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individuals on behalf of themselves and others similarly situated

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO**

UDOKA NWEKE and FARLEY LEWIS
DOXEY, on behalf of themselves and all
others similarly situated, and the general
public,

Plaintiffs,

vs.

KERBEROS INTERNATIONAL, INC., a
Texas Corporation; and DOES 1 through
50, inclusive,

Defendant.

Case No.: 23CV008209

CLASS ACTION

Assigned for All Purposes To:
Honorable Lauri A. Damrell
Department 22

**SUPPLEMENTAL DECLARATION OF
DAVID ARAKELYAN IN SUPPORT OF
PLAINTIFFS' MOTION FOR
PRELIMINARY APPROVAL OF THE
PARTIES' CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT**

Date: June 27, 2025
Time: 9:00 a.m.
Location: Department 22

Original Complaint Filed: September 8, 2023
Amended Complaint Filed: November 16, 2023
Second Amended Complaint Filed: May 15, 2024
Trial Date: None Set

SUPPLEMENTAL DECLARATION OF DAVID ARAKELYAN

I, David Arakelyan, declare as follows:

1. I am an attorney licensed and admitted to practice before all courts of the State of California and the United States District Court for the Central, Eastern, and Northern Districts of California. I am an Associate Attorney at D.Law, Inc. and counsel for Plaintiffs Udoka Nweke and Farley Lewis Doxey ("Plaintiffs"), on behalf of themselves and other similarly situated employees of defendant Kerberos International. Inc. ("Defendant") (collectively, "the Parties").

2. All of the matters set forth herein are within my personal knowledge. I submit this Declaration in support of Plaintiffs' Motion for Preliminary Approval of the Parties' Class Action and PAGA Settlement Agreement ("Motion") pursuant to the requirements set forth in the Court's June 20, 2025, Tentative Ruling.

3. Plaintiffs' Counsel has reviewed the Court's Rules, particularly, section 2.99.05 pertaining to Settlement Approval Motions. In drafting the original motion, Plaintiffs' Counsel also worked diligently to follow the checklist supplied by the Sacramento County Superior Court for class and PAGA action settlement approvals.

4. As mentioned in the Settlement Agreement (attached as **Exhibit 1** to the original Declaration of David Keledjian), Plaintiff Nweke sent a PAGA notice on September 8, 2023, and Plaintiffs Nweke and Doxey subsequently submitted an amended PAGA notice to the LWDA on August 28, 2024 (Exhibit 1, ¶ 2.2.). True and correct copies of Plaintiff Nweke's PAGA letter and the amended letter on behalf of both Plaintiffs are attached hereto as **Exhibits 4 and 5**, respectively.

5. Plaintiffs have also amended the Class Notice to reflect the changes required by the Court. A true and correct copy of the redlined revisions to the Class Notice is attached as **Exhibit 6** and a true and correct copy of the revised Class Notice is attached as **Exhibit 7**.

6. Specifically, Plaintiffs added the relevant language regarding the unclaimed checks going to the California Controller's Unclaimed Property Fund in Class Member's names. The additional language also advises Class Members about consulting the rules of the Unclaimed Property Fund on instructions how to retrieve their settlement money (See **Exhibits 6 and 7, page**

1 3). Plaintiffs also clarified the allocation of the LWDA payment, specifically the portion payable to
2 the Aggrieved Employees (See **Exhibits 6 and 7, page 4**) Plaintiffs also removed the language from
3 the release portion for the Aggrieved Employees, as instructed by the Court, (See **Exhibits 6 and 7,**
4 **page 5**) and added the Zoom link and telephone number for Class Members wanting to appear
5 remotely at the final approval hearing (See **Exhibits 6 and 7, page 7**).

6 7. Having met and conferred with the Defense counsel, I confirm that the reference to
7 the Controller of the State of California, found in section 4.4.3 of the Settlement Agreement (**Exhibit**
8 **1**), is a reference to the Controller's Unclaimed Property Fund. The Settlement Agreement has been
9 amended to reflect this change (See **Exhibits 8 and 9, ¶ 4.4.3**). A true and correct copy of the
10 redlined revisions to the Settlement Agreement is attached hereto as **Exhibit 8**. A true and correct
11 copy of the executed amended Settlement Agreement is attached hereto as **Exhibit 9**.

12 8. I also confirm that both Plaintiffs' counsel and Defense counsel are agreeable to the
13 removal of the bolded language from both the Class and PAGA releases (**Exhibit 1, ¶¶ 5, 5.2, and**
14 **5.3**), as provided in the Court's tentative ruling. The Settlement Agreement has been amended to
15 reflect this change (**Exhibits 8 and 9, ¶¶ 5.1, 5.2, and 5.3**).

16 9. Apex's quote for \$4,200, which was attached with the original declaration from the
17 Settlement Administrator, includes translation service as Spanish language translation (see
18 Declaration of Sean Hartranft, on file with the Court). However, the Parties confirmed that no
19 Spanish language translation will be needed for this settlement administration. The original
20 Agreement was based on an earlier quote from Apex, which did not incorporate the administration
21 of a Notice in Spanish. The Administrator's original declaration did incorporate the Spanish
22 translation quote and was thus inconsistent with the Settlement Agreement. The Administrator has
23 since provided an amended Declaration, confirming its "not to exceed" bid of \$3,000. Plaintiff is
24 submitting the Amended Declaration of Sean Hartranft, which includes the correct administration
25 expense amount and the correct bid provided by the Administrator.

26 10. Per the Court's tentative ruling, the amended Settlement Agreement has been
27 submitted to the LWDA. A true and correct copy of the confirmation of this submission is attached
28 hereto as **Exhibit 10**.

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

3 Executed this 3rd day of July 2025 in Glendale, California

4 */s/ David Arakelyan*

5 _____
David Arakelyan

EXHIBIT 4

VIA ON-LINE SUBMISSION AND MAIL:

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

Private Attorneys General Act**Attn. PAGA Administrator**

455 Golden Gate Avenue, 9th Floor
San Francisco, CA 94102

Kerberos International, Inc.

Incorp Services, Agent for Service of Process

5716 Corsa Ave., Westlake Village, CA 91362

Certified Mail Tracking Number: 9414 8112 0620 3074 4803 10

**Re: Labor Code § 2698, *et seq.* Penalties – PAGA Notice Letter to the LWDA
*Nweke v. Kerberos International, Inc., et al.***

Gentlepersons:

This office represents Plaintiff Udoka Nweke (“Plaintiff”) and other similarly situated aggrieved employees (collectively “Aggrieved Employees”) for violations of California Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 226.8, 510, 512, 515, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, 2699, *et seq.*, and 2802; provisions of the Industrial Welfare Commission (IWC) Wage Order(s); and California Business & Professions Code § 17200 *et seq.*

The purpose of this letter is to comply with the Private Attorneys General Act of 2004, pursuant to California Labor Code § 2698 *et seq.* (“the Act”). Plaintiff would like to bring a representative action, pursuant to the Act, on behalf of himself and all other similarly situated Aggrieved Employees, and the State of California, against Defendants, Kerberos International, Inc., and DOES 1 through 50 inclusive (all defendants being referred to herein collectively as “Defendants”).

Additionally, this correspondence will serve to satisfy the notice requirements under the Act, along Plaintiff’s Class Action Complaint, which is attached hereto and incorporated by reference herein. The Complaint is being concurrently filed in Sacramento County Superior Court and will be assigned a local case number. The Complaint allegations and claims are incorporated into this Notice Letter.

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



Relevant Facts

Plaintiff was employed by Defendants as a non-exempt hourly employee in California. Aggrieved Employees include all non-exempt hourly employees of Defendants within the state of California from one year prior to the date of this letter and continuing through the present (Plaintiff and Aggrieved Employees are collectively referred to herein as “Aggrieved Employees”).

Defendants had a common policy and practice of systemically failing to pay Plaintiff and Aggrieved Employees proper wages and overtime for all hours worked at the proper rates of pay. First, Defendants implemented an unlawful time-rounding policy and practice which rounded down and reduced the actual working hours recorded by Plaintiff and Aggrieved Employees, and upon which their pay was based, and generally did so to the detriment of the Plaintiff and Aggrieved Employees, and these unlawfully rounded time entries were inputted into Defendants’ payroll system from which wage statements and payroll checks were created. Defendants did so with the ostensible intent of paying Plaintiff and Aggrieved Employees only for the hours they were scheduled to work, rather than the hours they were actually under Defendants’ control. Plaintiff contends this policy is not neutral and results, over time, to the detriment of the Plaintiff and Aggrieved Employees by systematically undercompensating them.

Next, Defendants had a common policy and practice of automatically deducting time for alleged unpaid meal periods which were systemically denied in violation of California law. In fact, Defendants failed to track and/or record Plaintiff and Aggrieved Employees’ unpaid meal periods altogether, which were often shorter than the automatically deducted time, were systemically interrupted with work by having to continuously monitor their company-issued radios or denied altogether.

Finally, Plaintiff and Aggrieved Employees were required to remain on-call outside of their usual scheduled shifts, and remain readily available to work, immediately upon Defendants’ requests. Plaintiff and Aggrieved Employees were not left free and unrestricted during on-call working hours and were not free to pursue personal interests without restriction. Plaintiff and Aggrieved Employees were never paid stipends for either controlled or uncontrolled on-call or stand-by working hours.

The forgoing and uncompensated working time was under the direction and control of Defendants, for which no wages were paid. This uncompensated time caused Plaintiff and Aggrieved Employees to work in excess of eight (8), ten (10) and/or twelve (12) hours a day and/or forty (40) hours a week, entitling Plaintiff and Aggrieved Employees to minimum and overtime wages, which they were systemically denied.

Defendants had a common policy and practice of systemically denying Plaintiff and Aggrieved Employees the opportunity to take meal periods in compliance with the California Law. As discussed above, Defendants had a common policy and practice of automatically deducting time for alleged unpaid meal periods which were systemically denied. Moreover, Defendants failed to properly track and/or record Plaintiff and Aggrieved Employees meal periods altogether. Additionally, what meal periods were taken by Plaintiff and Aggrieved Employees were regularly taken late, or after the completion of their fifth hour of work, under 30 minutes, and regularly interrupted by work related tasks. Finally, Plaintiff and Aggrieved Employees were required to



keep and monitor their company-issued radios during their entire work shifts, including during meal and rest breaks, when such breaks were taken.

Additionally, Plaintiff and Aggrieved Employees were regularly required to work in excess of ten (10) and twelve (12) hours a day while never being provided second, uninterrupted and duty-free meal periods, to commence prior to the completion of their tenth hour of work, all in violation of California law.

Plaintiff and Aggrieved Employees were not provided with meal periods of at least thirty (30) minutes for each five (5) hour work period due to (1) Defendants' policy of not scheduling each meal period as part of each work shift; (2) no formal written meal policy that encouraged employees to take their meal periods, or that advised Aggrieved Employees of their meal and rest period rights; and (3) Defendants' practice of requiring putative Aggrieved Employees to continue working through their meal and rest periods due to the excessive workload

Defendants had a common policy and practice of systemically denying Plaintiff and Aggrieved Employees the opportunity to take rest periods in compliance with the California Law. Plaintiff and Aggrieved Employees were not provided with rest periods of at least ten (10) minutes for each four (4) hour work period, or major fraction thereof, due to (1) Defendants' policy of not scheduling each rest period as part of each work shift, including second rest breaks for shifts of six (6) hours or more; (2) no formal compliant written rest period policy that encouraged employees to take their rest periods, or that properly advised Plaintiff and Aggrieved Employees of their rest period rights; (3) Defendants' policy and practice of requiring putative Aggrieved Employees to continue working through their rest breaks due to the excessive workload and having to keep, maintain, and monitor their company-issued radios during breaks.

Furthermore, Defendants failed to pay Plaintiff and Aggrieved Employees premium pay wages at their appropriate regular rates of pay for each meal and rest period denied.

Plaintiff and Aggrieved Employees were not provided with accurate wage statements as mandated by law pursuant to Labor Code section 226. Specifically, Defendants failed to issue wage statements as "a detachable part of the check, draft, or voucher paying the employee's wages, or separately if wages are paid by personal check or cash, an accurate itemized statement in writing." Additionally, the wage statements issued to Plaintiff and Aggrieved Employees were not recorded in "ink or other indelible form."

Defendants failed to comply with Labor Code section 226(a)(1) as "gross wages earned" were not accurately reflected in that: all hours worked, including overtime, were not included.

Defendants failed to comply with Labor Code section 226(a)(2) as "total hours worked by the employee" were not accurately reflected in that: all hours worked, including overtime, were not included.

Defendants failed to comply with Labor Code section 226(a)(5) as "net wages earned" were not accurately reflected in that: all hours worked, including overtime, were not included.



Defendants failed to comply with Labor Code section 226(a)(9) as “all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee” were not accurately reflected in that: all hours worked, including overtime, were not included.

Furthermore, Defendants failed to provide Plaintiff and Aggrieved Employees with paper pay stubs as required by Labor Code § 226, applicable Wage Orders, and DLSE Opinion Letters. Plaintiff’s and Aggrieved Employees’ wage statement were only provided in electronic format in violation of Labor Code § 226.

Plaintiff and Aggrieved Employees were not reimbursed for business expenses incurred in executing their duties under Defendant’s employ. Specifically, Plaintiff and Aggrieved Employees were required to clean and maintain their work uniforms, necessary for Plaintiff and Aggrieved Employees to execute their duties under Defendants’ employ, and for which no reimbursements were paid.

PAGA Claim Details, Legal Bases for Violations and Penalties:

As addressed above and in further detail in the Class Action Complaint, Plaintiff and the Aggrieved Employees complain of the following violations committed by Defendants:¹

Failure to Pay Minimum Wages

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

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

California Labor Code § 1197, entitled “Pay of Less Than Minimum Wage” states: “The minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and

¹ Plaintiff hereby reserves the right to seek penalties on behalf of all Aggrieved Employees, for Defendants’ violations of the applicable provisions of the Labor Code, suffered by Aggrieved Employees, but not directly suffered by Plaintiff under *Huff v. Securitas Security Services USA, Inc.* (2018) 23 Cal.App.5th 745.



the payment of a less wage than the minimum so fixed is unlawful.” The minimum wage provisions of California Labor Code are enforceable by private civil action pursuant to Labor Code § 1194(a) which states: “Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney’s fees and costs of suit.”

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

Defendants had a common policy and practice of systemically failing to pay Plaintiff and Aggrieved Employees proper wages and overtime for all hours worked, at the proper rates of pay. First, Defendants implemented an unlawful time-rounding policy and practice which rounded down and reduced the actual working hours recorded by Plaintiff and Aggrieved Employees, and upon which their pay was based, and generally did so to the detriment of the Plaintiff and Aggrieved Employees, and these unlawfully rounded time entries were inputted into Defendants’ payroll system from which wage statements and payroll checks were created. Defendants did so with the ostensible intent of paying Plaintiff and Aggrieved Employees only for the hours they were scheduled to work, rather than the hours they were actually under Defendants’ control. Plaintiff contends this policy is not neutral and results, over time, to the detriment of the Plaintiff and Aggrieved Employees by systematically undercompensating them.

Next, Defendants had a common policy and practice of automatically deducting time for alleged unpaid meal periods which were systemically denied in violation of California law. In fact, Defendants failed to track and/or record Plaintiff and Aggrieved Employees’ unpaid meal periods altogether, which were often shorter than the automatically deducted time, were systemically interrupted with work by having to continuously monitor their company-issued radios, or denied altogether.

Finally, Plaintiff and Aggrieved Employees were required to remain on-call outside of their usual scheduled shifts, and remain readily available to work, immediately upon Defendants’ requests. Plaintiff and Aggrieved Employees were not left free and unrestricted during on-call working hours, and were not free to pursue personal interests without restriction. Plaintiff and Aggrieved Employees were never paid stipends for either controlled or uncontrolled on-call or stand-by working hours.

The forgoing and uncompensated working time was under the direction and control of Defendants,



for which no wages were paid Defendants have the ability to pay minimum and overtime wages for all time worked and have willfully refused to pay such wages with the intent to secure for Defendants a discount upon this indebtedness with the intent to annoy, harass, oppress, hinder, delay, or defraud Plaintiff and Aggrieved Employees.

In light of the forgoing, the Aggrieved Employees seek to recover wages and penalties. Aggrieved Employees are entitled to recover the unpaid minimum wages (including double minimum wages), liquidated damages in an amount equal to the minimum wages unlawfully unpaid, interest thereon and reasonable attorney's fees and costs of suit pursuant to California Labor Code § 1194(a). Plaintiff and the other Aggrieved Employees further request recovery of all unpaid wages, according to proof, interest, statutory costs, as well as the assessment of any statutory and civil penalties against Defendants, in a sum as provided by the California Labor Code and/or other applicable statutes, including pursuant to Labor Code § 558, and Wage Order provisions. To the extent minimum wage compensation is determined to be owed to the Aggrieved Employees who have terminated their employment, Defendants' conduct also violates Labor Code §§ 201 and/or 202, and therefore these individuals are also be entitled to waiting time penalties under California Labor Code § 203, which penalties are sought herein on behalf of these Aggrieved Employees. Defendants' failure to timely pay all wages owed also violated Labor Code § 204 and resulted in violations of Labor Code § 226 because they resulted in the issuance of inaccurate wage statements. Defendants' conduct as alleged herein was willful, intentional and not in good faith. Further, Plaintiff and other Aggrieved Employees are entitled to seek and recover statutory costs.

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

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

Defendants violated the law by failing to pay Plaintiff and Aggrieved Employees earned wages and overtime. Specifically, Plaintiff and Aggrieved Employees consistently worked in excess of eight (8), ten (10), and twelve (12) hours a day, and/or forty (40) hours a week. However, Plaintiff and Aggrieved Employees were not paid overtime wages for hours worked in excess of 8 hours a day. Moreover, the uncompensated time, discussed above caused Plaintiff and Aggrieved Employees to work in excess of eight (8), ten (10), and twelve (12) hours a day and/or 40 hours a week, further entitling Plaintiff and Aggrieved Employees overtime wages which they were consistently denied, all in violation of Labor Code § 510 and applicable Wage Orders.

Defendants have violated Labor Code § 1194 and Labor Code § 510 (and paragraphs 2(K), 2(S), 3(A) and 4(A)-4(B) of the relevant orders of the Industrial Welfare Commission) by failing to pay Employees: (a) time and one-half their regular hourly rates for hours worked in excess of eight hours in a workday or in excess of forty hours in any workweek or for the first eight hours worked on the seventh day of work in any one workweek; or (b) twice their regular rate of pay for hours worked in excess of twelve hours in any one day or for hours worked in excess of eight hours on any seventh day of work in a workweek. Defendants had a consistent policy of not paying Employees wages for all hours worked, including by requiring off the clock work as addressed above and by under-reporting actual hours worked. With work shifts generally requiring eight



hours or more of work on a given day, this unpaid off the clock work resulted in Aggrieved Employees working past eight hours on a shift or more than forty hours in a week, which required that they be paid at the correct overtime rate of 1.5 times their regular rate.

Defendants failed to properly calculate Plaintiffs' and the Aggrieved Employees' regular rate of pay because Defendants failed to include all forms of compensation in the regular rate including bonuses, and other compensation.

Additionally, all the uncompensated time, discussed above, was under the direction and control of Defendants, for which no wages were paid. This uncompensated time caused Plaintiff and Aggrieved Employees to work in excess of eight (8), ten (10) and/or twelve (12) hours a day and/or forty (40) hours a week, entitling Plaintiff and Aggrieved Employees to minimum and overtime wages, which they were systemically denied.

When considered in combination with the other wage violations addressed above, Aggrieved Employees were not properly compensated, nor were they paid overtime and double time rates for hours worked in excess of 8, 10, and 12 hours in a given day, and/or forty hours in a given week. Defendants did not make available to Employees a reasonable protocol for correcting time records when Employees worked overtime hours or to fix incorrect time entries or those that Defendants unlawfully under-recorded to the Employee's detriment. Defendants have also violated these provisions by requiring Plaintiff and other similarly situated Aggrieved Employees to work through meal periods when they were required to be clocked out or to otherwise work off the clock to complete their daily job duties.

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

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

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

Defendants had a common policy and practice of systemically denying Plaintiff and Aggrieved Employees the opportunity to take meal periods in compliance with the California Law. As discussed above, Defendants had a common policy and practice of automatically deducting time for alleged unpaid meal periods which were systemically denied. Moreover, Defendants failed to properly track and/or record Plaintiff and Aggrieved Employees meal periods altogether. Additionally, what meal periods were taken by Plaintiff and Aggrieved Employees were regularly taken late, or after the completion of their fifth hour of work, under 30 minutes, and regularly interrupted by work related tasks. Finally, Plaintiff and Aggrieved Employees were required to



keep and monitor their company-issued radios during their entire work shifts, including during meal and rest breaks, when such breaks were taken.

Additionally, Plaintiff and Aggrieved Employees were regularly required to work in excess of ten (10) and twelve (12) hours a day while never being provided second, uninterrupted and duty-free meal periods, to commence prior to the completion of their tenth hour of work, all in violation of California law.

Plaintiff and Aggrieved Employees were not provided with meal periods of at least thirty (30) minutes for each five (5) hour work period due to (1) Defendants' policy of not scheduling each meal period as part of each work shift; (2) no formal written meal policy that encouraged employees to take their meal periods, or that advised Aggrieved Employees of their meal and rest period rights; and (3) Defendants' practice of requiring putative Aggrieved Employees to continue working through their meal and rest periods due to the excessive workload.

Defendants also failed to pay Aggrieved Employees "premium pay," i.e. one hour of wages at each Aggrieved Employee's effective regular rate of pay, for each meal period that Defendants failed to provide or deficiently provided, including by miscalculating any premium payments they did make. Therefore, pursuant to Labor Code § 226.7 and paragraphs 11 and 20 of the applicable IWC Wage Order, Aggrieved Employees are entitled to damages in an amount equal to one hour of wages at their correctly calculated regular rate of compensation for each meal period not provided or deficiently provided, as well as the assessment of any statutory penalties against the Defendants, and each of them, in a sum as provided by the Labor Code, including Labor Code § 558 and other applicable statutes and Wage Order provisions.

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

Rest-Break Liability Under Labor Code § 226.7 and Penalties

Defendants have consistently failed to provide Plaintiff and Aggrieved Employees with paid rest breaks of not less than 10 minutes for every work period of 4 or more consecutive hours, as required by Labor Code. Specifically, Plaintiff and Aggrieved Employees were required to work through their rest breaks, including having to monitor their company-issued radios, which were systemically denied.

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



and each of them, in a sum as provided by the Labor Code, including Labor Code § 558 and other applicable statutes and Wage Order provisions.

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

Failure to Reimburse for Necessary Business Expenditures in Violation of Labor Code § 2802

Defendants have consistently required Plaintiff and Aggrieved Employees to incur necessary business expenses in the execution of their duties under Defendants' employ. Specifically, Plaintiff and Aggrieved Employees were required to clean and maintain their work uniforms, for which no reimbursements were paid, all necessary for Plaintiff and Aggrieved Employees to execute their duties under Defendants' employ, and for which no reimbursements were paid in violation of Labor Code § 2802.

Defendants systematically and uniformly failed to reimburse those lawful and necessary work-related expenses or losses incurred in direct discharge of their job duties during employment with Defendants and at the direction of the Defendants pursuant to Labor Code § 2802(a) and the applicable IWC Wage Orders, paragraph 9. Defendants are liable for PAGA penalties resulting from their failure to reimburse necessary business expenses incurred by the Aggrieved Employees. Accordingly, Aggrieved Employees are entitled to recover, and hereby seek through this Representative Action, all civil and statutory penalties authorized for violations of California Labor Code §§ 1198 and 2802, and Section 9(B) of the applicable IWC Wage Orders, and Plaintiff seeks all civil and statutory penalties available and applicable under Labor Code §§ 2802 and 2699(f)(2), and also attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

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

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

Defendants failed to provide Aggrieved Employees with accurate itemized wage statements in writing, as required by the Labor Code. Specifically, Defendants failed to provide Employees with accurate itemized wage statements in writing, as required by the Labor Code. The wage statements given to Aggrieved Employees failed to accurately account for unpaid wages, overtime, premium pay for deficiently provided meal periods and rest breaks.



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

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

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

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

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

Given the above described off the clock work, Plaintiff was not paid at the correct overtime rate for all hours he worked after eight hours into a shift or over forty in a work week and that he was not paid all double time owed either. Defendants' uniformly applied payroll policies and practices thus resulted in further systematic and ongoing violations of the requirements of Labor Code § 204.



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

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

Failure to Keep Records In Accordance With Labor Code §§ 1174

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

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

Waiting Time Penalties Pursuant to Labor Code § 203

Some Aggrieved Employees no longer work for Defendants; they either resigned or were terminated from Defendants' employ. Based on the foregoing, Defendants have had a consistent



policy of failing to pay all wages earned by and owed to Aggrieved Employees at the time of their termination of within seventy-two hours of their resignation, as required by California under Labor Code § 203. In light of the forgoing, Plaintiff and Aggrieved Employees seek to recover wages and penalties pursuant to Labor Code § 558 and further specifically seek penalties and wages under Labor Code § 203, which provides that an employee's wages shall continue until paid for up to thirty (30) days from the date they were due.

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

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

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

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

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

Plaintiff and the Aggrieved Employees seek penalties under Labor Code §§ 2698 and 2699 for Defendants' violation of Labor Code provisions included under Labor Code § 2699.5, including the penalty provisions, without limitation, based, *inter alia*, on the following California Labor Code sections: §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, 2699, *et seq.*, and 2802, including as follows:

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

(b) Meal and Rest Period Claims: For failure to provide Plaintiff and the Aggrieved Employees off-duty, timely, and unpaid meal periods and failure to authorize and permit them to take off-duty, timely, and paid rest periods, or pay one hour of regular pay in lieu thereof, under



Labor Code §§ 512, 1198, and 226.7, and Sections 11, 12(A), and 12(B) of the applicable IWC Wage Order(s) seeking all civil and statutory penalties available and applicable, including under paragraph 20 of the applicable IWC Wage Orders, and wages under Labor Code §§ 226.7, 512, 558, including sections 558(a)(1)-(3), 1199 and 2699(f)(2), and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

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

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

(e) Failure to Reimburse Business Expenses: For Defendants' failure to reimburse the necessary work related expenses incurred under Labor Code §§ 1197, 1197.1, 1198, and 2802, and Sections 2(K), 4, 9, and 20 of the applicable IWC Wage Order(s), seeking civil penalties available and applicable under Labor Code §§ 1197, 1197.1, 1198, 2802, 2699.5, and 2699(f)(2) and paragraph 9 and 20 of the IWC Wage Orders, and also attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

(g) All Alleged Violations of the IWC Wage Orders: For any above addressed violation of the applicable provisions of the IWC Wage Orders constituting violations of Labor Code § 1198 and Labor Code § 2699.5, and seeking penalties available and applicable under Labor Code § 2699(f)(2) and paragraph 20 of the applicable IWC Wage Orders, and for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

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



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

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

Regards,

D.LAW, INC.

A handwritten signature in blue ink, appearing to read 'David Yeremian', written over the printed name.

David Yeremian

Cc: Kerberos International, Inc., by Certified Mail

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7

8 Attorneys for Plaintiff UDOKA NWEKE

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 FOR THE COUNTY OF SACRAMENTO

11
12 UDOKA NWEKE, on behalf of himself
and all others similarly situated, and the
13 general public,

14 *Plaintiff,*

15 v.

16 KERBEROS INTERNATIONAL, INC., a
Texas Corporation; and DOES 1 through 50,
17 inclusive,

18 *Defendants.*
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Case No.:

CLASS ACTION COMPLAINT

1. Failure to Provide Meal Periods (Lab. Code §§ 204, 223, 226.7, 512 and 1198);
2. Failure to Provide Rest Periods (Lab. Code §§ 204, 223, 226.7 and 1198);
3. Failure to Pay Hourly Wages and Overtime (Lab. Code §§ 223, 510, 1194, 1194.2, 1197, 1997.1 and 1198);
4. Failure to Provide Accurate Written Wage Statements (Lab. Code §§ 226(a));
5. Failure to Timely Pay All Final Wages (Lab. Code §§ 201, 202 and 203);
6. Failure to Indemnify (Lab. Code § 2802); and
7. Unfair Competition (Bus. & Prof. Code §§ 17200 *et seq.*);

JURY TRIAL DEMANDED

1 Plaintiff UDOKA NWEKE (“Plaintiff”), on behalf of himself, all others similarly situated,
2 and the general public, complain and allege as follows:

3 **INTRODUCTION**

4 1. Plaintiff brings this class action against Defendants KERBEROS INTERNATIONAL,
5 INC. a Texas Corporation; and DOES 1 through 50, inclusive, (collectively referred to as
6 “Defendants”) for alleged violations of the California Labor Code and California Business and
7 Professions Code. As set forth below, Plaintiff alleges that Defendants have:

- 8 a. failed to pay them minimum and overtime wages at the correct rate;
- 9 b. failed to pay them double time wages at the correct rate;
- 10 c. failed to pay them overtime and/or double time wages by failing to include all
11 applicable remuneration in calculating the regular rate of pay;
- 12 d. failed to provide them with meal periods;
- 13 e. failed to provide them with rest periods;
- 14 f. failed to pay them premium wages for missed meal and rest periods;
- 15 g. failed to provide them with accurate written wage statements;
- 16 h. failed to reimburse them with necessary business expenditures; and
- 17 i. failed to pay them all of their final wages following separation of employment.

18 Based on these alleged Labor Code violations, Plaintiff now brings this class action to recover
19 unpaid wages, liquidated damages, penalties, restitution and related relief on behalf of himself, all
20 others similarly situated, and the general public.

21 **JURISDICTION AND VENUE**

22 2. This Court has subject matter jurisdiction to hear this case because the monetary
23 damages and restitution sought by Plaintiff from Defendants conduct exceeds the minimal jurisdiction
24 of the Superior Court of the State of California.

25 3. Venue is proper in the County of Sacramento pursuant to Code of Civil Procedure
26 sections 395(a) and 395.5 in that liability arose this county because at least some of the transactions
27 that are the subject matter of this Complaint occurred therein and/or each defendant is found,
28 maintains offices, transacts business and/or has an agent therein.

4. Venue is proper in Sacramento County because Defendants' have at all times alleged herein, conducted business in Sacramento County, and throughout California. As such, venue is proper in any county in California.

PARTIES

5. Plaintiff UDOKA NWEKE is, and at all relevant times mentioned herein, an individual residing in the State of California.

6. Plaintiff is informed and believes, and thereupon alleges that Defendant KERBEROS INTERNATIONAL, INC., is, and at all relevant times mentioned herein, a Texas corporation doing business in the State of California.

7. Plaintiff is ignorant of the true names and capacities of the defendants sued herein as DOES 1 through 50, inclusive, and therefore sues these defendants by such fictitious names. Plaintiff will amend this Complaint to allege the true names and capacities of the DOE defendants when ascertained. Plaintiff is informed and believes, and thereupon alleges that each of the fictitiously named defendants are responsible in some manner for the occurrences, acts and omissions alleged herein and that Plaintiff's alleged damages were proximately caused by these defendants, and each of them. Plaintiff will amend this complaint to allege both the true names and capacities of the DOE defendants when ascertained.

8. Plaintiff is informed and believes, and thereupon alleges that, at all relevant times mentioned herein, some or all of the defendants were the representatives, agents, employees, partners, directors, associates, joint venturers, joint employers, owners, principals or co-participants of some or all of the other defendants, and in doing the things alleged herein, were acting within the course and scope of such relationship and with the full knowledge, consent and ratification by such other defendants.

9. Plaintiff is informed and believes, and thereupon alleges that, at all relevant times mentioned herein, some of the defendants pursued a common course of conduct, acted in concert and conspired with one another, and aided and abetted one another to accomplish the occurrences, acts and omissions alleged herein.

10. This action has been brought and may be maintained as a class action pursuant to Code

of Civil Procedure section 382 because there is a well-defined community of interest among the persons who comprise the readily ascertainable classes defined below and because Plaintiff is unaware of any difficulties likely to be encountered in managing this case as a class action.

11. **Relevant Time Period:** The relevant time period is defined as the time period beginning four years prior to the filing of this action until judgment is entered.

- a. **Hourly Employee Class:** All persons employed by Defendants, collectively or separately, and/or any staffing agencies and/or any other third parties in hourly or non-exempt positions in California four years prior to the filing of this action and ending on the date that final judgment is entered in this action (“Hourly Employee Class”).
- b. **Meal Period Sub-Class:** All **Hourly Employee Class** members who worked in a shift in excess of five hours during the four years prior to the filing of this action and ending on the date that final judgment is entered in this action.
- c. **Rest Period Sub-Class:** All **Hourly Employee Class** members who worked a shift of at least three and one-half (3.5) hours the four years prior to the filing of this action and ending on the date that final judgment is entered in this action.
- d. **Waiting Time Penalties Sub-Class:** All **Hourly Employee Class** members who separated from their employment with Defendants during the period beginning three years before the filing of this action and ending when final judgment is entered.
- e. **Wage Statement Class:** All persons employed by Defendants in California during the period beginning one year before the filing of this action and ending when final judgment is entered..
- f. **Expense Reimbursement Class:** All persons employed by Defendants in California who incurred business expenses during the **Relevant Time Period**.
- g. **UCL Class:** All **Hourly Employee Class** and **Expense Reimbursement Class** members employed by Defendants in California during the four years prior to the filing of this action and ending on the date that final judgment is entered in this action.

12. **Reservation of Rights:** Pursuant to Rule of Court 3.765(b), Plaintiff reserves the right to amend or modify the class definitions with greater specificity, by further division into sub-classes and/or by limitation to particular issues.

13. **Numerosity:** The class members are so numerous that the individual joinder of each individual class member is impractical. While Plaintiff does not currently know the exact number of class members, Plaintiff is informed and believes, and thereupon alleges that the actual number exceeds the minimum required for numerosity under California law.

1 14. **Commonality and Predominance:** Common questions of law and fact exist as to all
2 class members and predominate over any questions which affect only individual class members.

3 These common questions include, but are not limited to:

- 4 a. Whether Defendants maintained a policy or practice of failing to provide
- 5 employees with their rest periods;
- 6 b. Whether Defendants maintained a policy or practice of failing to provide
- 7 employees with their meal periods;
- 8 c. Whether Defendants failed to pay premium wages to class members when they
- 9 have not been provided with meal and rest periods at the appropriate rates of pay;
- 10 d. Whether Defendants failed to pay minimum and/or overtime wages to class
- 11 members for all time worked, at the correct rates of pay;
- 12 e. Whether Defendants failed to provide class members with accurate written wage
- 13 statements as a result of providing them with written wage statements with
- 14 inaccurate entries for, among other things, amounts of gross and net wages, and
- 15 total hours worked;
- 16 f. Whether Defendants applied policies or practices that result in late and/or
- 17 incomplete final wage payments;
- 18 g. Whether Defendants failed to reimburse class members for all necessary business
- 19 expenses incurred during the discharge of their duties;
- 20 h. Whether Defendants are liable to class members for waiting time penalties under
- 21 Labor Code section 203; and
- 22 i. Whether class members are entitled to restitution of money or property that
- 23 Defendants may have acquired from them through unfair competition;

24 15. **Typicality:** Plaintiff's claims are typical of the other class members' claims. Plaintiff
25 is informed and believes and thereupon alleges that Defendants have a policy or practice of failing to
26 comply with the California Labor Code and Business and Professions Code as alleged in this
27 Complaint.

28 16. **Adequacy of Class Representative:** Plaintiff is an adequate class representative in

1 that he has no interests that are adverse to, or otherwise conflict with, the interests of absent class
2 members and is dedicated to vigorously prosecuting this action on their behalf. Plaintiff will fairly
3 and adequately represent and protect the interests of the other class members.

4 17. **Adequacy of Class Counsel:** Plaintiff's counsel are adequate class counsel in that
5 they have no known conflicts of interest with Plaintiff or absent class members, are experienced in
6 wage and hour class action litigation, and are dedicated to vigorously prosecuting this action on behalf
7 of Plaintiff and absent class members.

8 18. **Superiority:** A class action is vastly superior to other available means for fair and
9 efficient adjudication of the class members' claims and would be beneficial to the parties and the
10 Court. Class action treatment will allow a number of similarly situated persons to simultaneously and
11 efficiently prosecute their common claims in a single forum without the unnecessary duplication of
12 effort and expense that numerous individual actions would entail. In addition, the monetary amounts
13 due to many individual class members are likely to be relatively small and would thus make it difficult,
14 if not impossible, for individual class members to both seek and obtain relief. Moreover, a class
15 action will serve an important public interest by permitting class members to effectively pursue the
16 recovery of monies owed to them. Further, a class action will prevent the potential for inconsistent
17 or contradictory judgments inherent in individual litigation.

18 **GENERAL ALLEGATIONS**

19 19. Plaintiff worked for Defendants as a non-exempt employee during the relevant and
20 statutory periods.

21 20. Defendants had a common policy and practice of systemically failing to pay Plaintiff
22 and Class members proper wages and overtime for all hours worked, at the proper rates of pay. First,
23 Defendants implemented an unlawful time-rounding policy and practice which rounded down and
24 reduced the actual working hours recorded by Plaintiff and Class Members, and upon which their pay
25 was based, and generally did so to the detriment of the Plaintiff and Class Members, and these
26 unlawfully rounded time entries were inputted into Defendants' payroll system from which wage
27 statements and payroll checks were created. Defendants did so with the ostensible intent of paying
28 Plaintiff and Class members only for the hours they were scheduled to work, rather than the hours

1 they were actually under Defendants' control. Plaintiff contends this policy is not neutral and results,
2 over time, to the detriment of the Plaintiff and Class members by systematically undercompensating
3 them.

4 21. Next, Defendants had a common policy and practice of automatically deducting time
5 for alleged unpaid meal periods which were systemically denied in violation of California law. In
6 fact, Defendants failed to track and/or record Plaintiff and Class Members' unpaid meal periods
7 altogether, which were often shorter than the automatically deducted time, were systemically
8 interrupted with work by having to continuously monitor their company-issued radios, or denied
9 altogether.

10 22. Finally, Plaintiff and Class Members were required to remain on-call outside of their
11 usual scheduled shifts, and remain readily available to work, immediately upon Defendants' requests.
12 Plaintiff and Class Members were not left free and unrestricted during on-call working hours, and
13 were not free to pursue personal interests without restriction. Plaintiff and Class Members were never
14 paid stipends for either controlled or uncontrolled on-call or stand-by working hours.

15 23. The forgoing and uncompensated working time was under the direction and control of
16 Defendants, for which no wages were paid. This uncompensated time caused Plaintiff and Class
17 Members to work in excess of eight (8), ten (10) and/or twelve(12) hours a day and/or forty (40)
18 hours a week, entitling Plaintiff and Class Members to minimum and overtime wages, which they
19 were systemically denied.

20 24. Defendants had a common policy and practice of systemically denying Plaintiff and
21 Class Members the opportunity to take meal periods in compliance with the California Law. As
22 discussed above, Defendants had a common policy and practice of automatically deducting time for
23 alleged unpaid meal periods which were systemically denied. Moreover, Defendants failed to
24 properly track and/or record Plaintiff and Class Members meal periods altogether. Additionally, what
25 meal periods were taken by Plaintiff and Class Members were regularly taken late, or after the
26 completion of their fifth hour of work, under 30 minutes, and regularly interrupted by work related
27 tasks. Finally, Plaintiff and Class Members were required to keep and monitor their company-issued
28 radios during their entire work shifts, including during meal and rest breaks, when such breaks were

1 taken.

2 25. Additionally, Plaintiff and Class Members were regularly required to work in excess
3 of ten (10) and twelve (12) hours a day while never being provided second, uninterrupted and duty-
4 free meal periods, to commence prior to the completion of their tenth hour of work, all in violation of
5 California law.

6 26. Plaintiff and Class Members were not provided with meal periods of at least thirty (30)
7 minutes for each five (5) hour work period due to (1) Defendants' policy of not scheduling each meal
8 period as part of each work shift; (2) no formal written meal policy that encouraged employees to
9 take their meal periods, or that advised Class Members of their meal and rest period rights; and (3)
10 Defendants' practice of requiring putative class members to continue working through their meal and
11 rest periods due to the excessive workload.

12 27. Defendants had a common policy and practice of systemically denying Plaintiff and
13 Class Members the opportunity to take meal periods in compliance with the California Law. Plaintiff
14 and Class Members were not provided with rest periods of at least ten (10) minutes for each four (4)
15 hour work period, or major fraction thereof, due to (1) Defendants' policy of not scheduling each rest
16 period as part of each work shift, including second rest breaks for shifts of six (6) hours or more; (2)
17 no formal compliant written rest period policy that encouraged employees to take their rest periods,
18 or that properly advised Plaintiff and Class Members of their rest period rights; (3) Defendants' policy
19 and practice of requiring putative class members to continue working through their rest breaks due to
20 the excessive workload, including having to continuously monitor their company-issued radios during
21 breaks.

22 28. Furthermore, Defendants failed to pay Plaintiff and Class Members premium pay
23 wages at their appropriate regular rates of pay for each meal and rest period denied.

24 29. Plaintiff and Class Members were not provided with accurate wage statements as
25 mandated by law pursuant to Labor Code section 226. Specifically, Defendants failed to issue wage
26 statements as "a detachable part of the check, draft, or voucher paying the employee's wages, or
27 separately if wages are paid by personal check or cash, an accurate itemized statement in writing."
28 Additionally, the wage statements issued to Plaintiff and Class Members were not recorded in "ink

1 or other indelible form.”

2 30. Defendants failed to comply with Labor Code section 226(a)(1) as “gross wages
3 earned” were not accurately reflected in that: all hours worked, including overtime, were not included.

4 31. Defendants failed to comply with Labor Code section 226(a)(2) as “total hours worked
5 by the employee” were not accurately reflected in that: all hours worked, including overtime, were
6 not included.

7 32. Defendants failed to comply with Labor Code section 226(a)(5) as “net wages earned”
8 were not accurately reflected in that: all hours worked, including overtime, were not included.

9 33. Defendants failed to comply with Labor Code section 226(a)(9) as “all applicable
10 hourly rates in effect during the pay period and the corresponding number of hours worked at each
11 hourly rate by the employee” were not accurately reflected in that: all hours worked, including
12 overtime, were not included.

13 34. Furthermore, Defendants failed to provide Plaintiff and Class Members with paper pay
14 stubs as required by Labor Code § 226, applicable Wage Orders, and DLSE Opinion Letters.
15 Plaintiff’s and Class Members’ wage statement were only provided in electronic format in violation
16 of Labor Code § 226.

17 35. Plaintiff and Class Members were not reimbursed for business expenses incurred in
18 executing their duties under Defendant’s employ. Specifically, Plaintiff and Class Members were
19 required to clean and maintain their work uniforms, for which no reimbursements were paid.

20 **FIRST CAUSE OF ACTION**

21 **FAILURE TO PROVIDE MEAL PERIODS**

22 **(Lab. Code §§ 226.7, 512, 1174, and 1198)**

23 **(Plaintiff and Meal Period Sub-Class)**

24 36. Plaintiff incorporates by reference the preceding paragraphs of the Complaint as if
25 fully alleged herein.

26 37. At all relevant times, Plaintiff and the **Meal Period Sub-Class** members have been
27 non-exempt employees of Defendant entitled to the full meal period protections of both the Labor
28 Code and the applicable Industrial Welfare Commission Wage Order.

1 38. Labor Code section 512 and Section 11 of the applicable Industrial Welfare
2 Commission Wage Order impose an affirmative obligation on employers to provide non-exempt
3 employees with uninterrupted, duty-free meal periods of at least thirty minutes for each work period
4 of five hours, and to provide them with two uninterrupted, duty-free meal periods of at least thirty
5 minutes for each work period of ten hours.

6 39. Labor Code section 226.7 and Section 11 of the applicable Industrial Welfare
7 Commission Wage Order (“Wage Order”) both prohibit employers from requiring employees to work
8 during required meal periods and require employers to pay non-exempt employees an hour of
9 premium wages on each workday that the employee is not provided with the required meal period.

10 40. Compensation for missed meal periods constitutes wages within the meaning of Labor
11 Code section 200.

12 41. Labor Code section 1198 makes it unlawful to employ a person under conditions that
13 violate the applicable Wage Order.

14 42. Section 11 of the applicable Wage Order states:

15 “No employer shall employ any person for a work period of more than five (5) hours
16 without a meal period of not less than 30 minutes, except that when a work period of
17 not more than six (6) hours will complete the day’s work the meal period may be
18 waived by mutual consent of the employer and employee. Unless the employee is
19 relieved of all duty during a 30 minute meal period, the meal period shall be considered
20 an ‘on duty’ meal period and counted as time worked. An ‘on duty’ meal period shall
21 be permitted only when the nature of the work prevents an employee from being
22 relieved of all duty and when by written agreement between the parties an on-the-job
23 paid meal period is agreed to. The written agreement shall state that the employee
24 may, in writing, revoke the agreement at any time.”

25 43. At all relevant times, Plaintiff was not subject to a valid on-duty meal period
26 agreement. Plaintiff is informed and believes that, at all relevant times, **Meal Period Sub-Class**
27 members were not subject to valid on-duty meal period agreements with Defendants.
28

 44. Plaintiff alleges that, at all relevant times during the applicable limitations period,
Defendants maintained a policy or practice of not providing Plaintiff and members of the **Meal Period**
Sub-Class with uninterrupted, duty-free meal periods for at least thirty (30) minutes for each five (5)
hour work period, as required by Labor Code section 512 and the applicable Wage Order. Defendants
had a common policy and practice of systemically denying Plaintiff and **Meal Period Sub-Class**

1 members the opportunity to take meal periods in compliance with the California Law. As discussed
2 above, Defendants had a common policy and practice of automatically deducting time for alleged
3 unpaid meal periods which were systemically denied. As such, Defendants failed to properly track
4 and record Plaintiff and **Meal Period Sub-Class** members meal periods. Additionally, what meal
5 periods were taken by Plaintiff and **Meal Period Sub-Class** members were regularly taken late, or
6 after the completion of their fifth hour of work, under 30 minutes, and regularly interrupted by work
7 related tasks, including having to continuously monitor their company-issued radios during breaks.

8 45. Additionally, Plaintiff and **Meal Period Sub-Class** members were regularly required
9 to work in excess of ten (10) and twelve (12) hours a day while never being provided second,
10 uninterrupted and duty-free meal periods, to commence prior to the completion of their tenth hour
11 of work, all in violation of California law.

12 46. Plaintiff alleges that, at all relevant times during the applicable limitations period,
13 Defendants maintained a policy or practice of failing to pay premium wages to **Meal Period Sub-**
14 **Class** members when they worked five (5) hours without clocking out for any meal period.

15 47. Plaintiff alleges that, at all relevant times during the applicable limitations period,
16 Defendants maintained a policy or practice of not providing Plaintiff and members of the **Meal Period**
17 **Sub-Class** with a second meal period when they worked shifts of ten or more hours and failed to pay
18 them premium wages as required by Labor Code 512 and the applicable Wage Order.

19 48. Moreover, Defendants written policies fail to inform Meal period Class Members of
20 their meal period rights under the Labor Code and applicable Wage Orders.

21 49. At all relevant times, Defendants failed to pay Plaintiff and the **Meal Period Sub-**
22 **Class** members additional premium wages, and/or were not paid premium wages at the employees'
23 regular rates of pay when required meal periods were not provided.

24 50. Pursuant to Labor Code section 204, 218.6, 226.7 and 512, Plaintiff, on behalf of
25 himself and the **Meal Period Sub-Class** members, seek to recover unpaid premium wages, interest
26 thereon, and costs of suit.

27 51. Pursuant to Labor Code section 1194, Code of Civil Procedure section 1021.5, the
28 substantial benefit doctrine, and/or the common fund doctrine, Plaintiff, on behalf of himself and the

1 **Meal Period Sub-Class** members, seek to recover reasonable attorneys' fees.

2 **SECOND CAUSE OF ACTION**

3 **FAILURE TO PROVIDE REST PERIODS**

4 **(Lab. Code §§ 204, 223, 226.7 and 1198)**

5 **(Plaintiff and Rest Period Sub-Class)**

6 52. Plaintiff incorporates the preceding paragraphs of the Complaint as if fully alleged
7 herein.

8 53. At all relevant times, Plaintiff and the **Rest Period Sub-Class** members have been
9 non-exempt employees of Defendants entitled to the full rest period protections of both the Labor
10 Code and the applicable Wage Order.

11 54. Section 12 of the applicable Wage Order imposes an affirmative obligation on
12 employers to permit and authorize employees to take required rest periods at a rate of no less than ten
13 minutes of net rest time for each four hour work period, or major fraction thereof, that must be in the
14 middle of each work period insofar as practicable.

15 55. Labor Code section 226.7 and Section 12 of the applicable Wage Order both prohibit
16 employers from requiring employees to work during required rest periods and require employers to
17 pay non-exempt employees an hour of premium wages at the employees' regular rates of pay, on each
18 workday that the employee is not provided with the required rest period(s).

19 56. Compensation for missed rest periods constitutes wages within the meaning of Labor
20 Code section 200.

21 57. Labor Code section 1198 makes it unlawful to employ a person under conditions that
22 violate the Wage Order.

23 58. Plaintiff alleges that, at all relevant times during the applicable limitations period,
24 Defendants maintained a policy or practice of not providing members of the **Rest Period Sub-Class**
25 with net rest period of at least ten uninterrupted minutes for each four hour work period, or major
26 fraction thereof, as required by the applicable Wage Order.

27 59. Plaintiff and **Rest Period Sub-Class** members were not provided with rest periods of
28 at least ten (10) minutes for each four (4) hour work period, or major fraction thereof, due to (1)

1 Defendants' policy of not scheduling each rest period as part of each work shift, including second
2 rest breaks for shifts of six (6) hours or more; (2) no formal compliant written rest period policy that
3 encouraged employees to take their rest periods, or that properly advised **Rest Period Sub-Class**
4 members of their rest period rights; (3) Defendants' policy and practice of requiring **Rest Period**
5 **Sub-Class** members to continue working through their rest breaks due to the excessive workload and
6 maintaining and monitoring their radios during breaks.

7 60. At all relevant times, Defendants failed to pay Plaintiff and the **Rest Period Sub-Class**
8 members additional premium wages when required rest periods were not provided.

9 61. Pursuant to Labor Code section 204, 218.6 and 226.7, Plaintiff, on behalf of himself
10 and **Rest Period Sub-Class** members, seek to recover unpaid premium wages, interest thereon, and
11 costs of suit.

12 62. Pursuant to Labor Code section 1194, Code of Civil Procedure section 1021.5, the
13 substantial benefit doctrine, and/or the common fund doctrine, Plaintiff, on behalf of himself and **Rest**
14 **Period Sub-Class** members, seek to recover reasonable attorneys' fees.

15 **THIRD CAUSE OF ACTION**

16 **FAILURE TO PAY HOURLY AND OVERTIME WAGES**

17 **(Lab. Code §§ 223, 510, 1194, 1197 and 1198)**

18 **(Plaintiff and Hourly Employee Class)**

19 63. Plaintiff incorporates the preceding paragraphs of the Complaint as if fully alleged
20 herein.

21 64. At all relevant times, Plaintiff and **Hourly Employee Class** members are or have been
22 non-exempt employees of Defendants entitled to the full protections of the Labor Code and the
23 applicable Wage Order.

24 65. Section 2 of the applicable Wage Order defines "hours worked" as "the time during
25 which an employee is subject to the control of the employer, and includes all the time the employee
26 is suffered or permitted to work, whether or not required to do so."

27 66. Section 4 of the applicable Wage Order requires an employer to pay non-exempt
28 employees at least the minimum wage set forth therein for all hours worked, which consist of all hours

1 that an employer has actual or constructive knowledge that employees are working.

2 67. Labor Code section 1194 invalidates any agreement between an employer and an
3 employee to work for less than the minimum or overtime wage required under the applicable Wage
4 Order.

5 68. Labor Code section 1194.2 entitles non-exempt employees to recover liquidated
6 damages in amounts equal to the amounts of unpaid minimum wages and interest thereon in addition
7 to the underlying unpaid minimum wages and interest thereon.

8 69. Labor Code section 1197 makes it unlawful for an employer to pay an employee less
9 than the minimum wage required under the applicable Wage Order for all hours worked during a
10 payroll period.

11 70. Labor Code section 1197.1 provides that it is unlawful for any employer or any other
12 person acting either individually or as an officer, agent or employee of another person, to pay an
13 employee, or cause an employee to be paid, less than the applicable minimum wage.

14 71. Labor Code section 1198 makes it unlawful for employers to employ employees under
15 conditions that violate the applicable Wage Order.

16 72. Labor Code section 204 requires employers to pay non-exempt employees their earned
17 wages for the normal work period at least twice during each calendar month on days the employer
18 designates in advance and to pay non-exempt employees their earned wages for labor performed in
19 excess of the normal work period by no later than the next regular payday.

20 73. Labor Code section 223 makes it unlawful for employers to pay their employees lower
21 wages than required by contract or statute while purporting to pay them legal wages.

22 74. Labor Code section 510 and Section 3 of the applicable Wage Order require employees
23 to pay non-exempt employees overtime wages of no less than one and one-half times their respective
24 regular rates of pay for all hours worked in excess of eight hours in one workday, all hours worked in
25 excess of forty hours in one workweek, and/or for the first eight hours worked on the seventh
26 consecutive day of one workweek.

27 75. Labor Code section 510 and Section 3 of the applicable Wage Order also require
28 employers to pay non-exempt employees overtime wages of no less than two times their respective

1 regular rates of pay for all hours worked in excess of twelve hours in one workday and for all hours
2 worked in excess of eight hours on a seventh consecutive workday during the workweek.

3 76. Plaintiff is informed and believes that, at all relevant times, Defendants have applied
4 centrally devised policies and practices to him and **Hourly Employee Class** members with respect to
5 working conditions and compensation arrangements.

6 77. At all relevant times, Defendants failed to pay hourly wages to Plaintiff and **Hourly**
7 **Employee Class** members for all time worked, including but not limited to, overtime hours at
8 statutory and/or agreed rates.

9 78. Plaintiff and **Hourly Employee Class** members were not paid proper wages and
10 overtime for all hours worked at the proper rates of pay. Defendants had a common policy and practice
11 of requiring Plaintiff and **Hourly Employee Class** members to work off-the-clock for which no
12 wages were paid. Specifically, Defendants implemented an unlawful time-rounding policy and
13 practice which rounded down and reduced the actual working hours recorded by Plaintiff and **Hourly**
14 **Employee Class** members, and upon which their pay was based, and generally did so to the detriment
15 of the Plaintiff and **Hourly Employee Class** members, and these unlawfully rounded time entries
16 were inputted into Defendants' payroll system from which wage statements and payroll checks were
17 created. Defendants did so with the ostensible intent of paying Plaintiff and **Hourly Employee Class**
18 members only for the hours they were scheduled to work, rather than the hours they were actually
19 under Defendants' control. Plaintiff contends this policy is not neutral and results, over time, to the
20 detriment of the Plaintiff and Class members by systematically undercompensating them.

21 79. Next, Defendants had a common policy and practice of automatically deducting time
22 for alleged unpaid meal periods which were systemically denied in violation of California law. In
23 fact, Defendants failed to track and/or record Plaintiff and **Hourly Employee Class** members' unpaid
24 meal periods altogether, which were often shorter than the automatically deducted time, were
25 systemically interrupted with work by having to continuously monitor their company-issued radios,
26 or denied altogether.

27 80. Finally, Plaintiff and **Hourly Employee Class** members were required to remain on-
28 call outside of their usual scheduled shifts, and remain readily available to work, immediately upon

1 Defendants' requests. Plaintiff and **Hourly Employee Class** members were not left free and
2 unrestricted during on-call working hours, and were not free to pursue personal interests without
3 restriction. Plaintiff and **Hourly Employee Class** members were never paid stipends for either
4 controlled or uncontrolled on-call or stand-by working hours.

5 81. This uncompensated time caused Plaintiff and **Hourly Employee Class** members to
6 work in excess of eight (8), ten (10), and twelve (12) hours a day and/or forty (40) hours a week,
7 entitling Plaintiff and **Hourly Employee Class** members to minimum and overtime wages, which
8 they were systemically denied.

9 82. Moreover, Defendants failed to pay Plaintiff and **Hourly Employee Class** members
10 at the applicable and proper regular rates of pay for overtime, and double-time, hours worked.
11 Specifically, Plaintiff and **Hourly Employee Class** members received performance-based, non-
12 discretionary, bonuses in addition to their hourly pay. However, Defendants failed to adjust Plaintiffs'
13 and **Hourly Employee Class** members' regular rates of pay by failing to incorporate the value of the
14 bonus when calculating the overtime pay.

15 83. Defendants further failed to incorporate all bonuses earned and other remunerations
16 into Plaintiffs' and **Hourly Employee Class** members' regular rates of pay when calculating meal
17 and rest period premiums.

18 84. Defendants failed to properly calculate Plaintiffs' and the **Hourly Employee Class**
19 members' regular rate of pay because Defendants failed to include all forms of compensation in the
20 regular rate including bonuses, and other compensation.

21 85. As a result of Defendants' unlawful conduct, Plaintiff and **Hourly Employee Class**
22 members have suffered damages in an amount, subject to proof, to the extent they were not paid the
23 full amount of wages earned during each pay period during the applicable limitations period,
24 including overtime wages.

25 86. Pursuant to Labor Code sections 204, 218.6, 223, 510, 1194 and 1194.2, Plaintiff, on
26 behalf of himself and **Hourly Employee Class** members, seek to recover unpaid straight time and
27 overtime wages, interest thereon and costs of suit.

28 87. Pursuant to Labor Code section 1194, Code of Civil Procedure section 1021.5, the

substantial benefit doctrine, and/or the common fund doctrine, Plaintiff, on behalf of himself and Hourly Employee Class members, seek to recover reasonable attorneys' fees.

FOURTH CAUSE OF ACTION

FAILURE TO PROVIDE ACCURATE WRITTEN WAGE STATEMENTS

(Lab. Code § 226)

(Plaintiff and Wage Statement Penalties Sub-Class)

88. Plaintiff incorporates the preceding paragraphs of the Complaint as if fully alleged herein.

89. Labor Code section 226(a) states:

“An employer, semimonthly or at the time of each payment of wages, shall furnish to his or her employee, either as a detachable part of the check, draft, or voucher paying the employee's wages, or separately if wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee, except as provided in subdivision (j), (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, (8) the name and address of the legal entity that is the employer and, if the employer is a farm labor contractor, as defined in subdivision (b) of Section 1682, the name and address of the legal entity that secured the services of 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 and, beginning July 1, 2013, if the employer is a temporary services employer as defined in Section 201.3, the rate of pay and the total hours worked for each temporary services assignment. The deductions made from payment of wages shall be recorded in ink or other indelible form, properly dated, showing the month, day, and year, and a copy of the statement and the record of the deductions shall be kept on file by the employer for at least three years at the place of employment or at a central location within the State of California. For purposes of this subdivision, ‘copy’ includes a duplicate of the itemized statement provided to an employee or a computer-generated record that accurately shows all of the information required by this subdivision.”

90. The Division of Labor Standards Enforcement (“DLSE”) has sought to harmonize the “detachable part of the check” provision and the “accurate itemized statement in writing” provision of Labor Code section 226(a) by allowing for electronic wage statements so long as each employee retains the right to elect to receive a written paper stub or record and that those who are provided with electronic wage statements retain the ability to easily access the information and convert the electronic statements into hard copies at no expense to the employee. (DLSE Opinion Letter July 6, 2006).

1 91. Plaintiff is informed and believes that, at all relevant times during the applicable
2 limitations period, Defendants have failed to provide **Wage Statement Class** members with written
3 wage statements as described above. Additionally, the wage statements issued to class members
4 failed to account for the unpaid minimum wages, overtime, and premium pay wages described
5 above.

6 92. Furthermore, Defendants failed to provide Plaintiff and **Wage Statement Class**
7 Members with paper pay stubs as required by Labor Code § 226, applicable Wage Orders, and DLSE
8 Opinion Letters. Plaintiff's and **Wage Statement Class** members' wage statement were only
9 provided in electronic format in violation of Labor Code § 226.

10 93. Plaintiff is informed and believes that Defendants' failure to provide her and **Wage**
11 **Statement Class** members with accurate written wage statements were intentional in that Defendants
12 have the ability to provide them with accurate wage statements but have intentionally provided them
13 with written wage statements that Defendants have known do not comply with Labor Code section
14 226(a).

15 94. Plaintiff and **Wage Statement Class** members have suffered injuries, in that
16 Defendants have violated their legal rights to receive accurate wage statements and have misled them
17 about their actual rates of pay and wages earned. In addition, inaccurate information on their wage
18 statements have prevented immediate challenges to Defendants' unlawful pay practices, has required
19 discovery and mathematical computations to determine the amount of wages owed, has caused
20 difficulty and expense in attempting to reconstruct time and pay records, and/or has led to the
21 submission of inaccurate information about wages and deductions to federal and state government
22 agencies.

23 95. Pursuant to Labor Code section 226(e), Plaintiff, on behalf of himself and **Wage**
24 **Statement Class** members, seek the greater of actual damages or \$50.00 for the initial pay period in
25 which a violation of Labor Code section 226(a) occurred, and \$100.00 for each subsequent pay period
26 in which a violation of Labor Code section 226(a) occurred, not to exceed an aggregate penalty of
27 \$4000.00 per class member, as well as awards of reasonable attorneys' fees and costs.

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1 **FIFTH CAUSE OF ACTION**

2 **FAILURE TO TIMELY PAY ALL FINAL WAGES**

3 **(Lab. Code §§ 201-203)**

4 **(Plaintiff and Waiting Time Penalties Sub-Class)**

5 96. Plaintiff incorporates the preceding paragraphs of the Complaint as if fully alleged
6 herein.

7 97. At all relevant times, Plaintiff and **Waiting Time Penalties Sub-Class** members have
8 been entitled, upon the end of their employment with Defendants, to timely payment of all wages
9 earned and unpaid before termination or resignation.

10 98. At all relevant times, pursuant to Labor Code section 201, employees who have been
11 discharged have been entitled to payment of all final wages immediately upon termination.

12 99. At all relevant times, pursuant to Labor Code section 202, employees who have
13 resigned after giving at least seventy-two (72) hours notice of resignation have been entitled to
14 payment of all final wages at the time of resignation.

15 100. Plaintiff is informed and believes that, at all relevant time during the applicable
16 limitations period, Defendants have failed to timely pay **Waiting Time Penalties Sub-Class**
17 members all of their final wages in accordance with the Labor Code.

18 101. Plaintiff is informed and believes that, at all relevant times during the applicable
19 limitations period, Defendants have maintained a policy or practice of paying **Waiting Time**
20 **Penalties Sub-Class** members their final wages without regard to the requirements of Labor Code
21 sections 201 or 202 by failing to timely pay them all final wages.

22 102. Plaintiff is informed and believes and thereupon alleges that Defendants' failure to
23 timely pay all final wages to her and **Waiting Time Penalties Sub-Class** members have been willful
24 in that Defendants have the ability to pay final wages in accordance with Labor Code sections 201
25 and/or 202 but have intentionally adopted policies or practices that are incompatible with those
26 requirements.

27 103. Pursuant to Labor Code sections 203 and 218.6, Plaintiff, on behalf of himself and
28 **Waiting Time Penalties Sub-Class** members, seek waiting time penalties from the dates that their

1 final wages have first become due until paid, up to a maximum of thirty days, and interest thereon.

2 104. Pursuant to Code of Civil Procedure section 1021.5, the substantial benefit doctrine
3 and/or the common fund doctrine, Plaintiff, on behalf of himself and **Waiting Time Penalties Sub-**
4 **Class** members, seek awards of reasonable attorneys' fees and costs.

5 **SIXTH CAUSE OF ACTION**

6 **FAILURE TO INDEMNIFY**

7 **(Lab. Code § 2802)**

8 **(Plaintiff and Reimbursement Class)**

9 105. Plaintiff incorporates the preceding paragraphs of the Complaint as if fully alleged
10 herein.

11 106. Labor Code section 2802(a) states:

12 "An employer shall indemnify his or her employee for all necessary expenditures or
13 losses incurred by the employee in direct consequence of the discharge of his or her
14 duties, or of his or her obedience to the directions of the employer, even though
unlawful, unless the employee, at the time of obeying the directions, believed them to
be unlawful."

15 107. Plaintiff and **Expense Reimbursement Class** members were not reimbursed for
16 business expenses incurred in executing their duties under Defendant's employ. Specifically, Plaintiff
17 and **Expense Reimbursement Class** members were required to clean and maintain their work
18 uniforms, and for which no reimbursements were paid.

19 108. Accordingly, Plaintiff and **Expense Reimbursement Class** members are entitled to
20 restitution for all unpaid amounts due and owing to within four years of the date of the filing of the
21 Complaint and until the date of entry of judgment.

22 109. Plaintiff, on behalf of himself, and **Expense Reimbursement Class** members, seeks
23 interest thereon and costs pursuant to Labor Code section 218.6, and reasonable attorneys' fees
24 pursuant to Code of Civil Procedure section 1021.5.

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1 119. Defendants' unlawful conduct as alleged in this Complaint amounts to and constitutes
2 unfair competition within the meaning of Business and Professions Code section 17200 *et seq.*
3 Business and Professions Code sections 17200 *et seq.* protects against unfair competition and allows
4 a person who has suffered an injury-in-fact and has lost money or property as a result of an unfair,
5 unlawful or fraudulent business practice to seek restitution on his own behalf and on behalf of
6 similarly situated persons in a class action proceeding.

7 120. As a result of Defendants' violations of the Labor Code during the applicable
8 limitations period, Plaintiff has suffered an injury-in-fact and has lost money or property in the form
9 of earned wages. Specifically, Plaintiff has lost money or property as a result of Defendants' conduct.

10 121. Plaintiff is informed and believes that other similarly situated persons have been
11 subject to the same unlawful policies or practices of Defendants.

12 122. Due to the unfair and unlawful business practices in violation of the Labor Code,
13 Defendants have gained a competitive advantage over other comparable companies doing business in
14 the State of California that comply with their legal obligations.

15 123. California's Unfair Competition Law ("UCL") permits civil recovery and injunctive
16 for "any unlawful, unfair or fraudulent business act or practice," including if a practice or act violates
17 or is considered unlawful under any other state or federal law.

18 124. Accordingly, pursuant to Business and Professions Code sections 17200 and 17203,
19 Plaintiffs request the issuance of temporary, preliminary and permanent injunctive relief enjoining
20 Defendants, and each of them, and their agents and employees, from further violations of the Labor
21 Code and applicable Wage Orders.

22 125. Accordingly, pursuant to Bus. & Prof. Code sections 17200 and 17203, Plaintiff
23 requests the issuance of temporary, preliminary and permanent injunctive relief enjoining
24 Defendants, and each of them, and their agents and employees, from further violations of the Labor
25 Code and applicable Industrial Welfare Commission Wage Orders; and upon a final hearing seek an
26 order permanently enjoining Defendants, and each of them, and their respective agents and
27 employees, from further violations of the Labor Code and applicable Industrial Welfare Commission
28 Wage Orders.

126. Pursuant to Business and Professions Code section 17203, Plaintiff, on behalf of himself and **UCL Class** members, seek declaratory relief and restitution of all monies rightfully belonging to them that Defendants did not pay them or otherwise retained by means of its unlawful and unfair business practices.

127. Pursuant to Code of Civil Procedure section 1021.5, the substantial benefit doctrine and/or the common fund doctrine, Plaintiff and **UCL Class** members are entitled to recover reasonable attorneys' fees in connection with their unfair competition claims.

128. Pursuant to Business and Professions Code section 17203, Plaintiff, on behalf of himself and **UCL Class** members, seek declaratory relief and restitution of all monies rightfully belonging to them that Defendants did not pay them or otherwise retained by means of its unlawful and unfair business practices.

129. Pursuant to Code of Civil Procedure section 1021.5, the substantial benefit doctrine and/or the common fund doctrine, Plaintiff and **UCL Class** members are entitled to recover reasonable attorneys' fees in connection with their unfair competition claims.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, on behalf of himself, all others similarly situated, and the general public, prays for relief and judgment against Defendants as follows:

- a. An order that the action be certified as a class action;
- b. An order that Plaintiff be appointed class representative;
- c. An order that counsel for Plaintiff be appointed class counsel;
- d. Unpaid wages and overtime;
- e. Actual damages;
- f. Liquidated damages;
- g. Unreimbursed expenses;
- h. Restitution;
- i. Declaratory relief;
- j. Pre-judgment interest;
- k. Statutory penalties;

- 1 l. Costs of suit;
2 m. Reasonable attorneys' fees; and
3 n. Such other relief as the Court deems just and proper.
4

5 Dated: September 8, 2023

D.LAW, INC.

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8 _____
9 Emil Davtyan
10 David Yeremian
11 David Keledjian
12 Attorneys for Plaintiff
13 UDOKA NWEKE, and the putative class

11 **DEMAND FOR JURY TRIAL**

12 Plaintiff, on behalf of himself, all other similarly situated, and the general public, hereby
13 demands a jury trial on all issues so triable.
14

15 Dated: September 8, 2023

D.LAW, INC.

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18 _____
19 Emil Davtyan
20 David Yeremian
21 David Keledjian
22 Attorneys for Plaintiff
23 UDOKA NWEKE, and the putative class
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EXHIBIT 5

VIA ON-LINE SUBMISSION AND MAIL:

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

Private Attorneys General Act**Attn. PAGA Administrator**

455 Golden Gate Avenue, 9th Floor
San Francisco, CA 94102

Kerberos International, Inc.

Incorp Services, Agent for Service of Process

5716 Corsa Ave., Westlake Village, CA 91362

Certified Mail Tracking Number: 9414 8112 0620 5896 6169 08

LWDA Case No.: LWDA-CM-980435-23

**Re: Labor Code § 2698, *et seq.* Penalties – PAGA Notice Letter to the LWDA
*Nweke v. Kerberos International, Inc., et al.***

Gentlepersons:

This office represents Plaintiffs Udoka Nweke and Tiffany Lockett (collectively “Plaintiffs”) and other similarly situated aggrieved employees (collectively “Aggrieved Employees”) for violations of California Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 226.8, 510, 512, 515, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, 2699, *et seq.*, and 2802; provisions of the Industrial Welfare Commission (IWC) Wage Order(s); and California Business & Professions Code § 17200 *et seq.*

The purpose of this letter is to comply with the Private Attorneys General Act of 2004, pursuant to California Labor Code § 2698 *et seq.* (“the Act”). Plaintiffs would like to bring a representative action, pursuant to the Act, on behalf of themselves and all other similarly situated Aggrieved Employees, and the State of California, against Defendants, Kerberos International, Inc., and DOES 1 through 50 inclusive (all defendants being referred to herein collectively as “Defendants”).

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

Relevant Facts

Plaintiffs were employed by Defendants as a non-exempt hourly employee in California. Aggrieved Employees include all non-exempt hourly employees of Defendants within the state of



California from one year prior to the date of this letter and continuing through the present (Plaintiffs and Aggrieved Employees are collectively referred to herein as “Aggrieved Employees”).

Defendants had a common policy and practice of systemically failing to pay Plaintiffs and Aggrieved Employees proper wages and overtime for all hours worked at the proper rates of pay. First, Defendants implemented an unlawful time-rounding policy and practice which rounded down and reduced the actual working hours recorded by Plaintiffs and Aggrieved Employees, and upon which their pay was based, and generally did so to the detriment of the Plaintiffs and Aggrieved Employees, and these unlawfully rounded time entries were inputted into Defendants’ payroll system from which wage statements and payroll checks were created. Defendants did so with the ostensible intent of paying Plaintiffs and Aggrieved Employees only for the hours they were scheduled to work, rather than the hours they were actually under Defendants’ control. Plaintiffs contends this policy is not neutral and results, over time, to the detriment of the Plaintiffs and Aggrieved Employees by systematically undercompensating them.

Next, Defendants had a common policy and practice of automatically deducting time for alleged unpaid meal periods which were systemically denied in violation of California law. In fact, Defendants failed to track and/or record Plaintiffs and Aggrieved Employees’ unpaid meal periods altogether, which were often shorter than the automatically deducted time, were systemically interrupted with work by having to continuously monitor their company-issued radios or denied altogether.

Finally, Plaintiffs and Aggrieved Employees were required to remain on-call outside of their usual scheduled shifts, and remain readily available to work, immediately upon Defendants’ requests. Plaintiffs and Aggrieved Employees were not left free and unrestricted during on-call working hours and were not free to pursue personal interests without restriction. Plaintiffs and Aggrieved Employees were never paid stipends for either controlled or uncontrolled on-call or stand-by working hours.

The forgoing and uncompensated working time was under the direction and control of Defendants, for which no wages were paid. This uncompensated time caused Plaintiffs and Aggrieved Employees to work in excess of eight (8), ten (10) and/or twelve (12) hours a day and/or forty (40) hours a week, entitling Plaintiffs and Aggrieved Employees to minimum and overtime wages, which they were systemically denied.

Defendants had a common policy and practice of systemically denying Plaintiffs and Aggrieved Employees the opportunity to take meal periods in compliance with the California Law. As discussed above, Defendants had a common policy and practice of automatically deducting time for alleged unpaid meal periods which were systemically denied. Moreover, Defendants failed to properly track and/or record Plaintiffs and Aggrieved Employees meal periods altogether. Additionally, what meal periods were taken by Plaintiffs and Aggrieved Employees were regularly taken late, or after the completion of their fifth hour of work, under 30 minutes, and regularly interrupted by work related tasks. Finally, Plaintiffs and Aggrieved Employees were required to keep and monitor their company-issued radios during their entire work shifts, including during meal and rest breaks, when such breaks were taken.



Additionally, Plaintiffs and Aggrieved Employees were regularly required to work in excess of ten (10) and twelve (12) hours a day while never being provided second, uninterrupted and duty-free meal periods, to commence prior to the completion of their tenth hour of work, all in violation of California law.

Plaintiffs and Aggrieved Employees were not provided with meal periods of at least thirty (30) minutes for each five (5) hour work period due to (1) Defendants' policy of not scheduling each meal period as part of each work shift; (2) no formal written meal policy that encouraged employees to take their meal periods, or that advised Aggrieved Employees of their meal and rest period rights; and (3) Defendants' practice of requiring putative Aggrieved Employees to continue working through their meal and rest periods due to the excessive workload

Defendants had a common policy and practice of systemically denying Plaintiffs and Aggrieved Employees the opportunity to take rest periods in compliance with the California Law. Plaintiffs and Aggrieved Employees were not provided with rest periods of at least ten (10) minutes for each four (4) hour work period, or major fraction thereof, due to (1) Defendants' policy of not scheduling each rest period as part of each work shift, including second rest breaks for shifts of six (6) hours or more; (2) no formal compliant written rest period policy that encouraged employees to take their rest periods, or that properly advised Plaintiffs and Aggrieved Employees of their rest period rights; (3) Defendants' policy and practice of requiring putative Aggrieved Employees to continue working through their rest breaks due to the excessive workload and having to keep, maintain, and monitor their company-issued radios during breaks.

Furthermore, Defendants failed to pay Plaintiffs and Aggrieved Employees premium pay wages at their appropriate regular rates of pay for each meal and rest period denied.

Plaintiffs and Aggrieved Employees were not provided with accurate wage statements as mandated by law pursuant to Labor Code section 226. Specifically, Defendants failed to issue wage statements as "a detachable part of the check, draft, or voucher paying the employee's wages, or separately if wages are paid by personal check or cash, an accurate itemized statement in writing." Additionally, the wage statements issued to Plaintiffs and Aggrieved Employees were not recorded in "ink or other indelible form."

Defendants failed to comply with Labor Code section 226(a)(1) as "gross wages earned" were not accurately reflected in that: all hours worked, including overtime, were not included.

Defendants failed to comply with Labor Code section 226(a)(2) as "total hours worked by the employee" were not accurately reflected in that: all hours worked, including overtime, were not included.

Defendants failed to comply with Labor Code section 226(a)(5) as "net wages earned" were not accurately reflected in that: all hours worked, including overtime, were not included.

Defendants failed to comply with Labor Code section 226(a)(9) as "all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by



the employee” were not accurately reflected in that: all hours worked, including overtime, were not included.

Furthermore, Defendants failed to provide Plaintiffs and Aggrieved Employees with paper pay stubs as required by Labor Code § 226, applicable Wage Orders, and DLSE Opinion Letters. Plaintiffs’ and Aggrieved Employees’ wage statement were only provided in electronic format in violation of Labor Code § 226.

Plaintiffs and Aggrieved Employees were not reimbursed for business expenses incurred in executing their duties under Defendant’s employ. Specifically, Plaintiffs and Aggrieved Employees were required to clean and maintain their work uniforms, necessary for Plaintiffs and Aggrieved Employees to execute their duties under Defendants’ employ, and for which no reimbursements were paid.

PAGA Claim Details, Legal Bases for Violations and Penalties:

As addressed above and in further detail in the Class Action Complaint, Plaintiffs and the Aggrieved Employees complain of the following violations committed by Defendants:¹

Failure to Pay Minimum Wages

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

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

California Labor Code § 1197, entitled “Pay of Less Than Minimum Wage” states: “The minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful.” The minimum wage provisions of California Labor Code are enforceable by private civil action pursuant to Labor Code § 1194(a)

¹ Plaintiffs hereby reserve the right to seek penalties on behalf of all Aggrieved Employees, for Defendants’ violations of the applicable provisions of the Labor Code, suffered by Aggrieved Employees, but not directly suffered by Plaintiffs under *Huff v. Securitas Security Services USA, Inc.* (2018) 23 Cal.App.5th 745.



which states: “Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney’s fees and costs of suit.”

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

Defendants had a common policy and practice of systemically failing to pay Plaintiffs and Aggrieved Employees proper wages and overtime for all hours worked, at the proper rates of pay. First, Defendants implemented an unlawful time-rounding policy and practice which rounded down and reduced the actual working hours recorded by Plaintiffs and Aggrieved Employees, and upon which their pay was based, and generally did so to the detriment of the Plaintiffs and Aggrieved Employees, and these unlawfully rounded time entries were inputted into Defendants’ payroll system from which wage statements and payroll checks were created. Defendants did so with the ostensible intent of paying Plaintiffs and Aggrieved Employees only for the hours they were scheduled to work, rather than the hours they were actually under Defendants’ control. Plaintiffs contends this policy is not neutral and results, over time, to the detriment of the Plaintiffs and Aggrieved Employees by systematically undercompensating them.

Next, Defendants had a common policy and practice of automatically deducting time for alleged unpaid meal periods which were systemically denied in violation of California law. In fact, Defendants failed to track and/or record Plaintiffs and Aggrieved Employees’ unpaid meal periods altogether, which were often shorter than the automatically deducted time, were systemically interrupted with work by having to continuously monitor their company-issued radios, or denied altogether.

Finally, Plaintiffs and Aggrieved Employees were required to remain on-call outside of their usual scheduled shifts, and remain readily available to work, immediately upon Defendants’ requests. Plaintiffs and Aggrieved Employees were not left free and unrestricted during on-call working hours, and were not free to pursue personal interests without restriction. Plaintiffs and Aggrieved Employees were never paid stipends for either controlled or uncontrolled on-call or stand-by working hours.

The forgoing and uncompensated working time was under the direction and control of Defendants, for which no wages were paid Defendants have the ability to pay minimum and overtime wages for all time worked and have willfully refused to pay such wages with the intent to secure for



Defendants a discount upon this indebtedness with the intent to annoy, harass, oppress, hinder, delay, or defraud Plaintiffs and Aggrieved Employees.

In light of the forgoing, the Aggrieved Employees seek to recover wages and penalties. Aggrieved Employees are entitled to recover the unpaid minimum wages (including double minimum wages), liquidated damages in an amount equal to the minimum wages unlawfully unpaid, interest thereon and reasonable attorney's fees and costs of suit pursuant to California Labor Code § 1194(a). Plaintiffs and the other Aggrieved Employees further request recovery of all unpaid wages, according to proof, interest, statutory costs, as well as the assessment of any statutory and civil penalties against Defendants, in a sum as provided by the California Labor Code and/or other applicable statutes, including pursuant to Labor Code § 558, and Wage Order provisions. To the extent minimum wage compensation is determined to be owed to the Aggrieved Employees who have terminated their employment, Defendants' conduct also violates Labor Code §§ 201 and/or 202, and therefore these individuals are also be entitled to waiting time penalties under California Labor Code § 203, which penalties are sought herein on behalf of these Aggrieved Employees. Defendants' failure to timely pay all wages owed also violated Labor Code § 204 and resulted in violations of Labor Code § 226 because they resulted in the issuance of inaccurate wage statements. Defendants' conduct as alleged herein was willful, intentional and not in good faith. Further, Plaintiffs and other Aggrieved Employees are entitled to seek and recover statutory costs.

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

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

Defendants violated the law by failing to pay Plaintiffs and Aggrieved Employees earned wages and overtime. Specifically, Plaintiffs and Aggrieved Employees consistently worked in excess of eight (8), ten (10), and twelve (12) hours a day, and/or forty (40) hours a week. However, Plaintiffs and Aggrieved Employees were not paid overtime wages for hours worked in excess of 8 hours a day. Moreover, the uncompensated time, discussed above caused Plaintiffs and Aggrieved Employees to work in excess of eight (8), ten (10), and twelve (12) hours a day and/or 40 hours a week, further entitling Plaintiffs and Aggrieved Employees overtime wages which they were consistently denied, all in violation of Labor Code § 510 and applicable Wage Orders.

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



that they be paid at the correct overtime rate of 1.5 times their regular rate.

Defendants failed to properly calculate Plaintiffs' and the Aggrieved Employees' regular rate of pay because Defendants failed to include all forms of compensation in the regular rate including bonuses, and other compensation.

Additionally, all the uncompensated time, discussed above, was under the direction and control of Defendants, for which no wages were paid. This uncompensated time caused Plaintiffs and Aggrieved Employees to work in excess of eight (8), ten (10) and/or twelve (12) hours a day and/or forty (40) hours a week, entitling Plaintiffs and Aggrieved Employees to minimum and overtime wages, which they were systemically denied.

When considered in combination with the other wage violations addressed above, Aggrieved Employees were not properly compensated, nor were they paid overtime and double time rates for hours worked in excess of 8, 10, and 12 hours in a given day, and/or forty hours in a given week. Defendants did not make available to Employees a reasonable protocol for correcting time records when Employees worked overtime hours or to fix incorrect time entries or those that Defendants unlawfully under-recorded to the Employee's detriment. Defendants have also violated these provisions by requiring Plaintiffs and other similarly situated Aggrieved Employees to work through meal periods when they were required to be clocked out or to otherwise work off the clock to complete their daily job duties.

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

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

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

Defendants had a common policy and practice of systemically denying Plaintiffs and Aggrieved Employees the opportunity to take meal periods in compliance with the California Law. As discussed above, Defendants had a common policy and practice of automatically deducting time for alleged unpaid meal periods which were systemically denied. Moreover, Defendants failed to properly track and/or record Plaintiffs and Aggrieved Employees meal periods altogether. Additionally, what meal periods were taken by Plaintiffs and Aggrieved Employees were regularly taken late, or after the completion of their fifth hour of work, under 30 minutes, and regularly interrupted by work related tasks. Finally, Plaintiffs and Aggrieved Employees were required to keep and monitor their company-issued radios during their entire work shifts, including during meal and rest breaks, when such breaks were taken.



Additionally, Plaintiffs and Aggrieved Employees were regularly required to work in excess of ten (10) and twelve (12) hours a day while never being provided second, uninterrupted and duty-free meal periods, to commence prior to the completion of their tenth hour of work, all in violation of California law.

Plaintiffs and Aggrieved Employees were not provided with meal periods of at least thirty (30) minutes for each five (5) hour work period due to (1) Defendants' policy of not scheduling each meal period as part of each work shift; (2) no formal written meal policy that encouraged employees to take their meal periods, or that advised Aggrieved Employees of their meal and rest period rights; and (3) Defendants' practice of requiring putative Aggrieved Employees to continue working through their meal and rest periods due to the excessive workload.

Defendants also failed to pay Aggrieved Employees "premium pay," i.e. one hour of wages at each Aggrieved Employee's effective regular rate of pay, for each meal period that Defendants failed to provide or deficiently provided, including by miscalculating any premium payments they did make. Therefore, pursuant to Labor Code § 226.7 and paragraphs 11 and 20 of the applicable IWC Wage Order, Aggrieved Employees are entitled to damages in an amount equal to one hour of wages at their correctly calculated regular rate of compensation for each meal period not provided or deficiently provided, as well as the assessment of any statutory penalties against the Defendants, and each of them, in a sum as provided by the Labor Code, including Labor Code § 558 and other applicable statutes and Wage Order provisions.

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

Rest-Break Liability Under Labor Code § 226.7 and Penalties

Defendants have consistently failed to provide Plaintiffs and Aggrieved Employees with paid rest breaks of not less than 10 minutes for every work period of 4 or more consecutive hours, as required by Labor Code. Specifically, Plaintiffs and Aggrieved Employees were required to work through their rest breaks, including having to monitor their company-issued radios, which were systemically denied.

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



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

Failure to Reimburse for Necessary Business Expenditures in Violation of Labor Code § 2802

Defendants have consistently required Plaintiffs and Aggrieved Employees to incur necessary business expenses in the execution of their duties under Defendants' employ. Specifically, Plaintiffs and Aggrieved Employees were required to clean and maintain their work uniforms, for which no reimbursements were paid, all necessary for Plaintiffs and Aggrieved Employees to execute their duties under Defendants' employ, and for which no reimbursements were paid in violation of Labor Code § 2802.

Defendants systematically and uniformly failed to reimburse those lawful and necessary work-related expenses or losses incurred in direct discharge of their job duties during employment with Defendants and at the direction of the Defendants pursuant to Labor Code § 2802(a) and the applicable IWC Wage Orders, paragraph 9. Defendants are liable for PAGA penalties resulting from their failure to reimburse necessary business expenses incurred by the Aggrieved Employees. Accordingly, Aggrieved Employees are entitled to recover, and hereby seek through this Representative Action, all civil and statutory penalties authorized for violations of California Labor Code §§ 1198 and 2802, and Section 9(B) of the applicable IWC Wage Orders, and Plaintiffs seeks all civil and statutory penalties available and applicable under Labor Code §§ 2802 and 2699(f)(2), and also attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

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

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

Defendants failed to provide Aggrieved Employees with accurate itemized wage statements in writing, as required by the Labor Code. Specifically, Defendants failed to provide Employees with accurate itemized wage statements in writing, as required by the Labor Code. The wage statements given to Aggrieved Employees failed to accurately account for unpaid wages, overtime, premium pay for deficiently provided meal periods and rest breaks.

In light of these violations, and pursuant to Labor Code §§ 226(a) and 226(e) and paragraphs 4(b), 7, and 20 of the applicable IWC Wage Orders, Aggrieved Employees are entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation



occurs and one hundred dollars (\$100) for each violation in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars (\$4,000). They are also entitled to an award of costs and reasonable attorneys' fees.

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

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

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

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

Given the above described off the clock work, Plaintiffs was not paid at the correct overtime rate for all hours he worked after eight hours into a shift or over forty in a work week and that he was not paid all double time owed either. Defendants' uniformly applied payroll policies and practices thus resulted in further systematic and ongoing violations of the requirements of Labor Code § 204.

In light of the foregoing, Plaintiffs and Aggrieved Employees seek to recover wages and penalties, interest, fees and costs pursuant to Labor Code §§ 201.3, 210, 218.5, 558, and 1194. In failing to



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

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

Failure to Keep Records In Accordance With Labor Code §§ 1174

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

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

Waiting Time Penalties Pursuant to Labor Code § 203

Some Aggrieved Employees no longer work for Defendants; they either resigned or were terminated from Defendants' employ. Based on the forgoing, Defendants have had a consistent policy of failing to pay all wages earned by and owed to Aggrieved Employees at the time of their termination of within seventy-two hours of their resignation, as required by California under Labor



Code § 203. In light of the forgoing, Plaintiffs and Aggrieved Employees seek to recover wages and penalties pursuant to Labor Code § 558 and further specifically seek penalties and wages under Labor Code § 203, which provides that an employee's wages shall continue until paid for up to thirty (30) days from the date they were due.

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

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

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

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

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

Plaintiffs and the Aggrieved Employees seek penalties under Labor Code §§ 2698 and 2699 for Defendants' violation of Labor Code provisions included under Labor Code § 2699.5, including the penalty provisions, without limitation, based, *inter alia*, on the following California Labor Code sections: §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, 2699, *et seq.*, and 2802, including as follows:

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

(b) Meal and Rest Period Claims: For failure to provide Plaintiffs and the Aggrieved Employees off-duty, timely, and unpaid meal periods and failure to authorize and permit them to take off-duty, timely, and paid rest periods, or pay one hour of regular pay in lieu thereof, under Labor Code §§ 512, 1198, and 226.7, and Sections 11, 12(A), and 12(B) of the applicable IWC Wage Order(s) seeking all civil and statutory penalties available and applicable, including under



paragraph 20 of the applicable IWC Wage Orders, and wages under Labor Code §§ 226.7, 512, 558, including sections 558(a)(1)-(3), 1199 and 2699(f)(2), and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

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

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

(e) Failure to Reimburse Business Expenses: For Defendants' failure to reimburse the necessary work related expenses incurred under Labor Code §§ 1197, 1197.1, 1198, and 2802, and Sections 2(K), 4, 9, and 20 of the applicable IWC Wage Order(s), seeking civil penalties available and applicable under Labor Code §§ 1197, 1197.1, 1198, 2802, 2699.5, and 2699(f)(2) and paragraph 9 and 20 of the IWC Wage Orders, and also attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

(g) All Alleged Violations of the IWC Wage Orders: For any above addressed violation of the applicable provisions of the IWC Wage Orders constituting violations of Labor Code § 1198 and Labor Code § 2699.5, and seeking penalties available and applicable under Labor Code § 2699(f)(2) and paragraph 20 of the applicable IWC Wage Orders, and for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

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

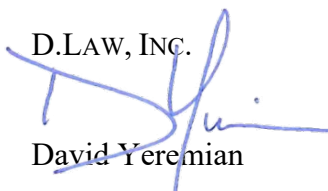


This letter and the attached Complaint therefore provide the requisite notice under the Act to the LWDA and Defendants by setting forth the specific provisions of the Labor Code and related provisions Plaintiffs alleges have been violated, including the facts and relevant theories alleged against Defendants and joint employers. To prevent the violations described in the Complaint and herein from occurring, and to remedy past violations, Plaintiffs respectfully request that the LWDA conduct an investigation into Defendants' employment practices in accordance with the Act.

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

Regards,

D.LAW, INC.



David Yerejian

Cc: Kerberos International, Inc., by Certified Mail

EXHIBIT 6

NOTICE OF PROPOSED CLASS ACTION AND PAGA SETTLEMENT AND
HEARING DATE FOR COURT APPROVAL ("Class Notice")

Udoka Nweke, et al v. Kerberos International, Inc. Case No. 23CV008209

You may be entitled to receive money from a wage and hour Class Action and Private Attorneys General Act lawsuit filed in Sacramento Superior Court against Kerberos International, Inc. ("Defendant") entitled *Udoka Nweke, et al v. Kerberos International, Inc.* (Case No. 23CV008209)

Admin ID: <<Admin ID>>

<<Name>>

<<Address1>>

<<Address2>>

<<City>>, <<State>> <<Zip Code>>

Please provide current address (if different) here:

*The Superior Court of California, County of Sacramento has authorized this Class Notice.
This is not a solicitation from a lawyer.*

YOU MAY BE ENTITLED TO RECEIVE MONEY FROM A PUTATIVE CLASS ACTION COMPONENT OF THE SETTLEMENT IF YOU WERE EMPLOYED BY KERBEROS INTERNATIONAL, INC. IN AN HOURLY OR NON-EXEMPT POSITION IN CALIFORNIA AT ANY TIME BETWEEN SEPTEMBER 22, 2022, THROUGH APRIL 4, 2024, AND YOU MAY BE ENTITLED TO RECEIVE MONEY FROM THE PRIVATE ATTORNEYS GENERAL ACT COMPONENT OF THE SETTLEMENT IF YOU WERE EMPLOYED BY DEFENDANT KERBEROS INTERNATIONAL, INC. IN CALIFORNIA AND CLASSIFIED AS AN HOURLY, NON-EXEMPT EMPLOYEE AT ANY TIME BETWEEN SEPTEMBER 22, 2022 TO APRIL 4, 2024.

What is a Class Action?

A class action lawsuit is where one or more individuals bring a lawsuit on behalf of a group or "class" of people they believe suffered the same violations of the law and who may be entitled to similar compensation. Class Actions are helpful in grouping all these claims together, in one lawsuit, instead of having each employee file a separate lawsuit.

What is a Representative or Private Attorneys General Act ("PAGA") Action?

A representative action under PAGA allows private parties to pursue penalties for alleged labor law violations on behalf of the State of California. As part of the PAGA, the law allows for 25% of the penalties recovered to go back to the employees for enforcing these laws on the State's behalf.

Lawsuit Background and Settlement Terms

A proposed settlement of \$80,000 (the "Gross Settlement Amount") will be used to pay claims to: all persons employed by Kerberos International, Inc. in hourly or non-exempt positions in California between September 22, 2022, and April 4, 2024 (such periods of time, the "Class Period" and such employees, the "Class Members").

The settlement resolves a lawsuit entitled *Udoka Nweke, et al v. Kerberos International, Inc.*, Case No. 23CV008209, filed in the Superior Court of California, County of Sacramento 8, 2023 and all amendments to the complaint in that lawsuit (the "Lawsuit") over whether Kerberos International, Inc. provided employees with meal and rest periods; properly paid employees for regular and overtime hours worked, paid wages on time upon termination, provided legally compliant wage statements, indemnified employees for business expenses and the related claims and penalties that would follow from not doing so. This

settlement avoids the costs and risks from continuing the Lawsuit, pays money to Class Members like you, and releases Kerberos International, Inc. and related parties from alleged liability.

The Court has not made a determination of the validity of any of the claims in the Lawsuit. Kerberos International, Inc. adamantly denies any and all liability allegations, including alleged violations of California labor laws, and maintains it has always adequately and appropriately compensated employees for all hours worked and provided breaks in accordance with California requirements. This resolution does not mean any court has determined the allegations have merit, but represents the parties' agreement to resolving instead of litigating.

The parties to the Lawsuit disagree as to the probable outcome of the Lawsuit had it not been settled with respect to liability and damages. Accordingly, each Class Member who does not exclude himself or herself from the settlement ("Participating Class Member") will receive a payment based on the number of workweeks worked during the Class Period ("Individual Class Payments").

If you are a Class Member, you are also an "Aggrieved Employee" if you worked for Defendant during the "PAGA Period," which is September 22, 2022, to April 4, 2024. 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.

PLEASE READ THIS CLASS NOTICE CAREFULLY. YOUR LEGAL RIGHTS ARE AFFECTED BY IT.

HOW MUCH WILL I GET?

Individual Class Payment:

Based on Kerberos International, Inc.'s records, you worked a total number of <<Work Weeks>> Workweeks during the Class Period.

Based on your Workweeks it is expected that your Individual Class Payment before payroll taxes is approximately <<EstISP>>

Each Participating Class Member's Individual Class Payment will be allocated as follows for tax purposes: 20% as wages, to be reported on an IRS W-2, and which will be reduced for the Class Member's share of taxes and withholdings; and 80% as interest, penalties, and liquidated damages, which portion shall be reported on an IRS Form 1099, and which will not be subject to reduction for taxes and withholdings.

If you do nothing, it is expected that you will receive an Individual Class Payment of approximately <<EstISP>> pursuant to the Settlement, and you will be bound by the "Release of Class Members" described in Paragraph 6 below.

Although parties have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

Individual PAGA Payment:

Based on Kerberos International, Inc.'s records, you worked a total number of <<Pay Periods>> Pay Periods during the PAGA Period.

Based on your Pay Periods it is expected that your Individual PAGA Payment before payroll taxes is approximately <<EstISP>>

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.

Even if you exclude yourself from the class settlement, you will still receive a portion of the PAGA settlement and be bound by the "Release by Aggrieved Employees" described in Paragraph 6 below.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

DO NOTHING	Receive an Individual Class Payment and give up your legal rights to pursue claims released by the settlement of the Lawsuit. If the Court grants final approval of the Settlement, the Administrator will mail your check to the address on file for you. You will have 180 days to cash the check. If you do not cash the check, the money will be deposited with the California Controller's Unclaimed Property Fund in the Class Member's (your) name, but you will still be deemed to have released your claims. Class Members are advised to consult the rules of the Unclaimed Property Fund for instructions on how to retrieve their settlement money.
OPT OUT	Receive no Individual Class Payment and retain your legal rights to pursue claims that would otherwise be released by the settlement of the Lawsuit. You may opt out by following the procedures set forth below. The opt out procedure applies to the class action settlement only. You CANNOT opt out of the PAGA settlement.
OBJECT TO THE SETTLEMENT	If you do not opt out, you may write to the Settlement Administrator, Apex Class Action LLC about why you do not like the settlement, and they will forward your concerns to counsel, which will then be provided to the Court. More information on this process is set forth below.
OBJECT TO THE WORKWEEK CALCULATION	If you feel that you worked a different amount of Workweeks than identified above, you may object to that calculation by following the procedures set forth below.
ATTEND A HEARING	You have the right to attend a fairness hearing that will be conducted by the Court, but you are not required to attend. Regardless of whether you timely file and serve a written objection via fax, mail, or email, you may ask to speak about your objection at the hearing. You can also send a letter to the Settlement Administrator, Apex Class Action LLC, providing notice of your intention to appear and speak at the hearing.

IMPORTANT INFORMATION ABOUT THE PROPOSED SETTLEMENT

1. Why did I get this Class Notice?

You were sent this Class Notice because you have a right to know about the proposed settlement in the Lawsuit and about all of your options before the Court rules on whether to finally approve the settlement. On [DATE], the Court granted preliminary approval of the proposed settlement. However, the Court must still approve the terms of the proposed settlement as fair and reasonable. Once approved, the settlement will affect all Class Members, except those who have properly opted out. This Class Notice explains your legal rights, the terms of the settlement, what you must do to participate, and the estimated amount of money you may receive. Please read this entire Class Notice carefully.

The Court in charge of this case is the Superior Court of California, County of Sacramento. The persons who sued are called "Plaintiffs," and the organization they sued is called "Defendant."

2. What is the Lawsuit about?

In the Lawsuit, Plaintiffs Udoka Nweke and Farley Lewis Doxey, alleged multiple violations of the California Labor Code, the California Business and Professions Code, and the California Private Attorneys General Act (“PAGA”), including causes of action for: (1) failure to provide meal periods; (2) failure to provide rest periods; (3) failure to pay hourly wages and overtime; (4) failure to provide accurate wage statements; (5) failure to pay all final wages upon separation of employment; (6) failure to indemnify; (7) violation of California Business and Professions Code §§ 17200, *et seq.*; (8) violations of PAGA; and related claims for penalties, interest, attorneys’ fees and costs.

3. Why is there a settlement?

The parties disagree on the probable outcome of the case with respect to liability, damages, and how much money could be recovered if the Plaintiffs won at trial. Defendant believes that the Plaintiffs would not prevail if this case went to trial. The Court has not decided in favor of the Plaintiffs or Defendant. There has been no trial in this case. Instead, both sides recognize the risks, expenses, and disruption associated with continued litigation, and they have therefore chosen to resolve their differences by entering into a settlement. By doing so, the parties can avoid the cost of a trial, yet Class Members are still entitled to receive payments if they comply with the instructions in this Class Notice. The parties entered into this settlement after arms-length negotiations while using the services of an experienced and neutral mediator.

4. What are the proposed settlement terms?

Under the proposed settlement, Kerberos International, Inc. will pay \$80,000.00 to fully and finally resolve all claims in the Action (the “Gross Settlement Amount”), which will be paid in two (2) 50% installments. The amount to be distributed to Class Members who do not exclude themselves from the settlement (the “Net Settlement Fund”) will be the Gross Settlement Amount, minus the following amounts: (a) Settlement Administration Costs of \$3,000.00; (b) enhancement payment to each Plaintiff not to exceed \$5,000.00 each (totaling \$10,000.00) for their work and efforts in prosecuting this case; (c) Class Counsel’s attorney’s fees not to exceed one-third of the Gross Settlement Amount, or \$26,667.67; (d) reimbursement of Class Counsel’s actual litigation costs and expenses not to exceed \$20,000.00; and (e) payment of \$5,000.00 to the Labor and Workforce Development Agency for its share of the penalties under the PAGA (“LWDA Payment”) and \$2,000.00 for the Individual PAGA Payments to the Aggrieved Employees. The attorneys’ fees, litigation costs and expenses, enhancement payment, Settlement Administration Costs, and LWDA Payment are all subject to Court approval. The Net Settlement Amount will be used to pay Class Members their Individual Class Payment, a pro-rata payment based on the number of workweeks each Class Member worked during the Class Period.

If you do not dispute your workweek calculation and do not opt out of the settlement, you will be bound by the settlement and release of claims and will receive a settlement payment. **In other words, you do not need to take any action to receive your Individual Class Payment.**

5. When would I get my payment?

The Court will hold a hearing on **[ENTER DATE AND TIME]** at **[ADDRESS]** to decide whether to grant final approval of the proposed settlement. If the Court 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. To check on the progress of the settlement, call the Settlement Administrator at 1-800-878-0700 or contact Class Counsel (see below for Class Counsel’s contact information). *Please be patient.*

Class Members will have 180 days to cash their checks after receipt. The value of all settlement checks that remain uncashed after 180 days will be distributed to the Controller of the State of California.

6. What am I releasing?

Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Class Members will release claims against Defendant and each of their former and present agents, directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates (“Released Parties”) as follows:

Release by Participating Class Members:

Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties of and from all claims, rights, demands, liabilities, penalties, wages, and causes of action, arising from, or related to, or that were pled, or that could have been pled, based on the facts and allegations in the operative Second Amended Complaint in the Action during the Class Period, this includes but is not limited to, any and all claims that could have been asserted against Defendant based on Labor Code sections §§ 201, 202, 203, 204, 210, 223, 226, 226(a), 226.7, 510, 512, 1174, 1174.5, 1194, 1194.2, 1197, 1198, 1997.1, 2800, 2802, 2698, et seq., 2699 and the related IWC Wage Orders, and Business & Professions Code §§ 17200, et seq., or any claims based on the following allegations under any theory: failure to provide meal and rest periods; failure to pay minimum, regular, or hourly wages, and/or alleged off-the-clock work; failure to pay overtime wages or accurate overtime wages; failure to pay timely wages during employment or upon separation; failure to provide accurate and/or complete wage statements; failure to indemnify; or violation of Cal. Bus. & Prof. Code section 17200 *et seq.* by engaging in the foregoing conduct. Participating Class Members’ Released Claims include all claims for unpaid wages, overtime wages, statutory penalties, damages of any kind, interest, attorneys’ fees, costs, injunctive relief, restitution, and any other equitable relief under California or federal statute, ordinance, regulation, common law, or other source of law, including but not limited to the California Labor Code, California Business and Professions Code, and California Civil Code, and California Industrial Welfare Commission Wage Orders.

This means that if you do nothing, choose not to opt out of this Settlement, and receive an Individual Class Payment, you will not be able to file a lawsuit against Kerberos International, Inc. for the same claims or issues above.

The time period covered by this release is September 22, 2022, through April 4, 2024. This release does not apply to claims for workers’ compensation benefits, unemployment insurance benefits, or any other claim or right that, as a matter of law, cannot be waived or released.

Release by Aggrieved Employees:

Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, and the PAGA Notices, including but not limited to PAGA Penalties claims premised on: California Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 226.8, 510, 512, 515, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, 2699, et seq., and 2802; provisions of the Industrial Welfare Commission (IWC) Wage Order(s); and California Business & Professions Code § 17200 *et seq.*

7. How can I opt out of this settlement?

You can opt out of this settlement and retain your rights. To do so, you must submit a written, signed request to opt out of the settlement. You will have 60 days from the date of mailing of this Class Notice to do so. A request to opt out of the settlement must be signed and in writing and should reasonably communicate your election to be excluded from the Settlement and include your name, address, and email address or telephone number.

Your Opt-Out request must be emailed, faxed or mailed to the Settlement Administrator, Apex Class Action LLC, 18 Technology Drive, Suite 154, Irvine, CA 92618, fax: 949-878-3536 and be postmarked no later than **[ENTER DATE]**, or it will not be considered and you will be bound by the settlement.

8. Do I have a lawyer in this case?

The Court has appointed Emil Davtyan, David Yeremian, David Keledjian, and David Arakelyan of D.LAW, INC., 450 N. Brand Blvd. Ste. 840, Glendale, California 91203, telephone 818.962.6465 to represent you and other Class Members in the Lawsuit. These lawyers are called Class Counsel. They will be compensated from the Gross Settlement Amount as discussed in this Class Notice. If you want to be represented by your own lawyer, you may hire one at your own expense.

9. How will the lawyers be paid?

Class Counsel will ask the Court to award them fees up to 1/3 (one-third) of the Gross Settlement Amount and reasonable litigation costs. Class Counsel will also ask the Court to award them costs incurred in connection with the Lawsuit. The Court may choose to award less than the amount requested by Class Counsel.

10. How do I tell the Court that I do not like the settlement?

You can ask the Court to deny approval by filing an objection. You cannot ask the Court to order a larger settlement; the Court can only approve or deny the settlement. If the Court denies the settlement, no settlement payments will be sent out, and the Lawsuit will continue. If that is what you want to happen, you must object.

You may object to the proposed settlement in writing, via mail, email, or fax. You may also appear at the Final Approval Hearing, either in person or through your own attorney. You may appear at the Final Approval Hearing to object to the settlement without having filed a written objection beforehand. If you appear through your own attorney, you are responsible for paying that attorney. All written objections and supporting papers must (a) clearly identify the case name and number (*Udoka Nweke, et al v. Kerberos International, Inc.*, Case No. 23CV008209), (b) be submitted to the Settlement Administrator, Apex Class Action LLC located at 18 Technology Drive, Suite 154, Irvine, CA 92618, and (c) be filed or postmarked on or before **[ENTER DATE]**.

Please note, only participating Class Members may send written objections to the class action settlement components of the Lawsuit. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 60 days after the Administrator's mailing of the Class Notice.

11 How do I dispute my Workweek and/or Pay Period calculation?

To dispute the number of Workweeks and Pay Periods with which you have been credited, you must submit evidence to the Settlement Administrator showing that the workweek information is inaccurate. Such evidence may be faxed, emailed, or mailed to the Settlement Administrator at Apex Class Action LLC located at 18 Technology Drive, Suite 154, Irvine, CA 92618 and postmarked on or before **[ENTER DATE]**. The Settlement Administrator will address and decide on Class Member disputes over the calculation of Workweeks and/or Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

12. When and where will the Court decide whether to approve the settlement?

The Court will hold a fairness hearing on **[ENTER DATE AND TIME]** at the Superior Court of California, County of Sacramento, Department 22, Gordon D. Schaber Superior Court, 720 9th Street, Sacramento, CA **95814**. At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections and they have been properly lodged, the Court will consider them. The Court will also listen to Class Members who have asked to speak

at the hearing. If you desire to appear at the final approval hearing, you can do so by going to Court in person or remotely by joining via Department 22's Zoom link or phone number.

To join by Zoom, please use the following link: <https://saccourt-ca.gov.zoomgov.com/my/sscdept22>;

To join by phone, please call (833) 568 – 8864, and enter ID: 16184738886.

The Court will consider whether to approve attorneys' fees and costs in the amount requested by Class Counsel. At or after the hearing, the Court will decide whether to approve the settlement. We do not know how long this decision will take.

13. Do I have to come to the hearing?

No. Class Counsel will answer any questions that the Court may have, but you are welcome to come at your own expense. If you sent an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not required.

14. What happens if I do nothing at all?

You will participate in the settlement and receive payment. You will be bound by the release as set forth herein.

GETTING MORE INFORMATION

This Class Notice summarizes the proposed settlement. You may call or contact Class Counsel or the Settlement Administrator if you would like more information about the case. You may call 1-800-878-0700 **or** write the Settlement Administrator, Apex Class Action LLC located at 18 Technology Drive, Suite 154, Irvine, CA 92618.

You can also access the Superior Court of California, County of Sacramento Case Calendar and Query at <https://prod-portal-sacramento-ca.journaltech.com/public-portal/?q=Home>, or by visiting the Clerk's Office at the Superior Court of California, County of Sacramento, located at 720 9th Street, Sacramento, CA 95814, between 8:00 a.m. and 5:00 p.m., Monday through Friday, excluding Court holidays.

The Settlement Administrator has also set up a website which has links to this Class Notice and other documents related to the proposed settlement, including the Joint Stipulation of Class Action and PAGA Settlement. The website is: **[ENTER WEBSITE URL]**.

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS.

EXHIBIT 7

**NOTICE OF PROPOSED CLASS ACTION AND PAGA SETTLEMENT AND
HEARING DATE FOR COURT APPROVAL (“Class Notice”)**

Udoka Nweke, et al v. Kerberos International, Inc. Case No. 23CV008209

You may be entitled to receive money from a wage and hour Class Action and Private Attorneys General Act lawsuit filed in Sacramento Superior Court against Kerberos International, Inc. (“Defendant”) entitled *Udoka Nweke, et al v. Kerberos International, Inc.* (Case No. 23CV008209)

Admin ID: <<Admin ID>>

<<Name>>

<<Address1>>

<<Address2>>

<<City>>, <<State>> <<Zip Code>>

Please provide current address (if different) here:

*The Superior Court of California, County of Sacramento has authorized this Class Notice.
This is not a solicitation from a lawyer.*

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A class action lawsuit is where one or more individuals bring a lawsuit on behalf of a group or “class” of people they believe suffered the same violations of the law and who may be entitled to similar compensation. Class Actions are helpful in grouping all these claims together, in one lawsuit, instead of having each employee file a separate lawsuit.

What is a Representative or Private Attorneys General Act (“PAGA”) Action?

A representative action under PAGA allows private parties to pursue penalties for alleged labor law violations on behalf of the State of California. As part of the PAGA, the law allows for 25% of the penalties recovered to go back to the employees for enforcing these laws on the State’s behalf.

Lawsuit Background and Settlement Terms

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The settlement resolves a lawsuit entitled *Udoka Nweke, et al v. Kerberos International, Inc.*, Case No. 23CV008209, filed in the Superior Court of California, County of Sacramento 8, 2023 and all amendments to the complaint in that lawsuit (the “Lawsuit”) over whether Kerberos International, Inc. provided employees with meal and rest periods; properly paid employees for regular and overtime hours worked, paid wages on time upon termination, provided legally compliant wage statements, indemnified employees for business expenses and the related claims and penalties that would follow from not doing so. This

settlement avoids the costs and risks from continuing the Lawsuit, pays money to Class Members like you, and releases Kerberos International, Inc. and related parties from alleged liability.

The Court has not made a determination of the validity of any of the claims in the Lawsuit. Kerberos International, Inc. adamantly denies any and all liability allegations, including alleged violations of California labor laws, and maintains it has always adequately and appropriately compensated employees for all hours worked and provided breaks in accordance with California requirements. This resolution does not mean any court has determined the allegations have merit, but represents the parties' agreement to resolving instead of litigating.

The parties to the Lawsuit disagree as to the probable outcome of the Lawsuit had it not been settled with respect to liability and damages. Accordingly, each Class Member who does not exclude himself or herself from the settlement ("Participating Class Member") will receive a payment based on the number of workweeks worked during the Class Period ("Individual Class Payments").

If you are a Class Member, you are also an "Aggrieved Employee" if you worked for Defendant during the "PAGA Period," which is September 22, 2022, to April 4, 2024. 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.

PLEASE READ THIS CLASS NOTICE CAREFULLY. YOUR LEGAL RIGHTS ARE AFFECTED BY IT.

HOW MUCH WILL I GET?

Individual Class Payment:

Based on Kerberos International, Inc.'s records, you worked a total number of <<Work Weeks>> Workweeks during the Class Period.

Based on your Workweeks it is expected that your Individual Class Payment before payroll taxes is approximately <<EstISP>>

Each Participating Class Member's Individual Class Payment will be allocated as follows for tax purposes: 20% as wages, to be reported on an IRS W-2, and which will be reduced for the Class Member's share of taxes and withholdings; and 80% as interest, penalties, and liquidated damages, which portion shall be reported on an IRS Form 1099, and which will not be subject to reduction for taxes and withholdings.

If you do nothing, it is expected that you will receive an Individual Class Payment of approximately <<EstISP>> pursuant to the Settlement, and you will be bound by the "Release of Class Members" described in Paragraph 6 below.

Although parties have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

Individual PAGA Payment:

Based on Kerberos International, Inc.'s records, you worked a total number of <<Pay Periods>> Pay Periods during the PAGA Period.

Based on your Pay Periods it is expected that your Individual PAGA Payment before payroll taxes is approximately <<EstISP>>

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.

Even if you exclude yourself from the class settlement, you will still receive a portion of the PAGA settlement and be bound by the "Release by Aggrieved Employees" described in Paragraph 6 below.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

DO NOTHING	Receive an Individual Class Payment and give up your legal rights to pursue claims released by the settlement of the Lawsuit. If the Court grants final approval of the Settlement, the Administrator will mail your check to the address on file for you. You will have 180 days to cash the check. If you do not cash the check, the money will be deposited with the California Controller's Unclaimed Property Fund in the Class Member's (your) name, but you will still be deemed to have released your claims. Class Members are advised to consult the rules of the Unclaimed Property Fund for instructions on how to retrieve their settlement money.
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OBJECT TO THE WORKWEEK CALCULATION	If you feel that you worked a different amount of Workweeks than identified above, you may object to that calculation by following the procedures set forth below.
ATTEND A HEARING	You have the right to attend a fairness hearing that will be conducted by the Court, but you are not required to attend. Regardless of whether you timely file and serve a written objection via fax, mail, or email, you may ask to speak about your objection at the hearing. You can also send a letter to the Settlement Administrator, Apex Class Action LLC, providing notice of your intention to appear and speak at the hearing.

IMPORTANT INFORMATION ABOUT THE PROPOSED SETTLEMENT

1. Why did I get this Class Notice?

You were sent this Class Notice because you have a right to know about the proposed settlement in the Lawsuit and about all of your options before the Court rules on whether to finally approve the settlement. On [DATE], the Court granted preliminary approval of the proposed settlement. However, the Court must still approve the terms of the proposed settlement as fair and reasonable. Once approved, the settlement will affect all Class Members, except those who have properly opted out. This Class Notice explains your legal rights, the terms of the settlement, what you must do to participate, and the estimated amount of money you may receive. *Please read this entire Class Notice carefully.*

The Court in charge of this case is the Superior Court of California, County of Sacramento. The persons who sued are called "Plaintiffs," and the organization they sued is called "Defendant."

2. What is the Lawsuit about?

In the Lawsuit, Plaintiffs Udoka Nweke and Farley Lewis Doxey, alleged multiple violations of the California Labor Code, the California Business and Professions Code, and the California Private Attorneys General Act (“PAGA”), including causes of action for: (1) failure to provide meal periods; (2) failure to provide rest periods; (3) failure to pay hourly wages and overtime; (4) failure to provide accurate wage statements; (5) failure to pay all final wages upon separation of employment; (6) failure to indemnify; (7) violation of California Business and Professions Code §§ 17200, *et seq.*; (8) violations of PAGA; and related claims for penalties, interest, attorneys’ fees and costs.

3. Why is there a settlement?

The parties disagree on the probable outcome of the case with respect to liability, damages, and how much money could be recovered if the Plaintiffs won at trial. Defendant believes that the Plaintiffs would not prevail if this case went to trial. The Court has not decided in favor of the Plaintiffs or Defendant. There has been no trial in this case. Instead, both sides recognize the risks, expenses, and disruption associated with continued litigation, and they have therefore chosen to resolve their differences by entering into a settlement. By doing so, the parties can avoid the cost of a trial, yet Class Members are still entitled to receive payments if they comply with the instructions in this Class Notice. The parties entered into this settlement after arms-length negotiations while using the services of an experienced and neutral mediator.

4. What are the proposed settlement terms?

Under the proposed settlement, Kerberos International, Inc. will pay \$80,000.00 to fully and finally resolve all claims in the Action (the “Gross Settlement Amount”), which will be paid in two (2) 50% installments. The amount to be distributed to Class Members who do not exclude themselves from the settlement (the “Net Settlement Fund”) will be the Gross Settlement Amount, minus the following amounts: (a) Settlement Administration Costs of \$3,000.00; (b) enhancement payment to each Plaintiff not to exceed \$5,000.00 each (totaling \$10,000.00) for their work and efforts in prosecuting this case; (c) Class Counsel’s attorney’s fees not to exceed one-third of the Gross Settlement Amount, or \$26,667.67; (d) reimbursement of Class Counsel’s actual litigation costs and expenses not to exceed \$20,000.00; and (e) payment of \$6,000.00 to the Labor and Workforce Development Agency for its share of the penalties under the PAGA (“LWDA Payment”) and \$2,000.00 for the Individual PAGA Payments to the Aggrieved Employees. The attorneys’ fees, litigation costs and expenses, enhancement payment, Settlement Administration Costs, and LWDA Payment are all subject to Court approval. The Net Settlement Amount will be used to pay Class Members their Individual Class Payment, a pro-rata payment based on the number of workweeks each Class Member worked during the Class Period.

If you do not dispute your workweek calculation and do not opt out of the settlement, you will be bound by the settlement and release of claims and will receive a settlement payment. **In other words, you do not need to take any action to receive your Individual Class Payment.**

5. When would I get my payment?

The Court will hold a hearing on [ENTER DATE AND TIME] at [ADDRESS] to decide whether to grant final approval of the proposed settlement. If the Court 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. To check on the progress of the settlement, call the Settlement Administrator at 1-800-878-0700 or contact Class Counsel (see below for Class Counsel’s contact information). *Please be patient.*

Class Members will have 180 days to cash their checks after receipt. The value of all settlement checks that remain uncashed after 180 days will be distributed to the Controller of the State of California.

6. What am I releasing?

Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Class Members will release claims against Defendant and each of their former and present agents, directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates (“Released Parties”) as follows:

Release by Participating Class Members:

Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties of and from all claims, rights, demands, liabilities, penalties, wages, and causes of action, arising from, or related to, or that were pled, or that could have been pled, based on the facts and allegations in the operative Second Amended Complaint in the Action during the Class Period, this includes but is not limited to, any and all claims that could have been asserted against Defendant based on Labor Code sections §§ 201, 202, 203, 204, 210, 223, 226, 226(a), 226.7, 510, 512, 1174, 1174.5, 1194, 1194.2, 1197, 1198, 1997.1, 2800, 2802, 2698, et seq., 2699 and the related IWC Wage Orders, and Business & Professions Code §§ 17200, et seq., or any claims based on the following allegations under any theory: failure to provide meal and rest periods; failure to pay minimum, regular, or hourly wages, and/or alleged off-the-clock work; failure to pay overtime wages or accurate overtime wages; failure to pay timely wages during employment or upon separation; failure to provide accurate and/or complete wage statements; failure to indemnify; or violation of Cal. Bus. & Prof. Code section 17200 *et seq.* by engaging in the foregoing conduct. Participating Class Members’ Released Claims include all claims for unpaid wages, overtime wages, statutory penalties, damages of any kind, interest, attorneys’ fees, costs, injunctive relief, restitution, and any other equitable relief under California or federal statute, ordinance, regulation, common law, or other source of law, including but not limited to the California Labor Code, California Business and Professions Code, and California Civil Code, and California Industrial Welfare Commission Wage Orders.

This means that if you do nothing, choose not to opt out of this Settlement, and receive an Individual Class Payment, you will not be able to file a lawsuit against Kerberos International, Inc. for the same claims or issues above.

The time period covered by this release is September 22, 2022, through April 4, 2024. This release does not apply to claims for workers’ compensation benefits, unemployment insurance benefits, or any other claim or right that, as a matter of law, cannot be waived or released.

Release by Aggrieved Employees:

Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, and the PAGA Notices, including but not limited to PAGA Penalties claims premised on: California Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 226.8, 510, 512, 515, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, 2699, et seq., and 2802; provisions of the Industrial Welfare Commission (IWC) Wage Order(s); and California Business & Professions Code § 17200 *et seq.*

7. How can I opt out of this settlement?

You can opt out of this settlement and retain your rights. To do so, you must submit a written, signed request to opt out of the settlement. You will have 60 days from the date of mailing of this Class Notice to do so. A request to opt out of the settlement must be signed and in writing and should reasonably communicate your election to be excluded from the Settlement and include your name, address, and email address or telephone number.

Your Opt-Out request must be emailed, faxed or mailed to the Settlement Administrator, Apex Class Action LLC, 18 Technology Drive, Suite 154, Irvine, CA 92618, fax: 949-878-3536 and be postmarked no later than **[ENTER DATE]**, or it will not be considered and you will be bound by the settlement.

8. Do I have a lawyer in this case?

The Court has appointed Emil Davtyan, David Yeremian, David Keledjian, and David Arakelyan of D.LAW, INC., 450 N. Brand Blvd. Ste. 840, Glendale, California 91203, telephone 818.962.6465 to represent you and other Class Members in the Lawsuit. These lawyers are called Class Counsel. They will be compensated from the Gross Settlement Amount as discussed in this Class Notice. If you want to be represented by your own lawyer, you may hire one at your own expense.

9. How will the lawyers be paid?

Class Counsel will ask the Court to award them fees up to 1/3 (one-third) of the Gross Settlement Amount and reasonable litigation costs. Class Counsel will also ask the Court to award them costs incurred in connection with the Lawsuit. The Court may choose to award less than the amount requested by Class Counsel.

10. How do I tell the Court that I do not like the settlement?

You can ask the Court to deny approval by filing an objection. You cannot ask the Court to order a larger settlement; the Court can only approve or deny the settlement. If the Court denies the settlement, no settlement payments will be sent out, and the Lawsuit will continue. If that is what you want to happen, you must object.

You may object to the proposed settlement in writing, via mail, email, or fax. You may also appear at the Final Approval Hearing, either in person or through your own attorney. You may appear at the Final Approval Hearing to object to the settlement without having filed a written objection beforehand. If you appear through your own attorney, you are responsible for paying that attorney. All written objections and supporting papers must (a) clearly identify the case name and number (*Udoka Nweke, et al v. Kerberos International, Inc.*, Case No. 23CV008209), (b) be submitted to the Settlement Administrator, Apex Class Action LLC located at 18 Technology Drive, Suite 154, Irvine, CA 92618, and (c) be filed or postmarked on or before **[ENTER DATE]**.

Please note, only participating Class Members may send written objections to the class action settlement components of the Lawsuit. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 60 days after the Administrator's mailing of the Class Notice.

11 How do I dispute my Workweek and/or Pay Period calculation?

To dispute the number of Workweeks and Pay Periods with which you have been credited, you must submit evidence to the Settlement Administrator showing that the workweek information is inaccurate. Such evidence may be faxed, emailed, or mailed to the Settlement Administrator at Apex Class Action LLC located at 18 Technology Drive, Suite 154, Irvine, CA 92618 and postmarked on or before **[ENTER DATE]**. The Settlement Administrator will address and decide on Class Member disputes over the calculation of Workweeks and/or Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

12. When and where will the Court decide whether to approve the settlement?

The Court will hold a fairness hearing on **[ENTER DATE AND TIME]** at the Superior Court of California, County of Sacramento, Department 22, Gordon D. Schaber Superior Court, 720 9th Street, Sacramento, CA **95814**. At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections and they have been properly lodged, the Court will consider them. The Court will also listen to Class Members who have asked to speak

at the hearing. If you desire to appear at the final approval hearing, you can do so by going to Court in person or remotely by joining via Department 22's Zoom link or phone number.

To join by Zoom, please use the following link: <https://saccourt-ca-gov.zoomgov.com/my/sscdept22>;

To join by phone, please call (833) 568 – 8864, and enter ID: 16184738886.

The Court will consider whether to approve attorneys' fees and costs in the amount requested by Class Counsel. At or after the hearing, the Court will decide whether to approve the settlement. We do not know how long this decision will take.

13. Do I have to come to the hearing?

No. Class Counsel will answer any questions that the Court may have, but you are welcome to come at your own expense. If you sent an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not required.

14. What happens if I do nothing at all?

You will participate in the settlement and receive payment. You will be bound by the release as set forth herein.

GETTING MORE INFORMATION

This Class Notice summarizes the proposed settlement. You may call or contact Class Counsel or the Settlement Administrator if you would like more information about the case. You may call 1-800-878-0700 **or** write the Settlement Administrator, Apex Class Action LLC located at 18 Technology Drive, Suite 154, Irvine, CA 92618.

You can also access the Superior Court of California, County of Sacramento Case Calendar and Query at <https://prod-portal-sacramento-ca.journaltech.com/public-portal/?q=Home>, or by visiting the Clerk's Office at the Superior Court of California, County of Sacramento, located at 720 9th Street, Sacramento, CA 95814, between 8:00 a.m. and 5:00 p.m., Monday through Friday, excluding Court holidays.

The Settlement Administrator has also set up a website which has links to this Class Notice and other documents related to the proposed settlement, including the Joint Stipulation of Class Action and PAGA Settlement. The website is: **[ENTER WEBSITE URL]**.

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS.

EXHIBIT 8

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiffs UDOKA NWEKE and FARLEY LEWIS DOXEY (“Plaintiffs”) and Defendant KERBEROS INTERNATIONAL, INC. (“Defendant”). The Agreement refers to Plaintiffs and Defendant collectively as “Parties,” or individually as “Party.”

1. **DEFINITIONS.**

- 1.1 “Action” means the Plaintiffs’ lawsuit alleging wage and hour violations against Defendant captioned *Udoka Nweke, et al v. Kerberos International, Inc.* initiated on September 8, 2023, and pending in the Superior Court of the State of California, County of Sacramento, Case No. 23CV008209.
- 1.2 “Administrator” means Apex Class Action LLC, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3 “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4 “Aggrieved Employee” means a person employed by Defendant, in California and classified as an hourly, non-exempt employee who worked for Defendant during the PAGA Period.
- 1.5 “Class” means all persons employed by Defendant in hourly or non-exempt positions in California during the Class Period.
- 1.6 “Class Counsel” means David Yeremian, David Keledjian, David Arakelyan of D.Law, Inc.
- 1.7 “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.8 “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods. The Class Data shall be based on Defendant’s payroll, personnel, and other business records.
- 1.9 “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member, Defendant represents that the Settlement Class consists of approximately 62 Class Members as of mediation, that worked a total of approximately 888 workweeks during the Class Period.

Deleted: (including a Non-Participating Class Member who qualifies as an Aggrieved Employee)

- 1.10 “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.11 “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English, attached as **Exhibit A** and incorporated by reference into this Agreement.
- 1.12 “Class Period” means the period from September 22, 2022, through April 4, 2024.
- 1.13 “Class Representatives” means the named Plaintiffs in the operative complaint in the Action seeking Court approval to serve as Class Representatives.
- 1.14 “Class Representative Service Payment” means the payment to the Class Representatives for initiating the Action and providing services in support of the Action.
- 1.15 “Court” means the Superior Court of California, County of Sacramento.
- 1.16 “Defendant” means named Defendant KERBEROS INTERNATIONAL, INC.
- 1.17 “Defense Counsel” means Sara Moore and Abraham Barrera of GORDON REES SCULLY MANSUKHANI, LLP.
- 1.18 “Effective Date” means the later of the following: (a) if no timely objections are filed or if all objections are withdrawn, the date upon which the Court enters Final Approval; (b) if an objection is filed and not withdrawn, the date for filing an appeal and no such appeal being filed (c) if any timely appeals are filed, the date of the resolution (or withdrawal) of any such appeal in a way that does not alter the terms of the settlement.
- 1.19 “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.20 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.21 “Final Judgment” means the Judgment entered by the Court upon Granting Final Approval of the Settlement.
- 1.22 “Gross Settlement Amount” means Eighty Thousand Dollars and Zero Cents (\$80,000.00), which will be paid 50% at the later of January 31, 2026, or 30 days after the court grants final approval, and 50% 90 days thereafter and is the total amount Defendant agrees to pay under the Settlement except and subject to the escalation provision under Paragraph 8 below. The Gross Settlement Amount will be used to pay

Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment, and the Administrator's Expenses.

- 1.23 "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
- 1.24 "Individual PAGA Payment" means the Aggrieved Employees' pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.
- 1.25 "Judgment" means the judgment entered by the Court based upon the Final Approval.
- 1.26 "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.27 "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.28 "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.29 "Non-Participating Class Member" means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.30 "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.31 "PAGA Period" means the period from September 22, 2022, to April 4, 2024.
- 1.32 "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. *et seq.*).
- 1.33 "PAGA Notice" means Plaintiffs' September 8, 2023, and August 28, 2024, PAGA letters to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.34 "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$2,000.00) and the 75% to LWDA (\$6,000.00) in settlement of PAGA claims. In sum, a total of 10% of the Gross Settlement Amount (\$8,000.00) will be paid.

- 1.35 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.36 “Plaintiffs” means UDOKA NWEKE and FARLEY LEWIS DOXEY.
- 1.37 “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.38 “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.39 “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.
- 1.40 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.41 “Released Parties” means: Defendant and each of their former and present agents, directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.
- 1.42 “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.
- 1.43 “Response Deadline” means 60 days after the Administrator mails the Class Notice packets to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Class Notice packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
- 1.44 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.45 “Workweek” means any week during which a Class Member worked for Defendant for at least one day during the Class Period.

2. **RECITALS.**

- 2.1 On September 8, 2023, Plaintiff NWEKE commenced this Action by filing a Complaint alleging causes of action against Defendant for 1) Failure to Provide Meal Periods (Lab. Code §§ 204, 223, 226.7, 512 and 1198); 2) Failure to Provide Rest Periods (Lab. Code §§ 204, 223, 226.7 and 1198); 3) Failure to Pay Hourly Wages and Overtime (Lab. Code §§ 223, 510, 1194, 1194.2, 1197, 1997.1 and 1198); 4) Failure to Provide Accurate

Written Wage Statements (Lab. Code §§ 226(a)); 5) Failure to Timely Pay All Final Wages (Lab. Code §§ 201, 202 and 203); 6) Failure to Indemnify (Lab. Code. § 2802); and 7) Unfair Competition (Bus. & Prof. Code §§ 17200 et seq.). Subsequently, on November 16, 2023, Plaintiff filed his First Amended Complaint (“FAC”), adding a claim for Civil Penalties under Labor Code § 2698, *et seq.*

On May 15, 2024, the Parties filed a Joint Stipulation, requesting leave for Plaintiff to file a Second Amended Complaint (“SAC”) to add a second Plaintiff, FARLEY LEWIS DOXEY, to this Complaint. The Court signed the Court, and the SAC was deemed filed on May 15, 2024.

The SAC is the operative complaint in the Action (the “Operative Complaint”) Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint, and denies any and all liability for the causes of action alleged.

- 2.2 Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff NWEKE gave timely written notice to Defendant and the LWDA by sending the PAGA Notice on September 8, 2023. Subsequently, Plaintiffs NWEKE and DOXEY submitted an amended PAGA letter to the LWDA on August 28, 2024.
- 2.3 On February 18, 2025, the Parties participated in an all-day mediation presided over by Lou Marlin, which led to this Agreement to settle the Action.
- 2.4 Prior to mediation, Plaintiffs obtained, through informal discovery, time and pay data for Class Members and the Aggrieved Employees along with Defendant’s handbooks, policies, and procedures in effect during the Class Period. Plaintiffs were able to retain experts, who analyzed the relevant data and produced a damage analysis report. Plaintiffs’ investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“Dunk/Kullar”).
- 2.5 The Court has not granted class certification.
- 2.6 The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.
- 2.7 Defendant’s Reasons for Settlement. Defendant recognizes that the defense of this litigation will be protracted and expensive. Substantial amounts of time, energy, and resources of Defendant have been and, unless this Settlement is made, will continue to be devoted to the defense of the claims asserted by Plaintiffs. Defendant, therefore, has agreed to settle in the manner and upon the terms set forth in this Agreement to put to rest the released claims.

2.8 Defendant's Denial of Wrongdoing. Defendant and the Released Parties deny that they have engaged in any unlawful activity, have failed to comply with the law in any respect, have any liability to anyone under the claims asserted in the Action, or that but for the Settlement, a class should be certified in the Action. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission of liability or wrongdoing by Defendant or the Released Parties. This Settlement and the fact that Plaintiffs and Defendant were willing to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (other than solely in connection with effectuating the Settlement pursuant to this Agreement). Nothing in this Agreement shall be constructed as an admission by Defendant of any liability or wrongdoing as to Plaintiffs, Class Members, or any other person, and Defendant specifically disclaims any such liability or wrongdoing. Moreover, it is not, and it should not be construed as, any admission of fact or law in this matter or any other matter that a class action is appropriate. The Parties have entered into this Settlement with the intention of avoiding further disputes and litigation with the attendant inconvenience, expenses, and risks. Defendant agrees to certification of this class solely for purposes of this settlement. It is not an admission that class certification is proper. Should any part of this settlement not be approved or be terminated, the settlement class (if certified) will be decertified and the conditional agreement to class certification will be inadmissible and have no effect on any future actions related to this litigation.

3. **MONETARY TERMS.**

3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay Eighty Thousand Dollars and Zero Cents (\$80,000.00) and no more as to the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. The Parties agree that Defendant may fund the Gross Settlement Amount in installment payments to be paid 50% at the later of January 31, 2026, or 30 days after the court grants final approval, and 50% 90 days thereafter. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the agreed installment payment dates. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

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

3.2.1 To Plaintiffs: Class Representative Service Payment to the Class Representatives of not more than \$10,000.00 (\$5,000.00 to each of the two named Plaintiffs, in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representatives are entitled to receive as Participating Class Members). Defendant will not oppose Plaintiffs' request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class

Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payments using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

- 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than 33.3%, which is currently estimated to be Twenty-Six Thousand Six Hundred Sixty-Seven Dollars and Sixty Seven Cents (\$26,667.67) and a Class Counsel Litigation Expenses Payment of not more than Twenty Thousand Dollars and Zero Cents (\$20,000.00). Defendant will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiffs' Counsel arising from any claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.
- 3.2.3 To the Administrator: An Administrator Expenses Payment not to exceed Three Thousand Dollars and Zero Cents (\$3,000.00) except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$3,000.00, the Administrator will retain the remainder in the Net Settlement Amount.
- 3.2.4 To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.
- 3.2.4.1 Tax Allocation of Individual Class Payments. 20% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The 80% of each Participating Class Member's Individual Class Payment will

be allocated to settlement of claims for interest and penalties (the “Non-Wage Portion”). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

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

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of Eight Thousand Dollars (\$8,000.00) to be paid from the Gross Settlement Amount, with 75% (\$6,000.00) allocated to the LWDA PAGA Payment and 25% (\$2,000.00) allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees’ 25% share of PAGA Penalties (\$2,000.00) 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 Aggrieved Employee’s PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

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

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of their records to date, Defendant estimates there are 62 Class Members who collectively worked a total of 888 Workweeks, and 62 Aggrieved Employees who worked a total of 473 PAGA Pay Periods.

4.2 Class Data. Not later than 30 days after the Court grants Preliminary Approval of the Settlement, Defendant will simultaneously deliver the Class Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Class Members’ privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. 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. Without

any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data. This is a material term of the Settlement, and if Defendant fails to send the Class Data by the deadline, Plaintiffs shall have the right to void the settlement.

- 4.3 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount in two 50% installments. The first 50% installment shall be due at the later of January 31, 2026, or 30 days after the Court grants final approval of this settlement. The second 50% installment shall be due 90 days after the first installment payment. Defendant shall also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator based on a schedule identical to the settlement funding.
- 4.4 Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the second installment payment, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.
- 4.4.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
- 4.4.2 The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement

check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to Controller's Unclaimed Property Fund ("Cy Pres Recipient"). The Parties, Class Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient.

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4.4.4 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

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

5.1 Plaintiffs' Release. Plaintiffs and their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the Class Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiffs' PAGA Notices, and released under 6.2, below, this includes but is not limited to, any and all claims that could have been asserted against Defendant based on Labor Code sections §§ 201, 202, 203, 204, 210, 223, 226, 226(a), 226.7, 510, 512, 1174, 1174.5, 1194, 1194.2, 1197, 1198, 1997.1, 2800, 2802, 2698, *et seq.*, 2699 and the related IWC Wage Orders, and Business & Professions Code §§ 17200, *et seq.* ("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.

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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.

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

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

5.2 Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint including but not limited to, any and all claims involving any alleged (1) failure to provide meal periods; (2) failure to provide rest periods; (3) failure to pay hourly wages and overtime; (4) failure to provide accurate written wage statements; (5) failure to timely pay all final wages; (6) failure to indemnify; (7) unfair competition; and (8) Civil Penalties during the Class Period. Except as set forth in Sections 5.1 and 6.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

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5.3 Release by Aggrieved Employees: Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, and the PAGA Notices.

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6. **MOTION FOR PRELIMINARY APPROVAL**. The Parties agree that Plaintiffs will prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.

6.1 Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under Dunk/Kullar and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members and/or the proposed Cy Pres; and the nature and extent of any financial relationship with Plaintiffs, Class Counsel or Defense Counsel; (v) 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, the Administrator and/or the proposed Cy Pres; (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (1)(1)), this Agreement (Labor Code section 2699, subd. (1)(2)); (vii) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (viii) all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator and/or the Cy Pres Recipient. 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.

- 6.2 Responsibilities of Counsel. Class Counsel is responsible for expeditiously finalizing and filing the Motion for Preliminary Approval; obtaining a hearing date for the Motion for Preliminary Approval; and appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.
- 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.
- 6.4 At the same time that Plaintiffs file their Motion for Preliminary Approval, Plaintiffs shall send a copy of the Agreement to the LWDA pursuant to the 2016 amendments to PAGA.
- 6.5 At the Preliminary Approval hearing, Plaintiffs will appear, support the granting of the motion, and submit a proposed order granting conditional certification of the Class and Preliminary Approval of the Settlement; appointing the Class Representative, Class Counsel, and Settlement Administrator; approving the Class Notice; and setting the Final Approval hearing.
- 6.6 Effect of Denial of Preliminary Approval. Should the Court decline to conditionally certify the Class or to Preliminarily Approve all material aspects of the Settlement, the Settlement Agreement will be null and void, and the Parties will have no further obligations under it. Provided, however, that the amounts of the Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator's Expenses shall be determined by the Court, and the Court's determination on these amounts shall be final and binding, and that the Court's approval or denial of any amount requested for these items are not conditions of this Settlement Agreement, and are to be

considered separate and apart from the fairness, reasonableness, and adequacy of the Settlement Agreement. Any order or proceeding relating to an application for the Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment, and the Administrator's Expenses shall not operate to terminate or cancel this Settlement Agreement. Nothing in this Agreement shall limit Plaintiffs' or Class Counsel's ability to appeal any decision by the Court to award less than the requested Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment, and the Administrator's Expenses.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected Apex Class Action LLC to serve as the Administrator and verified that, as a condition of appointment, Apex Class Action LLC 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 Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.
- 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 7.4 Notice to Class Members.
- 7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.
- 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 7 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice, if applicable substantially in the form attached to this Agreement as **Exhibit A**. The Class Notice shall estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

- 7.4.3 Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- 7.4.4 The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- 7.4.5 If the Administrator, Defendant or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5 Requests for Exclusion (Opt-Outs).

- 7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.
- 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity.

The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 and 6.3 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

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

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7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) 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 calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

7.7 Objections to Settlement.

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

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 60 days after the

Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

Class Members will not be barred from appearing at the final approval hearing if they have not complied with the objection procedures for mailing objections to the Settlement Administrator.

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

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

7.8.1 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

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

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

7.8.4 Administrator's Declaration. Not later than 21 days before the date by which Plaintiffs are required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total

number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

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

8. **CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE** Based on its records, Defendant estimates that, as of the date of the mediation, (1) there are 62 Class Members who collectively worked a total of 888 Workweeks, and (2) 62 Aggrieved Employees who worked a total of 473 PAGA Pay Periods.

Should the qualifying workweeks increase beyond 7% worked by the Class Members during the aforementioned period (i.e., by more than 62 workweeks), Defendant shall increase the Gross Settlement Amount on a pro-rata basis equal to the percentage increase in the number of workweeks worked by the Class Members above seven percent (7%), meaning Defendant will increase the Gross Settlement Amount by the percentage amount above seven percent (7%) (e.g., if the number of workweeks increases by 8% to 959 workweeks, the Gross Settlement Amount will increase by one percent (1%)).

9. **MOTION FOR FINAL APPROVAL**. Not later than 16 court days before the calendared Final Approval Hearing, Plaintiffs will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (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 not later than seven days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

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

9.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the

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

9.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement under CCP Section 664.6 and as otherwise allowed by law to ensure the continuing implementation of the provisions of this settlement, including (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

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

9.5 Denial or Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the Court does not grant Final Approval of the Settlement, or if the Court's Final Approval of the Settlement is vacated, reversed, 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. If that occurs, the Parties will have no further obligations under the Settlement, including any obligation by Defendant to pay the Gross Settlement Amount or any amounts that otherwise would have been owed under this Agreement. Further, should this occur, the Parties agree they shall be equally responsible for the Settlement Administrator's Administration Expenses through that date. However, the Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

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

11. **ADDITIONAL PROVISIONS.**

11.1 **No Admission of Liability, Class Certification or Representative Manageability for Other Purposes.** This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have 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 Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiffs reserve the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement, and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

11.2 **Confidentiality Prior to Preliminary Approval.** 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, inquiry, or subpoena seeking such information. Plaintiffs, Class Counsel, Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

11.3 **No Solicitation.** The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict

Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 11.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 11.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 11.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 11.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 11.8 No Tax Advice. Neither Plaintiffs, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 11.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 11.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 11.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

- 11.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 11.13 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 11.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiffs shall destroy, all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.
- 11.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 11.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 11.17 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:

D.Law, Inc.

Emil Davtyan

emil@d.law

David Yeremian

d.yeremian@d.law

David Keledjian

d.keledjian@d.law

David Arakelyan

d.arakelyan@d.law

450 N. Brand Blvd., Suite 840

Glendale, CA 91203

Telephone: (818) 962-6465

To Defendant:

GORDON REES SCULLY MANSUKHANI, LLP.

Sara Moore

smoore@grsm.com

Abraham Barrera

abarrera@grsm.com

315 Pacific Avenue

San Francisco, CA 94111

Telephone: (415) 986-5900

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

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

PLAINTIFFS/CLASS REPRESENTATIVES

DATED: _____, 2025

By: _____
Plaintiff UDOKA NWEKE

DATED: _____, 2025

By: _____
Plaintiff FARLEY LEWIS DOXEY

DEFENDANT

DATED: _____, 2025

By: _____
Dawn Cole
Authorized to sign on behalf of Defendant
KERBEROS INTERNATIONAL, INC.

APPROVED AS TO FORM:

DATED: _____, 2025

GORDON REES SCULLY MANSUKHANI

By: _____
Sara Moore
Abraham Barrera
Attorneys for Defendant
KERBEROS INTERNATIONAL, INC.

DATED: _____, 2025

DLAW, INC.

By: _____
David Yeremian
David Keledjian
David Arakelyan
Attorneys for Plaintiffs
UDOKA NWEKE and FARLEY LEWIS
DOXEY

EXHIBIT 9

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiffs UDOKA NWEKE and FARLEY LEWIS DOXEY (“Plaintiffs”) and Defendant KERBEROS INTERNATIONAL, INC. (“Defendant”). The Agreement refers to Plaintiffs and Defendant collectively as “Parties,” or individually as “Party.”

1. **DEFINITIONS.**

- 1.1 “Action” means the Plaintiffs’ lawsuit alleging wage and hour violations against Defendant captioned *Udoka Nweke, et al v. Kerberos International, Inc.* initiated on September 8, 2023, and pending in the Superior Court of the State of California, County of Sacramento, Case No. 23CV008209.
- 1.2 “Administrator” means Apex Class Action LLC, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3 “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4 “Aggrieved Employee” means a person employed by Defendant, in California and classified as an hourly, non-exempt employee who worked for Defendant during the PAGA Period.
- 1.5 “Class” means all persons employed by Defendant in hourly or non-exempt positions in California during the Class Period.
- 1.6 “Class Counsel” means David Yeremian, David Keledjian, David Arakelyan of D.Law, Inc.
- 1.7 “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.8 “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods. The Class Data shall be based on Defendant’s payroll, personnel, and other business records.
- 1.9 “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member. Defendant represents that the Settlement Class consists of approximately 62 Class Members as of mediation, that worked a total of approximately 888 workweeks during the Class Period.

- 1.10 “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.11 “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English, attached as **Exhibit A** and incorporated by reference into this Agreement.
- 1.12 “Class Period” means the period from September 22, 2022, through April 4, 2024.
- 1.13 “Class Representatives” means the named Plaintiffs in the operative complaint in the Action seeking Court approval to serve as Class Representatives.
- 1.14 “Class Representative Service Payment” means the payment to the Class Representatives for initiating the Action and providing services in support of the Action.
- 1.15 “Court” means the Superior Court of California, County of Sacramento.
- 1.16 “Defendant” means named Defendant KERBEROS INTERNATIONAL, INC.
- 1.17 “Defense Counsel” means Sara Moore and Abraham Barrera of GORDON REES SCULLY MANSUKHANI, LLP.
- 1.18 “Effective Date” means the later of the following: (a) if no timely objections are filed or if all objections are withdrawn, the date upon which the Court enters Final Approval; (b) if an objection is filed and not withdrawn, the date for filing an appeal and no such appeal being filed (c) if any timely appeals are filed, the date of the resolution (or withdrawal) of any such appeal in a way that does not alter the terms of the settlement.
- 1.19 “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.20 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.21 “Final Judgment” means the Judgment entered by the Court upon Granting Final Approval of the Settlement.
- 1.22 “Gross Settlement Amount” means Eighty Thousand Dollars and Zero Cents (\$80,000.00), which will be paid 50% at the later of January 31, 2026, or 30 days after the court grants final approval, and 50% 90 days thereafter and is the total amount Defendant agrees to pay under the Settlement except and subject to the escalation provision under Paragraph 8 below. The Gross Settlement Amount will be used to pay

Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment, and the Administrator's Expenses.

- 1.23 "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
- 1.24 "Individual PAGA Payment" means the Aggrieved Employees' pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.
- 1.25 "Judgment" means the judgment entered by the Court based upon the Final Approval.
- 1.26 "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.27 "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.28 "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.29 "Non-Participating Class Member" means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.30 "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.31 "PAGA Period" means the period from September 22, 2022, to April 4, 2024.
- 1.32 "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. *et seq.*).
- 1.33 "PAGA Notice" means Plaintiffs' September 8, 2023, and August 28, 2024, PAGA letters to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.34 "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$2,000.00) and the 75% to LWDA (\$6,000.00) in settlement of PAGA claims. In sum, a total of 10% of the Gross Settlement Amount (\$8,000.00) will be paid.

- 1.35 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.36 “Plaintiffs” means UDOKA NWEKE and FARLEY LEWIS DOXEY.
- 1.37 “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.38 “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.39 “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.
- 1.40 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.41 “Released Parties” means: Defendant and each of their former and present agents, directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.
- 1.42 “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.
- 1.43 “Response Deadline” means 60 days after the Administrator mails the Class Notice packets to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Class Notice packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
- 1.44 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.45 “Workweek” means any week during which a Class Member worked for Defendant for at least one day during the Class Period.

2. **RECITALS.**

- 2.1 On September 8, 2023, Plaintiff NWEKE commenced this Action by filing a Complaint alleging causes of action against Defendant for 1) Failure to Provide Meal Periods (Lab. Code §§ 204, 223, 226.7, 512 and 1198); 2) Failure to Provide Rest Periods (Lab. Code §§ 204, 223, 226.7 and 1198); 3) Failure to Pay Hourly Wages and Overtime (Lab. Code §§ 223, 510, 1194, 1194.2, 1197, 1997.1 and 1198); 4) Failure to Provide Accurate

Written Wage Statements (Lab. Code §§ 226(a)); 5) Failure to Timely Pay All Final Wages (Lab. Code §§ 201, 202 and 203); 6) Failure to Indemnify (Lab. Code. § 2802); and 7) Unfair Competition (Bus. & Prof. Code §§ 17200 et seq.). Subsequently, on November 16, 2023, Plaintiff filed his First Amended Complaint (“FAC”), adding a claim for Civil Penalties under Labor Code § 2698, *et seq.*

On May 15, 2024, the Parties filed a Joint Stipulation, requesting leave for Plaintiff to file a Second Amended Complaint (“SAC”) to add a second Plaintiff, FARLEY LEWIS DOXEY, to this Complaint. The Court signed the Court, and the SAC was deemed filed on May 15, 2024.

The SAC is the operative complaint in the Action (the “Operative Complaint”) Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint, and denies any and all liability for the causes of action alleged.

- 2.2 Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff NWEKE gave timely written notice to Defendant and the LWDA by sending the PAGA Notice on September 8, 2023. Subsequently, Plaintiffs NWEKE and DOXEY submitted an amended PAGA letter to the LWDA on August 28, 2024.
- 2.3 On February 18, 2025, the Parties participated in an all-day mediation presided over by Lou Marlin, which led to this Agreement to settle the Action.
- 2.4 Prior to mediation, Plaintiffs obtained, through informal discovery, time and pay data for Class Members and the Aggrieved Employees along with Defendant’s handbooks, policies, and procedures in effect during the Class Period. Plaintiffs were able to retain experts, who analyzed the relevant data and produced a damage analysis report. Plaintiffs’ investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“Dunk/Kullar”).
- 2.5 The Court has not granted class certification.
- 2.6 The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.
- 2.7 Defendant’s Reasons for Settlement. Defendant recognizes that the defense of this litigation will be protracted and expensive. Substantial amounts of time, energy, and resources of Defendant have been and, unless this Settlement is made, will continue to be devoted to the defense of the claims asserted by Plaintiffs. Defendant, therefore, has agreed to settle in the manner and upon the terms set forth in this Agreement to put to rest the released claims.

2.8 Defendant's Denial of Wrongdoing. Defendant and the Released Parties deny that they have engaged in any unlawful activity, have failed to comply with the law in any respect, have any liability to anyone under the claims asserted in the Action, or that but for the Settlement, a class should be certified in the Action. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission of liability or wrongdoing by Defendant or the Released Parties. This Settlement and the fact that Plaintiffs and Defendant were willing to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (other than solely in connection with effectuating the Settlement pursuant to this Agreement). Nothing in this Agreement shall be constructed as an admission by Defendant of any liability or wrongdoing as to Plaintiffs, Class Members, or any other person, and Defendant specifically disclaims any such liability or wrongdoing. Moreover, it is not, and it should not be construed as, any admission of fact or law in this matter or any other matter that a class action is appropriate. The Parties have entered into this Settlement with the intention of avoiding further disputes and litigation with the attendant inconvenience, expenses, and risks. Defendant agrees to certification of this class solely for purposes of this settlement. It is not an admission that class certification is proper. Should any part of this settlement not be approved or be terminated, the settlement class (if certified) will be decertified and the conditional agreement to class certification will be inadmissible and have no effect on any future actions related to this litigation.

3. **MONETARY TERMS.**

3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay Eighty Thousand Dollars and Zero Cents (\$80,000.00) and no more as to the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. The Parties agree that Defendant may fund the Gross Settlement Amount in installment payments to be paid 50% at the later of January 31, 2026, or 30 days after the court grants final approval, and 50% 90 days thereafter. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the agreed installment payment dates. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

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

3.2.1 To Plaintiffs: Class Representative Service Payment to the Class Representatives of not more than \$10,000.00 (\$5,000.00 to each of the two named Plaintiffs, in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representatives are entitled to receive as Participating Class Members). Defendant will not oppose Plaintiffs' request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class

Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payments using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

- 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than 33.3%, which is currently estimated to be Twenty-Six Thousand Six Hundred Sixty-Seven Dollars and Sixty Seven Cents (\$26,667.67) and a Class Counsel Litigation Expenses Payment of not more than Twenty Thousand Dollars and Zero Cents (\$20,000.00). Defendant will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiffs' Counsel arising from any claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.
- 3.2.3 To the Administrator: An Administrator Expenses Payment not to exceed Three Thousand Dollars and Zero Cents (\$3,000.00) except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$3,000.00, the Administrator will retain the remainder in the Net Settlement Amount.
- 3.2.4 To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.
- 3.2.4.1 Tax Allocation of Individual Class Payments. 20% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The 80% of each Participating Class Member's Individual Class Payment will

be allocated to settlement of claims for interest and penalties (the “Non-Wage Portion”). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

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

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of Eight Thousand Dollars (\$8,000.00) to be paid from the Gross Settlement Amount, with 75% (\$6,000.00) allocated to the LWDA PAGA Payment and 25% (\$2,000.00) allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees’ 25% share of PAGA Penalties (\$2,000.00) 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 Aggrieved Employee’s PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

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

4. **SETTLEMENT FUNDING AND PAYMENTS.**

4.1 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of their records to date, Defendant estimates there are 62 Class Members who collectively worked a total of 888 Workweeks, and 62 Aggrieved Employees who worked a total of 473 PAGA Pay Periods.

4.2 Class Data. Not later than 30 days after the Court grants Preliminary Approval of the Settlement, Defendant will simultaneously deliver the Class Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Class Members’ privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. 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. Without

any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data. This is a material term of the Settlement, and if Defendant fails to send the Class Data by the deadline, Plaintiffs shall have the right to void the settlement.

4.3 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount in two 50% installments. The first 50% installment shall be due at the later of January 31, 2026, or 30 days after the Court grants final approval of this settlement. The second 50% installment shall be due 90 days after the first installment payment. Defendant shall also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator based on a schedule identical to the settlement funding.

4.4 Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the second installment payment, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

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

4.4.2 The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement

check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

- 4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to Controller's Unclaimed Property Fund ("Cy Pres Recipient"). The Parties, Class Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient.
- 4.4.4 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.
5. **RELEASES OF CLAIMS.** Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiffs, Class Members, and Class Counsel will release claims against all Released Parties as follows:

5.1 **Plaintiffs' Release.** Plaintiffs and their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the Class Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiffs' PAGA Notices, and released under 6.2, below, this includes but is not limited to, any and all claims that could have been asserted against Defendant based on Labor Code sections §§ 201, 202, 203, 204, 210, 223, 226, 226(a), 226.7, 510, 512, 1174, 1174.5, 1194, 1194.2, 1197, 1198, 1997.1, 2800, 2802, 2698, *et seq.*, 2699 and the related IWC Wage Orders, and Business & Professions Code §§ 17200, *et seq.* ("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.

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

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

5.2 Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint including but not limited to, any and all claims involving any alleged (1) failure to provide meal periods; (2) failure to provide rest periods; (3) failure to pay hourly wages and overtime; (4) failure to provide accurate written wage statements; (5) failure to timely pay all final wages; (6) failure to indemnify; (7) unfair competition; and (8) Civil Penalties during the Class Period. Except as set forth in Sections 5.1 and 6.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

5.3 Release by Aggrieved Employees: Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, and the PAGA Notices.

6. MOTION FOR PRELIMINARY APPROVAL. The Parties agree that Plaintiffs will prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.

6.1 Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under Dunk/Kullar and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members and/or the proposed Cy Pres; and the nature and extent of any financial relationship with Plaintiffs, Class Counsel or Defense Counsel; (v) 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, the Administrator and/or the proposed Cy Pres; (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (1)(1)), this Agreement (Labor Code section 2699, subd. (1)(2)); (vii) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (viii) all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator and/or the Cy Pres Recipient. 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.

6.2 Responsibilities of Counsel. Class Counsel is responsible for expeditiously finalizing and filing the Motion for Preliminary Approval; obtaining a hearing date for the Motion for Preliminary Approval; and appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

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

6.4 At the same time that Plaintiffs file their Motion for Preliminary Approval, Plaintiffs shall send a copy of the Agreement to the LWDA pursuant to the 2016 amendments to PAGA.

6.5 At the Preliminary Approval hearing, Plaintiffs will appear, support the granting of the motion, and submit a proposed order granting conditional certification of the Class and Preliminary Approval of the Settlement; appointing the Class Representative, Class Counsel, and Settlement Administrator; approving the Class Notice; and setting the Final Approval hearing.

6.6 Effect of Denial of Preliminary Approval. Should the Court decline to conditionally certify the Class or to Preliminarily Approve all material aspects of the Settlement, the Settlement Agreement will be null and void, and the Parties will have no further obligations under it. Provided, however, that the amounts of the Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator's Expenses shall be determined by the Court, and the Court's determination on these amounts shall be final and binding, and that the Court's approval or denial of any amount requested for these items are not conditions of this Settlement Agreement, and are to be

considered separate and apart from the fairness, reasonableness, and adequacy of the Settlement Agreement. Any order or proceeding relating to an application for the Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment, and the Administrator's Expenses shall not operate to terminate or cancel this Settlement Agreement. Nothing in this Agreement shall limit Plaintiffs' or Class Counsel's ability to appeal any decision by the Court to award less than the requested Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment, and the Administrator's Expenses.

7. **SETTLEMENT ADMINISTRATION.**

7.1 Selection of Administrator. The Parties have jointly selected Apex Class Action LLC to serve as the Administrator and verified that, as a condition of appointment, Apex Class Action LLC 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 Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

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

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4 Notice to Class Members.

7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.

7.4.2 Using best efforts to perform as soon as possible, and in no event later than 7 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice, if applicable substantially in the form attached to this Agreement as **Exhibit A**. The Class Notice shall estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

- 7.4.3 Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- 7.4.4 The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- 7.4.5 If the Administrator, Defendant or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

7.5 Requests for Exclusion (Opt-Outs).

- 7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.
- 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity.

The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 and 6.3 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

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

7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) 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 calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

7.7 Objections to Settlement.

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

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 60 days after the

Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

Class Members will not be barred from appearing at the final approval hearing if they have not complied with the objection procedures for mailing objections to the Settlement Administrator.

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

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

- 7.8.1 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

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

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

- 7.8.4 Administrator's Declaration. Not later than 21 days before the date by which Plaintiffs are required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total

number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

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

8. **CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE** Based on its records, Defendant estimates that, as of the date of the mediation, (1) there are 62 Class Members who collectively worked a total of 888 Workweeks, and (2) 62 Aggrieved Employees who worked a total of 473 PAGA Pay Periods.

Should the qualifying workweeks increase beyond 7% worked by the Class Members during the aforementioned period (i.e., by more than 62 workweeks), Defendant shall increase the Gross Settlement Amount on a pro-rata basis equal to the percentage increase in the number of workweeks worked by the Class Members above seven percent (7%), meaning Defendant will increase the Gross Settlement Amount by the percentage amount above seven percent (7%) (e.g., if the number of workweeks increases by 8% to 959 workweeks, the Gross Settlement Amount will increase by one percent (1%)).

9. **MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the calendared Final Approval Hearing, Plaintiffs will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (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 not later than seven days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

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

9.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the

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

9.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement under CCP Section 664.6 and as otherwise allowed by law to ensure the continuing implementation of the provisions of this settlement, including (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

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

9.5 Denial or Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the Court does not grant Final Approval of the Settlement, or if the Court's Final Approval of the Settlement is vacated, reversed, 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. If that occurs, the Parties will have no further obligations under the Settlement, including any obligation by Defendant to pay the Gross Settlement Amount or any amounts that otherwise would have been owed under this Agreement. Further, should this occur, the Parties agree they shall be equally responsible for the Settlement Administrator's Administration Expenses through that date. However, the Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

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

11. **ADDITIONAL PROVISIONS.**

11.1 **No Admission of Liability, Class Certification or Representative Manageability for Other Purposes.** This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have 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 Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiffs reserve the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement, and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

11.2 **Confidentiality Prior to Preliminary Approval.** 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, inquiry, or subpoena seeking such information. Plaintiffs, Class Counsel, Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

11.3 **No Solicitation.** The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict

Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 11.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 11.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 11.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 11.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 11.8 No Tax Advice. Neither Plaintiffs, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 11.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 11.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 11.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

- 11.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 11.13 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 11.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiffs shall destroy, all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.
- 11.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 11.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 11.17 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:

D.Law, Inc.

Emil Davtyan

emil@d.law

David Yeremian

d.yeremian@d.law

David Keledjian

d.keledjian@d.law

David Arakelyan

d.arakelyan@d.law

450 N. Brand Blvd., Suite 840

Glendale, CA 91203

Telephone: (818) 962-6465

To Defendant:
GORDON REES SCULLY MANSUKHANI, LLP.

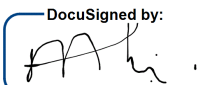
Sara Moore
smoore@grsm.com
Abraham Barrera
abarrera@grsm.com
315 Pacific Avenue
San Francisco, CA 94111
Telephone: (415) 986-5900

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

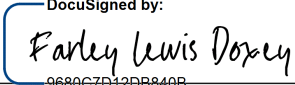
11.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a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

PLAINTIFFS/CLASS REPRESENTATIVES

DATED: July 2, 2025

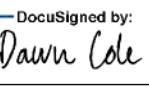
DocuSigned by:

By: 101E4B509081409
Plaintiff UDOKA NWEKE

DATED: July 3, 2025

DocuSigned by:

By: 9689C7D32DB840B
Plaintiff FARLEY LEWIS DOXEY

DEFENDANT

July 2, 2025 | 10:08 AM PDT
DATED: _____, 2025

DocuSigned by:

By: 577740463ECA429...
Dawn Cole
Authorized to sign on behalf of Defendant
KERBEROS INTERNATIONAL, INC.

APPROVED AS TO FORM:

DATED: July 2, 2025

GORDON REES SCULLY MANSUKHANI

By: 
Sara Moore
Abraham Barrera
Attorneys for Defendant
KERBEROS INTERNATIONAL, INC.

DATED: July 2, 2025

DLAW, INC.

By: 
David Yeremian
David Keledjian
David Arakelyan
Attorneys for Plaintiffs
UDOKA NWEKE and FARLEY LEWIS
DOXEY

EXHIBIT 10