limited to, Labor Code section 432.5.

Based on information and belief, Employers required Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to a background check which failed to abide by the requirements set forth in CA Civil Code section 1786, *et seq.* and 15 U.S.C. section 1681, *et seq.*, including but not limited to by failing to provide a clear and conspicuous disclosure (and/or failing to provide any disclosure at all), failing to provide disclosures free of extraneous information, failing to provide a lawful purpose for the background check, failing to provide a summary of rights under the ICRAA and/or the FRCA, failing to provide a way by which the individual could request a copy of the report, failing to disclose the name, address, and telephone number of the third party preparing the report, and failing to properly obtain authorization or consent to such a background check, and thus was an unlawful background check.

By requiring Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to unlawful criminal and/or financial checks not in conformance with the applicable laws, Employers violated Labor Code section 432.5.

Based on information and belief, Employers also required Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to provide ongoing consent to Employers to conduct background checks throughout the duration of employment, in violation of the ICRAA and/or FCRA and/or other applicable laws, resulting in a further violation of Labor Code section 432.5, by requiring applicants and employees to agree to an unlawful provision as a condition of employment.

Based on further information and belief, Employers knew that requiring Aggrieved Employees and Exempt Aggrieved Employees to agree to unlawful criminal and/or financial background checks as a condition of obtaining and/or holding employment was unlawful.

By requiring Aggrieved Employees and Exempt Aggrieved Employees agree in writing to unlawful provisions as a condition of employment, Employers violated Labor Code section 432.5.

Unlawful Inquires into Criminal History

Labor Code section 432.7 prohibits an employer from asking applicants about past arrest(s) unless they resulted in conviction(s) and even then, certain limitations apply. Based on information and belief, Employers asked Aggrieved Employees, and Exempt Aggrieved Employees about arrests not resulting in convictions on their employment application, in violation of California law.

Upon information and belief, Employers, in violation of California law, including but not limited to the Fair Chance Act/the California Fair Employment and Housing Act (“FEHA”), asked Aggrieved Employees and Exempt Aggrieved Employees about convictions prior to extending an offer of employment and/or otherwise impermissibly inquired into criminal history on their employment application in violation of California law.

By asking about arrests not resulting in convictions, Employers violated Labor Code section 432.7. By asking about convictions at the application phase or prior to extending an employment offer, Employers violated California’s Fair Chance Act, and thereby violated Labor Code section 432.5 by unlawfully requiring Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to disclose arrests and/or convictions as a condition of employment.

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Unlawful PAGA Waiver

Additionally, Employers violated Labor Code section 432.5 by requiring Employees, Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to other unlawful agreements, including but not limited to, an unlawful waiver of PAGA and or representative actions as a condition of employment.

An action pursuant to PAGA “...is a representative action on behalf of the state” *Kim v Reins Int’l California, Inc.*, (2020) 9 Cal. 5th 73, 86-87. It is well settled that agreements purporting to waive an employee’s right to a trial of PAGA claims is contrary to California law and unenforceable. *See Iskanian v CLS Transportation Los Angeles, LLC* (2014) 59 Cal. 4th 348, 384 (“We conclude that where, as here, an employment agreement compels the waiver of representative claims under the PAGA, it is contrary to public policy and unenforceable as a matter of state law.”)

Moreover, the California Supreme Court has ruled that a court cannot compel arbitration of an aggrieved employee’s individual PAGA claim because there is no such thing as an individual PAGA claim. *Kim v Reins Int’l California, Inc.*, (2020) 9 Cal. 5th 73, 86-87 (“There is no individual component to a PAGA action because ‘every PAGA action ... is a representative action on behalf of the state.’”)

Upon information and belief, Employers required Employees, Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to waive their right to a trial of PAGA claims in violation of California law. By requiring Employees, Aggrieved Employees and Exempt Aggrieved Employees to agree, in writing, to an unlawful PAGA waiver, Employers required written agreement to an unlawful provision as a condition of employment which is a violation of labor code section 432.5.

As such, Employees, Aggrieved Employees and Exempt Aggrieved Employees continue to be subject to various unlawful provisions as a condition of employment.

Preventing Employees from Using or Disclosing Skills, Knowledge, and Experience

On information and belief, Employers had and have a policy or practice of preventing Employees and/or other Aggrieved Employees from using or disclosing the skills, knowledge, and experience they obtained at Employers for purposes of competing with Employers, including, without limitation, preventing Employees from disclosing their wages in negotiating a new job with a prospective employer, and from disclosing who else works at Employers and under what circumstances they might be receptive to an offer from a rival employer. As such, Employees are informed and believe that this violates Business and Professions Code sections 17200, 16600 and 16700, and, by virtue thereof, various provisions of the Labor Code, including Labor Code sections 232, 232.5, and 1197.5, subdivision (k). Employers would be liable for civil penalties pursuant to Labor Code section 2699.

Whistleblower Violations

On information and belief, Employers had and have a policy or practice of preventing Employees and/or other Aggrieved Employees from disclosing violations of state and federal law, either within Employers to their managers or outside Employers to private attorneys or government officials, among others, in violation of Business and Professions Code section 17200, and, thus, in violation of Labor Code section 1102.5. In addition, Employees are informed and believe that these policies and/or practices prevent Employees and/or other Aggrieved Employees from disclosing

information about unsafe or discriminatory working conditions, or about wage and hour violations in violation of Labor Code sections 98.6, 232, and 232.5. These violations of the Labor Code would expose Employers to liability for civil penalties pursuant to Labor Code section 2699.

Workplace Health and Safety Violations

On information and belief, Employers had and have a policy or practice of failing to furnish and use safety devices and safeguards, and adopt and use practices, means, methods, operations and processes which are reasonably adequate to render such employment and place of employment safe and healthful, pursuant to, including but not limited to, Labor Code section 6401. Employees are informed and believe, and based thereon allege that Employers had and have a policy or practice of requiring or permitting employees to go or be in any employment or place of employment which is not safe and healthful, pursuant to Labor Code section 6402. Employees are informed and believe, and based thereon allege that Employers had and have a policy or practice of failing or neglecting to: provide and use safety devices and safeguards reasonably adequate to render the employment and place of employment safe; adopt and use methods and processes reasonably adequate to render the employment and place of employment safe; and do every other thing reasonably necessary to protect the life, safety, and health of employees, pursuant to Labor Code section 6403. Employees are informed and believe, and based thereon allege that these failures include, without limitation, failing to disinfect time clocks and other surfaces after use by Employees and/or other Aggrieved Employees; failing to provide adequate protection equipment to Employees and/or other Aggrieved Employees; and failing to provide adequate distance in working conditions between Employees and/or other Aggrieved Employees.

On information and belief, Employers violated section 1527, 3366, 3457 and 8397.4 by failing to provide adequate and readily accessible sanitation facilities; a regular schedule for servicing, cleaning, and supplying each facility to ensure it is maintained in a clean, sanitary and serviceable condition; an adequate supply of suitable cleansing agents, water, single-use towels or blowers; and a sufficient number of toilets to be used by each sex of employee.

Action for Civil Penalties Under PAGA

In light of the above, Employees allege that Employers violated the following provisions of the Labor Code with respect to the Aggrieved Employees:

1. Labor Code §§ 204, 510, 1194, 1197, and 1198 by failing to pay for all hours worked, including minimum wages, straight time wages, and overtime wages;
2. Labor Code § 226.7 and applicable Wage Orders by failing to provide meal periods;
3. Labor Code § 226.7 and applicable Wage Orders by failing to authorize and permit rest periods;
4. Labor Code § 204 by failing to pay all earned wages two times per month;
5. California Labor Code § 1174.5 and applicable Wage Orders by failing to maintain accurate records of hours worked and meal periods taken or missed;
6. Labor Code §§ 201 to 203 by willfully failing to pay all wages owed at termination;
7. Labor Code § 226 by failing to provide accurate itemized wage statements;
8. Labor Code § 2802 by failing to indemnify for necessary expenditures;

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9. Labor Code §§ 226, 432, and 1198.5 by failing to timely produce requested payroll records, timecards, and personnel records;
10. Labor Code § 1174 by failing to keep accurate and complete payroll records;
11. Labor Code §§ 245-248.5 by failing to provide proper sick leave and supplemental paid sick leave;
12. Labor Code § 216 for refusal to pay wages due and payable and/or denial of the validity of any claim to wages due;
13. Labor Code § 223 for secretly paying wages lower than required by statute while purporting to pay legal wages;
14. Labor Code § 227.3 for failure to pay vested vacation and/or paid time off;
15. Section 14(A-B) of all applicable IWC Wage Orders for failure to provide suitable seating;
16. Labor Code § 432.5 for unlawful agreements;
17. Labor Code § 201.3 for failure to timely provide temporary workers with wages;
18. Labor Code §§ 98.6, 232, 232.5, 1102.5, and 1197.5 for preventing employees from using or disclosing the skills, knowledge and experience they obtained at Employers, and whistleblower violations;
19. Labor Code § 432.7 for unlawful inquiries into criminal histories; and
20. Labor Code §§ 1527, 3366, 3457, 8397.4, 6401, and 6401 for workplace health and safety violations.

Therefore, on behalf of potentially all Aggrieved Employees, Employees seek applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties under Labor Code §§ 210, 226.3, 1174.5, 1197.1, and 2699.

Employees have placed Employers on notice by mailing a certified copy of this correspondence, as indicated on the first page. Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Sincerely,

WILSHIRE LAW FIRM



John G. Yslas, Esq.

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

LETICIA HAYNES, individually, and on
behalf of all others similarly situated,

Plaintiff,

vs.

TOWER WAV LLC, a California limited
liability company; and DOES 1 through 10,
inclusive,

Defendants.

Case No. CGC-22-603761

*Assigned for all purposes to: Hon. Rochelle
East, Dept. 610*

**CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT**

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Leticia Haynes, Ezell Young, Deborah Hooker, Robert White, Frederick Howard, Angel Howard, Carol Martinez, and David Villatoro (“Plaintiffs”) and Defendant Tower Wav, LLC (“Defendant”). The Agreement refers to Plaintiffs and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

1.1 “Actions” means Plaintiffs’ lawsuits alleging class action wage and hour violations and/or representative claims under the California Private Attorneys General Act (“PAGA”) against Defendant, as follows: (i) *Haynes v. Tower WAV LLC*, San Francisco County Superior Court, Case No. CGC-22-603761, filed on December 30, 2022 (*Haynes* Class Action); (ii) *Haynes v. Tower WAV LLC*, San Francisco County Superior Court, Case No. CGC-23-610504, filed on November 17, 2023 (*Haynes* PAGA Action); (iii) *Hooker v. Tower Wav, LLC*, San Francisco County Superior Court, Case No. CGC-23-610064, filed on October 30, 2023; (iv) *Martinez v. Tower WAV LLC*, San Francisco County Superior Court, Case No. CGC-23-608253, filed on August 9, 2023; and (v) *Villatoro v. Tower WAV LLC*, Los Angeles County Superior Court, Case No. 24STCV03367, filed February 8, 2024.

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

1.3 “Administration Costs” means the amount the Administrator will be paid from the Gross Settlement Amount for its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.

1.4 “Aggrieved Employee” means all hourly-paid, non-exempt employees who performed work in California and who are or were formerly employed by Defendant Tower WAV, LLC or its wholly-owned subsidiary, Tower EV, LLC, within the State of California from October 18, 2022 through October 14, 2024.

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1.5 “Class” means all persons currently or formerly employed by Defendant Tower WAV, LLC or its wholly-owned subsidiary, Tower EV, LLC, as hourly-paid, non-exempt employees within the State of California during the Class Period.

1.6 “Class Counsel” means John G. Yslas, Diego Aviles, Harry Erganyan, and Mariam Nazaretyan of Wilshire Law Firm, APLC; Douglas Han of Justice Law Corporation; and Michael Nourmand of The Nourmand Law Firm, APC.

1.7 “Class Counsel Fees Payment” means an award of attorneys’ fees granted to Class Counsel and paid from the Gross Settlement Amount. The Parties have agreed Plaintiffs will request approval from the Court of up to one-third (1/3) of the GSA (currently \$333,333.33) and that Defendants and their Defense Counsel shall not object to said request.

1.8 “Class Counsel Litigation Expenses Payment” means the amount allocated to Class Counsel for reimbursement of reasonable expenses and costs incurred to prosecute the Action and paid from the Gross Settlement Amount not to exceed \$50,000.00.

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

1.10 “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

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

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

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1.13 “Class Period” or “Class Settlement Period” means the period from December 30, 2020 through October 14, 2024.

1.14 “Class Representative(s)” means Leticia Haynes, Ezell Young, Deborah Hooker, Robert White, Frederick Howard, Angel Howard, Carol Martinez, and David Villatoro.

1.15 “Class Representative Service Payment(s)” or “Enhancement Award(s)” means the payments to the individual Class Representatives for initiating the Actions and providing services in support of the Action, which shall not exceed \$5,000.00 per individual Class Representative.

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

1.17 “Defendants” means named Defendant Tower WAV LLC and its wholly-owned subsidiary, Tower EV, LLC and its dba, Tower Mobility LLC.

1.18 “Defense Counsel” means Jennifer Kearns and Brooke Tabshouri of Duane Morris LLP.

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

1.20 “Excluded Workweeks” means any Workweeks during the Class Period which were worked by a Class Member but for which said Class Member has previously received a Pick Up Stix settlement payment and executed a settlement release in favor of Defendants. Class Members who received Pick Up Stix settlement payments shall have those Workweeks to which their Pick Up Stix settlements pertained excluded from the calculation of their Workweeks for purposes calculating their individual Class Member Payments hereunder, because they have already received compensation attributable to the Excluded Workweeks and have already signed releases in favor of Defendants that cover the Excluded Workweeks.

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1.21 “Final Approval” means the Court’s order granting final approval of this Settlement.

1.22 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

1.23 “Final Judgment” means the Judgment entered by the Court upon granting Final Approval of the Settlement.

1.24 “Gross Settlement Amount” or “GSA” means One Million Dollars and Zero Cents (\$1,000,000.00), which is the total amount Defendant agrees to pay under the Settlement, inclusive of the \$120,000 credit referenced in Section 2.8 hereof and except as provided in Paragraph 8 below.

1.25 “Individual Class Member Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period, as detailed more specifically in Section 2.9.5 hereof.

1.26 “Individual PAGA Payment” means an Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period, as detailed more specifically in Section 2.9.6 hereof.

1.27 “Judgment” means the judgment entered by the Court based upon the Final Approval.

1.28 “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i), to receive seventy-five percent (75%) of the portion of the Gross Settlement Amount allocated to PAGA Penalties.

1.29 “LWDA PAGA Payment” means 75% of the portion of the Gross Settlement Amount allocated to PAGA Penalties, which amount shall be paid to the LWDA pursuant to Labor Code section 2699, subd. (i).

1.30 “Net Settlement Amount” means the Gross Settlement Amount (which includes the \$120,000 credit referenced in Section 2.8 hereof), less the following payments in the amounts approved by the Court: PAGA Penalties payment, Class Representative Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Costs Payment. The remainder is the Net Settlement Amount and shall be paid to Participating Class Members as Individual Class Member Payments.

1.31 “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion. Non-Participating Class Members shall not receive any Individual Class Member Payments but may receive their proportionate share of PAGA Penalties if they are Aggrieved Employees.

1.32 “Operative Class Complaint” means the operative first amended class action complaint filed in the earliest filed Action bearing Case No. CGC-22-603761, or any amendment to the operative first amended class action complaint thereafter filed in the Coordinated Action pending in the San Francisco County Superior Court, Proceeding No. CJC-25-005404.

1.33 “Operative PAGA Complaints” means the operative PAGA complaints filed in the Actions.

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

1.35 “PAGA Period” means the period from October 18, 2022 through October 14, 2024.

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

1.37 “PAGA Notices” means the following letters sent to the LWDA and Defendant providing notice pursuant to Labor Code section 2699.3, subd.(a): (i) Plaintiff Deborah Hooker’s August 25, 2023 letter (LWDA-CM-977762-23); (ii) Plaintiff Leticia Haynes’ and Ezell Young’s September 15, 2023 letter (LWDA-CM-981948-23); (iii) Plaintiff Leticia Haynes’, Ezell Young’s, Angel Howard’s, Frederick Howard’s, and Robert White’s December 30, 2024 amended letter (LWDA-CM-981948-23); (iv) Plaintiff Martinez’s June 6, 2023 letter (LWDA-CM-959423-2); and (v) Plaintiff Villatoro’s February 8, 2024 letter (LWDA-CM-1009929-24).

1.38 “PAGA Penalties” means the sum of Fifty Thousand Dollars (\$50,000.00), which shall be the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount and which shall be allocated as follows: Twenty-Five Percent (25%) to the Aggrieved Employees (\$12,500.00) and Seventy-Five Percent (75%) to the LWDA ((\$37,500.00) in settlement of PAGA claims.

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

1.40 “Plaintiffs” means Leticia Haynes, Ezell Young, Deborah Hooker, Robert White, Frederick Howard, Angel Howard, Carol Martinez, and David Villatoro.

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

1.42 “Released Class Claims” means the claims being released as described in Paragraph 4.2 below.

1.43 “Released PAGA Claims” means the claims being released as described in Paragraph 4.3 below.

1.44 “Released Parties” means Defendant and all of Defendant’s parents, sister companies, subsidiaries, successors, affiliates and assigns (including but not limited to Tower EV, LLC and Tower Mobility, LLC), and all of Defendant’s owners, investors, officers, directors, managers and employees.

1.45 “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement, signed by the Class Member.

1.46 “Response Deadline” means the date that is forty-five (45) days after the Administrator mails Notice to Class Members and Aggrieved Employees and it shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice packets are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline has expired. If the Response Deadline falls on a Saturday or Sunday, the Response Deadline shall be extended to the following Monday, provided that such Monday is not a national holiday. If the following Monday is a national holiday, the Response Deadline shall be extended to the next day.

1.47 “Settlement” means the disposition of the Actions effected by this Agreement and by the court’s entry of Judgment.

1.48 “Workweek” means any week during which a Class Member worked for Defendants for at least one day, during the Class Period, provided that the Workweek in question is not an “Excluded Workweek” as defined above.

1 2. **RECITALS.**

2 2.1 On December 30, 2022, Plaintiff Haynes filed a class action complaint alleging
3 Defendant (1) failed to pay minimum and straight time wages; (2) failed to pay overtime wages;
4 (3) failed to provide meal periods; (4) failed to authorize and permit rest periods; (5) failed to
5 timely pay final wages at termination; (6) failed to provide accurate itemized wage statements;
6 (7) failed to indemnify employees for expenditures; (8) made unlawful deductions from wages;
7 and (9) violated California's Unfair Competition Law, California Business and Professions Code
8 section 17200, *et seq.* (Case No. CGC-23-610504). On August 9, 2023, Plaintiff Carol Martinez
9 filed a putative wage and hour class action in San Francisco Superior Court alleging the same
10 Labor Code violations (Case No. CGC-23-608253). On February 8, 2024, Plaintiff David
11 Villatoro filed a putative class action in Los Angeles Superior Court against Defendant alleging
12 the same Labor Code violations (Case No. 24STCV03367).

13 2.2 After submitting PAGA Notices and notifying the LWDA and Defendant that Plaintiffs
14 intended to proceed with a representative action under PAGA, Plaintiff Deborah Hooker filed a
15 PAGA enforcement action in San Francisco Superior Court on October 30, 2023 (Case No. CGC-
16 23-610064). Thereafter, Plaintiffs Leticia Haynes and Ezell Young filed a PAGA enforcement
17 action in San Francisco Superior Court on November 17, 2023 (Case No. CGC-23-610504),
18 alleging claims for penalties pursuant to Labor Code § 2699, *et seq.*

19 2.3 Defendant denies the allegations in all of the Actions, denies any failure to comply with
20 the laws identified in the Actions, and denies any and all liability for the causes of action alleged
21 in the Actions.

22 2.4 On February 14, 2025, the Parties participated in an all-day mediation presided over by
23 mediator Tagore Subramaniam. With the help of Mr. Subramaniam, the Parties were able to reach
24 an agreement on general settlement terms that same day.

25 2.5 In advance of mediation, Class Counsel conducted a thorough investigation into the facts
26 of, and applicable law to, the Actions. Prior to mediation, Plaintiffs obtained from Defendant and
27 analyzed a representative sampling of time and payroll data for Class Members and the necessary
28 policy documents through informal discovery to properly evaluate the strengths and weaknesses

of the claims and engage in meaningful settlement discussions. Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.*, 48 Cal.App.4th 1794, 1801 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 129-130 (2008) ("*Dunk/Kullar*").

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

2.7 The Parties, Class Counsel and Defense Counsel represent that they are aware of three wage and hour putative class or representative PAGA actions that were filed after this case, and which will be affected or extinguished by this Settlement, in that the plaintiffs in such later-filed actions are Class Members and/or Aggrieved Employees in the instant action. Plaintiffs' counsel in each of these other later-filed cases were notified of the existence of this settlement and the fact that the plaintiffs in those cases are Class Members and/or Aggrieved Employees in this action. The later-filed actions which will be affected by this settlement are the following:

- a. *Jennifer Young Pae v. Tower EV, LLC – Los Angeles Superior Court Case No. 25STCV00717, filed January 10, 2025. Petition for coordination with multiple other cases denied. Once the case is returned to LASC, Tower EV will respond with a motion to compel arbitration and for order striking class claims pursuant to the class action waiver language in the arbitration agreement.*
- b. *Keonna Reese v. Tower EV, LLC – Los Angeles Superior Court Case No. 25STCV20991, filed July 15, 2025. Putative wage and hour class action. Motion to strike class claims and to compel arbitration granted. Reese has filed an appeal from this ruling.*
- c. *Keonna Reese v. Tower EV, LLC – Los Angeles Superior Court Case No. 25STCV28147, filed September 25, 2025. PAGA representative action. Plaintiff has been ordered to arbitrate her individual wage and hour claims. PAGA representative action stayed pending outcome of plaintiff's individual arbitration. Plaintiff has not yet initiated arbitration.*

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1 **MONETARY TERMS.**

2 2.8 Gross Settlement Amount. The Gross Settlement Amount (“GSA”) is One Million
3 Dollars (\$1,000,000.00), less a \$120,000.00 credit for Pick Up Stix settlement payments made to
4 160 Class Members. Class Members who received Pick Up Stix settlement payments provided
5 Defendant with releases of their wage and hour claims as of the date they received their Pick Up
6 Stix settlement payments. These Pick Up Stix settlements occurred primarily in April 2023, with
7 six (6) of the Pick Up Stix settlements occurring in May, June and July 2023. The Pick Up Stix
8 settlements and releases occurred after the filing of the Actions but prior to the date of mediation
9 held on February 14, 2025. Except as otherwise provided by Paragraph 8 below, Defendant will
10 pay the sum of Eight Hundred Eighty Thousand Dollars and Zero Cents (\$880,000.00) (gross
11 settlement amount of \$1,000,000.00 less \$120,000.00 credited against the Gross Settlement
12 Amount for Class Member settlement payments and releases previously obtained) to fully settle,
13 resolve, and extinguish all claims asserted in the Actions, including without limitation all claims
14 asserted in the PAGA Notices. The Gross Settlement Amount is non-reversionary and does not
15 include employer payroll taxes owed on the wage portions of the Individual Class Member
16 Payments, which Defendant will pay separately by depositing such payroll tax amount with the
17 Administrator.

18 2.9 Payments from the Gross Settlement Amount. The Administrator will deduct and make
19 the following payments from the Gross Settlement Amount, in the amounts specified by the Court
20 in the Final Approval:

21 2.9.1 To Plaintiffs: A payment for the Class Representative Service Payments to Plaintiffs
22 of not more than \$5,000.00 to each Plaintiff. Each Plaintiff’s Class Representative Service
23 Payment shall be in addition to any Individual Class Member Payment and in addition to any
24 Individual PAGA Payment to which the Plaintiffs are entitled in their capacities as Participating
25 Class Members and/or Aggrieved Employees. Defendant will not oppose Plaintiffs’ request for
26 Class Representative Service Payments provided that Class Representative Service Payments do
27 not that do not exceed Five Thousand Dollars per Class Representative. As part of the motion for
28 the Class Counsel Fees and Litigation Expenses Payments, Plaintiffs will seek Court approval for

any Class Representative Service Payments no later than sixteen (16) court days prior to the Final Approval Hearing, or as otherwise ordered by the Court. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount to be distributed to Participating Class Members. The Administrator will report the payment of the Class Representative Service Payments using IRS Form 1099. Plaintiffs assume full responsibility and liability for all taxes owed on the Class Representative Service Payments.

2.9.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third (1/3) of the GSA, which is currently estimated to be \$333,333.33 and a Class Counsel Litigation Expenses Payment for actual costs, not exceeding \$50,000.00. Defendant will not oppose requests for these payments. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees and Litigation Expenses Payment no later than 16 (sixteen) court days prior to the Final Approval Hearing, or as otherwise ordered by the Court. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment in less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount for distribution to Participating Class Members. Released Parties shall have no liability to Class Counsel or any other Plaintiffs' counsel arising from any claim to any portion of Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will report payment of the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

2.9.3 To the Administrator: An Administrator Costs Payment for actual costs, not to exceed Thirty-One Thousand Dollars (\$31,000.00) except for a showing of good cause and as approved by the Court. To the extent the Administration Costs are less or the Court approves payment of less than requested, the Administrator will retain the remainder in the Net Settlement Amount to be distributed to Participating Class Members.

1 2.9.4 PAGA Payments. The sum total of Fifty Thousand Dollars (\$50,000.00) will be
2 deducted from the Gross Settlement Amount and distributed to the State of California and to
3 Aggrieved Employees, as more particularly detailed in Section 2.9.6 below, as PAGA Payments.

4 2.9.5 To Each Participating Class Member: Each Individual Class Member Payment shall
5 be calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks
6 worked by all Participating Class Members during the Class Period, and (b) multiplying the result
7 by each individual Participating Class Member's Workweeks less such individual Participating
8 Class Member's Excluded Workweeks (if any). [For those Participating Class Members who
9 entered into individual Pick Up Stix settlements with Tower WAV and/or Tower EV, the only
10 workweeks that will count toward calculation of that person's Workweeks shall be workweeks
11 worked by the individual beginning after the date of the Pick Up Stix settlement agreement.]

12 2.9.5.1 Tax Allocation of Individual Class Member Payments. Twenty percent
13 (20%) of each Participating Class Member's Individual Class Member Payment will be allocated
14 to the settlement of wage claims (the "Wage Portion"). The Wage Portion is subject to tax
15 withholding and will be reported as wage compensation on an IRS W-2 Form. Defendant will
16 separately deposit with the Administrator the employer portion of employment taxes due and
17 owing on the Wage Portion of the settlement. The remaining eighty percent (80%) of each
18 Participating Class Member's Individual Class Member Payment will be allocated to the
19 settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions
20 are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class
21 Members shall assume full responsibility and liability for any employee taxes owed on their
22 Individual Class Member Payment.

23 2.9.5.2 Effect of Non-Participating Class Members on Calculation of Individual
24 Class Member Payments. Non-Participating Class Members will not receive any Individual Class
25 Member Payments. The Administrator will retain amounts equal to their Individual Class Member
26 Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro-
27 rata basis.

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2.9.6 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$50,000.00 shall be paid from the Gross Settlement Amount, with 75% of such amount, or Thirty Seven Thousand Five Hundred Dollars (\$37,500.00) paid to the LWDA and 25% of such amount, or Twelve Thousand Five Hundred Dollars (\$12,500.00), allocated to and distributed as Individual PAGA Payments to the Aggrieved Employees.

2.9.6.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties of \$12,500.00 by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period, and (b) multiplying the result by each individual Aggrieved Employee's PAGA Pay Periods worked. Aggrieved Employees assume full responsibility and liability for any taxes owed as a result of their receipt of their Individual PAGA Payment. A Class Member who does not participate in the settlement of the Class Claims will nonetheless receive an Individual PAGA Payment if such non-participating Class Member is an Aggrieved Employee.

2.9.6.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount to be distributed to Participating Class Members as Individual Class Member Payments. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

3. SETTLEMENT FUNDING AND PAYMENTS.

3.1 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records, Defendant represents there were approximately 3,988 Class Members who collectively worked a total of 55,994 workweeks from December 30, 2020 through October 14, 2024. Based on a review of its records, Defendant represents there were 3,639 Aggrieved Employees who collectively worked a total of approximately 21,386 PAGA Pay Periods during the PAGA Period.

3.2 Class Data. Not later than twenty one (21) calendar days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of administering this Settlement and for no other purpose, and shall restrict access to the

Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. The Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

3.3 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount and the amounts necessary to fully pay Defendant's share of payroll taxes on the portion of the settlement allocated to Participating Class Members' wages by transmitting the funds to the Administrator no later than twenty one (21) calendar days after the Effective Date but not earlier than six months from the date on which all parties have executed this Agreement.

3.4 Payments from the Gross Settlement Amount. Within seven (7) days after Defendant fully funds the GSA, the Administrator will mail checks for all Individual Class Member Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Costs Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payments. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payments shall not precede disbursement of Individual Class Member Payments and Individual PAGA Payments.

3.4.1 The Administrator will issue checks for the Individual Class Member Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail. The face of each check shall prominently state the date (180 days after the date of mailing) when the check will be voided ("Void Date"). The Administrator will cancel all checks not cashed by the Void Date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom the Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator

1 may send Participating Class Members a single check combining the Individual Class Member
2 Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement
3 Administrator must update the recipients' mailing addresses using the National Change of
4 Address Database.

5 3.4.2 The Administrator must conduct a Class Member Address Search for all other Class
6 Members whose checks are returned undelivered without USPS forwarding address. Within seven
7 (7) days of receiving a returned check, the Administrator must re-mail checks to the USPS
8 forwarding address provided or to an address ascertained through the Class Member Address
9 Search. The Administrator need not take further steps to deliver checks to Class Members whose
10 re-mailed checks are returned as undelivered. The Administrator shall promptly send a
11 replacement check to any Class Member whose original check was lost or misplaced, requested
12 by the Class Member prior to the void date.

13 3.4.3 For any Class Member whose Individual Class Member Payment check or
14 Individual PAGA Payment check is uncashed and canceled after the void date, the Administrator
15 shall transmit the funds represented by such checks to the California Controller's Unclaimed
16 Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to
17 the requirements of California Code of Civil Procedure Section 384, subd. (b).

18 3.4.4 The payment of Individual Class Member Payments and Individual PAGA
19 Payments shall not obligate Defendants to confer any additional benefits or make any additional
20 payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in
21 this Agreement.

22 4. **RELEASES OF CLAIMS.** Effective on the date when Defendant fully funds the Gross
23 Settlement Amount and all employer payroll taxes owed on the Wage Portion of the Individual
24 Class Member Payments, Plaintiffs, Class Members, and Class Counsel will release claims
25 against all Released Parties as follows:

26 4.1 Plaintiffs' Release. Plaintiffs discharge Released Parties from all claims,
27 transactions, or occurrences, that occurred during the Class Period, including, but not limited to,
28 all claims that were, or reasonably could have been, alleged, based on the facts contained in the

Operative Complaints; and claims under the Fair Employment and Housing Act, Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, the California Labor Code, and all equivalent claims under federal law (“Plaintiffs’ Release”). Plaintiffs’ Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers’ compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that Plaintiffs’ Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs’ discovery of them.

4.1.1 Plaintiffs’ Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiffs’ Release, Plaintiffs individually expressly waive and relinquish the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

Each Plaintiff agrees that if he, she or they later discover new facts, or facts different from those understood by such Plaintiff at the time of execution of this Agreement, this Agreement will remain binding and in full force and effect.

4.2 Released Class Claims: All Participating Class Members will release all claims, rights, demands, liabilities, and causes of action, in law or in equity, arising at any time during the Class Period for the claims brought by Plaintiffs in the Operative Class Complaints, or that could have been brought by Plaintiffs against Defendants in the Operative Class Complaints based on the facts alleged therein, including: Any and all causes of action, claims, rights, damages, punitive or statutory damages, penalties, liabilities, expenses, and losses alleged in the Operative Class Complaints, or that could have been alleged based upon the facts alleged in the operative complaints. Nothing in this Agreement shall release any claims that were not alleged in the

Operative Class Complaints or which could not have been alleged based on the facts alleged in the Operative Class Complaints. Nothing in this release shall release or limit any obligation created by this Agreement

4.3 Released PAGA Claims: The claims released by Aggrieved Employees, including Non-Participating Class Members who are Aggrieved Employees, are all claims for PAGA civil penalties that were alleged or reasonably could have been alleged based on the facts alleged in the Operative PAGA Complaints or alleged in Plaintiffs' respective PAGA Notices to the LWDA (the "Released PAGA Claims"). The Released PAGA Claims are those that accrued during the PAGA Period only. The State of California shall release all and any PAGA claims rights, demands, liabilities, penalties, fines, debts and causes of action, arising from the PAGA claims pled in the Actions or LWDA notices; or that could have been pled in the Actions based on the allegations therein.

5. **MOTION FOR PRELIMINARY APPROVAL**. Upon execution of this Agreement by all parties thereto, Plaintiffs' counsel will prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") without delay but in no event later than sixty (60) days after the Agreement has been fully executed.

5.1 Defendants' Declaration in Support of Preliminary Approval. Within 10 (ten) days of the full execution of this Agreement, Defendant will prepare and deliver to Class Counsel a signed Declaration from Defendants and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator.

5.2 Plaintiffs' Responsibilities. Plaintiffs will prepare all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from Plaintiffs confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (v) a signed declaration from Class

Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (vi) all facts relevant to any actual or potential conflict of interest with Class Members, and/or the Administrator. In their Declarations, Plaintiffs and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement, or identify such pending matters or actions. Plaintiffs will also seek to file an amended complaint consolidating all of the settling actions for purposes of settlement in the Coordinated Action.

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

5.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

6. SETTLEMENT ADMINISTRATION.

6.1 Selection of Administrator. The Parties have jointly selected Phoenix Class Action Administrators to serve as the Administrator and verified that, as a condition of appointment, the Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Costs. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the

1 Administrator other than a professional relationship arising out of prior experiences administering
2 settlements.

3 6.2 Employer Identification Number. The Administrator shall have and use its own
4 Employer Identification Number for purposes of calculating payroll tax withholdings and
5 providing reports to state and federal tax authorities.

6 6.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that
7 meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation
8 section 468B-1 for the funding of the GSA. Any interest that accrues on the GSA sums paid into
9 the QSF prior to distribution by the Administrator will become part of the NSA for distribution
10 to Participating Class Members.

11 6.4 Notice to Class Members.

12 6.4.1 No later than five (5) calendar days after receipt of the Class Data, the Administrator
13 shall notify Class Counsel that the list has been received and state the number of Class Members,
14 Aggrieved Employees, Workweeks, and Pay Periods in the Class Data.

15 6.4.2 Using best efforts to perform as soon as possible, and in no event later than 14
16 (fourteen) days after receiving the Class Data, the Administrator will send to all Class Members
17 identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class
18 Notice with Spanish translation substantially in the form attached to this Agreement as Exhibit
19 A. The first page of the Class Notice shall prominently estimate the dollar amounts of any
20 Individual Class Member Payment and/or Individual PAGA Payment payable to the Class
21 Member, and the number of Workweeks and PAGA Pay Periods used to calculate these amounts.
22 Before mailing Class Notices, the Administrator shall update Class Member addresses using the
23 National Change of Address database.

24 6.4.3 Not later than five (5) calendar days after the Administrator’s receipt of any Class
25 Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice
26 using any forwarding address provided by the USPS. If the USPS does not provide a forwarding
27 address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class
28 Notice to the most current address obtained. The Administrator has no obligation to make further

1 attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the
2 USPS a second time.

3 6.4.4 The deadlines for Class Members' written objections, challenges to Workweeks
4 and/or Pay Periods, and Requests for Exclusion will be extended an additional fourteen days (14)
5 days beyond the forty-five (45) days otherwise provided in the Class Notice for all Class Members
6 whose notice is re-mailed. The Administrator will inform the Class Member of the extended
7 deadline with the re-mailed Class Notice.

8 6.4.5 If the Administrator, Defendant, or Class Counsel is contacted by or otherwise
9 discovers any persons who believe they should have been included in the Class Data and should
10 have received Class Notice, the Parties will expeditiously meet and confer in person or by
11 telephone, and in good faith in an effort to agree on whether to include them as Class Members.
12 If the Parties agree, such persons will be Class Members entitled to the same rights as other Class
13 Members, and the Administrator will send, via email or overnight delivery, a Class Notice
14 requiring them to exercise options under this Agreement not later than fourteen (14) days after
15 receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

16 6.5 Requests for Exclusion (Opt-Outs).

17 6.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement
18 must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not
19 later than forty-five (45) days after the Administrator mails the Class Notice (plus an additional
20 fourteen (14) days for Class Members whose Class Notice is re-mailed). A Request for Exclusion
21 is a letter from a Class Member or his/her representative that reasonably communicates the Class
22 Member's election to be excluded from the Settlement and includes the Class Member's name,
23 address and email address or telephone number. To be valid, a Request for Exclusion must be
24 timely faxed, emailed, or postmarked by the Response Deadline.

25 6.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails
26 to contain all the information specified in the Class Notice. The Administrator shall accept any
27 Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the
28 person as a Class Member and the Class Member's desire to be excluded. The Administrator's

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

6.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under paragraphs 4.2 and 4.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

6.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Member Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the Released PAGA Claims identified in Paragraph 4.3 of this Agreement and are eligible for an Individual PAGA Payment.

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

calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

6.7 Objections to Settlement.

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

6.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than forty-five (45) days after the Administrator's mailing of the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice was re-mailed).

6.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

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

6.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish, maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement; Motion for Preliminary Approval; Preliminary Approval Order; Class Notice; Motion for Final Approval; Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payments; the Final Approval Order; and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

6.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the

1 Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names
2 and other identifying information of Class Members who have timely submitted valid Requests
3 for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class
4 Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for
5 Exclusion from Settlement submitted (whether valid or invalid).

6 6.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports
7 to Class Counsel and Defense Counsel that, among other things, tally the number of: Class
8 Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether
9 valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods
10 received and/or resolved, and checks mailed for Individual Class Member Payments and
11 Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include the
12 Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all
13 Requests for Exclusion and objections received.

14 6.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to
15 address and make final decisions consistent with the terms of this Agreement on all Class Member
16 challenges over the calculation of Workweeks and/or Pay Periods. The Administrator’s decision
17 shall be final and not appealable or otherwise susceptible to challenge.

18 6.8.5 Administrator’s Declaration. Not later than fourteen (14) days before the date by
19 which Plaintiffs are required to file the Motion for Final Approval of the Settlement, the
20 Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable
21 for filing in Court attesting to its due diligence and compliance with all of its obligations under
22 this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices
23 returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the
24 total number of Requests for Exclusion from Settlement it received (both valid or invalid), the
25 number of written objections and attach the Exclusion List. The Administrator will supplement
26 its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible
27 for filing the Administrator’s declaration(s) in Court.
28

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

7. **CLASS SIZE**. Based on its records, Defendant represents there were approximately 3,988 Class Members who collectively worked a total of approximately 55,994 Workweeks during the Class Period that ended on October 14, 2024.

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

8.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

8.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class

Representative Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Administrator Costs Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

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

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

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

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

10. **ADDITIONAL PROVISIONS.**

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

10.2 Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendant, and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify the other Party of any judicial or agency order,

1 inquiry, or subpoena seeking such information. Plaintiffs, Class Counsel, Defendant, and Defense
2 Counsel separately agree not to, directly or indirectly, initiate any conversation or other
3 communication, before the filing of the Motion for Preliminary Approval, with any third party
4 regarding this Agreement or the matters giving rise to this Agreement except to respond only that
5 “the matter was resolved,” or words to that effect. This paragraph does not restrict Class Counsel’s
6 communications with Class Members in accordance with Class Counsel’s ethical obligations
7 owed to Class Members.

8 10.3 No Solicitation. The Parties separately agree that they and their respective counsel and
9 employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal
10 from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel’s ability
11 to communicate with Class Members in accordance with Defense Counsel’s and Class Counsel’s
12 ethical obligations and Class Counsel’s fiduciary duties owed to Class Members.

13 10.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
14 together with its attached exhibits shall constitute the entire agreement between the Parties
15 relating to the Settlement, superseding any and all oral representations, warranties, covenants, or
16 inducements made to or by any Party.

17 10.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
18 represent that they are authorized by Plaintiffs and Defendant, respectively, to take all appropriate
19 action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate
20 its terms, and to execute any other documents reasonably required to effectuate the terms of this
21 Agreement including any amendments to this Agreement.

22 10.6 Cooperation. The Parties and their counsel will cooperate with each other and use their
23 best efforts, in good faith, to implement the Settlement by, among other things, modifying the
24 Settlement Agreement, submitting supplemental evidence and supplementing points and
25 authorities as requested by the Court. In the event the Parties are unable to agree upon the form
26 or content of any document necessary to implement the Settlement, or on any modification of the
27 Agreement that may become necessary to implement the Settlement, the Parties will seek the
28 assistance of a mediator and/or the Court for resolution.

1 10.7 No Prior Assignments. The Parties separately represent and warrant that they have not
2 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
3 encumber to any person or entity and portion of any liability, claim, demand, action, cause of
4 action, or right released and discharged by the Party in this Settlement.

5 10.8 No Tax Advice. Neither Plaintiffs, Class Counsel, Defendant nor Defense Counsel are
6 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied
7 upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR
8 Part 10, as amended) or otherwise.

9 10.9 Modification of Agreement. This Agreement, and all parts of it, may be amended,
10 modified, changed, or waived only by an express written instrument signed by all Parties or their
11 representatives, and approved by the Court.

12 10.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure
13 to the benefit of, the successors of each of the Parties.

14 10.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be
15 governed by and interpreted according to the internal laws of the state of California, without
16 regard to conflict of law principles.

17 10.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation
18 of this Agreement. This Agreement will not be construed against any Party on the basis that the
19 Party was the drafter or participated in the drafting.

20 10.13 Confidentiality. To the extent permitted by law, all agreements made, and orders
21 entered during Action and in this Agreement relating to the confidentiality of information shall
22 survive the execution of this Agreement.

23 10.14 Headings. The descriptive heading of any section or paragraph of this Agreement is
24 inserted for convenience of reference only and does not constitute a part of this Agreement.

25 10.15 Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement
26 shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a
27 weekend or federal legal holiday, such date or deadline shall be on the first business day
28 thereafter.

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

To Plaintiffs:

John G. Yslas
john.yslas@wilshirelawfirm.com
 Diego Aviles (SBN 315533)
diego.aviles@wilshirelawfirm.com
 Harry Erganyan (SBN 333091)
harry.erganyan@wilshirelawfirm.com
 Mariam Nazaretyan (SBN 334154)
mariam.nazaretyan@wilshirelawfirm.com
WILSHIRE LAW FIRM
 660 S. Figueroa St., Sky Lobby
 Los Angeles, California 90017
 Telephone: (213) 381-9988
 Facsimile: (213) 381-9989

DOUGLAS HAN (SBN 232858)
ghan@justicelawcorp.com
JUSTICE LAW CORPORATION
 751 N. Fair Oaks Avenue, Suite 101
 Pasadena, California 91103
 Telephone: (818) 230-7502
 Facsimile: (818) 230-7259

Michael Nounnand, Esq. (SBN 198439)
mnourmand@nourmandlawfirm.com
THE NOURMAND LAW FIRM, APC
 8822 West Olympic Boulevard
 Beverly Hills, California 90211
 Tel. 310.553.3600
 Fax 310.553.3603

To Defendant:

Jennifer A. Kearns (SBN 125588)
 Brooke Tabshouri (SBN 279145)
DUANE MORRIS LLP
 750 B Street, Suite 2900
 San Diego, CA 92101-4681
 E-mail: jkearns@duanemorris.com
bhtabshouri@duanemorris.com

10.17 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or by email which for purposes of this Agreement

shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

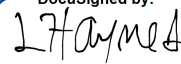
10.18 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement pursuant to CCP section 583.330 to extend the date to bring a case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

10.19 Enforcement. If an Action or proceeding is brought by any of the Plaintiffs or Defendants to enforce this Agreement, the prevailing party shall be entitled to their reasonable attorneys' fees and costs.

IT IS SO AGREED.

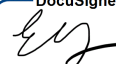
By the Parties:

DATED: 6/24/2026

DocuSigned by:

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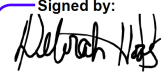
Leticia Haynes

DATED: 6/29/2026

DocuSigned by:

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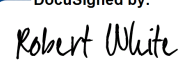
Ezell Young

DATED: 6/25/2026

Signed by:

 52C6544005B6444...

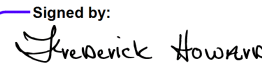
Deborah Hooker

DATED: 6/30/2026

DocuSigned by:

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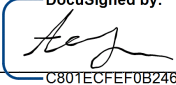
Robert White

DATED: 6/24/2026

Signed by:

 C4D594457A34451...

Frederick Howard

1
2 DATED: 6/25/2026

DocuSigned by:

C801ECFEF0B246F...
Angel Howard

3
4
5 DATED: _____

Carol Martinez

6
7 DATED: _____

David Villatoro

8
9
10 DATED: _____

Defendant Tower Wav LLC

11
12 By: Andres Muñoz _____

13 Position: Chief Executive Officer _____

14
15 Approved by counsel:

16 DATED: June 24, 2026

WILSHIRE LAW FIRM

17
18 BY: 
19 John G. Yslas
20 Diego Aviles
Harry Erganyan
Mariam Nazaretyan

21 Counsel for Plaintiffs Leticia Haynes, Ezell Young,
22 Deborah Hooker, Robert White, Frederick Howard, and
Angel Howard

23 DATED: _____

JUSTICE LAW CORPORATION

24
25 BY: _____
Jonathan Melmed

Counsel for Plaintiff Carol Martinez

26
27 DATED: _____

THE NOURMAND LAW FIRM, APC

1
2 DATED: _____

3 Angel Howard

4
5 DATED: 07/06/2026

Carol Martinez

6 Carol Martinez

7
8 DATED: _____

9 David Villatoro

10 DATED: _____

11 Defendant Tower Wav LLC

12 By: Andres Muñoz _____

13 Position: Chief Executive Officer _____

14 Approved by counsel:

15
16 DATED:

WILSHIRE LAW FIRM

17
18 BY: _____

19 John G. Yslas
20 Diego Aviles
21 Harry Erganyan
22 Mariam Nazaretyan

23 Counsel for Plaintiffs Leticia Haynes, Ezell Young,
24 Deborah Hooker, Robert White, Frederick Howard, and
25 Angel Howard

26 DATED: 07/06/26

JUSTICE LAW CORPORATION

27
28 BY: *D. Han* _____

Douglas Han

Counsel for Plaintiff Carol Martinez

DATED:

THE NOURMAND LAW FIRM, APC

1
2 DATED: _____

3 Angel Howard

4
5 DATED: _____

6 Carol Martinez

7
8 DATED: 07/07/2026

9 

10 David Villatoro

11
12 DATED: _____

13 Defendant Tower Wav LLC

14 By: Andres Muñoz _____

15 Position: Chief Executive Officer _____

16 Approved by counsel:

17 DATED:

WILSHIRE LAW FIRM

18 BY: _____

19 John G. Yslas
20 Diego Aviles
21 Harry Erganyan
22 Mariam Nazaretyan

23 Counsel for Plaintiffs Leticia Haynes, Ezell Young,
24 Deborah Hooker, Robert White, Frederick Howard, and
25 Angel Howard

26 DATED:

JUSTICE LAW CORPORATION

27 BY: _____

28 Jonathan Melmed

Counsel for Plaintiff Carol Martinez

DATED: _____

Angel Howard

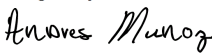
DATED: _____

Carol Martinez

DATED: _____

David Villatoro

DATED: 7/2/2026

Signed by:

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Defendant Tower Wav LLC

By: Andres Muñoz _____

Position: Chief Executive Officer _____

Approved by counsel:

DATED: **WILSHIRE LAW FIRM**

BY: _____

John G. Yslas
Diego Aviles
Harry Erganyan
Mariam Nazaretyan

Counsel for Plaintiffs Leticia Haynes, Ezell Young,
Deborah Hooker, Robert White, Frederick Howard, and
Angel Howard

DATED: **JUSTICE LAW CORPORATION**

BY: _____

Jonathan Melmed

Counsel for Plaintiff Carol Martinez

DATED: **THE NOURMAND LAW FIRM, APC**

1 DATED: July 7, 2026

THE NOURMAND LAW FIRM, APC

2
3 BY: *Michael Nourmand*

4 Michael Nourmand, Esq.

5 James A. De Sario, Esq.

Counsel for Plaintiff David Villatoro

6 DATED:

DUANE MORRIS LLP

7
8
9 BY: _____

Jennifer A. Kearns

10 Brooke Tabshouri

11 Poline Pourmorady

12 Counsel for Tower Wav LLC

1 DATED: July 7, 2026

THE NOURMAND LAW FIRM, APC

2
3 BY: Michael Nourmand

4 Michael Nourmand, Esq.
James A. De Sario, Esq.

5 Counsel for Plaintiff David Villatoro

6 DATED: 7-10-26

DUANE MORRIS LLP

7
8 BY: Jennifer A. Kearns

9 Jennifer A. Kearns
10 Brooke Tabshouri
Poline Pourmorady

11 Counsel for Tower Way LLC
12
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EXHIBIT A

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

Haynes, et al. v. Tower Wav, LLC, Case No. CGC-22-603761 (San Francisco County Superior Court)

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

You may be eligible to receive money from an employee class and a representative action lawsuit (“Action”) against Tower WAV, LLC and Tower EV, LLC (“Defendants”) for alleged wage and hour violations. The Actions were filed by former employees Leticia Haynes, Ezell Young, Deborah Hooker, Robert White, Frederick Howard, Angel Howard, Carol Martinez, and David Villatoro and seek payment of back wages and other relief for a class of all persons currently or formerly employed by Defendants Tower WAV, LLC or its wholly-owned subsidiary, Tower EV, LLC as hourly-paid, non-exempt employees in the State of California (“Class Members”) who worked for Defendants during the Class Period (December 30, 2020 through October 14, 2024); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all Class Members who worked for Defendants during the PAGA Period (October 18, 2022 through October 14, 2024) (“Aggrieved Employees”). The Actions listed above were coordinated in San Francisco Superior Court and are now named as Tower Wav Wage and Hour Cases JCCP No. 5404 and the First Amended Complaint in *Haynes, et al. v. Tower Wav, LLC*, Case No. CGC-22-603761 is the “Operative Complaint.”

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

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

The above estimates are based on Defendants’ records showing that **you worked [REDACTED] Workweeks during the Class Period and you worked [REDACTED] Pay Periods during the PAGA Period**. If you believe that you worked more during either period, you can submit a challenge by the deadline date.

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

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

BASIC INFORMATION

1. WHY AM I RECEIVING THIS NOTICE?

Defendants' records indicate that you worked for Defendants at some point(s) between December 30, 2020 through October 14, 2024, and are therefore a member of the Class for purposes of this Settlement.

You received this Notice because you have a right to know about a proposed Settlement of the Action, and about all of your options, before the Court decides whether to finally approve the Settlement. The Settlement will resolve all Class Members' claims, which are described below, during the Class Period. The Settlement will also resolve claims for civil penalties brought under the California Private Attorneys' General Act ("PAGA"). If you are a Class Member, you may also an "Aggrieved Employee" if you worked for Defendants during the "PAGA Period," which is October 18, 2022 through October 14, 2024.

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

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

The Court in charge of this Action is in the San Francisco County Superior Court and case is titled *Haynes v. Tower Wav, LLC*, Case No. CGC-22-603761 part of the Tower Wav Wage and Hour Cases, JCCP No. 5404. The persons who sued, Leticia Haynes, Ezell Young, Deborah Hooker, Robert White, Frederick Howard, Angel Howard, Carol Martinez, and David Villatoro, are the Plaintiffs, and the company sued, Tower Wav, LLC and Tower EV, LLC, are the Defendants.

2. WHAT IS THE LAWSUIT ABOUT?

The Plaintiffs in the lawsuits allege wage and hour violations against Defendants for: (1) Failure to Pay Minimum and Straight Time Wages; (2) Failure to Pay Overtime Wages; (3) Failure to Provide Meal Periods; (4) Failure to Authorize and Permit Rest Periods; (5) Failure to Timely Pay Final Wages at Termination; (6) Failure to Provide Accurate Itemized Wage Statements; (7) Failure to Indemnify Employees for Expenditures; (8) Failure to Produce Requested Employment Records; and (9) Unfair Business Practices. In addition, Plaintiffs are seeking to recover civil penalties pursuant to PAGA (“PAGA Penalties”) based on the alleged violations of the California Labor Code listed above. Defendants deny Plaintiff’s claims and denies any wrongdoing.

3. WHY IS THIS A CLASS ACTION?

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

4. WHY IS THERE A SETTLEMENT?

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

WHO IS INCLUDED IN THE SETTLEMENT?

5. WHO IS INCLUDED IN THE SETTLEMENT?

If you received this Notice, you are a Class Member for settlement purposes. The Class includes: All employees of Defendants Tower WAV, LLC or its wholly owned subsidiary Tower EV, LLC who were classified as non-exempt and worked within the State of California at any time from December 30, 2020 through October 14, 2024. If you have previously signed a release of your wage and hour claims with Defendants, only the workweeks you have worked after the release are included.

6. ARE THERE EXCEPTIONS TO BEING INCLUDED?

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

THE SETTLEMENT BENEFITS—WHAT YOU GET

7. WHAT DOES THE SETTLEMENT PROVIDE?

Defendants have agreed to pay a Gross Settlement Amount (“GSA”) of \$1,000,000.00 (One Million Dollars and Zero Cents) to settle the lawsuit. From the GSA, Class Counsel will apply to the Court for attorneys’ fees of up to one third (1/3) of the GSA (currently \$333,333.33) and up to \$50,000.00 in costs; a Class Representative Service Payment of \$5,000.00 to Plaintiffs (for Plaintiffs’ work and efforts prosecuting this case); a PAGA Penalties payment of \$50,000.00 to resolve the PAGA claims; and Settlement Administration Costs to Phoenix Settlement Administrators, Inc., not to exceed \$31,000.00. The exact amount of the Class Counsel’s Fees and Litigation Expenses, Class Representative Service Payment, and Administration Costs will be determined by the Court at the Final Approval hearing. The remaining portion of the Settlement amount, the “Net Settlement Amount” or the “NSA,” is currently estimated to be approximately \$xxx,xxx.xx. The NSA will be apportioned and paid out as Individual Class Payments to the Settlement Class Members, who are the Class Members that do not request to be excluded (“opt out”) of the Settlement.

PAGA Penalties payment: As part of the PAGA portion of the Settlement, the Parties will ask the Court to approve a \$50,000.00 PAGA Penalties payment in settlement of claims for civil penalties under PAGA. As required under PAGA, 75% of the PAGA Penalties payment, or \$37,500.00, will be paid to the California Labor and Workforce Development Agency. The remaining 25% of the PAGA Penalties payment, or \$12,500.00, will be distributed to the Aggrieved Employees as Individual PAGA Payments.

8. HOW MUCH WILL MY PAYMENT BE?

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

Individual Class Payment: Your Individual Class Payment is based on the number Workweeks you worked, as represented in Defendants’ records, in comparison to the total number of Workweeks worked by all Class Members during the Class Period (December 30, 2020 through October 14, 2024). Eighty percent (80%) of each Class Member’s Individual Class Payment will be treated as a payment in settlement of the alleged claims for penalties and interest and will be reported on a Form 1099 by the Settlement Administrator, and twenty percent (20%) of each Class Member’s Individual Class Payment will be treated as a payment in settlement of alleged claims for unpaid wages. The 20% allocated as unpaid wages will be reduced by applicable payroll tax withholdings and deductions and reported on a Form W-2.

Individual PAGA Payment: If you worked for Defendants from October 18, 2022 through October 14, 2024 (“PAGA Period”), you are also an “Aggrieved Employee” and will receive an Individual PAGA Payment in addition to your Individual Class Payment. The Individual PAGA Payments are based on the number of PAGA Pay Periods worked by each Aggrieved Employee in comparison to the total amount of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period. One hundred percent (100%) of each Aggrieved Employees’ Individual PAGA Payment will be characterized as penalties and will not be reduced by payroll tax withholdings and deductions. The Individual PAGA Payment will be reported on a Form 1099 by the Settlement Administrator. An approximation of your anticipated Individual PAGA Payment appears on the first page of this Notice.

For the Class Members who are also Aggrieved Employees, their Individual Class Payment will be combined with their Individual PAGA Payment, and they will receive a single check for the combined payments. If a Class Member chooses to opt-out of the Settlement, they will still receive an Individual

PAGA Payment, as Aggrieved Employees cannot opt-out of the PAGA portion of the Settlement under California law.

HOW YOU GET A PAYMENT

9. HOW DO I RECEIVE A PAYMENT?

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

10. WHEN WOULD I GET MY PAYMENT?

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

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

Settlement checks should be cashed promptly upon receipt. Proceeds of checks which remain uncashed after 180 days from the date of issuance will be forwarded to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b). If your settlement check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.

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

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

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

Released Class Claims: The "Released Class Claims" are all claims, rights, demands, liabilities, and causes of action, in law or in equity, arising at any time during the Class Period for the claims brought by Plaintiffs in the Operative Class Complaint, or that could have been brought by Plaintiffs against Defendants in the Operative Class Complaint based on the facts alleged therein.

Released PAGA Claims: If you an Aggrieved Employee (i.e. if you worked for Defendants during the PAGA Period), you will also release all claims for civil penalties that were alleged or could have been

alleged in the Operative PAGA Complaint and the PAGA Notice based on the facts alleged therein during the PAGA Period.

EXCLUDING YOURSELF FROM THE SETTLEMENT

12. HOW DO I EXCLUDE MYSELF FROM THE SETTLEMENT?

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

[ADMINISTRATOR]
Haynes v. Tower Wav, LLC
XXXXX
City, State, XXXXX
Email:

If you ask to be excluded from the Settlement, you will not be legally bound by anything that happens in the Action, except as it relates to settlement of the PAGA claim. If you ask to be excluded from the Settlement you will not be able to object to the Settlement and you will not receive an Individual Class Payment, but you will still receive an Individual PAGA Payment if you worked for Defendants during the PAGA Period (October 18, 2022 through October 14, 2024). If you ask to be excluded, you may be able to sue (or continue to sue) Defendants in the future.

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

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

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

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

THE LAWYERS REPRESENTING YOU IN THIS LAWSUIT

15. DO I HAVE A LAWYER IN THIS CASE?

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

Michael Nounnand, Esq. (SBN 198439)
mnourmand@nourmandlawfirm.com
James A. De Sario, Esq. (SBN 262552)
jdesario@nourmandlawfirm.com
THE NOURMAND LAW FIRM, APC
8822 West Olympic Boulevard
Beverly Hills, California 90211
Tel. 310.553.3600
Fax 310.553.3603

Douglas Han (SBN 232858)
dhan@justicelawcorp.com
Shunt Tatavos-Gharajeh (SBN 272164)
statavos@justicelawcorp.com
JUSTICE LAW CORPORATION
751 N. Fair Oaks Avenue, Suite 101
Pasadena, California 9110
Telephone: (818) 230-7502
Facsimile: (818) 230-7259

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Harry Erganyan
harry.erganyan@wilshirelawfirm.com
Mariam Nazaretyan
mariam.nazaretyan@wilshirelawfirm.com
WILSHIRE LAW FIRM
660 S. Figueroa St., Sky Lobby
Los Angeles, California 90017
Telephone: (213) 381-9988
Facsimile: (213) 381

16. HOW WILL THE LAWYERS BE PAID?

Class Counsel will ask the Court to approve up to one third (1/3) of the GSA (currently \$333,333.33) for attorneys' fees incurred in investigating the facts, litigating the case, and negotiating the Settlement. Class Counsel will also seek Court-approval of up to \$50,000.00 in litigation expenses incurred in this matter. The Court may award Class Counsel less than what they request. Class Counsel will also ask the Court to approve payment to Plaintiffs Leticia Haynes, Ezell Young, Deborah Hooker, Robert White, Frederick Howard, Angel Howard, Carol Martinez, and David Villatoro in the amount of \$5,000.00 each in addition to Plaintiffs' Individual Class Payment and Individual PAGA Payment for the initiative, risk, and time and energy Plaintiff has spent in service to the Class as the Class Representative. The Court may award the Class Representative less than what is requested.

OBJECTING TO THE SETTLEMENT

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

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

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

[ADMINISTRATOR]
Haynes v. Tower Wav, LLC
XXXXX
City, State, XXXXX
Email:

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

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

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

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

THE COURT'S FAIRNESS HEARING

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

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

The Court will hold a Final Approval Hearing at [redacted] on [redacted] in Department 504 of the San Francisco County Superior Court located at 455 Golden Gate Ave., San Francisco, CA 94102 to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. If there are objections, the Court will consider them at that time. The Court will also be asked to approve the requests for the Class Representative Service Payment and the Class Counsel Fees and Litigation Expenses Payments.

20. DO I HAVE TO COME TO THE HEARING?

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

IF YOU DO NOTHING

21. WHAT IF I DO NOTHING AT ALL?

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

GETTING MORE INFORMATION

EXHIBIT 6

Evette Padilla

From: no-reply@formassembly.com
Sent: Friday, September 4, 2026 2:31 PM
To: Evette Padilla
Subject: Thank you for your Proposed Settlement Submission

09/04/2026 02:30:32 PM

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

Item submitted: Proposed Settlement

On 09/04/2026 02:30:32 PM your Proposed Settlement was successfully processed for case number LWDA-CM-981948-23

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

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website:

https://nam12.safelinks.protection.outlook.com/?url=http%3A%2F%2Flabor.ca.gov%2FPrivate_Attorneys_General_Act.htm&data=05%7C02%7Cevette.padilla%40wilshirelawfirm.com%7Cd0a7c03eb84f40d81dfa08df0acbc8a1%7C9ada260a4f194da187b814d372333753%7C1%7C0%7C639241542529250518%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMlslkFOlJoiTWFpbCIslldUljoyfQ%3D%3D%7C0%7C%7C%7C&sdata=TOW5KFllsLU3Licf3sSQ3J72y8BMbbUX%2FcBqdA7Vc%3D&reserved=0

EXHIBIT 7



CASE ASSUMPTIONS

Class Members	4,276
Opt Out Rate	1%
Opt Outs Received	43
Total Class Claimants	4,233
Subtotal Admin Only	\$31,000.00

Not-to-Exceed Total \$31,000.00

For 4276 Class Members

Pricing Good for Scope of Estimate Only

June 19, 2025

Case: Haynes v. Tower Wav, LLC, et al., Opt-Out Administration wLanguage

Phoenix Contact: Jodey Lawrence

Contact Number: 949.566.1455

Email: Jodey@phoenixclassaction.com

Requesting Party: Mariam Nazaretyan

Firm: Wilshire Law Firm, PLC

Direct Tel: (213) 381-9988 Ext. 1181

Email: mariam.nazaretyan@wilshirelawfirm.com

Assumptions and Estimate are based on information provided by counsel. If class size changes, PHX will need to adjust this Estimate accordingly.

Estimate is based on 4276 Class Members. Class data Must be sent in Microsoft Excel or uploaded in the same format. Class Data Must be sent in one spreadsheet, with no additional programming needed. A rate of \$150 per hour will be charged for any additional analysis or programming. Pricing good for 90 days.

Case & Database Setup / Toll Free Setup & Call Center / NCOA (USPS)

Administrative Tasks:	Rate	Hours/Units	Line Item Estimate
Programming Manager	\$125.00	3	\$375.00
Programming Database & Setup	\$125.00	3	\$375.00
Toll Free Setup*	\$151.56	1	\$151.56
Call Center & Long Distance	\$2.00	16	\$32.00
NCOA (USPS)	\$300.00	2	\$600.00
Total			\$1,533.56

* Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Opt-Out Form & Postage / Spanish Translation / Reporting

Project Action	Rate	Hours/Units	Line Item Estimate
Notice Packet Formatting	\$125.00	3	\$375.00
Data Merge & Duplication Scrub	\$0.50	4,276	\$2,138.00
Notice Packet & Opt-Out Form	\$1.25	4,276	\$5,345.00
Estimated Postage (up to 2 oz.)*	\$0.69	4,276	\$2,950.44
Static Website	\$200.00	1	\$200.00
Language Translation	\$1,000.00	1	\$1,000.00
Total			\$12,008.44

* Prices good for 90 days. Subject to change with the USPS Rate or change in Notice pages or Translation, if any.



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CLASS ACTION ADMINISTRATION SOLUTIONS

Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables

Project Action:	Rate	Hours/Units	Line Item Estimate
Case Associate	\$55.00	2	\$110.00
Skip Tracing Undeliverables	\$1.00	321	\$320.70
Remail Notice Packets	\$1.25	321	\$400.88
Estimated Postage	\$0.69	321	\$221.28
Programming Undeliverables	\$50.00	2	\$100.00
Total			\$1,152.86

Database Programming / Processing Opt-Outs, Deficiencies or Disputes

Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Claims Database	\$125.00	3	\$375.00
Non Opt-Out Processing	\$100.00	1	\$100.00
Case Associate	\$55.00	4	\$220.00
Opt-Outs/Deficiency/Dispute Letters	\$10.00	17	\$170.00
Case Manager	\$85.00	4	\$340.00
Total			\$1,205.00

Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks

Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Calculations	\$125.00	3	\$375.00
Disbursement Review	\$125.00	3	\$375.00
Programming Manager	\$95.00	3	\$285.00
QSF Bank Account & EIN	\$100.00	2	\$200.00
Check Run Setup & Printing	\$125.00	6	\$750.00
Mail Class Checks *	\$1.50	4,276	\$6,414.00
Estimated Postage	\$0.69	4,276	\$2,950.44
Total			\$11,349.44

* Checks are printed on 8.5 x 11 in. sheets with W2/1099 Tax Filing



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CLASS ACTION ADMINISTRATION SOLUTIONS

Tax Reporting & Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations

Project Action:	Rate	Hours/Units	Line Item Estimate
Case Supervisor	\$125.00	5	\$625.00
Remail Undeliverable Checks (Postage Included)	\$1.50	214	\$320.70
Case Associate	\$55.00	2	\$110.00
Reconcile Uncashed Checks	\$75.00	3	\$225.00
Conclusion Reports	\$75.00	2	\$150.00
Case Manager Conclusion	\$85.00	2	\$170.00
Final Reporting & Declarations	\$100.00	2	\$200.00
IRS & QSF Annual Tax Reporting * (1 State Tax Reporting Included)	\$1,950.00	1	\$1,950.00
Total			\$3,750.70

* All applicable California State & Federal taxes, which include SUI, ETT, and SDI, and FUTA filings. Additional taxes are Defendant's responsibility.

Estimate Total: \$31,000.00



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CLASS ACTION ADMINISTRATION SOLUTIONS

TERMS AND CONDITIONS

Provisions: The case estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make any provision for any services or class size not delineated in the request for proposal or stipulations. Proposal rates and amounts are subject to change upon further review, with Counsel/Client, of the Settlement Agreement. Only pre-approved changes will be charged when applicable. No modifications may be made to this estimate without the approval of PSA (Phoenix Settlement Administrators). All notifications are mailed in English language only unless otherwise specified. Additional costs will apply if translation into other language(s) is required. Rates to prepare and file taxes are for Federal and California State taxes only. Additional charges will apply if multiple state tax filing(s) is required. **Pricing is good for ninety (90) days.**

Data Conversion and Mailing: The proposal assumes that data provided will be in ready-to-use condition and that all data is provided in a single, comprehensive Excel spreadsheet. PSA cannot be liable for any errors or omissions arising due to additional work required for analyzing and processing the original database. A minimum of two (2) business days is required for processing prior to the anticipated mailing date with an additional two (2) business days for a National Change of Address (NCOA) update. Additional time may be required depending on the class size, necessary translation of the documents, or other factors. PSA will keep counsel apprised of the estimated mailing date.

Claims: PSA's general policy is to not accept claims via facsimile. However, in the event that facsimile filing of claims must be accepted, PSA will not be held responsible for any issues and/or errors arising out of said filing. Furthermore, PSA will require disclaimer language regarding facsimile transmissions. PSA will not be responsible for any acts or omissions caused by the USPS. PSA shall not make payments to any claimants without verified, valid Social Security Numbers. All responses and class member information are held in strict confidentiality. Additional class members are \$10.00 per opt-out.

Payment Terms: All postage charges and 50% of the final administration charges are due at the commencement of the case and will be billed immediately upon receipt of the data and/or notice documents. PSA bills are due upon receipt unless otherwise negotiated and agreed to with PSA by Counsel/Client. In the event the settlement terms provide that PSA is to be paid out of the settlement fund, PSA will request that Counsel/Client endeavor to make alternate payment arrangements for PSA charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the settlement account is funded by Defendant, or no later than the time of disbursement. Amounts not paid within thirty (30) days are subject to a service charge of 1.5% per month or the highest rate permitted by law.

Tax Reporting Requirements

PSA will file the necessary tax returns under the EIN of the QSF, including federal and state returns. Payroll tax returns will be filed if necessary. Under the California Employment Development Department, all taxes are to be reported under the EIN of the QSF with the exception of the following taxes: Unemployment Insurance (UI) and Employment Training Tax (ETT), employer-side taxes, and State Disability Insurance (SDI), an employee-side tax. These are reported under Defendant's EIN. Therefore, to comply with the EDD payroll tax filing requirements we will need the following information:

1. Defendant's California State ID and Federal EIN.
2. Defendant's current State Unemployment Insurance (UI) rate and Employment Training Tax (ETT) rate. This information can be found in the current year DE 2088, Notice of Contribution Rates, issued by the EDD.
3. Termination dates of the class members, or identification of current employee class members, so we can account for the periods that the wages relate to for each class member.
4. An executed Power of Attorney (Form DE 48) from Defendant. This form is needed so that we may report the UI, SDI, and ETT taxes under Defendant's EIN on their behalf. If this form is not provided we will work with the EDD auditors to transfer the tax payments to Defendant's EIN.
5. Defendant is responsible for reporting the SDI portion of the settlement payments on the class member's W-2. PSA will file these forms on Defendant's behalf for an additional fee and will issue an additional W-2 for each class member under Defendant's EIN, as SDI is reported under Defendant's EIN rather than the EIN of the QSF. The Power of Attorney (Form DE 48) will be needed in order for PSA to report SDI payments.