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13 Attorneys for Plaintiffs Rogelio Garcia and Abshir Farah

14 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
15 **FOR THE COUNTY OF SANTA CLARA**

16 ROGELIO GARCIA and ABSHIR
FARAH, individually, and on behalf of
17 other members of the general public
similarly situated, and as aggrieved
18 employees pursuant to the Private Attorneys
General Act ("PAGA"),

19
20 Plaintiffs,

21 vs.

22 PROACTIVE BUSINESS SOLUTIONS,
INC., a California corporation; and DOES 1
23 through 10, inclusive,

24 Defendants.
25
26
27
28

Case No. 23CV421189

Assigned to the Hon. Charles F. Adams

**DECLARATION OF RAUL PEREZ IN
SUPPORT OF MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Date: July 31, 2025

Time: 1:30 p.m.

Place: Department 7

Complaint Filed: August 18, 2023

Trial Date: None Set

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1 wage statements, and pay all wages due to discharged and quitting employees. The Farah Action also
2 asserted a claim for unfair competition under California Business and Professions Code section 17200.
3 Also on September 5, 2023, Farah provided notice to the LWDA of his intent to pursue a claim under
4 PAGA. On November 13, 2023, Farah filed an amended complaint adding a claim for civil penalties
5 under PAGA.

6 4. On November 20, 2023, Proactive filed Notices of Related Cases in both the Garcia and
7 Farah Actions. On January 17, 2024, Applied filed a Notice of Related Case in the Farah Action.

8 5. Following the production of Defendants' respective California labor policies and
9 procedures materials, and a sample of Class Members' time records, the Parties participated in a
10 mediation with Jason C. Marsili, Esq., on June 15, 2024. At all times, the Parties' negotiations were
11 adversarial and non-collusive. Mr. Marsili helped to manage the Parties' expectations and provided a
12 useful, neutral analysis of the issues and risks to both sides. With Mr. Marsili's guidance, the Parties
13 were eventually able to negotiate a complete settlement of Plaintiffs' claims. The terms of the settlement
14 are now set forth in complete and final form in the Settlement Agreement, attached as **Exhibit 1**. A copy
15 of the Settlement Agreement has been uploaded to the LWDA's website.

16 6. It is my opinion that the Settlement constitutes a fair, adequate, and reasonable
17 compromise of the claims at issue. This opinion is informed by my experience litigating and settling
18 wage and hour actions, and my firm's thorough investigation into the factual and legal issues implicated
19 by Plaintiffs' claims and Defendants' defenses.

20 7. Prior to filing the action, Garcia contacted Capstone's attorneys to discuss the factual
21 bases for pursuing an action against Defendants for Labor Code violations. Garcia was intimately
22 familiar with Defendants' labor policies and practices, knowledgeably summarized those policies and
23 practices to Capstone's attorneys. He explained how the policies and practices were instituted, and
24 provided valuable insight into how they gave rise to the alleged Labor Code violations. Based on this
25 information, Capstone's attorneys determined that there were legally sufficient grounds for pursuing an
26 action against Defendants for Labor Code violations.

27 8. In preparation for drafting the complaint, Capstone's attorneys conducted their own
28 preliminary investigation into the factual bases for Garcia's claims. Capstone's attorneys also prepared a

1 detailed letter (13 pages) to notify the LWDA of Garcia's intent to seek civil penalties and other available
2 relief recoverable under PAGA for Labor Code violations. A copy of Garcia's PAGA notice is attached
3 as **Exhibit 2**. Significant research and effort were expended to prepare a PAGA notice that was
4 consistent with the developing legal requirements so as to withstand any challenge from Defendants
5 regarding the notice's sufficiency.

6 9. In advance of the Parties' mediation, Capstone's attorneys received a considerable
7 amount of documents and data with which to value Plaintiffs' claims, including employee demographic
8 data, a $\approx$ 25% sample of Class Members' time and pay records, and Defendants' California labor policies
9 and procedures manuals. The document and data exchanges allowed Capstone's attorneys to fully assess
10 the nature and magnitude of the claims being settled, as well as the impediments to recovery, and
11 ultimately enabled Capstone's attorneys so as to make an independent assessment of the reasonableness
12 of the settlement's terms.

13 10. By engaging in such a thorough investigation and evaluation of Plaintiffs' claims, I can
14 opine that the Settlement, for the consideration and on the terms set forth in the Settlement Agreement, is
15 fair, reasonable, and adequate, and is in the best interests of Class Members in light of all known facts
16 and circumstances, including the risk of significant delay and uncertainty associated with litigation, and
17 various defenses asserted by Defendants.

18 CAPSTONE LAW APC FIRM PROFILE

19 11. Since its founding in 2012, Capstone has emerged as a major force in aggregate
20 litigation, making law on cutting-edge issues.

21 12. In February, 2015, Ryan H. Wu and I were honored with the *California Lawyer*
22 Attorney of the Year (CLAY) award in labor and employment for our work in the landmark case
23 *Iskanian v. CLS Transportation Los Angeles*, 59 Cal.4th 348 (2014), which preserved the right of
24 California workers to bring representative actions under the Labor Code Private Attorneys General Act
25 ("PAGA") notwithstanding a representative action waiver in an arbitration agreement.

26 13. Recognized as a leading firm in the prosecution of PAGA enforcement actions,
27 Capstone is responsible for some of the most important decisions in this area. In *Williams v. Superior*
28 *Court (Marshall's of Calif.)*, 3 Cal.5th 531 (2017), Capstone attorneys achieved a watershed decision

1 before the California Supreme Court as to the broad scope of discovery in PAGA actions. In *Baumann v.*
2 *Chase Inv. Servs. Corp.*, 747 F.3d 1117 (9th Cir. 2014), a case of first impression, Capstone successfully
3 argued that PAGA actions are state enforcement actions not covered by the Class Action Fairness Act.

4 14. Capstone has made important contributions to consumer protection law. In *McGill v.*
5 *Citibank N.A.*, 2 Cal. 5th 945 (2017), Capstone represented plaintiffs in a major decision holding that the
6 right to seek public injunctive relief under the state’s consumer protection laws cannot be waived and
7 that consumers need not satisfy class certification requirements to enjoin unfair business practices on
8 behalf of the public. In *Nguyen v. Nissan N.A.*, 726 F.3d 811 (9th Cir. 2019), Capstone attorneys reversed
9 a denial of class certification, making law that clarified the use of “benefit of the bargain” damages
10 models in consumer class actions.

11 15. Capstone served as class counsel in a number of significant wage and hour settlements,
12 including \$16.5 million on behalf of approximately 180,000 non-exempt employees for wage and hour
13 violations in *Navarro v. United Parcel Service, Inc.*, No. BC592098 (LA County Superior Court); \$12
14 million on behalf of a nationwide class of in *Hightower v. JPMorgan Chase Bank*, Case No. 11-01802
15 (C.D. Cal.), over \$10 million on behalf of non-exempt hourly workers in *Zamora v. Balboa Life &*
16 *Casualty LLC*, Case No. BC360026 (L.A. Super. Ct.); and \$9 million on behalf of pharmacists in
17 *Dittmar v. Costco Wholesale Corp.*, No. 14-1156 (S.D. Cal.). In *Vorise v. 24 Hour Fitness USA, Inc.*,
18 No. C 15-02051 (Contra Costa Super. Ct.), Capstone and co-counsel negotiated an \$11 million PAGA
19 settlement on behalf of over 36,000 employees for Labor Code violations.

20 16. Capstone has an established practice in automotive defect class actions and is currently
21 appointed sole class counsel, following contested class certification, in *Victorino v. FCA US, LLC*, No.
22 16-1617-GPC, 2019 WL 5268670 (S.D. Cal. Oct. 17, 2019) and *Salas v. Toyota Motor Sales, U.S.A.,*
23 *Inc.*, No. 15-8629-FMO, 2019 WL 1940619 (C.D. Cal. Mar. 27, 2019).

24 17. Capstone has settled hundreds of high-stakes class and representative actions.
25 Capstone’s settlements have directly compensated hundreds of thousands of California workers and
26 consumers. Capstone’s actions have also forced employers to modify their policies for the benefit of
27 employees, including changing the compensation structure for commissioned employees and changing
28 practices to ensure that workers will be able to take timely rest and meal breaks. A leader in prosecuting

1 PAGA enforcement actions, Capstone has secured millions of dollars in civil penalties for the State of
2 California.

3 18. The following is a representative sample of Capstone's settlements:

- 4 a. *Navarro v. United Parcel Service, Inc.*, No. BC592098 (LA County
5 Superior Court): gross settlement of \$16.5 million on behalf of
6 approximately 180,000 non-exempt employees for wage and hour
7 violations;
- 8 b. *Hightower et al v. Washington Mutual Bank*, No. 2:11-cv-01802-PSG-
9 PLA (N.D. Cal.): gross settlement of \$12 million on behalf of
10 approximately 150,000 personal bankers, tellers, sales associates, and
11 assistant branch manager trainees for wage and hour violations;
- 12 c. *Vargas v. Ford Motor Co.*, 12-08388-AB (C.D. Cal.): providing cash
13 payments and unique buyback program for nearly 2 million consumers;
- 14 d. *Moore v. Petsmart, Inc.*, No. 5:12-cv-03577-EJD (N.D. Cal.): gross
15 settlement of \$10 million on behalf of over 19,000 non-exempt
16 PetSmart employees for wage and hour violations;
- 17 e. *Dittmar v. Costco Wholesale Corp.*, No. 14-1156 (S.D. Cal.): gross
18 settlement of \$9 million on behalf of approximately 1,200 pharmacists
19 for wage and hour violations;
- 20 f. *Perrin v. Nabors Well Services Co.*, No. 56-2007-00288718 (Ventura
21 Super. Ct.): gross settlement of over \$6.5 million on behalf of oil rig
22 workers for sleep time and other wage violations;
- 23 g. *Cook v. United Insurance Co.*, No. C 10-00425 (Contra Costa Super.
24 Ct.): gross settlement of \$5.7 million on behalf of approximately 650
25 sales representatives;
- 26 h. *Alvarez v. MAC Cosmetics, Inc.*, No. CIVDS1513177 (San Bernardino
27 Super. Ct.): gross settlement of \$5.5 million for approximately 5,500
28 non-exempt employees.

- i. *Aceves v. AutoZone, Inc.*, No. 14-2032 (C.D. Cal.): gross settlement of \$5.4 million in a case alleging FCRA violations;
- j. *Berry v. Urban Outfitters Wholesale, Inc.*, No. 13-02628 (N.D. Cal.): gross settlement of \$5 million on behalf of over 12,000 nonexempt employees;
- k. *The Children's Place Retail Stores Wage & Hour Cases*, No. JCCP 4790: gross settlement of \$5 million on behalf of 15,000 non-exempt employees;
- l. *York v. Starbucks Corp.*, Case No. 08-07919 (C.D. Cal.): gross settlement of nearly \$5 million on behalf of over 100,000 non-exempt workers for meal break and wage statement claims;
- m. *Rodriguez v. Swissport USA*, No. BC 441173 (Los Angeles Super. Ct.): gross settlement of nearly \$5 million on behalf of 2,700 non-exempt employees following contested certification;
- n. *Asghari v. Volkswagen Group of North America*, Case No. 13-02529 (C.D. Cal.): Settlement providing complementary repairs of oil consumption defect, reimbursement for repairs, and extended warranty coverage of certain Audi vehicles valued at over \$20 million;
- o. *Klee v. Nissan of North America*, Case No. 12-08238 (C.D. Cal.): Settlement providing complimentary electric vehicle charging cards and extending warranty coverage for the electric battery on the Nissan Leaf valued at over \$10 million.

19. Attached as **Exhibit 3** is a true and correct copy of Capstone's firm resume.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 9th day of July, 2025, at Los Angeles, California.

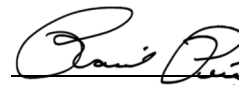

Raul Perez

Exhibit 1

SETTLEMENT AGREEMENT

This Settlement Agreement (this “Settlement” or “Agreement”) is made by and between plaintiffs Abshir Farah (“Farah”) and Rogelio Garcia (“Garcia”) (collectively, Farah and Garcia are “Plaintiffs”), and defendants Proactive Business Solutions, Inc. (“Proactive”) and Applied Materials, Inc. (“Applied”) (collectively, Proactive and Applied are “Defendants”). Plaintiffs and Defendants collectively are referred to in this Agreement as the “Parties.”

I. RECITALS

- A. On August 18, 2023, Garcia filed a complaint against Proactive in the Superior Court of the State of California, for the County of Santa Clara, entitled *ROGELIO GARCIA, individually, and on behalf of other members of the general public similarly situated, Plaintiff, vs. PROACTIVE BUSINESS SOLUTIONS, INC., a California Corporation; and DOES 1 through 10, inclusive, Defendants*, Case No. 23CV421189 (the “Garcia Action”). The Garcia Action asserted putative class claims against Proactive for alleged failure to pay all wages due, including minimum wages and overtime wages, provide meal and rest periods, furnish accurate itemized wage statements, pay timely wages, pay all wages due to discharged and quitting employees, and reimburse all business expenses. The Garcia Action also asserted a claim for unfair competition under California Business and Professions Code section 17200.
- B. On August 23, 2023, Garcia provided notice to the California Labor and Workforce Development Agency (“LWDA”) indicating that he intended to pursue a claim pursuant the California Labor Code Private Attorneys General Act, Cal. Lab. Code section 2698 *et seq.*, (“PAGA”).
- C. On October 31, 2023, Garcia filed an amended complaint adding a claim for civil penalties under PAGA.
- D. On September 5, 2023, Farah filed a complaint against Defendants in the Superior Court of the State of California, for the County of Santa Clara, entitled *ABSHIR FARAH, as an individual and on behalf of all others similarly situated, Plaintiff, vs. PROACTIVE BUSINESS SOLUTIONS, INC. a California corporation; APPLIED MATERIALS, INC., a Delaware corporation; and DOES 1 through 100, Defendants*, Case No. 23CV421883 (the “Farah Action”). The Farah Action asserted putative class claims against Defendants for alleged failure to pay all wages due, including minimum wages and overtime wages, provide meal and rest periods, furnish accurate itemized wage statements, and pay all wages due to discharged and quitting employees. The Farah Action also asserted a claim for unfair competition under California Business and Professions Code section 17200.
- E. Also on September 5, 2023, Farah provided notice to the LWDA of his intent to pursue a claim under PAGA.
- F. On November 13, 2023, Farah filed an amended complaint adding a claim for civil penalties under PAGA.

- G. On November 20, 2023, Proactive filed Notices of Related Cases in both the *Garcia* and *Farah* Actions. On January 17, 2024, Applied filed a Notice of Related Case in the *Farah* Action.
- H. On June 15, 2024, the Parties participated in a mediation presided over by Jason C. Marsili, Esq., of Marsili Mediation. During the mediation, all Parties, represented by their respective counsel, agreed to settle the Actions, and all other matters covered by this Agreement pursuant to the terms and conditions of this Agreement. This Agreement replaces and supersedes the Memorandum of Agreement entered into at the mediation and any other agreements, understandings, or representations between the Parties, with the exception of any agreements or contracts between Proactive Business Solutions, Inc. and Applied Materials, Inc..
- I. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendants that Plaintiffs' claims in the Actions have merit or that they have any liability to Plaintiffs or the Class on those claims, or as an admission by Plaintiffs that Defendants' defenses in the Actions have merit.

Based on these Recitals, incorporated by reference in this Agreement, the Parties agree as follows:

II. DEFINITIONS

In addition to other terms defined in this Agreement, the terms below have the following meaning in this Agreement:

- A. "Actions" means the *Garcia* Action and the *Farah* Action, collectively.
- B. "Applied's Counsel" means Zachary P. Hutton and Anna Skaggs of Paul Hastings LLP.
- C. "Class" means all current and former non-exempt employees who have been employed by Proactive in California during the Class Period.
- D. "Class Counsel" means Raul Perez, Orlando Villalba, and Helga Hakimi of Capstone Law APC, and Paul K. Haines, Sean M. Blakely, and Joel M. Gordon of Haines Law Group, APC.
- E. "Class Counsel Fees and Expenses Payment" means the amount awarded to Class Counsel by the Superior Court to compensate them for their fees and expenses in connection with the Actions, including their pre-filing investigation, their commencement of the Actions and all related litigation activities, this Settlement, and all post-Settlement compliance procedures.
- F. "Class Members" means all members of the Class.

- G. “Class Notice” means the Notice of Proposed Settlement, Conditional Certification of Settlement Class, Preliminary Approval of Settlement, and Hearing Date for Final Court Approval, as evidenced by Exhibit A to this Agreement and incorporated by reference into this Agreement.
- H. “Class Notice Packet” means the Class Notice (Exhibit A to this Agreement) and the Notice of Estimated Settlement Share (Exhibit B to this Agreement).
- I. “Class Period” means the period of time from August 18, 2019 to August 16, 2024.
- J. “Class Representative Payments” means the special payments made to Plaintiffs in their capacities as Class Representatives to compensate them for initiating and pursuing the Actions, undertaking the risk of liability for attorneys’ fees and expenses in the event they were unsuccessful in the prosecution of the Actions, and granting the release described in section III.I.1 of the Settlement.
- K. “Defendants’ Counsel” means Applied’s Counsel and Proactive’s Counsel, collectively.
- L. “Effective Date” means the date by which all of the following have occurred:
1. Defendants have not voided this Settlement pursuant to section III.H.6;
 2. the Superior Court enters the Judgment; and
 3. the Judgment becomes Final.
- M. “Final” means the last of the following dates, as applicable.
1. The last date on which a notice of appeal from the Judgment may be filed, and none is filed; i.e., 61 days after entry of Judgment.
 2. If a timely appeal from the Judgment is filed, the last of the following dates:
 - a. the last date by which a petition for review by the California Supreme Court of the California Court of Appeal’s decision affirming the Judgment may be filed, and none is filed;
 - b. the last date by which a petition for a writ of *certiorari* to the United States Supreme Court of a decision by the California Court of Appeal or the California Supreme Court affirming the Judgment may be filed, and none is filed;
 - c. if a petition for review by the California Supreme Court, or a petition for a writ of *certiorari* to the U.S. Supreme Court, seeking review of the Judgment or of the California Court of Appeal’s decision on an appeal from the Judgment is timely filed, the date on which the highest reviewing court renders its decision denying the petition

(where the immediately lower court affirmed the Judgment) or affirming the Judgment.

- N. “Final Approval Hearing” means the hearing to be conducted by the Superior Court to determine whether to approve finally and implement the terms of this Agreement.
- O. “Judgment” means the Order Granting Final Approval of Class Action Settlement and the Final Judgment entered by the Superior Court in substantially the same forms evidenced by Exhibits D-1 and D-2, respectively, to this Agreement and incorporated by reference into this Agreement.
- P. “LWDA Payment” means the 75% of the PAGA Civil Penalties payable to the LWDA for its share of the settlement of claims for civil penalties under PAGA, as specified in section III.F.3 of this Agreement.
- Q. “Net Settlement Amount” means the amount from the Total Settlement Amount that is available for distribution as the Class Payment portion of Settlement Shares to Class Members after deductions for (a) PAGA Civil Penalties; (b) the Class Representative Payments; (c) the Class Counsel Fees and Expenses Payment; and (d) the Settlement Administrator’s fees and expenses. The entire Net Settlement Amount will be distributed to Class Members. If any Settlement Share check is not timely cashed by a Class Member, that share will be sent to the California State Controller’s Office, Unclaimed Property Fund, in the name of the Class Member, where the Class Member can later claim their funds.
- R. “Notice of Estimated Settlement Share” means the form that Class Members will receive that describes their estimated Settlement Shares, as evidenced by Exhibit B to this Agreement and incorporated by reference into this Agreement.
- S. “PAGA Amount” means the 25% of the PAGA Civil Penalties payable to PAGA Settlement Group Members under PAGA, as specified in section III.E.1.b of this Agreement.
- T. “PAGA Civil Penalties” means the amount set aside from the Total Settlement Amount for settlement of claims for civil penalties under PAGA, as specified in section III.C of this Agreement. Per Labor Code § 2699(i), 75% of such penalties will be payable to the LWDA as the LWDA Payment, and the remaining 25% will be payable to PAGA Settlement Group Members as the PAGA Amount.
- U. “PAGA Period” means the period of time from August 23, 2022 to August 16, 2024.
- V. “PAGA Settlement Group” means all current and former non-exempt employees who have been employed by Proactive in California during the PAGA Period. The PAGA Settlement Group is a subset of the Class.
- W. “PAGA Settlement Group Members” means all members of the PAGA Settlement Group.

- X. “Preliminary Approval of the Settlement” means the Superior Court’s preliminary approval of the Settlement without material change, or with material changes to the Settlement to which the Parties all agree. An award by the Superior Court of lesser amounts than sought for the Class Representative Payment or Class Counsel Fees and Expenses Payment will not be considered a material change to the Settlement.
- Y. “Proactive’s Counsel” means Mollie M. Burks and Sat Sang S. Khalsa of Gordon Rees Scully Mansukhanki, LLP.
- Z. “Settlement Administrator” means the administrator proposed by the Parties and appointed by the Superior Court to administer the Settlement.
- AA. “Settlement Share” means the portion of the Net Settlement Amount and PAGA Amount allocable to each Class Member as provided by this Agreement.
- BB. “Superior Court” means the Superior Court of the State of California in and for the County of Santa Clara.
- CC. “Total Settlement Amount” means the maximum amount to be paid by Defendants as provided by this Agreement. The Total Settlement Amount is \$720,000 (Seven Hundred Twenty Thousand Dollars) without reversion to Defendants. The Total Settlement Amount will cover (a) all Settlement Shares paid to Class Members and PAGA Settlement Group Members pursuant to the Settlement; (b) the PAGA Civil Penalties (75% of which will constitute the LWDA Payment and 25% of which will constitute the PAGA Amount); (c) Plaintiffs’ Class Representative Payments; (d) the Class Counsel Fees and Expenses Payment (which includes all attorneys’ fees and expenses incurred to date and to be incurred in documenting the Settlement, securing court approval of the Settlement, attending to the administration of the Settlement, and obtaining dismissal of the Actions); and (e) the Settlement Administrator’s fees and expenses.

III. SETTLEMENT TERMS AND CONDITIONS

- A. **Amended Complaint.** Prior to seeking the Superior Court’s approval of the Settlement, Garcia will file a Second Amended Complaint (“SAC”) that adds Farah as a named plaintiff, names Applied as a defendant, and conforms the operative complaint to the Class and claims encompassed by this Settlement Agreement. Defendants will stipulate to the filing of the SAC, subject to the Superior Court’s approval.
- B. **Dismissal of *Farah* Action.** Within ten (10) days of the filing of the SAC in the *Garcia* Action, Farah will dismiss the *Farah* Action in its entirety, as the claims will be subsumed in the *Garcia* action.
- C. **Total Settlement Amount.** Subject to the terms and conditions of this Agreement, including but not limited to sections III.H.6 and III.H.11, the Total Settlement Amount is \$720,000 (Seven Hundred Twenty Thousand Dollars). The Total Settlement Amount will cover (a) all Settlement Shares paid to Class Members

pursuant to the Settlement; (b) the PAGA Civil Penalties of \$50,000 (75% of which will constitute the LWDA Payment and 25% of which will constitute the PAGA Amount); (c) Plaintiffs' Class Representative Payments; (d) the Class Counsel Fees and Expenses Payment (which includes all attorneys' fees and expenses incurred to date and to be incurred in documenting the Settlement, securing court approval of the Settlement, attending to the administration of the Settlement, and obtaining dismissal of the Actions); and (e) the Settlement Administrator's fees and expenses. All of the Total Settlement Amount will be disbursed pursuant to this Agreement without the need to submit a claim form and none of the Total Settlement Amount will revert to Defendants.

- D. **Employer's-Side Payroll Taxes.** Proactive shall bear the cost of all payroll taxes owed by both Defendants on the Wage Portions of the Settlement Shares paid to the Class, which payment shall be paid by Proactive separately from, and in addition to, the Total Settlement Amount.
- E. **Settlement Shares.** Subject to the terms and conditions of this Agreement, including section III.H.11, the Settlement Administrator will allocate Settlement Shares as follows:

1. **Calculation.**

- a. **Class Payments.** Each Class Member who does not opt out of the Settlement will receive a "Class Payment" equal to the Net Settlement Amount times the ratio of (i) the number of workweeks worked by the Class Member for Proactive during the Class Period ("Covered Workweeks") to (ii) the total number of Covered Workweeks worked by all Class Members. Class Members are not required to submit claim forms to receive Class Payments.
- b. **PAGA Amount Payments.** In addition to the Net Settlement Amount, \$12,500 (25% of the PAGA Civil Penalties) has been designated as the "PAGA Amount." Each PAGA Settlement Group Member shall receive a "PAGA Amount Payment" equal to the PAGA Amount times the ratio of (i) the number of pay periods worked by the PAGA Settlement Group Member for Proactive during the PAGA Period ("Covered Pay Periods") to (ii) the total number of Covered Pay Periods worked by all such PAGA Settlement Group Members. All PAGA Settlement Group Members, including those who opt out of the Settlement, will receive a PAGA Amount Payment. One hundred percent (100%) of the PAGA Amount Payment is in settlement of claims for civil penalties under PAGA and thus shall not be subject to payroll tax withholdings or wage deductions and shall be reported on IRS Form 1099.

2. **Effect of Class Members Who Opt Out of Settlement.** A Class Member who timely and validly opts out of the Settlement by submitting a “Request for Exclusion” to the Settlement Administrator will not participate in or be bound by the Settlement; will not receive the Class Payment portion of his or her Settlement Share; and will not be included with those other Class Members counted for purposes of the calculation of the Class Payment portion of Settlement Shares, except that all PAGA Settlement Group Members will release the Released PAGA Claims as described in section III.I.3, and will receive a PAGA Amount Payment regardless of whether they opt out. The Class Payment portion of the Settlement Share that otherwise would have been payable to a Class Member who opts out of the Settlement will be retained in the Net Settlement Amount for distribution to all other Class Members.

3. **Treatment.** With the exception of the PAGA Amount Payments (which shall be reported on IRS Form 1099), the Settlement Shares shall be reported to taxing authorities as follows:
 - a. Thirty percent (30%) of each Settlement Share (the “Wage Portion”) will be treated as a payment in settlement of the Class Member’s claims for unpaid wages. Accordingly, the Wage Portion will be reduced by applicable payroll tax withholding and deductions, and the Settlement Administrator will issue to the Class Member a Form W-2 with respect to the Wage Portion.

 - b. Seventy percent (70%) of each Settlement Share (the “Non-Wage Portion”) will be treated as a payment in settlement of the Class Member’s claims for all penalties and interest. Accordingly, the Non-Wage Portion will not be reduced by payroll tax withholding and deductions; and, instead, the Settlement Administrator will issue to the Class Member a Form 1099 with respect to the Non-Wage Portion.

F. Payments to Plaintiffs, Class Counsel, LWDA, and Settlement Administrator. Subject to the terms and conditions of this Agreement, the Settlement Administrator will make the following payments out of the Total Settlement Amount as follows:

1. **To Plaintiffs.** In addition to Plaintiffs’ respective Settlement Shares (which includes the Class Payment and the PAGA Amount Payment), Plaintiffs will apply to the Superior Court for an award of not more than \$10,000, representing the Plaintiffs’ Class Representative Payments in consideration of initiating and pursuing the Actions, undertaking the risk of liability for attorneys’ fees and expenses in the event they were unsuccessful in the prosecution of the Actions, and granting the release provided for in section III.I.1 of the Settlement. Defendants will not oppose a Class Representative Payment of \$10,000 to each Plaintiff. The Settlement Administrator will pay the Class Representative Payment approved by the

Superior Court (but not more than \$10,000 to each Plaintiff) out of the Total Settlement Amount. If the Superior Court approves a Class Representative Payment of less than \$10,000, the remainder will be retained in the Net Settlement Amount. Tax deductions and withholdings will not be taken from the Class Representative Payment, and instead a Form 1099 will be issued to Plaintiffs with respect to this payment.

2. **To Class Counsel.** Class Counsel will apply to the Superior Court for an award of not more than \$252,000 for attorneys' fees (35% of the Total Settlement Amount of \$720,000) plus actual costs and expenses incurred by Class Counsel related to the Lawsuit as supported by declaration, which are currently estimated to be no greater than Thirty Thousand Dollars and Zero Cents (\$30,000.00), and Defendants will not oppose their request. If the Superior Court approves a Class Counsel Fees and Expenses Payment of less than the amount authorized to be sought under this Agreement, the remainder will be retained in the Net Settlement Amount. A Form 1099 will be issued to Class Counsel with respect to the awarded attorneys' fees and costs, and Class Counsel beforehand will furnish a completed Form W-9.
3. **To LWDA and PAGA Settlement Group Members.** The Parties will apply to the Superior Court for approval of the PAGA Civil Penalties payment of \$50,000, which shall consist of the LWDA Payment of \$37,500 (75% of the PAGA Civil Penalties) as the LWDA's share of the settlement of civil penalties paid under this Agreement pursuant to PAGA, and the PAGA Amount of \$12,500 (25% of the PAGA Civil Penalties) to be distributed to the PAGA Settlement Group Members as described in section III.E.1.b. This amount reflects the Parties' good-faith and reasonable assessment, for purposes of settlement, of the likelihood that a PAGA representative action would be maintained; that liability under PAGA would be established; and the amount of penalties the Superior Court would award if a PAGA representative action were maintained and liability were found. If the Superior Court approves PAGA Civil Penalties of less than \$50,000, the remainder will be retained in the Net Settlement Amount. If the Superior Court orders PAGA Civil Penalties in excess of \$50,000, the excess amount shall be taken from the Net Settlement Amount.
4. **To the Settlement Administrator.** The Settlement Administrator will pay to itself out of the Total Settlement Amount its reasonable fees and expenses as approved by the Superior Court. These fees and expenses are estimated at \$10,000.

- G. **Appointment of Settlement Administrator.** The Parties will ask the Superior Court to appoint CPT Group, Inc. to act as Settlement Administrator, which, as a condition of appointment, will agree to be bound by this Agreement with respect to the performance of its duties and its compensation. The Settlement Administrator's duties will include preparing, printing, and mailing the Class Notice Packet to the

Class Members; conducting a National Change of Address search and using Accurant and other reasonable and cost-effective skip trace methods to locate any Class Member whose Class Notice Packet was returned by the U.S. Postal Service as non-deliverable, and re-mailing the Class Notice Packet to the Class Member's new address; receiving Class Member opt-outs from the Settlement; providing the Parties with weekly status reports about the delivery of Class Notice Packets and receipt of Class Member opt-outs from the Settlement; calculating Settlement Shares; issuing the checks to effectuate the payments due under the Settlement; and otherwise administering the Settlement pursuant to this Agreement. The Settlement Administrator will have the final authority to resolve all disputes concerning the calculation of a Class Member's Settlement Share, subject to the dollar limitations set forth in this Agreement. The Settlement Administrator's reasonable fees and expenses, including the cost of printing and mailing the Class Notice Packet, will be paid out of the Total Settlement Amount.

H. Procedure for Approving Settlement.

1. Motion for Preliminary Approval.

- a. Promptly after the Superior Court's ruling on Farah's dismissal of the *Farah* Action, Plaintiffs will file a motion (the "Motion for Preliminary Approval") with the Superior Court in the *Garcia* Action for an order granting Preliminary Approval of the Settlement; conditionally certifying the Class; appointing the Class Representatives, Class Counsel, and Settlement Administrator; setting a date for the Final Approval Hearing; and approving the Class Notice and the Notice of Estimated Settlement Share. A draft of the Motion for Preliminary Approval will be provided to Defendants' Counsel no later than 14 calendar days prior to the filing deadline. Class Counsel and Defendants' Counsel will expeditiously meet and confer in good faith to resolve any disagreements concerning the Motion for Preliminary Approval.
- b. Pursuant to PAGA, on the date the Parties file the Motion for Preliminary Approval with the Superior Court, Plaintiffs will submit to the LWDA the Motion for Preliminary Approval and the Settlement. The Parties intend and believe that providing notice of this Settlement to the LWDA pursuant to the procedures described in this section complies with the requirements of PAGA, and will request the Superior Court to adjudicate the validity of the PAGA Notice in the Motion for Final Approval of the Settlement and bar any claim to void the Settlement under PAGA.
- c. At the hearing on the Motion for Preliminary Approval, the Parties will jointly appear, support the granting of the motion, and submit an order granting the motion in the form evidenced by Exhibit C to this Agreement.

- d. Should the Superior Court decline to preliminarily approve all material aspects of the Settlement, or order material changes to the Settlement to which the Parties do not agree, the Settlement will be null and void and the Parties will have no further obligations under it. An award by the Superior Court of lesser amounts than sought for the Class Representative Payments or Class Counsel Fees and Expenses Payment will not be considered a material change to the Settlement.

2. **Notice to Class Members.** After the Superior Court enters its order granting Preliminary Approval of the Settlement, every Class Member will be provided with the Class Notice Packet (which will include the Class Notice completed to reflect the order granting preliminary approval of the Settlement, and the Notice of Estimated Settlement Share) as follows:

- a. Within thirty (30) days after the Superior Court enters its order granting Preliminary Approval of the Settlement, Proactive will provide to the Settlement Administrator an electronic database for the Class Members, containing each Class Member's name, last-known mailing address, telephone number, Social Security number, employee identification number, and his or her number of Covered Workweeks and Covered Pay Periods. If any or all of the Class Members' data are unavailable to Proactive, Proactive will use best efforts to deduce or reconstruct the Class Members' data prior to when it must be submitted to the Settlement Administrator. This information will otherwise remain confidential and will not be disclosed to anyone, except in order to carry out the reasonable efforts described in section III.H.2, or pursuant to Proactive's express written authorization or by order of the Superior Court.
- b. Within fifteen (15) days after receiving the Class Members' data from Proactive, the Settlement Administrator will (i) search for updated addresses for all Class Members using the National Change of Address (NCOA) database; (ii) update any Class Member addresses found through the NCOA search; (iii) calculate each Class Member's estimated Settlement Share; (iv) send to counsel for the Parties its payment calculations for Class Members and obtain approval from counsel of the calculations; and (v) send a Class Notice Packet to each Class Member. The Settlement Administrator will mail this information to all identified Class Members. In the event of returned or non-deliverable notices, the Settlement Administrator will make reasonable efforts to locate Class Members and re-send the notices.
- c. If a Class Notice Packet is returned because of an incorrect address and no forwarding address is affixed thereto, the Settlement Administrator will promptly, and not later than five (5) business

days from receipt of the returned packet, search for a more current address for the Class Member using a skip trace, and re-mail the Class Notice Packet to the Class Member. The Settlement Administrator will use the Class Members' data and otherwise work with Proactive to find a more current address. The Settlement Administrator will be responsible for taking reasonable steps, consistent with its agreed-upon job parameters, court orders, and fee, as agreed to with Class Counsel and according to the deadlines set forth in this Agreement, to trace the mailing address of any Class Member for whom a Class Notice Packet is returned by the U.S. Postal Service as undeliverable. These reasonable steps will include, at a minimum, the tracking of all undelivered mail; performing address searches for all mail returned without a forwarding address using available email addresses, telephone numbers, and Social Security numbers; and promptly re-mailing to Class Members for whom new addresses are found. If the Class Notice Packet is re-mailed, the Settlement Administrator will note the address for its own records and notify Class Counsel and Defendants' Counsel of the date of each such re-mailing as part of a weekly status report provided to the Parties.

- d. Each week, the Settlement Administrator will provide to Class Counsel and Defendants' Counsel a report showing whether any Class Notice Packets have been returned and re-mailed and the receipt of any opt-outs from the Settlement.
- e. In connection with the filing of the Parties' Motion for Final Approval of the Settlement, the Settlement Administrator will prepare, and the Parties will file with the Superior Court, a declaration of due diligence setting forth its compliance with its obligations under this Agreement. Prior to the Final Approval Hearing, the Settlement Administrator will supplement its declaration of due diligence if any material changes occur from the date of the filing of its prior declaration.

3. **Objections to Settlement; Opt-outs from Settlement.** Class Members may submit objections to the Settlement or opt out of the Settlement pursuant to the following procedures:

- a. **Objections to Settlement.** Class Members who wish to object in writing to any term of the Settlement must submit an objection to the Settlement Administrator, postmarked no later than forty-five (45) days after the Settlement Administrator mails the Class Notice Packets. The Settlement Administrator shall, within two (2) business days of receipt, serve any objection(s) as received on Class Counsel and Defendants' Counsel, who shall then promptly file all such objections with the Superior Court. Defendants' Counsel, and

Class Counsel shall file and serve any responses to objections no later than five (5) calendar days prior to the Final Approval Hearing. To be valid, written objections must: (1) contain the objecting Class Member's full name, current address, and telephone number, as well as contact information for any attorney representing the objecting Class Member for purposes of the objection; (2) include all objections and the factual and legal bases for same; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence supporting the objection; and (4) be postmarked no later than forty-five (45) days after the Settlement Administrator mails the Class Notice Packets. The objection also will indicate whether the Class Member intends to appear at the Final Approval Hearing. Alternatively, in lieu of submitting written objections, Class Members shall be entitled to be heard at the Final Approval Hearing (whether individually or through separate counsel) to orally object to the Settlement.

- b. **Request for Exclusion.** The Class Notice will provide that Class Members may exclude themselves from the Settlement by mailing to the Settlement Administrator a written Request for Exclusion letter, postmarked no later than forty-five (45) days after the Settlement Administrator mails the Class Notice Packets. The Request for Exclusion is a letter prepared by the Class Member containing: (1) the Class Member's name, address, telephone number, and the last four digits of his or her Social Security number; (2) a statement that the Class Member wishes to exclude himself or herself from the Settlement; and (3) the Class Member's signature. If a question is raised about the authenticity of a signed Request for Exclusion, the Settlement Administrator will have the right to demand additional proof of the Class Member's identity. A Class Member who timely submits a valid Request for Exclusion will not participate in or be bound by the Settlement and the Judgment, except that all Class Members who worked for Proactive during the PAGA Period will release the Released PAGA Claims as described in section III.I.3 and will receive a portion of the PAGA Amount regardless of whether they opt out. A Class Member who does not complete and mail a valid Request for Exclusion in the manner and by the deadline specified above will automatically be bound by all terms and conditions of the Settlement, including its release of claims, if the Settlement is approved by the Superior Court, and by the Judgment. Any Class Members who timely submits a valid Request for Exclusion shall not be permitted to file objections to the Settlement or appear at the Final Approval Hearing to voice any objections to the Settlement.
- c. **Report.** Not later than ten (10) days after the deadline for submission of opt-outs to the Settlement, the Settlement

Administrator will provide the Parties with a complete and accurate list of objections and opt-outs submitted by Class Members.

4. **Resolution of Disputes.** If a Class Member disputes the information shown on his or her Notice of Estimated Settlement Share, the Class Member must ask the Settlement Administrator to resolve the matter by returning the Notice of Estimated Settlement Share with the information that he or she contends is correct and including with the sheet any documentation the Class Member has to support his or her contention. In the event of such a dispute, Proactive will have the right to review its payroll and personnel records to verify the correct information. After consultation with Class Counsel, the Class Member, and Proactive, the Settlement Administrator will make a determination of the correct information, and that determination will be final, binding on the Parties and the Class Member, and non-appealable.
5. **No Solicitation of Objection, Appeal, or Opt-Out.** Neither the Parties nor their respective counsel have or will solicit or otherwise encourage directly or indirectly any Class Member to object to the Settlement, appeal from the Judgment, or opt out of the Settlement.
6. **Right of Defendants to Reject Settlement.** If ten percent (10%) or more of Class Members, or a number of Class Members whose Settlement Shares would be worth ten percent (10%) or more of the Net Settlement Amount as calculated, timely submit valid Requests for Exclusion, Defendants will have the right to rescind the Settlement, and the Settlement and all actions taken in furtherance of it will be null and void. Defendants must both exercise this right within fifteen (15) days after the Settlement Administrator notifies the Parties of the number of opt-outs, which the Settlement Administrator will do within ten (10) days after the deadline for submission of Requests for Exclusion. If Defendants both exercise the right to rescind, they will be responsible for the costs of administration of the Settlement incurred through that time. If Defendants do not both exercise the right to rescind, Plaintiffs will move for final approval of the Settlement and for an award of the Class Representative Payments and the Class Counsel Fees and Expenses Payment pursuant to the Settlement, which Defendants will not oppose.
7. **Additional Briefing and Final Approval.**
 - a. Not later than sixteen (16) court days before the Final Approval Hearing, Plaintiffs will file with the Superior Court a Motion for Final Approval of the Settlement, the LWDA Payment, payment of the Settlement Administrator's reasonable fees and expenses, and for awards of the Class Representative Payments and the Class Counsel Fees and Expenses Payment pursuant to this Settlement; and a declaration prepared by the Settlement Administrator listing

the employee identification numbers of all Class Members who timely submitted a valid Request for Exclusion.

- b. Not later than five (5) days before the Final Approval Hearing, Plaintiffs and/or the Parties jointly may file a reply in support of the Motion for Final Approval of the Settlement to the extent that any opposition to the motion is filed.
- c. If the Superior Court does not grant final approval of the Settlement, or if the Superior Court's final approval of the Settlement is reversed or materially modified on appellate review, then this Settlement will be null and void; if that occurs, the Parties will have no further obligations under the Settlement, including any obligation by Defendants to pay the Total Settlement Amount, except that Defendants will pay the Settlement Administrator's reasonable fees and expenses incurred as of the date that the Settlement is deemed null and void. An award by the Superior Court of lesser amounts than sought for the Class Representative Payments or Class Counsel Fees and Expenses Payment will not constitute a material modification of the Settlement; although Plaintiffs maintain the right to appeal any such reduction.
- d. Together with the Motion for Final Approval, the Parties will present a proposed Judgment to the Superior Court for its approval and entry, in substantially the form evidenced by Exhibit D-2 to this Agreement. After entry of the Judgment, the Superior Court will have continuing jurisdiction over the *Garcia* Action and the Settlement solely for purposes of (1) enforcing this Agreement, (2) addressing settlement administration matters, and (3) addressing such post-judgment matters as may be appropriate under court rules or applicable law.

- 8. **Waiver of Right to Appeal.** Provided that the Judgment is consistent with the material terms of this Agreement, Plaintiffs, Class Members who did not timely submit an objection to the Settlement and intervene in the Action, Defendants, and their respective counsel hereby waive any and all rights to appeal from the Judgment, including all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate judgment, a motion for new trial, and any extraordinary writ, and the Judgment therefore will become non-appealable at the time it is entered. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceedings or post-judgment proceedings, or to file a cross-appeal. This paragraph does not preclude Plaintiffs or Class Counsel from appealing from a refusal by the Superior Court to award the full Class Representative Payments or the Class Counsel Fees and Expenses Payment sought by them. If an appeal is taken from the Judgment, the time for consummating the Settlement (including making payments under the

Settlement) will be suspended until such time as their appeal is finally resolved and the Judgment becomes Final, as defined in this Agreement.

9. **Vacating, Reversal, or Material Modification of Judgment on Appeal or Review.** If, after a notice of appeal or a petition for *certiorari* or review, or any other motion, petition, or application, the reviewing court vacates, reverses, or modifies the Judgment such that there is a material change to the Settlement, and that court's decision is not completely reversed and the Judgment is not fully affirmed on review by a higher court, then either Plaintiffs or Defendants will have the right to void the Settlement, which a Party must do by giving written notice to the other Parties, the reviewing court, and the Superior Court not later than thirty (30) days after the reviewing court's decision vacating, reversing, or materially modifying the Judgment becomes Final. A vacation, reversal, or modification of the Superior Court's award of the Class Representative Payments or the Class Counsel Fees and Expenses Payment will not constitute a vacating, reversal, or material modification of the Judgment within the meaning of this paragraph.
10. **Timing of Settlement Payments.** Within 30 days after the Settlement becomes Final, or by June 1, 2025, whichever is later, Applied shall fund the first installment of the Total Settlement Amount, by transferring to the Settlement Administrator via wire transfer the amount of \$240,000. Within six (6) months after the first installment of the Total Settlement Amount, or by December 1, 2025, whichever is later, Proactive shall fund the second installment of the Total Settlement Amount, by transferring to the Settlement Administrator via wire transfer the amount of \$240,000. Within six (6) months after the second installment of the Total Settlement Amount, or by June 1, 2026, whichever is later, Proactive shall fund the third installment of the Total Settlement Amount, by transferring to the Settlement Administrator via wire transfer the amount of \$240,000. Within fifteen (15) days after receiving the third (and final) installment of the Total Settlement Amount, the Settlement Administrator will pay to Class Members the Settlement Shares; to Plaintiffs, the Class Representative Payments; to the LWDA, the LWDA Payment; to Class Counsel, the Class Counsel Fees and Expenses Payment; and to the Settlement Administrator, its reasonable fees and expenses.
11. **Effect of Partial Funding.** If a Defendant timely completes its contribution to the Total Settlement Amount, the releases described in III.I shall be valid and enforceable as to that Defendant, regardless of whether the other Defendant meets its funding obligations. In other words, a breach of the Settlement by one Defendant will not affect the validity of the release of the other Defendant from the Plaintiffs, Class Counsel, Class Members, and PAGA Settlement Group Members, even if it results in a reduction to the Total Settlement Amount.

12. **Uncashed Settlement Share Checks.** A Class Member must cash his or her Settlement Share check within one hundred and eighty (180) calendar days after it is mailed to him or her. If a check is returned to the Settlement Administrator, the Settlement Administrator will make all reasonable efforts to re-mail it to the Class Member at his or her correct address. If a Class Member fails to cash the check for his or her Settlement Share within one hundred and eighty (180) days after it is mailed to him or her, the Settlement Administrator will distribute the funds to the California State Controller's Office, Unclaimed Property Fund in the name of the Class Member. The Parties agree that this disposition results in no "unpaid residue" within the meaning of California Code of Civil Procedure Section 384, as the entire Net Settlement Amount will be paid out to Class Members, whether or not they cash their Settlement Share checks. Any amounts paid to PAGA Settlement Group Members for PAGA Amount Payments shall be treated in the same manner.

I. Release and Waiver of Claims.

1. **Plaintiffs.** In consideration of Plaintiffs' awarded Class Representative Payments, Plaintiffs' respective Settlement Shares, and the other terms and conditions of the Settlement, as of the date the Settlement becomes Final, Plaintiffs each releases any and all known and unknown claims against Defendants and any present and former parents, subsidiaries and affiliated companies or entities, and their respective officers, directors, employees, partners, shareholders and agents, and any other successors, assigns and legal representatives and its related persons and entities ("Released Parties") that occurred during the Class Period, and waive the protection of California Civil Code section 1542, 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.

("Plaintiffs' Released Claims"). Expressly excluded from Plaintiffs' Released Claims are any claims for workers' compensation benefits, unemployment insurance benefits, claims outside the Class Period, and any other claims that cannot be waived by law.

2. **Class Members.** In consideration for their awarded Class Payment portions of their Settlement Shares, upon the Effective Date, all Class Members (other than those Class Members who timely and validly elected not to participate in the Settlement) release any and all known and unknown local, state and federal claims against Defendants and the Released Parties that were pled or could have been pled based on the factual allegations contained in the operative complaint in the Actions or any amendments

thereto or notices submitted by Plaintiffs to the LWDA pursuant to PAGA that occurred during the Class Period, including claims that Defendants failed to pay all wages due, including minimum wages and overtime wages; provide meal and rest periods; furnish accurate itemized wage statements; pay timely wages; pay all wages due to discharged and quitting employees; and reimburse all business expenses. The released claims include claims brought under California Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 256, 510, 512, 516, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2698 *et seq.*, and 2802, California Business and Professions Code sections 17200-17208 based on the preceding claims, and the Industrial Welfare Commission Wage Order based on the preceding claims. Such claims include claims for wages, statutory penalties, civil penalties, or other relief under the California Labor Code, PAGA, relief from unfair competition under California Business and Professions Code section 17200 *et seq.*, similar claims under federal or local laws, including the Fair Labor Standards Act, 29 U.S.C. § 201 *et seq.*; attorneys' fees and costs; and interest. (The "Released Class Claims.")

3. **PAGA Settlement Group Members.** In consideration for their awarded portions of the PAGA Civil Penalties, upon the Effective Date, the State of California and all PAGA Settlement Group Members release any and all claims under PAGA for civil penalties against Defendants and the Released Parties that were pled or could have been pled based on the factual allegations contained in the operative complaints in the Actions or any amendments thereto or notices submitted by Plaintiffs to the LWDA pursuant to PAGA that occurred during the PAGA Period (the "Released PAGA Claims"). The released claims include claims for PAGA penalties for alleged violations of California Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 256, 510, 512, 516, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2698 *et seq.*, and 2802, and the Industrial Welfare Commission Wage Order based on the preceding claims. All PAGA Settlement Group Members will release the Released PAGA Claims, and will receive a PAGA Amount Payment, regardless of whether they opt out of the Settlement.
4. **Class Counsel.** Class Counsel will not seek or be entitled to any attorneys' fees and/or expenses in this Action, other than those specified in this Agreement.
- J. **No Effect on Other Benefits.** The Net Settlement Shares will not result in any additional benefit payments (such as 401(k) or bonus) beyond those provided by this Agreement to Plaintiffs or Class Members, and Class Members will be deemed to have waived all such claims, whether known or unknown by them, as part of their release of claims under this Agreement.
- K. **Confidentiality Preceding Preliminary Approval.** Plaintiffs and their attorneys agree not to issue any press or other media releases or talk to the press or media

regarding the Settlement, and Plaintiffs' attorneys agree not to publicize the Settlement on their website or social media other than posting publicly filed documents. In addition, prior to filing of the Motion for Preliminary Approval, Plaintiffs and their attorneys will not have any communication with anyone other than family members, clients, Class Members, financial advisors, retained experts, and vendors related to settlement administration, regarding the Settlement, except as needed to inform the Court of the status of the case.

- L. **Unanticipated Increase in Covered Workweeks.** It is estimated that there are approximately 20,574 workweeks in the Class Period. Proactive will provide final confirmation of the number of workweeks worked during the Class Period. If it is determined that the number of workweeks during the Class Period exceeds 22,631 workweeks (110% of the 20,574 estimated number of workweeks), then the Total Settlement Amount will increase by the same number of percentage points (above 10%) by which the actual number of workweeks exceeds 22,631. For instance, if the actual number of workweeks is determined to be 2% higher than 22,631, the Total Settlement Amount would be increased by \$14,400. However, at their option, Defendants can avoid increasing the Total Settlement Amount by electing to end the Class Period and PAGA Period when the number of workweeks reaches 22,631.

M. **Miscellaneous Terms.**

1. **No Admission of Liability.**

- a. Defendants 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 Actions, or that but for the Settlement a class should be certified in the Actions. 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 Defendants, or an admission by Plaintiffs that any of their claims were non-meritorious or any defense asserted by Defendants was meritorious. This Settlement and the fact that Plaintiffs and Defendants 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 the Settlement).
- b. The Parties agree that the Motion for Preliminary Approval seeking, *inter alia*, certification of a class is for purposes of the Settlement only and if, for any reason, the Settlement is not approved, the certification will have no force or effect and will be immediately revoked. The Parties further agree that certification for purposes of the Settlement is in no way an admission that class certification is proper under the more stringent standard applied for litigation purposes and that this Settlement will not be admissible in this or

any other proceeding as evidence that (a) a class should be certified or (b) Defendants are liable to Plaintiffs or the Class.

- c. Whether or not the Judgment becomes Final, nothing in the Settlement, this Agreement, any document, statement, proceeding or conduct related to the Settlement or the Agreement, or any reports or accounting of those matters, will be (i) construed as, offered or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to Defendants or the Released Parties, including, but not limited to, evidence of a presumption, concession, indication or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession or damage; or (ii) disclosed, referred to or offered in evidence against Defendants or any of the Released Parties, in any further proceeding in the Actions, or any other civil, criminal or administrative action or proceeding except for purposes of effectuating the Settlement pursuant to this Agreement.
 - d. This section and all other provisions of this Agreement notwithstanding, any and all provisions of this Agreement may be admitted in evidence and otherwise used in any and all proceedings to enforce any or all terms of this Agreement, or in defense of any claims released or barred by this Agreement.
2. **Integrated Agreement.** After this Agreement is signed and delivered by all Parties and their counsel, this Agreement and its exhibits will constitute the entire agreement between the Parties relating to the Settlement, with the exception of any agreements or contracts between Proactive Business Solutions, Inc. and Applied Materials, Inc., no oral representations, warranties, covenants, or inducements have been made to any Party concerning this Agreement or its exhibits other than the representations, warranties, covenants, and inducements expressly stated in this Agreement and its exhibits.
 3. **Modification of Agreement.** This Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their successors-in-interest.
 4. **Agreement Binding on Successors.** This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
 5. **Applicable Law.** All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.

6. **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.
7. **Fair Settlement.** The Parties and their respective counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, current and potential.
8. **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.
9. **Notice.** All notices, demands or other communications given under 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, addressed as follows:

To Plaintiffs and the Class:

CAPSTONE LAW APC
Raul Perez
Raul.Perez@capstonelawyers.com Orlando
Villalba
Orlando.Villalba@capstonelawyers.com
Helga Hakimi
Helga.Hakimi@capstonelawyers.com
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HAINES LAW GROUP, APC
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Joel M. Gordon
jgordon@haineslawgroup.com
2155 Campus Drive, Suite 180
El Segundo, California 90245
Telephone: (424) 292-2350

To Proactive Business Solutions, Inc.

GORDON REES SCULLY
MANSUKHANKI, LLP
Mollie M. Burks
mburks@grsm.com
Sat Sang S. Khalsa
skhalsa@grsm.com
100 Pringle Avenue, Suite 300
Walnut Creek, CA 94596
Telephone: (510) 463-1721

To Applied Materials, Inc.:

SHEPPARD MULLIN RICHTER
& HAMPTON LLP
Zachary P. Hutton
zhutton@sheppardmullin.com
Four Embarcadero Center, 17th Fl.
San Francisco, California 94111
Telephone: (415) 434-9100

10. **Enforcement Action.** Consistent with the class action procedure, the Parties agree that the Santa Clara Superior Court shall have jurisdiction to enforce this Settlement pursuant to California Code of Civil Procedure section 664.6, and California Rule of Court 3.769. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.
11. **Execution in Counterpart.** This Agreement may be executed in one or more counterparts. All executed counterparts, including electronic (e.g., DocuSign), facsimile, and scanned copies of the signature page, will be deemed to be one and the same instrument. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

IV. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this Agreement.

Dated: Apr 29, 2025, 2025

ABSHIR FARAH


Abshir Farah (Apr 29, 2025 17:36 PDT)

Dated: April 30, 2025

HAINES LAW GROUP, APC

By: 

Paul K. Haines
Attorneys for Plaintiff Abshir Farah

Dated: _____, 2025

ROGELIO GARCIA

Dated: _____, 2025

CAPSTONE LAW APC

By: _____

Orlando Villalba
Attorneys for Plaintiff Rogelio Garcia

10. **Enforcement Action.** Consistent with the class action procedure, the Parties agree that the Santa Clara Superior Court shall have jurisdiction to enforce this Settlement pursuant to California Code of Civil Procedure section 664.6, and California Rule of Court 3.769. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.
11. **Execution in Counterpart.** This Agreement may be executed in one or more counterparts. All executed counterparts, including electronic (e.g., DocuSign), facsimile, and scanned copies of the signature page, will be deemed to be one and the same instrument. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

IV. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this Agreement.

Dated: _____, 2025

ABSHIR FARAH

Dated: _____, 2025

HAINES LAW GROUP, APC

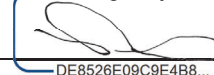
By: _____

Paul K. Haines
Attorneys for Plaintiff Abshir Farah

Dated: 4/30/2025, 2025

ROGELIO GARCIA

DocuSigned by:



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Dated: 4/30/2025, 2025

CAPSTONE LAW APC

By:  _____

Orlando Villalba
Attorneys for Plaintiff Rogelio Garcia

April 30, 2025 | 1:32 PM PDT

Dated: _____, 2025

PROACTIVE BUSINESS SOLUTIONS, INC.

By: _____
Signed by: *Sharon Meranda*
AB6CD92DFD57469...
Proactive Business Solutions, Inc.

Dated: April 30, 2025, 2025

GORDON REES SCULLY MANSUKHANKI, LLP

By: _____
Mollie M. Burks
Sat Sang S. Khalsa
Attorney for Proactive Business Solutions, Inc.

Dated: _____, 2025

APPLIED MATERIALS, INC.

By: _____
Applied Materials, Inc.

Dated: _____, 2025

SHEPPARD MULLIN RICHTER HAMPTON LLP

By: _____
Zachary P. Hutton
Attorney for Applied Materials, Inc.

Dated: _____, 2025

PROACTIVE BUSINESS SOLUTIONS, INC.

By: _____
Proactive Business Solutions, Inc.

Dated: _____, 2025

GORDON REES SCULLY MANSUKHANKI, LLP

By: _____
Mollie M. Burks
Sat Sang S. Khalsa
Attorney for Proactive Business Solutions, Inc.

Dated: 4/29/2025
_____, 2025

APPLIED MATERIALS

DocuSigned by:

William David
DF9A3733AA7E4B2...

By: _____
Applied Materials, Inc.

Dated: 4/29/2025
_____, 2025

SHEPPARD MULLEN

Signed by:

Zach Hutton
9774F0B4B8A0492...

STAMPTON LLP

By: _____
Zachary P. Hutton
Attorney for Applied Materials, Inc.

EXHIBIT A

**[NOTICE OF PROPOSED SETTLEMENT, CONDITIONAL CERTIFICATION OF
SETTLEMENT CLASS, PRELIMINARY APPROVAL OF SETTLEMENT, AND
HEARING DATE FOR FINAL COURT APPROVAL]**

Exhibit A

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND FINAL APPROVAL HEARING

To: All current and former non-exempt employees who have been employed by Proactive in California at any time from August 18, 2019 to August 16, 2024.

PLEASE READ THIS NOTICE CAREFULLY

IT MAY AFFECT YOUR LEGAL RIGHTS TO MONEY YOU MAY BE OWED IN CONNECTION WITH YOUR EMPLOYMENT BY PROACTIVE BUSINESS SOLUTIONS, INC. ("PROACTIVE"). IF YOU WISH TO RECEIVE A SHARE OF THE SETTLEMENT PROCEEDS, READ THE ENCLOSED NOTICE OF ESTIMATED SETTLEMENT SHARE AND CONFIRM THAT YOUR IDENTIFYING INFORMATION AND THE INFORMATION ABOUT YOUR EMPLOYMENT WITH PROACTIVE IS CORRECT. IF THE INFORMATION IS NOT CORRECT, RETURN IT TO THE SETTLEMENT ADMINISTRATOR FOLLOWING THE INSTRUCTIONS IN THIS NOTICE.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing and Receive a Payment	To receive a cash payment from the Settlement, you do not have to do anything. Your estimated Settlement Share is set forth in the Notice of Estimated Settlement Share enclosed with this Class Notice. After final approval by the Court, a payment will be mailed to you at the same address as this notice. In exchange for your settlement payment, you will release claims against the defendant or defendants that have funded the settlement payment, as detailed in Sections 7 and 8 below. If your address has changed, you must notify the Settlement Administrator as explained in the Notice of Estimated Settlement Share.
Exclude Yourself	To exclude yourself, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request exclusion, you will not receive a Class Payment and you will not release the Released Class Claims. However, if you are a PAGA Settlement Group Member, you will still receive a PAGA Amount Payment and be bound by the release of the Released PAGA Claims. Instructions are set forth in Section 5 below.
Object	Write to the Court about why you do not agree with the settlement or appear at the Final Approval Hearing to make an oral objection. Directions are provided in Section 8 below.

Exhibit A

PURSUANT TO THE ORDER OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE COUNTY OF SANTA CLARA (THE “COURT”) ENTERED ON [DATE OF PRELIMINARY APPROVAL], YOU ARE HEREBY NOTIFIED AS FOLLOWS:

1. WHAT IS THIS NOTICE ABOUT?

A proposed settlement (the “Settlement”) has been reached between plaintiffs Abshir Farah (“Farah”) and Rogelio Garcia (“Garcia”) (collectively, Farah and Garcia are “Plaintiffs”) and defendants Proactive Business Solutions, Inc. (“Proactive”) and Applied Materials, Inc. (“Applied”) (collectively, Proactive and Applied are “Defendants”), in the class actions pending in the Court.

The Court has preliminarily approved the Settlement and conditionally certified the Class for purposes of the Settlement only. You have received this notice because Proactive’s records indicate that you are a member of the Class. This notice is designed to inform you of the terms of the Settlement and how you can object to the Settlement, opt out of the Settlement, or provide corrected information to the Settlement Administrator. Unless you opt out of the Settlement, the Settlement, if finally approved by the Court, will be binding upon you.

2. WHAT IS THIS LAWSUIT ABOUT?

This settlement arises from a lawsuit, *ROGELIO GARCIA and ABSHIR FARAH, individually, and on behalf of other members of the general public similarly situated, Plaintiffs, vs. PROACTIVE BUSINESS SOLUTIONS, INC., a California Corporation; APPLIED MATERIALS, INC., a Delaware corporation; and DOES 1 through 10, inclusive, Defendants*, Case No. 23CV421189 (the “Action”)¹, in which the Plaintiffs allege that Defendants failed to pay all wages due, including minimum wages and overtime wages, provide meal and rest periods, furnish accurate itemized wage statements, pay timely wages, pay all wages due to discharged and quitting employees, and reimburse all business expenses.

Defendants deny that they engaged in any unlawful activity, failed to comply with the law in any respect, or have any liability to anyone under the claims.

After good-faith negotiations, Plaintiffs and Defendants agreed to settle the Action pursuant to the terms and conditions of the Settlement.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendants that Plaintiffs’ claims in the Action have merit or that they have any liability to Plaintiffs or the proposed class on those claims. On the contrary, Defendants deny any and all such liability, and maintain that they complied with all applicable laws.

The parties and their counsel have concluded that the Settlement is advantageous, considering the risks and uncertainties to each side of continued litigation. The parties and their counsel have

¹ The term “Action” shall also encompass the civil action entitled *Abshir Farah, et al. v. ProActive Business Solution, Inc, et al.*, County of Santa Clara Superior Court, Case No.: 23CV421883.

Exhibit A

determined that the Settlement is fair, reasonable, and adequate and is in the best interests of the members of the Class.

SUMMARY OF THE SETTLEMENT

3. WHO IS INCLUDED IN THE SETTLEMENT?

You are included in the Settlement if you fall within the following definition of “Class Member”:

All current and former non-exempt employees who have been employed by Proactive in California at any time from August 18, 2019 to August 16, 2024 (the “Class Period”).

Class Members who fall within the following definition are also “PAGA Settlement Group Members”:

All current and former non-exempt employees who have been employed by Proactive in California at any time from August 23, 2022 to August 16, 2024 (the “PAGA Period”).

4. WHAT WILL I RECEIVE FROM THE SETTLEMENT?

1. Defendants have agreed to pay \$720,000 as the Total Settlement Amount, of which ProActive will pay \$480,000 and Applied will pay \$240,000. The Total Settlement Amount is intended to fund all payments to be made under the Settlement.
2. The “Net Settlement Amount” is the amount from the Total Settlement Amount that is available for distribution as the Class Payment portion of Settlement Shares to Class Members after deductions for PAGA Civil Penalties to be paid pursuant to the Labor Code Private Attorneys General Act (“PAGA”), the Class Representative Payments, the Class Counsel Fees and Expenses Payment, and the Settlement Administrator’s reasonable fees and expenses.
3. The Class Payment portion of the Settlement Share shall be paid to each Class Member who does not timely opt out of the Settlement by timely submitting a valid Request for Exclusion. However, as described below, all Class Members who are also PAGA Settlement Group Members will receive the PAGA Amount Payment portion of their Settlement Share.
4. The Settlement Share for a Class Member will depend on the number of workweeks the Class Member worked during the Class Period, the number of pay periods the Class Member worked during the PAGA Period (if any), and the amounts awarded by the Court for the payments to Plaintiffs, Class Counsel, the PAGA Civil Penalties, and the Settlement Administrator.

Exhibit A

5. The Settlement Administrator will calculate each Class Member's Settlement Share as follows:
 - a. **Class Payments.** Each Class Member who does not opt out of the Settlement will receive a "Class Payment" equal to the Net Settlement Amount times the ratio of (i) the number of workweeks worked by the Class Member for Proactive during the Class Period ("Covered Workweeks") to (ii) the total number of workweeks worked by all such Class Members for Proactive during the Class Period.
 - b. **PAGA Amount Payments.** In addition to the Net Settlement Amount, \$50,000 of the Total Settlement Amount has been designated as the "PAGA Amount." Each PAGA Settlement Group Member will receive a "PAGA Amount Payment" equal to the PAGA Amount times the ratio of (i) the number of pay periods worked by the PAGA Settlement Group Member during the PAGA Period ("Covered Pay Periods") to (ii) the total number of pay periods worked by all such PAGA Settlement Group Members during the PAGA Period. All PAGA Settlement Group Members, including those who opt out of the Settlement, will receive a PAGA Amount Payment.
6. An approximation of your Settlement Share appears on your Notice of Estimated Settlement Share accompanying this Notice. Your actual Settlement Share may be more or less once awarded. The Settlement Shares and other amounts awarded by the Court will be paid after final court approval of the Settlement, entry of the final judgment, and the exhaustion of all rights to appeal or review, or after any appeal or review has been resolved in favor of the Settlement.

5. HOW DO I EXCLUDE MYSELF FROM THE SETTLEMENT?

1. You will be included in the Settlement and receive the Class Payment portion of your Settlement Share (if any) unless you opt out of the Settlement, by mailing to the Settlement Administrator a signed "Request for Exclusion" letter, **postmarked no later than 45 days after mailing of class notice**. The Request for Exclusion must include your name, address, telephone number, and the last four digits of your Social Security number, and should state in substance:

"I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE *GARCIA AND FARAH V. PROACTIVE BUSINESS SOLUTIONS, INC. AND APPLIED MATERIALS, INC.* LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE THE CLASS PAYMENT PORTION OF MY SETTLEMENT SHARE."

In addition, the Request for Exclusion must include your signature.

If you request to be excluded from the Settlement by the deadline, you will be excluded from the Settlement and will not receive a Class Payment. You will retain the right you may have, if any, to pursue a claim against Defendants. However, all PAGA Settlement

Exhibit A

Group Members (defined above) will be bound by the release of PAGA claims, and will receive a PAGA Amount Payment, regardless of whether they opt out of the Settlement.

6. WHAT IF THE INFORMATION ON THE ENCLOSED NOTICE OF ESTIMATED SETTLEMENT AWARD IS INACCURATE?

1. The Court has appointed CPT Group, Inc. to act as an independent Settlement Administrator and to resolve any disputes concerning the calculation of Class Members' Settlement Shares and their entitlement to Settlement Shares.
2. If you dispute the accuracy of any of the information used to calculate your Covered Workweeks or Covered Pay Periods, shown on your enclosed Notice of Estimated Settlement Share, you must ask the Settlement Administrator to resolve the matter. In order to do so, you must return your Notice of Estimated Settlement Share to the Settlement Administrator **postmarked no later than 45 days after mailing of class notice**. You should submit any documentary evidence that you have, along with the form. After consultation with you, Class Counsel, and Proactive, the Settlement Administrator will make a determination of the number of your Covered Workweeks and Covered Pay Periods, and that determination will be final, binding on you and Defendants, and non-appealable.

7. WHAT CLAIMS ARE BEING RELEASED AS PART OF THE SETTLEMENT?

1. **Class Members.** In consideration for their awarded Class Payment portions of their Settlement Shares, as of the Effective Date of the Settlement, all Class Members (other than those Class Members who timely and validly requested to be excluded from the Settlement) release any and all known and unknown local, state and federal claims against Defendants and any present and former parents, subsidiaries and affiliated companies or entities, and their respective officers, directors, employees, partners, shareholders and agents, and any other successors, assigns and legal representatives and its related persons and entities ("Released Parties") that were pled or could have been pled based on the factual allegations contained in the operative complaint in the Actions or any amendments thereto or notices submitted by Plaintiffs to the California Labor and Workforce Development Agency ("LWDA") pursuant to PAGA that occurred during the Class Period, including claims that Defendants failed to pay all wages due, including minimum wages and overtime wages; provide meal and rest periods; furnish accurate itemized wage statements; pay timely wages; pay all wages due to discharged and quitting employees; and reimburse all business expenses. The released claims include claims brought under California Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 256, 510, 512, 516, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2698 *et seq.*, and 2802, California Business and Professions Code sections 17200-17208 based on the preceding claims, and the Industrial Welfare Commission Wage Order based on the preceding claims. Such claims include claims for wages, statutory penalties, civil penalties, or other relief under the California Labor Code, PAGA, relief from unfair competition under California

Exhibit A

Business and Professions Code section 17200 *et seq.*; similar claims under federal or local laws, including the Fair Labor Standards Act, 29 U.S.C. § 201 *et seq.*; attorneys' fees and costs; and interest. (The "Released Class Claims.")

2. **PAGA Settlement Group Members.** In consideration for their awarded PAGA Amount Payment portions of their Settlement Shares, as of the Effective Date of the Settlement, all PAGA Settlement Group Members release any and all claims under PAGA for civil penalties against Defendants and the Released Parties that were pled or could have been pled based on the factual allegations contained in the operative complaints in the Actions or any amendments thereto or notices submitted by Plaintiffs to the LWDA pursuant to PAGA that occurred during the PAGA Period (the "Released PAGA Claims"). The released claims include claims for PAGA penalties for alleged violations of California Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 256, 510, 512, 516, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2698 *et seq.*, and 2802, and the Industrial Welfare Commission Wage Order based on the preceding claims. All PAGA Settlement Group Members will release the Released PAGA Claims, and will receive a PAGA Amount Payment, regardless of whether they opt out of the Settlement.
3. **Class Representative Payments.** Plaintiffs will each seek approval from the Court for a payment of \$10,000, each, in consideration of initiating and pursuing the Actions, undertaking the risk of liability for attorneys' fees and expenses in the event they were unsuccessful in the prosecution of the Actions, and granting the general release as part of the Settlement. This payment, which will be paid in addition to Plaintiffs' Settlement Shares, will be made out of the Total Settlement Amount.
4. **Class Counsel Fees and Expenses Payment.** As part of the final approval hearing, Class Counsel will request up to \$252,000 for attorneys' fees (35% of the Total Settlement Amount of \$720,000). Class Counsel also will ask for reimbursement of up to \$30,000.00 in verified costs incurred in connection with the Action. Defendants do not oppose these payments. These amounts constitute full and complete compensation for all legal fees, costs, and expenses of all Class Counsel, including costs and expenses resulting from experts and other vendors retained by Class Counsel in connection with the litigation and all work done through the completion of the litigation, whatever date that may be. Class Members will not be required to pay Class Counsel for any other attorneys' fees, costs or expenses out of their own pockets if the Settlement Agreement and the attorneys' fees and expenses payment is finally approved by the Court. Class Counsel's attorneys' fees and expenses as approved by the Court will be paid out of the Total Settlement Amount.
5. **Payment to LWDA.** Because PAGA Settlement Group Members are also releasing their claims for civil penalties under PAGA, the parties have agreed that the LWDA, which is entitled to share in any recovery of civil penalties under PAGA, will be paid \$_____ out of the Total Settlement Amount as the LWDA's share of the settlement of civil penalties. This amount is subject to the Court's approval.
6. **Costs of Administration.** The reasonable costs of administering the Settlement, including the Settlement Administrator's fees and expenses, estimated to be no more than \$10,000, will be paid out of the Total Settlement Amount.

Exhibit A

7. **Plaintiffs and Class Counsel's Support of the Settlement.** Plaintiffs as Class Representatives and Class Counsel support the Settlement. Their reasons include the risk of a trial on the merits, and the inherent delays and uncertainties associated with litigation. Based on their experience litigating similar cases, Class Counsel believe that further proceedings in this case, including a trial and probable appeals, would be very expensive and protracted. No one can confidently predict how the various legal questions at issue, including the amount of damages, would ultimately be resolved. Therefore, upon careful consideration of all of the facts and circumstances of this case, Class Counsel believe that the Settlement is fair, reasonable, and adequate.

8. WHAT ARE MY RIGHTS AS A CLASS MEMBER?

1. **Participating in the Settlement.** Plaintiffs as Class Representatives and Class Counsel represent your interests as a Class Member. Unless you opt out of the Settlement, you are a part of the Class, you will be bound by the terms of the Settlement and any final judgment that may be entered by the Court, and you will be deemed to have released the claims against Defendants and the other Released Parties described above (subject to the exception described in paragraph 2 below). As a member of the Class, you will not be responsible for the payment of attorneys' fees or reimbursement of litigation expenses unless you retain your own counsel, in which event you will be responsible for your own attorneys' fees and expenses.
2. **Timing of Settlement Funding and Effect of Partial Funding.** Defendants will fund the Total Settlement Amount in three installments. Applied is responsible for funding the first installment of \$240,000 within 30 days after the Settlement becomes Final, or by June 1, 2025, whichever is later; Proactive is responsible for funding the second installment of \$240,000 within six (6) months after the first installment, or by December 1, 2025, whichever is later; and Proactive is responsible for funding the third installment of \$240,000 within six (6) months after the second installment, or by June 1, 2026, whichever is later. If a Defendant timely completes its contribution to the Total Settlement Amount, the releases described in Sections 7 above shall be valid and enforceable as to that Defendant, regardless of whether the other Defendant meets its funding obligations. In other words, a breach of the Settlement by one Defendant will not affect the validity of the release of the other Defendant from the Plaintiffs, Class Counsel, Class Members, and PAGA Settlement Group Members, even if it results in a reduction to the Total Settlement Amount.
3. **Notice of Estimated Settlement Share.** The enclosed Notice of Estimated Settlement Share provides the information on which your Settlement Share will be calculated and an estimate of your Settlement Share if all Class Members participate, all payment amounts are awarded, and all funding of the Total Settlement Amount is completed; your actual Settlement Share may be more or less. If the information in the Notice of Estimated Settlement Share (including your mailing address) is correct, you need not return the form. Any correction to the Notice of Estimated Settlement Share must be completed, signed by you, and returned to the Settlement Administrator, **postmarked by not later than 45 days after mailing of class notice**. It is your obligation to keep the Settlement Administrator

Exhibit A

informed of any changes in your mailing address until your Settlement Share is received, should final approval of the Settlement be granted. Failing to provide the Settlement Administrator with any change of your mailing address may prevent you from receiving your Settlement Share.

4. **Excluding yourself from the Settlement.** If you do not wish to participate in the Settlement, you must mail a written “Request for Exclusion” letter (described above), **postmarked no later than [45 days after mailing of class notice]**. Any person who timely and properly opts out of the Settlement will no longer be a member of the Settlement Class, will not be eligible to receive a Settlement Share, and will not be included in calculating the Class Payment portion of the Settlement Share of any other Class Member. Any such person will retain the right, if any, to pursue at his or her own expense a claim against Defendants, except that all PAGA Settlement Group Members (defined above) will release the Released PAGA Claims described above, and will receive a PAGA Amount Payment regardless of whether they opt out of the Settlement. An incomplete or unsigned Request for Exclusion will be deemed invalid.

Consistent with Defendants’ policies, there will be no retaliation or adverse action taken against any Class Member who participates in the Settlement or opts out of the Settlement.

5. **Objecting to the Settlement.** If you do not submit a Request for Exclusion, you may object to the terms of the Settlement before final approval.

MAIL YOUR OBJECTION TO:

[settlement administrator info and address]

Any written objection must state your full name, current address, and telephone number; contact information for any attorney representing you for purposes of your objection; all of your objections and their factual and legal bases; whether you intend to appear at the final approval hearing; and must include any and all papers, briefs, written evidence, declarations, and/or other evidence supporting your objection. Written objections to the Settlement must be mailed and postmarked by not later than **[45 days after mailing of class notice]**. If you submit a timely written objection, you may also appear personally or through counsel of your choice, paid at your own expense, and be heard at the time of the final approval hearing, if you wish to do so, but only if you indicate in your objection that you intend to appear.

Alternatively, in lieu of submitting a written objection, you can be heard at the Final Approval Hearing (whether telephonically, in-person, or through counsel) to orally object to the Settlement, provided you notify the Court of your intention to do so.

In addition to the information noted above, all written objections, supporting papers and/or notices of intent to appear at the Final Approval Hearing must (a) clearly identify the case name and number (*ROGELIO GARCIA and ABSHIR FARAH vs. PROACTIVE BUSINESS SOLUTIONS, INC.*, Case Number 23CV421189), (b) be submitted to the Court either by mailing the objection to: Clerk of the Court, Superior Court of California,

Exhibit A

County of Santa Clara, 191 N. 1st Street, San Jose, California 95113, or by filing in person at the same location; (c) also be mailed to the law firms identified in Section 9 (below) and (d) be filed or postmarked on or before **45 days after mailing of class notice**. If the Court overrules your objection, you will be bound by the terms of the Settlement and will still be sent your Settlement Share.

9. THE LAWYERS FOR THE PARTIES

CLASS COUNSEL

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Orlando Villalba
Helga Hakimi
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PROACTIVE BUSINESS SOLUTIONS, INC.'S COUNSEL

GORDON REES SCULLY

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Facsimile: (415) 986-8054

APPLIED MATERIALS, INC.'S COUNSEL

SHEPPARD MULLIN RICHTER & HAMPTON LLP

Zachary P. Hutton
Four Embarcadero Center, 17th Fl.
San Francisco, California 94111

DO NOT TELEPHONE THE COURT OR DEFENDANTS' COUNSEL.

10. FINAL SETTLEMENT APPROVAL HEARING

The Court will hold a final approval hearing on [REDACTED], 2025, at [REDACTED]:[REDACTED] a.m., in Department [REDACTED] of the Superior Court of California, County of Santa Clara, 191 N. First St., San Jose, California 95113, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve the requests for the Class Representative Payments and the Class Counsel Fees and Expenses Payment.

The hearing may be postponed without further notice to the Class. **It is not necessary for you to appear at this hearing.** If you have submitted an objection and indicated that you intend to appear in the manner set forth above, you may appear at the hearing and be heard.

11. GETTING MORE INFORMATION

Exhibit A

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you are referred to the detailed Settlement Agreement, which will be on file with the Clerk of the Court. The pleadings and other records in this litigation, including the Settlement Agreement, may be examined (a) online on the Superior Court of California, County of Santa Clara's Electronic Filing and Service Website at www.scefiling.org and www.sccourt.org, or (b) in person at Records, Superior Court of California, County of Santa Clara, 191 N. 1st Street, San Jose, California 95113, between the hours of 8:30 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays and closures, or you may contact Class Counsel or the Settlement Administrator. Reference the *Garcia and Farah v. Proactive Business Solutions, Inc. and Applied Materials, Inc.* Wage and Hour Settlement. You may also visit the following website for more information about the Settlement: [insert]

PLEASE DO NOT TELEPHONE THE COURT OR DEFENDANTS' COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT. YOU MAY, HOWEVER, CALL ANY OF THE CLASS COUNSEL LISTED ABOVE OR THE SETTLEMENT ADMINISTRATOR AT [INSERT NUMBER].

EXHIBIT B

[NOTICE OF ESTIMATED SETTLEMENT SHARE]

Exhibit B

NOTICE OF ESTIMATED SETTLEMENT SHARE

ROGELIO GARCIA AND ABSHIR FARAH V. PROACTIVE BUSINESS SOLUTIONS, INC., AND APPLIED MATERIALS, INC.; SANTA CLARA COUNTY SUPERIOR COURT CASE NO. 23CV421189

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

(I) Please type or print your name:

(First, Middle, Last)

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

Former Names (if any)

New Street Address

City

State

Zip Code

(III) Information Used to Calculate Your Estimated Settlement Share:

According to Proactive's records:

- (a) you worked [] workweeks for Proactive in a non-exempt position in California at any time between August 18, 2019 to August 16, 2024.
- (b) you worked [] pay periods for Proactive in a non-exempt position in California at any time between August 23, 2022 to August 16, 2024.

Based on the above, your Class Payment is estimated at \$ [] and your PAGA Amount Payment (your share of penalties under the Labor Code Private Attorneys General Act ("PAGA")) is estimated at \$ [].

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

If you dispute the above information from Proactive's records, Proactive's records will control unless you are able to provide documentation that establishes otherwise and that Proactive's records are mistaken. If there is a dispute about whether Proactive's information or yours is accurate, and the dispute cannot be resolved informally, the dispute will be resolved by the Parties and the Settlement Administrator.

Date: _____

Signature: _____

ANY DISPUTES, ALONG WITH ANY SUPPORTING DOCUMENTATION, MUST BE POSTMARKED NO LATER THAN <<45 DAYS AFTER MAILING OF CLASS NOTICE>>.

EXHIBIT C

[PROPOSED ORDER GRANTING PRELIMINARY APPROVAL OF SETTLEMENT]

[Counsel listed on next page]

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SANTA CLARA**

ROGELIO GARCIA and ABSHIR FARAH,
individually, and on behalf of other members of
the general public similarly situated, and as an
aggrieved employee pursuant to the Private
Attorneys General Act (“PAGA”),

Plaintiffs,

vs.

PROACTIVE BUSINESS SOLUTIONS, INC.,
a California corporation; APPLIED
MATERIALS, INC., a Delaware Corporation;
and Does 1 through 50, Inclusive,

Defendants.

Case No. 23CV421189

[PROPOSED] ORDER:

**(1) PRELIMINARILY APPROVING
PROPOSED SETTLEMENT;**

**(2) CONDITIONALLY CERTIFYING
SETTLEMENT CLASS;**

**(3) APPOINTING CLASS
REPRESENTATIVES, CLASS COUNSEL,
AND SETTLEMENT ADMINISTRATOR;**

**(4) APPROVING CLASS NOTICE AND
RELATED MATERIALS; AND**

**(5) SETTING HEARING FOR FINAL
APPROVAL OF SETTLEMENT**

Judge: Hon. Charles F. Adams
Dept.: 7

Complaint filed: August 18, 2023
FAC filed: October 31, 2023
SAC filed: [REDACTED]
Trial date: None set

Exhibit C

1 CAPSTONE LAW APC
Orlando Villalba (SB# 232165)
2 Orlando.Villalba@capstonelawyers.com
Helga Hakimi (SB# 257381)
3 Helga.Hakimi@capstonelawyers.com
1875 Century Park East, Suite 1000
4 Los Angeles, California 90067
Telephone: (310) 556-4811
5 Facsimile: (310) 943-0396

6 Attorneys for Plaintiff Rogelio Garcia

7 HAINES LAW GROUP, APC
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8 phaines@haineslawgroup.com
Sean M. Blakely (SB# 264384)
9 sblakely@haineslawgroup.com
Joel M. Gordon (SB# 280721)
10 jgordon@haineslawgroup.com
2155 Campus Drive, Suite 180
11 El Segundo, California 90245
Telephone: (424) 292-2350
12 FACSIMILE: (424) 292-2355

13 Attorneys for Plaintiff Abshir Farah
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Exhibit C

1 The motion of plaintiffs Rogelio Garcia (“Garcia”) and Abshir Farah (“Farah”)
2 (collectively, Farah and Garcia are “Plaintiffs”) for Preliminary Approval of Class Action
3 Settlement (the “Motion”) came on regularly for hearing before this Court on
4 _____, 2025 at 1:30 p.m. The Motion was not opposed by defendants Proactive
5 Business Solutions, Inc. (“Proactive”) and Applied Materials, Inc. (“Applied”) (collectively,
6 Proactive and Applied are “Defendants”) (Plaintiffs and Defendants are together the “Parties”).
7 The Court, having considered the proposed Settlement Agreement (the “Settlement”), attached as
8 Exhibit 1 to the Declaration of Raul Perez filed concurrently with the Motion; having considered
9 the Motion, Memorandum of Points and Authorities in support thereof, and supporting
10 declarations filed therewith, and any argument presented at the hearing on the Motion; and good
11 cause appearing, HEREBY ORDERS THE FOLLOWING:

12 1. The Court GRANTS preliminary approval of the class action settlement as set forth
13 in the Settlement and finds its terms to be within the range of reasonableness of a settlement that
14 ultimately could be granted approval by the Court at a Final Approval Hearing. For purposes of
15 the Settlement only, the Court finds that the proposed Class is ascertainable and that there is a
16 sufficiently well-defined community of interest among the members of the Class in questions of
17 law and fact. Therefore, for settlement purposes only, the Court grants conditional certification of
18 the Class, which is defined as follows:

19 All current and former non-exempt employees who have been employed by
20 Proactive in California from August 18, 2019 to August 16, 2024.

21 2. For purposes of the Settlement, the Court designates Plaintiffs Rogelio Garcia and
22 Abshir Farah as Class Representatives, and designates Raul Perez, Orlando Villalba, and Helga
23 Hakimi of Capstone Law APC, and Paul K. Haines, Sean M. Blakely, and Joel M. Gordon of
24 Haines Law Group, APC as Class Counsel.

25 3. The Court designates _____ as the third-party Settlement Administrator
26 for mailing notices.

27 4. The Court approves, as to form and content, the Notice of Proposed Settlement,
28 Conditional Certification of Settlement Class, Preliminary Approval of Settlement, and Hearing

Exhibit C

1 Date for Final Court Approval (“Class Notice”), and the Notice of Estimated Settlement Share,
2 attached as Exhibit A and Exhibit B, respectively, to this Order and the Settlement (collectively,
3 the “Class Notice Packet”).

4 5. The Court finds that the form of notice to the Class Members regarding the
5 pendency of the action and of the Settlement, and the methods of giving notice to Class Members,
6 constitute the best notice practicable under the circumstances, and constitute valid, due, and
7 sufficient notice to all Settlement Class members. The form and method of giving notice complies
8 fully with the requirements of California Code of Civil Procedure section 382, California Rules of
9 Court 3.766 and 3.769, the California and United States Constitutions, and other applicable law.

10 6. The Court further approves the procedures for Class Members to opt out of or
11 object to the Settlement, as set forth in the Notice.

12 7. The procedures and requirements for filing objections in connection with the Final
13 Approval Hearing are intended to ensure the efficient administration of justice and the orderly
14 presentation of any Class Member’s objection to the Settlement, in accordance with the due
15 process rights of all Settlement Class members.

16 8. The Court directs the Settlement Administrator to mail the Class Notice Packet to
17 the Class Members in accordance with the terms of the Settlement.

18 9. The Notice shall provide at least 45 calendar days’ notice from the date of initial
19 mailing for Class Members to opt out of, or object to, the Settlement.

20 10. The Final Approval Hearing on the question of whether the Settlement should be
21 finally approved as fair, reasonable, and adequate is scheduled in Department 7 of this Court,
22 located at 191 N. First St., San Jose, California 95113, on _____, 2025 at 1:30
23 p.m.

24 11. At the Final Approval Hearing, the Court will consider: (a) whether the Settlement
25 should be finally approved as fair, reasonable, and adequate for the Class; (b) whether a judgment
26 granting final approval of the Settlement should be entered; and (c) whether Plaintiffs’ application
27 for reasonable attorneys’ fees, reimbursement of litigation expenses, representative payments to
28 Plaintiffs, and settlement administration costs should be granted.

Exhibit C

12. Counsel for the Plaintiffs shall file memoranda, declarations, or other statements and materials in support of their request for final approval of the Settlement, attorneys' fees, litigation expenses, Plaintiffs' representative payments, and settlement administration costs prior to the Final Approval Hearing according to the time limits set by the Code of Civil Procedure and the California Rules of Court.

13. An implementation schedule is below:

Event	Date
Proactive to provide Class Data to Settlement Administrator no later than [30 days after preliminary approval]:	_____, 202[]
Settlement Administrator to mail Class Notice Packets to Class Members no later than [15 days after receiving Class Data]:	_____, 202[]
Deadline for Class Members to opt out, or object to, the Settlement, or submit disputes to the Settlement Administrator [45 days after mailing of Class Notice Packets]:	_____, 202[]
Deadline for Parties to jointly file Motion for Final Approval of Class Action Settlement:	_____, 202[]
Final Approval Hearing	_____, 2025

14. Pending the Final Approval Hearing, all proceedings in this action, other than proceedings necessary to carry out or enforce the terms and conditions of the Settlement and this Order, are stayed.

15. Counsel for the Parties are hereby authorized to utilize all reasonable procedures in connection with the administration of the Settlement which are not materially inconsistent with either this Order or the terms of the Settlement.

IT IS SO ORDERED.

Dated: _____, 2025

The Honorable Charles F. Adams
Judge of the Superior Court

EXHIBITS D-1 AND D-2

**[PROPOSED ORDER GRANTING FINAL APPROVAL OF CLASS ACTION
SETTLEMENT AND THE PROPOSED FINAL JUDGMENT]**

[Counsel listed on next page]

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SANTA CLARA**

ROGELIO GARCIA and ABSHIR FARAH,
individually, and on behalf of other members of
the general public similarly situated, and as an
aggrieved employee pursuant to the Private
Attorneys General Act (“PAGA”),

Plaintiffs,

vs.

PROACTIVE BUSINESS SOLUTIONS, INC.,
a California corporation; APPLIED
MATERIALS, INC., a Delaware Corporation;
and Does 1 through 50, Inclusive,

Defendants.

Case No. 23CV421189

**[PROPOSED] ORDER GRANTING
JOINT MOTION FOR FINAL
APPROVAL OF CLASS ACTION
SETTLEMENT**

Judge: Hon. Charles F. Adams
Dept.: 7

Complaint filed: August 18, 2023
FAC filed: October 31, 2023
SAC filed: [REDACTED]
Trial date: None set

Exhibit D-1

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13 Attorneys for Plaintiff Abshir Farah
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Exhibit D-1

On [REDACTED], 2025, a hearing was held on the motion of plaintiffs Rogelio Garcia (“Garcia”) and Abshir Farah (“Farah”) (collectively, Farah and Garcia are “Plaintiffs”) for final approval of their class settlement (the “Settlement”) and payments to the Labor and Workforce Development Agency (“LWDA”) and the Settlement Administrator. The Motion was not opposed by defendants Proactive Business Solutions, Inc. (“Proactive”) and Applied Materials, Inc. (“Applied”) (collectively, Proactive and Applied are “Defendants”) (Plaintiffs and Defendants are together the “Parties”). Orlando Villalba of Capstone Law APC appeared for Plaintiff Garcia, Paul K. Haines of Haines Law Group, APC appeared for Plaintiff Farah, Mollie M. Burks of Gordon Rees Scully Mansukhanki, LLP appeared for Defendant Proactive, and Zachary P. Hutton of Paul Hastings LLP appeared for Defendant Applied.

The parties have submitted their Settlement, which this Court preliminarily approved by its [REDACTED], 202[], order (“Preliminary Approval Order”). In accordance with the Preliminary Approval Order, Class Members have been given notice of the terms of the Settlement and the opportunity to comment on or object to it or to exclude themselves from its provisions.

Having received and considered the Settlement, the supporting papers filed by the parties, and the evidence and argument received by the Court at the hearing before it entered the Preliminary Approval Order and the final approval hearing on [REDACTED], 202[], the Court grants final approval of the Settlement, and HEREBY ORDERS and MAKES DETERMINATIONS as follows:

1. The certification of the following Class is confirmed for the purpose of entering a settlement in this matter:

All current and former non-exempt employees who have been employed by Proactive in California from August 18, 2019 to August 16, 2024.

2. The Settlement Administrator received [REDACTED] valid requests for exclusion from the Class. The employee identification numbers of the individuals who timely submitted valid requests for exclusion are listed in Exhibit [REDACTED] to the Declaration of [Settlement Administrator] filed on [date].

Exhibit D-1

1 3. The Court confirms the appointment of Plaintiffs Rogelio Garcia and Abshir Farah
2 as Class Representatives, and Raul Perez, Orlando Villalba, and Helga Hakimi of Capstone Law
3 APC, and Paul K. Haines, Sean M. Blakely, and Joel M. Gordon of Haines Law Group, APC as
4 Class Counsel.

5 4. Pursuant to the Preliminary Approval Order, a Notice of Proposed Settlement and
6 Final Approval Hearing, and Notice of Estimated Settlement Share were sent to each Class
7 Member by first-class mail. These papers informed Class Members of the terms of the Settlement,
8 their right to receive a Settlement Share, their right to comment on or object to the Settlement or
9 to opt out of the Settlement and pursue their own remedies, and their right to appear in person or
10 by counsel at the final approval hearing and be heard regarding approval of the Settlement.
11 Adequate periods of time were provided by each of these procedures. No Class Members objected
12 to the Settlement as part of this notice process or stated an intent to appear at the final approval
13 hearing.

14 5. The Court finds and determines that this notice procedure afforded adequate
15 protections to Class Members and provides the basis for the Court to make an informed decision
16 regarding approval of the Settlement based on the responses of Class Members. The Court finds
17 and determines that the notice provided in this case was the best notice practicable, which satisfied
18 the requirements of law and due process.

19 6. For the reasons stated in the Preliminary Approval Order, the Court finds and
20 determines that the proposed class, as defined in the definitions section of the Settlement, meets
21 all of the legal requirements for class certification, and it is hereby ordered that the Class is finally
22 approved and certified as a class for purposes of the Settlement.

23 7. [The Court overrules the objections raised by objecting Class Members.] or [No
24 objections to the Settlement were raised by Class Members.]

25 8. The Court further finds and determines that the terms of the Settlement are fair,
26 reasonable, and adequate to the Class and to each Class Member. The Class Members who have
27 not opted out will be bound by the Settlement, except that PAGA Settlement Group Members (as
28 defined in the Settlement, those who worked for Proactive during the applicable PAGA period

Exhibit D-1

(August 23, 2022 to August 16, 2024) will release the PAGA claims released in the Settlement, and will receive a portion of the amount set aside as PAGA penalties, regardless of whether they opt out of the Settlement. The Settlement is ordered finally approved, and that all terms and provisions of the Settlement should be and hereby are ordered to be consummated.

9. The Court finds and determines that the Settlement Shares to be paid to the Class Members (including the Class Payments to be paid to Class Members who did not timely submit a valid Request for Exclusion and PAGA Amount Payments to be paid to all PAGA Settlement Group Members), as provided for by the Settlement, are fair and reasonable. The Court hereby grants final approval to and orders the payment of those amounts to be made to the Class Members out of the Net Settlement Amount and PAGA Amount in accordance with the Settlement.

10. Pursuant to the Labor Code Private Attorneys General Act ("PAGA"), Cal. Lab. Code §§ 2699(1)(2), (1)(4), the LWDA has been given notice of the Settlement. Pursuant to PAGA, on the date the parties filed the motion seeking approval of the Settlement with the Court, Plaintiffs submitted to the LWDA a notice of the Settlement enclosing a copy of the Settlement. The Court finds and determines that the notice of the Settlement complied with the statutory requirements of PAGA.

11. The Court finds and determines that the resolution of the Released PAGA Claims and the PAGA Civil Penalties, which includes the payment to the LWDA of \$_____ as its share of the settlement of civil penalties, in this case is fair, reasonable, and appropriate. The Court hereby gives final approval to and orders that the payment of the PAGA Civil Penalties be paid out of the Total Settlement Amount in accordance with the Settlement.

12. The Court finds and determines that the fees and expenses of _____ in administering the settlement, in the amount of \$_____, are fair and reasonable. The Court hereby grants final approval to and orders that the payment of approximately that amount be paid out of the Total Settlement Amount in accordance with the Settlement.

13. In addition to any recovery that Plaintiffs may receive from the Net Settlement Amount and PAGA Amount, and in recognition of the Plaintiffs' efforts on behalf of the

Exhibit D-1

1 Settlement Class, the Court hereby approves the payment of an incentive award to each Plaintiff
2 in the amount of \$_____. This shall be paid from the Total Settlement Amount.

3 14. Pursuant to the authorities and argument presented to the Court, the Court approves
4 the payment of attorneys' fees to Class Counsel in the sum of \$252,000, plus costs and expenses
5 in the amount of \$_____. This shall be paid from the Total Settlement Amount.

6 15. The parties are hereby ordered to comply with the terms of the Settlement.

7 16. Without affecting the finality of this order in any way, pursuant to California Code
8 of Civil Procedure section 664.6 the Court retains jurisdiction of all matters relating to the
9 interpretation, administration, implementation, effectuation, and enforcement of this order and the
10 Settlement.

11 **IT IS SO ORDERED.**

12 Dated: _____, 2025

13 _____
14 The Honorable Charles F. Adams
15 Judge of the Superior Court
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[Counsel listed on next page]

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SANTA CLARA**

ROGELIO GARCIA and ABSHIR FARAH,
individually, and on behalf of other members of
the general public similarly situated, and as an
aggrieved employee pursuant to the Private
Attorneys General Act (“PAGA”),

Plaintiffs,

vs.

PROACTIVE BUSINESS SOLUTIONS, INC.,
a California corporation; APPLIED
MATERIALS, INC., a Delaware Corporation;
and Does 1 through 50, Inclusive,

Defendants.

Case No. 23CV421189

[PROPOSED] FINAL JUDGMENT:

Judge: Hon. Charles F. Adams
Dept.: 7

Complaint filed: August 18, 2023
FAC filed: October 31, 2023
SAC filed: [REDACTED]
Trial date: None set

Exhibit D-2

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13 Attorneys for Plaintiff Abshir Farah
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Exhibit D-2

1 The parties having settled this action and the Court having entered an Order Granting
2 Final Approval of Settlement and good cause appearing therefor,

3 IT IS HEREBY ORDERED, ADJUDICATED AND DECREED THAT:

4 1. Without affecting the finality of this judgment in any way, pursuant to California
5 Code of Civil Procedure section 664.6 the Court retains jurisdiction of all matters relating to the
6 interpretation, administration, implementation, effectuation, and enforcement of this order and the
7 Settlement.

8 2. Upon completion of administration of the settlement, the Settlement Administrator
9 will provide written certification of such completion to the Court and counsel for the parties. The
10 Court sets a compliance hearing date of _____, at _____ a.m. / p.m., and
11 the written certification of the Settlement Administrator shall be filed no later than fourteen (14)
12 days before this hearing.

13 3. The Court finds that in consideration of Plaintiffs' awarded Class Representative
14 Payments, Plaintiffs' Settlement Shares, and the other terms and conditions of the Settlement, as
15 of the date the Settlement becomes Final and is fully funded, except as provided below, Plaintiffs
16 release any and all known and unknown claims against defendants Proactive Business Solutions,
17 Inc. ("Proactive") and Applied Materials, Inc. ("Applied") (collectively, Proactive and Applied
18 are "Defendants") and any present and former parents, subsidiaries and affiliated companies or
19 entities, and their respective officers, directors, employees, partners, shareholders and agents, and
20 any other successors, assigns and legal representatives and its related persons and entities
21 ("Released Parties"), and waive the protection of California Civil Code section 1542, which
22 provides: "A general release does not extend to claims that the creditor or releasing party does not
23 know or suspect to exist in his or her favor at the time of executing the release and that, if known
24 by him or her, would have materially affected his or her settlement with the debtor or released
25 party." ("Plaintiff's Released Claims.") Expressly excluded from Plaintiffs' Released Claims are
26 any claims for workers compensation benefits or unemployment insurance benefits, claims outside
27 the Class Period, and any other claims that cannot be waived by law.
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Exhibit D-2

1 4. The Court finds that in consideration for their awarded Class Payment portions of
2 their Settlement Shares, upon the Effective Date of the Settlement, all Class Members (other than
3 those Class Members who timely and validly elected not to participate in the Settlement) release
4 any and all known and unknown local, state and federal claims against Defendants and the
5 Released Parties that were pled or could have been pled based on the factual allegations contained
6 in the operative complaint in the Actions or any amendments thereto or notices submitted by
7 Plaintiffs to the LWDA pursuant to PAGA that occurred during the Class Period, including claims
8 that Defendants failed to pay all wages due, including minimum wages and overtime wages;
9 provide meal and rest periods; furnish accurate itemized wage statements; pay timely wages; pay
10 all wages due to discharged and quitting employees; and reimburse all business expenses. The
11 released claims include claims brought under California Labor Code sections 201, 202, 203, 204,
12 210, 226, 226.3, 226.7, 256, 510, 512, 516, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197,
13 1197.1, 1198, 2698 *et seq.*, and 2802, California Business and Professions Code sections 17200-
14 17208 based on the preceding claims, and the Industrial Welfare Commission Wage Order based
15 on the preceding claims. Such claims include claims for wages, statutory penalties, civil penalties,
16 or other relief under the California Labor Code, PAGA, relief from unfair competition under
17 California Business and Professions Code section 17200 *et seq.*, similar claims under federal or
18 local laws, including the Fair Labor Standards Act, 29 U.S.C. § 201 *et seq.*; attorneys' fees and
19 costs; and interest. (The "Released Class Claims.")

20 5. The Court finds that in consideration for their awarded portions of the PAGA Civil
21 Penalties, upon the Effective Date of the Settlement, the State of California and all PAGA
22 Settlement Group Members release any and all claims under PAGA for civil penalties against
23 Defendants and the Released Parties that were pled or could have been pled based on the factual
24 allegations contained in the operative complaints in the Actions or any amendments thereto or
25 notices submitted by Plaintiffs to the LWDA pursuant to PAGA that occurred during the PAGA
26 Period (the "Released PAGA Claims"). The released claims include claims for PAGA penalties
27 for alleged violations of California Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7,
28 256, 510, 512, 516, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2698 *et seq.*,

Exhibit D-2

1 and 2802, and the Industrial Welfare Commission Wage Order based on the preceding claims. All
2 PAGA Settlement Group Members will release the Released PAGA Claims, and will receive a
3 PAGA Amount Payment, regardless of whether they opt out of the Settlement.

4 6. The parties shall each bear his, her, its or their own respective attorneys' fees and
5 costs except as otherwise provided in the Settlement, the Order Granting Final Approval of
6 Settlement, and this Judgment.

7 The Court enters final judgment in the Action in accordance with the Settlement and this
8 Order, subject to the Court's retention of continuing jurisdiction over the Action and the
9 Settlement, including jurisdiction pursuant to California Rule of Court 3.769(h), solely for
10 purposes of (a) enforcing the Agreement, (b) addressing settlement administration matters, and (c)
11 addressing such post-Judgment matters as may be appropriate under court rules or applicable law.

12 **LET JUDGMENT BE FORTHWITH ENTERED ACCORDINGLY.**

13 Dated: _____, 2025

14 _____
15 The Honorable Charles F. Adams
16 Judge of the Superior Court
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Exhibit 2

ALEXANDER LIMA
310.712.8154 Direct
Alexander.Lima@capstonelawyers.com

August 23, 2023

VIA ONLINE SUBMISSION

California Labor & Workforce Development Agency
ATTN: PAGA Administrator
(<https://dir.tfaforms.net/308>)

Subject: *Rogelio Garcia v. Proactive Business Solutions, Inc.*

Dear PAGA Administrator:

This office represents Rogelio Garcia, also known as Roy Garcia, in connection with his claims under the California Labor Code. Mr. Garcia was an employee of PROACTIVE BUSINESS SOLUTIONS, INC. ("PROACTIVE").

The employer may be contacted directly at the address below:

PROACTIVE BUSINESS SOLUTIONS, INC.
410 7TH STREET, #205
OAKLAND, CA 94607

Mr. Garcia intends to seek civil penalties, attorney's fees, costs, and other available relief for violations of the California Labor Code, which are recoverable under sections 2698, *et seq.*, the Labor Code Private Attorneys General Act of 2004 ("PAGA"). Mr. Garcia seeks relief on behalf of himself, the State of California, and other persons who are or were employed by PROACTIVE as a non-exempt, hourly paid employee in California and who received at least one wage statement ("aggrieved employees"). This letter is sent in compliance with the notice and reporting requirements of California Labor Code section 2699.3.

PROACTIVE employed Mr. Garcia as an hourly paid, non-exempt employee from approximately May 2022 to February 2023. Mr. Garcia worked for PROACTIVE as a Facilities Engineer, assigned to work on-site at semiconductor manufacturer Applied Materials' multiple campuses in Santa Clara and Sunnyvale, California. During his employment, Mr. Garcia typically worked eight (8) hours or more per day and five (5) days per week. At the time his employment ended, Mr. Garcia was compensated approximately \$64.00 per hour. Mr. Garcia's job duties included, without limitation, responding to facilities service requests, overseeing facilities operations and projects, and monitoring and maintaining cleanroom and lab environments.

PROACTIVE committed one or more of the following Labor Code violations against Mr. Garcia, the

facts and theories of which follow, making him an “aggrieved employee” pursuant to California Labor Code section 2699(c):¹

PROACTIVE’s Company-Wide and Uniform Payroll and HR Practices

PROACTIVE BUSINESS SOLUTIONS, INC. is a California corporation. PROACTIVE provides outsourced IT consulting and services, such as data center relocation, facilities management, and cleanroom and lab construction, for the high-tech and semiconductor industry. Upon information and belief, PROACTIVE maintains a single, centralized Human Resources (HR) department at its corporate headquarters in Oakland, California, for all non-exempt, hourly paid employees working for PROACTIVE in California, including Mr. Garcia and other aggrieved employees. At all relevant times, PROACTIVE issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Mr. Garcia and other aggrieved employees, regardless of their location or position.

Upon information and belief, PROACTIVE maintains a centralized Payroll department at its corporate headquarters in Oakland, California, which processes payroll for all non-exempt, hourly paid employees working for PROACTIVE in California, including Mr. Garcia and other aggrieved employees. Further, PROACTIVE issues the same formatted wage statements in the same manner for all non-exempt, hourly paid employees working in California, including Mr. Garcia and other aggrieved employees, irrespective of their location, position, or manner in which each employee’s employment ended. In other words, PROACTIVE utilized the same methods and formulas when calculating wages due to Mr. Garcia and other aggrieved employees in California.

Violation of California Labor Code §§ 510 and 1198 – Unpaid Overtime

California Labor Code sections 510 and 1198 and the applicable Industrial Welfare Commission (“IWC”) Wage Order require employers to pay employees working more than eight (8) hours in a day or more than forty (40) hours in a workweek at the rate of time-and-one-half (1 ½) times the regular rate of pay for all hours worked in excess of eight (8) hours in a day or more than forty (40) hours in a workweek. The applicable IWC Wage Order further provides that employers are required to pay employees working more than twelve (12) hours in a day overtime compensation at a rate of two (2) times their regular rate of pay. An employee’s regular rate of pay includes all remuneration for employment paid to, or on behalf of, the employee, including nondiscretionary bonuses and incentive pay.

PROACTIVE willfully failed to pay all overtime wages owed to Mr. Garcia and other aggrieved employees. During the relevant time period, Mr. Garcia and other aggrieved employees were not paid overtime premiums for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess of forty (40) hours in a week, because all hours that they worked were not recorded.

¹ These facts, theories, and claims are based on Mr. Garcia’s experience and counsel’s review of those records currently available relating to Mr. Garcia’s employment. Discovery conducted in litigation of wage and hour claims such as these often reveals additional claims that the aggrieved employee was not initially aware of (because the aggrieved employee was not aware of the law’s requirements, the employer misinformed its employee of the law’s requirements, or because the employer effectively hid the violations). Thus, Mr. Garcia reserves the right to supplement this letter with additional facts, theories, and claims if he becomes aware of them subsequent to the submission of this letter.

First, during the relevant time period, PROACTIVE had, and continues to have, a company-wide policy and/or practice of discouraging and impeding Mr. Garcia and other aggrieved employees from recording hours worked that were outside of their scheduled shifts in order to limit the amount of overtime employees could accrue. PROACTIVE discouraged overtime accrual by, among other things, requiring employees to obtain pre-approval of overtime hours from PROACTIVE's supervisors. This policy of limiting overtime, coupled with PROACTIVE's practice of understaffing and assignment of heavy workloads (*see infra*), led Mr. Garcia and other aggrieved employees to perform various work-related tasks while off-the-clock, outside of their scheduled shifts.

For example, Mr. Garcia and other aggrieved employees were required to respond to phone communications from management and/or on-site supervisors before and after their shifts or on their days off. For instance, at least twice per week, Mr. Garcia was required to answer work-related phone calls from on-site employees and supervisors, while off-the-clock, to discuss facilities services requests. These communications could take up to 15 minutes per instance and could come in as late as 9:00 p.m., more than five (5) hours after Mr. Garcia had clocked out. Additionally, PROACTIVE required Mr. Garcia to take a company-issued laptop computer home with him so he would be able to access building management system software and look up pertinent information needed for these off-the-clock phone communications. Thus, PROACTIVE failed to track all of the time that employees spent performing work-related tasks outside of their shifts, and Mr. Garcia and other aggrieved employees received no compensation for this time.

Second, during the relevant period, PROACTIVE had, and continues to have, a company-wide policy and/or practice of understaffing its jobsites while assigning heavy workloads, resulting in a failure to provide Mr. Garcia and other aggrieved employees with adequate meal period coverage. PROACTIVE also had a practice of failing to schedule meal periods which, in conjunction with the assignment of heavy workloads, further caused Mr. Garcia and other aggrieved employees to not be relieved of their duties for compliant meal periods. As a result of this lack of meal period coverage, Mr. Garcia and other aggrieved employees were not always afforded uninterrupted 30-minute meal periods during shifts when they were entitled to receive a meal period. For example, Mr. Garcia was required to complete and perform multiple cleanroom and lab inspections within several buildings, traveling across at least two (2) campuses, on a daily basis, while also addressing work-related questions from supervisors, which caused him to take shortened meal periods. Additionally, approximately twice per week, due to the lack of meal period coverage, Mr. Garcia would have his meal periods interrupted because he was required to answer phone calls from his on-site supervisors and return to work immediately to assess an urgent situation. Thus, Mr. Garcia and other aggrieved employees missed meal periods and/or had them interrupted to handle their assigned workloads and responsibilities, and PROACTIVE did not pay Mr. Garcia and other aggrieved employees for the time they continued to perform tasks during meal periods.

Third, during the relevant time period, PROACTIVE implemented a company-wide policy and/or practice of automatically deducting meal periods from Mr. Garcia's and other aggrieved employees' time records, instead of allowing employees to clock in and out for meal periods. As a result of this policy, PROACTIVE falsified and deducted meal periods from Mr. Garcia's and other aggrieved employees' time records even when meal periods were missed, short, and/or interrupted. Thus, PROACTIVE did not record all hours worked during meal periods, and Mr. Garcia and other aggrieved employees performed work during meal periods for which they were not paid.

PROACTIVE knew or should have known that as a result of these company-wide practices and/or policies, Mr. Garcia and other aggrieved employees were performing assigned duties off-the-clock

and during meal periods, and were suffered or permitted to perform work for which they were not paid. Because Mr. Garcia and other aggrieved employees regularly worked shifts of eight (8) hours a day or more, or forty (40) hours a week or more, some of this off-the-clock work qualified for overtime premium pay. Therefore, Mr. Garcia and other aggrieved employees were not paid overtime wages for all of the overtime hours they actually worked.

Furthermore, PROACTIVE did not pay other aggrieved employees the correct overtime rate for the recorded overtime hours that they generated. In addition to an hourly wage, PROACTIVE paid other aggrieved employees incentive pay, nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of the California Labor Code, PROACTIVE failed to incorporate all compensation, including incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, into the calculation of the regular rate of pay for purposes of calculating the overtime wage rate. Therefore, during times when other aggrieved employees worked overtime and received these other forms of pay, PROACTIVE failed to pay all overtime wages by paying a lower overtime rate than required.

PROACTIVE's failure to pay Mr. Garcia and other aggrieved employees the balance of overtime compensation, as required by California law, violates the provisions of California Labor Code sections 510 and 1198. Mr. Garcia and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 – Unpaid Minimum Wages

California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 require employers to pay employees the minimum wage fixed by the IWC. The payment of a lesser wage than the minimum so fixed is unlawful. Compensable work time is defined in Wage Order No. 16-2001 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." Cal. Code Regs. tit. 8, § 11160(2)(J) (defining "Hours Worked").

As set forth above, during the relevant time period, due to PROACTIVE's restrictions on overtime accrual, PROACTIVE systematically failed to pay Mr. Garcia and other aggrieved employees for actual hours worked, because these hours were not accurately recorded. Mr. Garcia and other aggrieved employees were required to perform work-related tasks while off-the-clock, such as responding to phone calls from management and/or on-site supervisors after their shifts, but discouraged and impeded Mr. Garcia and other aggrieved employees from recording this time worked. Thus, PROACTIVE failed to track this time Mr. Garcia and other aggrieved employees spent working off-the-clock, and Mr. Garcia and other aggrieved employees received no compensation for this time.

As also stated, due to PROACTIVE's policies and/or practices of understaffing its jobsites while assigning heavy workloads, and failing to schedule meal periods, Mr. Garcia and other aggrieved employees were impeded from taking all uninterrupted meal periods to which they were entitled and were required to work off-the-clock during meal periods, have their meal periods interrupted, and/or were otherwise not relieved of all duties during unpaid meal periods. Moreover, as stated, during the relevant time period, PROACTIVE implemented a company-wide policy and/or practice of automatically deducting meal periods from Mr. Garcia's and other aggrieved employees' time

records, even when meal periods were missed, short, and/or interrupted. Thus, PROACTIVE systematically failed to pay Mr. Garcia and other aggrieved employees for actual hours worked during meal periods, because these hours were not correctly recorded.

Thus, PROACTIVE did not pay at least minimum wages for all hours worked by Mr. Garcia and other aggrieved employees. Also, to the extent that these off-the-clock hours did not qualify for overtime premium payment, PROACTIVE did not pay at least minimum wages for those hours worked off-the-clock in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198.

Accordingly, PROACTIVE regularly failed to pay at least minimum wages to Mr. Garcia and other aggrieved employees for all of the hours they worked in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198. Mr. Garcia and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198 – Failure to Provide Meal Periods

California Labor Code sections 226.7, 512(a), 516, and 1198 and the applicable IWC Wage Order require employers to provide meal periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. Pursuant to Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order, an employer may not require, cause or permit an employee to work for a period of more than five (5) hours per day without providing the employee with an uninterrupted meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is not more than six (6) hours, the meal period may be waived by mutual consent of both the employer and the employee. Under California law, first meal periods must start after no more than five hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (2012). Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order also require employers to provide a second meal period of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay an employee one (1) additional hour of pay at the employee's regular rate, except that if the total hours worked is no more than twelve (12) hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

During the relevant time period, as stated, PROACTIVE had, and continues to have, a company-wide policy and/or practice of understaffing while assigning heavy workloads, which has resulted in a lack of meal period coverage and prevented Mr. Garcia and other aggrieved employees from taking all timely, uninterrupted meal periods to which they were entitled. Further, as stated, PROACTIVE had company-wide practices and/or policies of failing to schedule meal periods, which further caused Mr. Garcia and other aggrieved employees to not be relieved of their duties for compliant meal periods.

PROACTIVE's practices and policies prevented Mr. Garcia and other aggrieved employees from taking all compliant meal periods to which they were entitled. As a result, Mr. Garcia and other aggrieved employees had to work through all or part of their meal periods, had their meal periods interrupted, and/or had to wait extended periods of time before taking meal periods. For example, as stated, Mr. Garcia frequently had his meal periods interrupted by management and/or on-site supervisors calling to discuss work-related items during his meal periods and by their requests to return to work immediately to address an urgent situation. Additionally, Mr. Garcia sometimes had

to take his meal periods late, in excess of five (5) hours into his shift, due to the heavy workload and lack of coverage.

Additionally, as stated, PROACTIVE implemented a company-wide policy and/or practice of automatically deducting meal periods from Mr. Garcia's and other aggrieved employees' time records, instead of allowing employees to clock in and out for meal periods. As a result of this policy, PROACTIVE deducted 30 minutes from Mr. Garcia's and other aggrieved employees' time records even when meal periods were missed, short, interrupted, and/or late, instead of allowing employees to clock in and out for meal periods. Thus, PROACTIVE systematically failed to correctly record meal periods.

Further, PROACTIVE did not provide other aggrieved employees with second 30-minute meal periods on days that they worked in excess of ten (10) hours in one day. Other aggrieved employees did not sign valid meal period waivers on days that they were entitled to meal periods and were not relieved of all duties.

PROACTIVE knew or should have known that as a result of its company-wide policies and/or practices, Mr. Garcia and other aggrieved employees were prevented from being relieved of all duties and required to perform some of their assigned duties during meal periods. PROACTIVE further knew or should have known that it did not pay Mr. Garcia and other aggrieved employees meal period premiums when meal periods were late, interrupted, shortened, and/or missed.

Moreover, PROACTIVE engaged in a company-wide practice and/or policy of not paying all meal period premiums owed when compliant meal periods are not provided. Because of this practice and/or policy, Mr. Garcia and other aggrieved employees have not received premium pay for all missed, late, and interrupted meal periods. Alternatively, to the extent that PROACTIVE did pay other aggrieved employees for missed, late, and interrupted meal periods, PROACTIVE did not pay other aggrieved employees at the correct rate of pay for premiums because PROACTIVE systematically failed to include all forms of compensation, such as incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay. Therefore, during times when other aggrieved employees received meal period premiums and these other forms of pay, PROACTIVE failed to pay full meal period premiums by paying a lower rate than required.

Accordingly, PROACTIVE failed to provide all meal periods in violation of California Labor Code sections 226.7, 512(a), 516, and 1198. Mr. Garcia and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226.7, 516, and 1198 – Failure to Authorize and Permit Rest Periods

California Labor Code sections 226.7, 516, and 1198 and the applicable IWC Wage Order require employers to provide rest periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. California Labor Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the California IWC. The applicable IWC Wage Order provides that "[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period" and that the "rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4)

hours or major fraction thereof” unless the total daily work time is less than three and one-half (3 ½) hours.

To comply with its obligation to authorize and permit rest periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an employer must “relinquish any control over how employees spend their break time, and relieve their employees of all duties—including the obligation that an employee remain on call. A rest period, in short, must be a period of rest.” *Augustus, et al. v. ABM Security Services, Inc.*, 2 Cal. 5th 257, 273 (2016).

During the relevant time period, PROACTIVE regularly failed to authorize and permit Mr. Garcia and other aggrieved employees to take a ten (10) minute rest period per each four (4) hour period worked or major fraction thereof. As with meal periods, PROACTIVE’s company-wide practices, including understaffing and assigning heavy workloads, prevented Mr. Garcia and other aggrieved employees from being relieved of all duty to take rest periods. Additionally, PROACTIVE failed to schedule rest periods, which, coupled with PROACTIVE’s failure to provide adequate rest period coverage, further led to Mr. Garcia and other aggrieved employees not being authorized and permitted to take rest periods.

Furthermore, upon information and belief, PROACTIVE maintained a company-wide on-premises rest period policy, which mandated that Mr. Garcia and other aggrieved employees remain on the work premises during their rest periods. Because Mr. Garcia and other aggrieved employees were restricted from leaving the premises during rest periods, they were denied the ability to use their rest periods freely for their own purposes, such as running personal errands. Thus, PROACTIVE effectively maintained control over Mr. Garcia and other aggrieved employees during rest periods.

As a result of PROACTIVE’s practices and policies, Mr. Garcia and other aggrieved employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without receiving all uninterrupted 10-minute rest periods to which they were entitled. For example, Mr. Garcia had to forego nearly all of his rest periods because of the lack of coverage and PROACTIVE’s failure to schedule rest periods for employees.

PROACTIVE also has engaged in a company-wide practice and/or policy of not paying rest period premiums owed when compliant rest periods are not authorized and permitted. Because of this practice and/or policy, Mr. Garcia and other aggrieved employees have not received premium pay for all missed rest periods. Alternatively, to the extent that PROACTIVE did pay other aggrieved employees one (1) additional hour of premium pay for missed rest periods, PROACTIVE did not pay other aggrieved employees at the correct rate of pay for premiums because PROACTIVE failed to include all forms of compensation, such as incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay.

Accordingly, PROACTIVE failed to authorize and permit all rest periods in violation of California Labor Code sections 226.7, 516, and 1198. Mr. Garcia and other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226(a), 1174(d), and 1198 – Non-Compliant Wage Statements and Failure to Maintain Accurate Payroll Records

California Labor Code section 226(a) requires employers to make, keep and provide true, accurate,

and complete employment records. PROACTIVE has not provided Mr. Garcia and other aggrieved employees with properly itemized wage statements. Labor Code section 226(e) provides that if an employer fails to comply with providing an employee with properly itemized wage statements as set forth in 226(a), then the employee is entitled to recover the greater of all actual damages or \$50 for the initial pay period in which a violation occurs and \$100 per employee for each violation in a subsequent pay period, not to exceed \$4,000. Further, Labor Code section 226.3 provides that any employer who violates section 226(a) shall be subject to a civil penalty in the amount of \$250 per employee per violation in an initial citation and \$1,000 per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage statement or fails to keep the required records pursuant to Section 226(a).

During the relevant time period, PROACTIVE has knowingly and intentionally provided Mr. Garcia and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, PROACTIVE issued uniform wage statements to Mr. Garcia and other aggrieved employees that fail to correctly list: gross wages earned; total hours worked; net wages earned; and all applicable hourly rates in effect during the pay period, including rates of pay for overtime wages, meal and rest period premiums, and/or paid sick leave, and the corresponding number of hours worked at each hourly rate. Specifically, PROACTIVE violated sections 226(a)(1), 226(a)(2), 226(a)(5), and 226(a)(9).

Because PROACTIVE did not record the time Mr. Garcia and other aggrieved employees spent working off-the-clock and deducted time from their records for meal periods that were interrupted and/or missed (and therefore time for which they should have been paid), PROACTIVE did not list the correct amount of gross wages and net wages earned by Mr. Garcia and other aggrieved employees in compliance with section 226(a)(1) and section 226(a)(5), respectively. For the same reason, PROACTIVE failed to accurately list the total number of hours worked by Mr. Garcia and other aggrieved employees, in violation of section 226(a)(2), and failed to list the applicable hourly rates of pay in effect during the pay period and the corresponding accurate number of hours worked at each hourly rate, in violation of section 226(a)(9).

In addition, because PROACTIVE did not calculate other aggrieved employees' regular rate of pay correctly for purposes of paying overtime wages, meal and rest period premiums, and/or paid sick leave, PROACTIVE did not list the correct amount of gross wages earned by other aggrieved employees in compliance with section 226(a)(1) and did not list the correct amount of net wages earned by other aggrieved employees in violation of section 226(a)(5). PROACTIVE also failed to correctly list all applicable hourly rates in effect during the pay period, namely, correct rates of pay for overtime wages, meal and rest period premiums, and/or paid sick leave, in violation of section 226(a)(9).

The wage statement deficiencies also include, among other things, failing to list the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; failing to list all deductions; failing to list the inclusive dates of the period for which aggrieved employees were paid; failing to list 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; failing to list the name and address of the legal entity that is the employer; and/or failing to state all hours worked as a result of not recording or stating the hours they worked off-the-clock.

California Labor Code section 1174(d) provides that "[e]very person employing labor in this state shall . . . [k]eep a record showing the names and addresses of all employees employed and the ages

of all minors” and “[k]eep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. . . .” Labor Code section 1174.5 provides that employers are subject to a \$500 civil penalty if they fail to maintain accurate and complete records as required by section 1174(d). During the relevant time period, and in violation of Labor Code section 1174(d), PROACTIVE willfully failed to maintain accurate payroll records for Mr. Garcia and other aggrieved employees showing the daily hours they worked and the wages paid thereto as a result of failing to record the off-the-clock hours that they worked.

California Labor Code section 1198 provides that the maximum hours of work and the standard conditions of labor shall be those fixed by the Labor Commissioner and as set forth in the applicable IWC Wage Order. Section 1198 further provides that “[t]he employment of any employees for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC Wage Order, employers are required to keep accurate time records showing when the employee begins and ends each work period and meal period. During the relevant time period, PROACTIVE engaged in company-wide practices and/or policies of failing to record actual hours worked (including falsifying time records by recording that compliant meal periods were taken regardless if or when meal periods were actually taken), and thereby failed to keep accurate records of work period and meal period start and end times for Mr. Garcia and other aggrieved employees, in violation of section 1198. Furthermore, in light of PROACTIVE’s failure to provide other aggrieved employees with second 30-minute meal periods to which they were entitled, PROACTIVE kept no records of meal start and end times for second meal periods.

Because PROACTIVE failed to provide the correct net and gross wages earned, applicable rates of pay, and number of total hours worked on wage statements, Mr. Garcia and other aggrieved employees have been prevented from verifying, solely from information on the wage statements themselves, that they were paid correctly and in full. Instead, Mr. Garcia and other aggrieved employees have had to look to sources outside of the wage statements themselves and reconstruct time records to determine whether in fact they were paid correctly and the extent of underpayment, thereby causing them injury.

Mr. Garcia and other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f)-(g).

Violation of California Labor Code § 204 – Failure to Timely Pay Wages During Employment

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. Alternatively, California Labor Code section 204 provides that the requirements of this section are deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven (7) calendar days following the close of the payroll period.

During the relevant time period, PROACTIVE failed to pay Mr. Garcia and other aggrieved employees all wages due to them, including, but not limited to, overtime wages, minimum wages, meal and rest period premiums, and/or sick leave pay, within any time period specified by California Labor Code section 204.

Mr. Garcia and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 210 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 201 and 202 – Failure to Timely Pay Final Wages Upon Termination

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

During the relevant time period, PROACTIVE willfully failed to pay Mr. Garcia and other aggrieved employees who are no longer employed by PROACTIVE all their earned wages, including, but not limited to, overtime wages, minimum wages, meal and rest period premiums, and/or sick leave pay, either at the time of discharge, or within seventy-two (72) hours of their leaving PROACTIVE's employ.

Mr. Garcia and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 256 and/or 2699(a), (f)-(g).

Violation of California Labor Code § 246 – Failure to Properly Calculate Paid Sick Leave

At all relevant times herein, California Labor Code sections 245.5, 246, 246.5, 247, 247.5, 248.5, and 249 provide employees who have worked in California for 30 or more days from the commencement of employment with paid sick days, to be accrued at least one hour for every 30 hours worked. Employers must provide no less than 24 hours or three (3) days of paid sick leave (or equivalent paid leave or paid time off) in each year of the employee's employment. Labor Code section 246(l) provides that an employer shall calculate paid sick leave by using one of two calculations: 1) "[p]aid sick time for nonexempt employees shall be calculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek[;]" or 2) "[p]aid sick time for nonexempt employees shall be calculated by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment."

During the relevant time period, PROACTIVE did not pay other aggrieved employees the correct sick leave rates of pay. In addition to an hourly wage, PROACTIVE paid other aggrieved employees incentive pay, nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of the California Labor Code, PROACTIVE failed to incorporate all remunerations, including incentive pay and/or nondiscretionary bonuses, into the calculation of the regular rate of pay for purposes of calculating the sick leave pay rate. Therefore, during times when other aggrieved employees took sick leave and received these other forms of pay, PROACTIVE failed to pay all sick leave benefits by paying a lower sick leave pay rate than required. Specifically, PROACTIVE paid

other aggrieved employees sick leave based on their hourly rate of pay instead of their regular rate of pay.

PROACTIVE's failure to properly calculate the sick leave rates of pay based on all remuneration paid has resulted in an underpayment of sick leave benefits to other aggrieved employees on a company-wide basis in violation of Labor Code section 246(l) and/or 248.6(b)(3)(A).

Other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 248.5 and/or 2699(a), (f)-(g).

Violation of California Labor Code § 2802 – Unreimbursed Business Expenses

California Labor Code section 2802 requires employers to pay for all necessary expenditures and losses incurred by the employee in the performance of his or her job. The purpose of Labor Code section 2802 is to prevent employers from passing off their cost of doing business and operating expenses on to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144 (2014). The applicable wage order, IWC Wage Order No. 16-2001, provides that: "[w]hen tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft."

During the relevant time period, PROACTIVE had a company-wide policy of requiring Mr. Garcia and other aggrieved employees to utilize their own personal mobile devices, including cellular phones, and/or mobile data to carry out their job duties, but PROACTIVE failed to reimburse them for the costs of their work-related mobile device expenses. For example, toward the beginning of his employment, Mr. Garcia was required to use his personal cellular phone for work-related tasks, including responding to calls from managers and reviewing emails. Even after he received a company cellular phone, PROACTIVE and other supervisory or managerial employees continued to contact Mr. Garcia on his personal cellular phone. Mr. Garcia was also required to download the mobile application for Microsoft Outlook onto his personal cellular phone in order to perform his job duties and respond to electronic communications in a timely manner. Although PROACTIVE required Mr. Garcia and other aggrieved employees to utilize their personal mobile devices and/or mobile data to carry out their work-related responsibilities, PROACTIVE failed to reimburse them for these costs.

In addition, PROACTIVE had a company-wide policy of requiring Mr. Garcia and other aggrieved employees to utilize their own personal vehicles to carry out company business, but failed to reimburse them for all costs of travel, including mileage. For example, Mr. Garcia was required to drive to and from PROACTIVE's client's multiple campuses across Santa Clara and Sunnyvale, to complete daily, multiple cleanroom and lab inspections and also to attend to facilities services requests. Mr. Garcia estimates having to drive approximately 10 miles per day in his personal vehicle to complete his assigned duties. Although PROACTIVE required Mr. Garcia and other aggrieved employees to utilize their own vehicles to carry out their work-related responsibilities, PROACTIVE did not reimburse them for their travel expenses.

PROACTIVE could have provided Mr. Garcia and other aggrieved employees with the actual equipment for use on the job, such as company mobile devices and vehicles; or PROACTIVE could

have reimbursed employees for their mobile device usage, mileage, and travel expenses. Instead, PROACTIVE passed these operating costs off onto Mr. Garcia and other aggrieved employees.

Thus, PROACTIVE had, and continues to have, a company-wide policy and/or practice of not reimbursing employees for expenses necessarily incurred in violation of California Labor Code section 2802. Mr. Garcia and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

California Labor Code § 558(a)

California Labor Code section 558(a) provides “[a]ny employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid. . . . (2) For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid. . . .” Labor Code section 558(c) provides that “[t]he civil penalties provided for in this section are in addition to any other civil or criminal penalty provided by law.” PROACTIVE, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Mr. Garcia’s and other aggrieved employees’ rights by violating various sections of the California Labor Code.

Accordingly, Mr. Garcia seeks the remedies set forth in Labor Code section 558 for himself, the State of California, and all other aggrieved employees. Specifically, pursuant to PAGA, and in particular California Labor Code sections 1194.5, 2699(a), 2699.3(a) and 2699.3(c), 2699.5, and 558, Mr. Garcia, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties for himself, all other aggrieved employees, and the State of California against PROACTIVE for violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 246, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2802.

Therefore, on behalf of all aggrieved employees, Mr. Garcia seeks all applicable civil penalties related to these violations of the California Labor Code pursuant to PAGA.

Thank you for your attention to this matter. If you have any questions, please contact me at the phone number or address below:

Alexander Lima
Capstone Law APC
1875 Century Park East, Suite 1000
Los Angeles, CA 90067
(310) 556-4811

Best Regards,

A handwritten signature in black ink, appearing to read 'Alexander Lima', followed by three dots.

Alexander Lima

Copy: PROACTIVE BUSINESS SOLUTIONS, INC. (via U.S. Certified Mail)

Capstone Law, APC
1875 Century Park, East, 1000
Los Angeles, CA. 90067

7022 2410 0000 2405 9563



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Carson v.
Proactive

PROACTIVE BUSINESS
SOLUTIONS, INC.
410 7TH STREET, #205
OAKLAND, CA 94607

PROACTIVE BUSINESS
SOLUTIONS, INC.
410 7TH STREET, #205
OAKLAND, CA 94607

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- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.

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SOLUTIONS, INC.
410 7TH STREET, #205
OAKLAND, CA 94607



9590 9402 7690 2122 7151 70

2. Article Number (Transfer from service label)

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A. Signature
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B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

Service Type
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Domestic Return Receipt

Exhibit 3

FIRM PROFILE

Capstone Law APC is one of California's largest plaintiff-only labor and consumer law firms. Since its founding in 2012, Capstone has emerged as a major force in aggregate litigation, making law on cutting-edge issues and obtaining over five hundred million dollars in recovery for employees and consumers:

- In February, 2015, Capstone attorneys Raul Perez and Ryan H. Wu were honored with the *California Lawyer* Attorney of the Year (CLAY) award in labor and employment for their work in the landmark case *Iskanian v. CLS Transportation Los Angeles*, 59 Cal.4th 348 (2014), which preserved the right of California workers to bring representative actions under the Labor Code Private Attorneys General Act ("PAGA") notwithstanding a representative action waiver in an arbitration agreement.
- Recognized as a leading firm in the prosecution of PAGA enforcement actions, Capstone is responsible for some of the most important decisions in this area. In *Williams v. Superior Court (Marshall's of Calif.)*, 3 Cal.5th 531 (2017), Capstone attorneys achieved a watershed decision before the California Supreme Court as to the broad scope of discovery in PAGA actions. In *Baumann v. Chase Inv. Servs. Corp.*, 747 F.3d 1117 (9th Cir. 2014), a case of first impression, Capstone successfully argued that PAGA actions are state enforcement actions not covered by the Class Action Fairness Act.
- Capstone has made important contributions to consumer protection law. In *McGill v. Citibank N.A.*, 2 Cal. 5th 945 (2017), Capstone represented plaintiffs in a major decision holding that the right to seek public injunctive relief under the state's consumer protection laws cannot be waived and that consumers need not satisfy class certification requirements to enjoin unfair business practices on behalf of the public. In *Nguyen v. Nissan N.A.*, 726 F.3d 811 (9th Cir. 2019), Capstone attorneys reversed a denial of class certification, making law that clarified the use of "benefit of the bargain" damages models in consumer class actions.
- Capstone served as class counsel in a number of significant wage and hour settlements, including \$16.5 million on behalf of a California class in *Navarro v. United Parcel Service, Inc.*, BC592098 (Los Angeles Super. Ct.), \$12 million on behalf of a nationwide class of in *Hightower v. JPMorgan Chase Bank*, Case No. 11-01802 (C.D. Cal.), over \$10 million on behalf of non-exempt hourly workers in *Zamora v. Balboa Life & Casualty LLC*, Case No. BC360026 (L.A. Super. Ct.); and \$9 million on behalf of pharmacists in *Dittmar v. Costco Wholesale Corp.*, No. 14-1156 (S.D. Cal.). In *Vorise v. 24 Hour Fitness USA, Inc.*, No. C 15-02051 (Contra Costa Super. Ct.), Capstone and co-counsel negotiated an \$11 million PAGA settlement on behalf of over 36,000 employees for Labor Code violations.
- Capstone has an established practice in automotive defect class actions and is currently appointed sole class counsel, following contested class certification, in *Victorino v. FCA US, LLC*, No. 16-1617-GPC, 2019 WL 5268670 (S.D. Cal. Oct. 17, 2019) and *Salas v. Toyota Motor Sales, U.S.A., Inc.*, No. 15-8629-FMO, 2019 WL 1940619 (C.D. Cal. Mar. 27, 2019). Capstone was also lead counsel in *Vargas v. Ford Motor Co.*, No. 12-08388-AB, 2020 WL 1164066 (C.D. Cal. Mar. 5, 2020), which delivered over \$100 million to the Class.

SUMMARY OF SIGNIFICANT SETTLEMENTS

Since its founding, Capstone has settled over 500 high-stakes class and representative actions totaling well over \$500 million dollars. Capstone's settlements have directly compensated hundreds of thousands of California workers and consumers. Capstone's actions have also forced employers to modify their policies for the benefit of employees, including changing the compensation structure for commissioned employees and changing practices to ensure that workers will be able to take timely rest and meal breaks. A leader in prosecuting PAGA enforcement actions, Capstone has secured millions of dollars in civil penalties for the State of California.

The following is a representative sample of Capstone's settlements:

- *Vargas v. Ford Motor Co.*, 12-08388-AB (C.D. Cal.): providing cash payments and unique buyback program that will pay out more than \$100 million to class members;
- *Navarro et al v. United Parcel Service, Inc.*, No. BC592098 (Los Angeles Super. Ct.): gross settlement of \$16.5 million on behalf of approximately 180,000 non-exempt employees;
- *Hightower et al v. Washington Mutual Bank*, No. 2:11-cv-01802-PSG-PLA (N.D. Cal.): gross settlement of \$12 million on behalf of approximately 150,000 personal bankers, tellers, sales associates, and assistant branch manager trainees for wage and hour violations;
- *Moore v. PetSmart, Inc.*, No. 5:12-cv-03577-EJD (N.D. Cal.): gross settlement of \$10 million on behalf of over 19,000 non-exempt PetSmart employees for wage and hour violations;
- *Dittmar v. Costco Wholesale Corp.*, No. 14-1156 (S.D. Cal.): gross settlement of \$9 million on behalf of approximately 1,200 pharmacists for wage and hour violations;
- *Perrin v. Nabors Well Services Co.*, No. 56-2007-00288718 (Ventura Super. Ct.): gross settlement of over \$6.5 million on behalf of oil rig workers for sleep time and other wage violations;
- *Cook v. United Insurance Co.*, No. C 10-00425 (Contra Costa Super. Ct.): gross settlement of \$5.7 million on behalf of approximately 650 sales representatives;
- *Alvarez v. MAC Cosmetics, Inc.*, No. CIVDS1513177 (San Bernardino Super. Ct.): gross settlement of \$5.5 million for approximately 5,500 non-exempt employees.
- *Aceves v. AutoZone, Inc.*, No. 14-2032 (C.D. Cal.): gross settlement of \$5.4 million in a case alleging FCRA violations;
- *Berry v. Urban Outfitters Wholesale, Inc.*, No. 13-02628 (N.D. Cal.): gross settlement of \$5 million on behalf of over 12,000 nonexempt employees;
- *The Children's Place Retail Stores Wage & Hour Cases*, No. JCCP 4790: gross settlement of \$5 million on behalf of 15,000 nonexempt employees;
- *York v. Starbucks Corp.*, Case No. 08-07919 (C.D. Cal.): gross settlement of nearly \$5 million on behalf of over 100,000 non-exempt workers for meal break and wage statement claims;
- *Rodriguez v. Swissport USA*, No. BC 441173 (Los Angeles Super. Ct.): gross settlement of nearly \$5 million on behalf of 2,700 non-exempt employees following contested certification;
- *Asghari v. Volkswagen Group of North America*, Case No. 13-02529 (C.D. Cal.): Settlement providing complementary repairs of oil consumption defect, reimbursement for repairs, and extended warranty coverage of certain Audi vehicles valued at over \$20 million.

PROFESSIONAL BIOGRAPHIES

Partners

Rebecca Labat. Rebecca Labat is co-managing partner of Capstone Law APC, supervising the litigation for all of the firm's cases. She also manages the firm's co-counsel relationships and assists the firm's other partners and senior counsel with case management and litigation strategy. Under Ms. Labat's leadership, Capstone has successfully settled over 100 cases, delivering hundreds millions of dollars to California employees and consumers while earning statewide recognition for its cutting-edge work in developing new law.

Ms. Labat's career accomplishments representing consumers and employees in class actions include the certification of a class of approximately 3,200 current and former automobile technicians and shop employees for the miscalculation of the regular rate for purposes of paying premiums for missed meal and rest breaks.

Before her work representing plaintiffs in class and representative actions, Ms. Labat was an attorney with Wilson Elser and represented life, health, and disability insurers in litigation throughout California in both state and federal courts. She graduated from the University of California, Hastings College of the Law in 2002, where she was a member of the Hastings Civil Justice Clinic, served as a mediator in Small Claims Court for the City and County of San Francisco, and received the CALI Award for Excellence in Alternative Dispute Resolution. She received her undergraduate degree from the University of California, Los Angeles. Ms. Labat is a member of the National Employment Lawyers Association (NELA), the Consumer Attorneys Association of Los Angeles (CAALA), and the Beverly Hills Bar Association.

Raul Perez. Raul Perez is co-managing partner at Capstone, and has focused exclusively on wage and hour and consumer class litigation since 2011. Mr. Perez is the lead negotiator on numerous large settlements that have resulted in hundreds of millions to low-wage workers across California, including many of the most valuable settlements reached by Capstone.

During his career, Mr. Perez has successfully certified by way of contested motion and/or been appointed Lead Counsel or Interim Lead Counsel in several cases, including: *Lopes v. Kohl's Department Stores, Inc.*, Case No. RG08380189 (Alameda Super. Ct.); *Hightower v. JPMorgan Chase Bank*, Case No. 11-01802 (C.D. Cal.); *Tameifuna v. Sunrise Senior Living Managements, Inc.*, Case No. 13-02171 (C.D. Cal.) (certified class of over 10,000 hourly-paid employees); and *Berry v. Urban Outfitters Wholesale, Inc.*, Case No. 13-02628 (N.D. Cal.) (appointed lead counsel in a class action involving over 10,000 non-exempt employees). As the lead trial attorney in *Iskanian v. CLS Transportation Los Angeles*, 59 Cal. 4th 348 (2014), Mr. Perez, along with Mr. Wu, received the 2015 CLAY Award in labor and employment.

Mr. Perez received both his undergraduate degree and his law degree from Harvard University and was admitted to the California Bar in December 1994. Earlier in his career, Mr. Perez handled a variety of complex litigation matters, including wrongful termination and other employment related actions, for corporate clients while employed by some of the more established law firms in the State of California, including Morgan, Lewis & Bockius; Manatt Phelps & Phillips; and Akin Gump Strauss Hauer & Feld. Before Capstone, Mr. Perez was a partner at another large plaintiff's firm, helping to deliver millions of dollars in relief to California workers.

Melissa Grant. Melissa Grant is a partner and lead trial attorney at Capstone. Ms. Grant is responsible for litigating many of the firm's most contentious and high-stakes class actions and PAGA cases. The author of

numerous successful motions for class certification, Ms. Grant is the lead or co-lead attorney on numerous certified class actions currently on track for trial, representing over hundreds of thousands of California employees in pursuit of their wage and hour claims. She is also at the forefront in developing the law on the California Labor Code's Private Attorneys General Act (PAGA), including administrative exhaustion, the scope of discovery, manageability, and PAGA trial plans. Recently, Ms. Grant has taken two PAGA cases to trial and worked on several key PAGA appellate decisions, including *Williams v. Superior Court (Marshall's of CA LLC)*, 3 Cal.5th 531 (2017). Ms. Grant also represented the plaintiff in *Davidson v. Seterus, Inc.*, 21 Cal. App. 5th 283 (2018), which, in a case of first impression, found that the Defendant, a mortgage servicer, was a debt collector under California's Rosenthal Fair Debt Collection Practices Act. The case led to enactment of legislation that expressly includes "mortgage debt" within the Rosenthal Act's definition of "consumer credit" and amends the Rosenthal Act to expressly apply to debt collection activities involving residential mortgage loans.

Ms. Grant began her legal career as a law clerk for the Honorable Harry Pregerson, Justice, Ninth Circuit Court of Appeals. Thereafter, she was an associate with Sidley Austin LLP, where she represented Fortune 500 companies in commercial litigation and consumer class actions. Before joining Capstone, Ms. Grant was a Senior Associate with Quinn Emanuel Trial Attorneys, where she was on the trial team that prosecuted *Mattel v. Bratz (I)*, and a staff attorney in the Enforcement Division of the Securities and Exchange Commission, investigating ongoing violations of federal securities regulations and statutes. Ms. Grant graduated summa cum laude and first in her class from Southwestern Law School in 1999, where she served as editor-in-chief of the Law Review. She earned her undergraduate degree from Cornell University's College of Arts & Sciences, where she received the JFK Public Service Award and the Outstanding Senior Award (graduating class of 4,000 students). Ms. Grant has been a panelist and speaker on PAGA actions and wage-and-hour class actions at various annual and biannual California Bar Association, California Law Association, and Bridgeport Continuing Education conferences. Her published articles include: Los Angeles Lawyer: A PAGA Rollercoaster (September 2023), Battling for ERISA Benefits in the Ninth Circuit: Overcoming Abuse of Discretion Review, 28 Sw. U. L. Rev. 93 (1998), and CLE Class Actions Conference (SF) CAFA: Early Decisions on Commencement and Removal of Actions (2006).

Ms. Grant is a member of the Los Angeles County Women Lawyers Association of Los Angeles, the Consumer Attorneys Association of Los Angeles (CAALA), and the Consumer Attorneys of California. She was recently named a 2024 Worker Health & Safety Hero by Worksafe for her work in advancing workplace safety and justice. She also currently serves on the Los Angeles County Bar Association's President's Commission on Women in the Legal Profession, the Subcommittee on Gender Bias and Civility, and the Amicus Subcommittee, and is a member of the Executive Board of Los Angeles Lawyer magazine. Ms. Grant was recognized by the Daily Journal as a Top Employment & Labor Attorney in 2023 and has been selected as one of Southern California's "Super Lawyers" in 2022, 2023, and 2024.

Ryan H. Wu. Ryan H. Wu is a partner at Capstone and is primarily responsible for complex motion work and supervising court approval of class action settlements. Mr. Wu handles many of the most challenging legal issues facing Capstone's clients, including the scope and operation of PAGA, contested attorneys' fees motions, responding to objectors, and high-impact appeals. Mr. Wu is responsible for the merits briefing in *McGill v. Citibank, N.A.*, 2 Cal. 5th 945 (2017), where the California Supreme Court unanimously held that consumers' right to pursue public injunctive relief cannot be impeded by a contractual waiver or class certification requirements. He briefed the closely-watched *Williams v. Superior Court (Marshall's of CA LLC)*, 3 Cal.5th 531(2017), an important pro-employee ruling that broadened the scope of discovery in PAGA actions

and resolved a longstanding conflict regarding third-party constitutional privacy rights. He also authored the briefs in *Baumann v. Chase Inv. Servs. Corp.*, 747 F.3d 1117 (9th Cir. 2014), where, on an issue of first impression, the Ninth Circuit sided with Plaintiffs in holding that PAGA actions are state enforcement actions not covered by the CAFA. In February 2015, Mr. Wu, along with Mr. Perez, received the prestigious CLAY award for his successful appellate work, including briefing to the California Supreme Court, in *Iskanian*. Mr. Wu recently achieved an important consumer victory in *Nguyen v. Nissan N.A.*, 932 F.3d 811 (9th Cir. 2019), which clarified the use of “benefit of the bargain” damages models in consumer class actions. He also oversees the firm’s high-stakes fee disputes and settlement approval, with a highlight being his central role in achieving the highly publicized Ford transmission settlement, valued at over \$100 million.

Mr. Wu graduated from the University of Michigan Law School in 2001, where he was an associate editor of the *Michigan Journal of Law Reform* and contributor to the law school newspaper. He received his undergraduate degree in political science with honors from the University of California, Berkeley. He is a State Bar-certified Specialist in Appellate Law, and currently serves on the Committee for Appellate Courts for the California Lawyers Association (CLA) and the Los Angeles County Bar’s State Appellate Judicial Evaluation Committee. He is an editor of CLA’s monthly *Litigation Update*, and his work has been published by the *California Litigation Review*, *California Labor & Employment Review*, *Daily Journal*, and the *Los Angeles Lawyer*. He is a contributor to Continuing Education of the Bar (CEB) and is regularly invited to speak at professional conferences. He was named a Southern California Super Lawyer for 2023, 2024, 2025 and the 2024 Worker Health & Safety Hero by Worksafe for his work in advancing workplace safety and justice.

Robert Drexler. Robert Drexler is a partner with Capstone Law where he leads one of the firm’s litigation teams prosecuting wage-and-hour class actions. He has more than 25 years of experience representing clients in wage-and-hour and consumer rights class actions and other complex litigation in state and federal courts. Over the course of his career, Mr. Drexler has successfully certified dozens of employee classes for claims such as misclassification, meal and rest breaks, and off-the-clock work, ultimately resulting in multi-million dollar settlements. He has also arbitrated and tried wage-and-hour and complex insurance cases. Mr. Drexler has been selected as one of Southern California’s “Super Lawyers” in 2009 and every year from 2001 through 2024.

Before joining Capstone, Mr. Drexler was head of the Class Action Work Group at Khorrami Boucher, LLP and led the class action team at The Quisenberry Law Firm. Mr. Drexler graduated from Case Western Reserve University School of Law, where he served as Managing Editor of the *Case Western Reserve Law Review* and authored *Defective Prosthetic Devices: Strict Tort Liability for the Hospital?* 32 CASE W. RES. L. REV. 929 (1982). He received his undergraduate degree in Finance at The Ohio State University where he graduated *cum laude*. Mr. Drexler has been a member of Consumer Attorneys of California (CAOC) and Consumer Attorneys of Los Angeles (CAALA). He has been a featured speaker at class action and employment litigation seminars, and has published articles in CAOC’s *Forum Magazine* and *The Daily Journal*.

Jamie Greene. Jamie Greene is a partner with Capstone Law, where she leads the firm’s business development and case generation team. Ms. Greene is responsible for evaluating all potential new cases and referrals, developing new claims, and managing the firm’s client and cocounseling relationships. She also supervises the pre-litigation phase for all cases, including investigation, analysis, and client consultation.

Before joining Capstone, Ms. Greene began her legal career at Makarem & Associates representing clients in a wide array of cases ranging from wrongful death, insurance bad faith, employment, personal injury,

construction defect, consumer protection, and privacy law. Ms. Greene is a graduate of the University of Southern California Gould School of Law and earned her bachelor's degree from Scripps College in Claremont, California.

Bevin Allen Pike. Bevin Allen Pike is a partner with Capstone Law, where she focuses primarily on wage-and-hour class actions. Ms. Pike has spent her entire legal career representing employees and consumers in wage-and-hour and consumer rights class actions. Over the course of her career, Ms. Pike has successfully certified dozens of employee and consumer classes for claims such as meal and rest breaks, unpaid overtime, off-the-clock work, and false advertising.

Before joining Capstone, Ms. Pike's experience included class and representative action work on behalf of employees and consumers at some of the leading plaintiffs' firms in California. Ms. Pike graduated from Loyola Law School, Los Angeles, where she was an Editor for the International and Comparative Law Review. She received her undergraduate degree from the University of Southern California. Ms. Pike has been selected as one of Southern California's "Super Lawyers – Rising Stars" every year from 2012 through 2015.

Senior Counsel

Theresa Carroll. Theresa Carroll is a senior counsel at Capstone Law. Her practice is devoted to the Appeals & Complex Motions team, working on various settlement and approval projects.

Prior to joining Capstone, Ms. Carroll was an associate with Parker Stanbury, LLP, advising small business owners on various employment matters and worked as an associate attorney for O'Donnell & Mandell litigating employment discrimination and sexual harassment cases. In 1995, she graduated from Southwestern University School of Law where she was on the trial advocacy team and was awarded the prestigious Trial Advocate of the Year award sponsored by the American Board of Trial Advocates (ABOTA) for Southwestern University School of Law. Ms. Carroll received her Bachelor of Science degree in speech with an emphasis in theatre from Iowa State University.

Liana Carter. Liana Carter is a senior counsel with Capstone Law APC, specializing in complex motions, writs, and appeals. Her work on recent appeals has included reversing a denial of class certification decision in *Brown v. Cinemark USA, Inc.*, No. 16-15377, 2017 WL 6047613 (9th Cir. Dec. 7, 2017), affirming a denial of a motion to compel arbitration in *Jacoby v. Islands Rests., L.P.*, 2014 Cal. App. Unpub. LEXIS 4366 (2014) and reversal of a dismissal of class claims in *Rivers v. Cedars-Sinai Med. Care Found.*, 2015 Cal. App. Unpub. LEXIS 287 (Jan. 13, 2015). Ms. Carter was responsible for drafting the successful petition for review in *McGill v. Citibank N.A.*, as well as the petition for review and briefing on the merits in *Williams v. Superior Court*, 2017 WL 2980258. Ms. Carter also has extensive prior experience in overseeing settlement negotiations and obtaining court approval of class action settlements.

Ms. Carter was admitted to the California bar in 1999 after graduating from the University of Southern California Gould School of Law, where she was an Articles Editor on the board of the *Southern California Law Review*. She received her undergraduate degree with honors from the University of California, Irvine.

Anthony Castillo. Anthony Castillo is a senior counsel with Capstone Law. His practice focuses on analyzing and developing pre-litigation wage-and-hour and consumer claims, including PAGA representative actions and class actions for failure to pay overtime and minimum wages, meal and rest period violations, and claims under the Fair Labor Standards Act and the Investigative Consumer Reporting Agency Act. Prior to joining Capstone, he was an associate at a California bankruptcy practice, where he represented individual and

business debtors in liquidations and re-organizations as well as various debt and foreclosure defense-related issues.

Mr. Castillo graduated from Loyola Law School, Los Angeles in 2009, where he volunteered with the Disability Rights Legal Center. He attended Stanford University for his undergraduate degree, majoring in Political Science and minoring in History. Anthony is admitted to practice law in California and Washington and before the United States District Court for the Central and Southern Districts of California.

Abigail Gertner. Abigail Gertner is a senior counsel with Capstone Law. Ms. Gertner pursues automotive defect and other consumer class action litigation, with a focus on defective products. Her efforts have contributed to the successful resolution of numerous cases, including *Weckwerth v. Nissan North America, Inc.*, No. 18-00588 (M.D. Tenn.) (providing a \$407 to \$547 million-dollar benefit to a class of nearly 3 million consumers); *Hickman v. Subaru of America, Inc.*, No. 21-02100 (D.N.J.) (providing reimbursements transmission repairs and warranty extensions to approximately 160,000 consumers); *Rieger v. Volkswagen Group of America, Inc.*, No. 21-10546 (D.N.J.) (providing reimbursements for engine repairs and warranty extensions to over 300,000 consumers); and *Gioffe v. Volkswagen Group of America, Inc.*, No. 22-00193 (D.N.J.) (providing 100% reimbursement for repairs or replacement of gateway control modules damaged by water intrusion).

Prior to joining Capstone Law, Ms. Gertner accumulated over two decades of litigation experience as a class action attorney, working in consumer protection, ERISA, healthcare, securities, and antitrust litigation at several nationally recognized law firms. During her time at Santa Clara University School of Law, she interned at the Santa Clara County District Attorney's Office in the Child and Elder Abuse unit. Prior to that, she graduated from Tulane University with a Bachelor of Science in Psychology and a Bachelor of Arts in Classical Studies.

Helga Hakimi. Helga Hakimi is a senior counsel at Capstone Law. Her practice primarily involves employment law class action litigation, namely wage-and-hour class actions and PAGA litigation on behalf of employees for failure to pay overtime and minimum wages, provide meal and rest breaks, and provide compensation for off-the-clock work, and related employer violations under the Fair Labor Standards Act and California Labor Code.

Prior to joining Capstone, Ms. Hakimi was a partner at a civil litigation firm in West Los Angeles, where she handled mainly real estate litigation, business litigation, and defense of some employment law matters; prior to that, she worked as a civil litigation attorney handling complex personal injury litigation. Ms. Hakimi's interest in advocating for employee rights began in law school, where she volunteered for the Workers' Rights Clinic and assisted low-income community members in Northern California's greater Bay Area region with employment-related legal issues. Upon graduating from law school, Ms. Hakimi worked as an associate for a municipal law firm, and thereafter at the local City Attorney's Office, where she advised municipalities and cities in civil matters involving land use, environmental law, development issues, Constitutional law, and First Amendment rights. Ms. Hakimi graduated from Berkeley Law (Boalt Hall School of Law), where she earned her Juris Doctorate and was awarded the Prosser Award in Remedies. Ms. Hakimi received her Bachelor of Arts degree in Political Science with a minor in Education Studies from the University of California, Los Angeles, and graduated summa cum laude and with Departmental Highest Honors.

Majdi Hijazin. Majdi Hijazin is a senior counsel at Capstone Law. His practice primarily focuses on representing consumers in complex litigation matters. Currently, Mr. Hijazin prosecutes automotive defect and other consumer class action lawsuits throughout the United States. Prior to joining Capstone, Mr. Hijazin

led a national team of six attorneys in bringing claims under the Illinois Biometric Information Privacy Act (BIPA), where he and his team routinely obtained high-value settlements for their clients.

Mr. Hijazin has prosecuted many individual and class action lawsuits under the Fair Credit Reporting Act (FCRA), the Fair Debt Collection Practices Act (FDCPA), the Telephone Consumer Protection Act (TCPA), and the Illinois Consumer Fraud Act (ICFA). On behalf of aggrieved homeowners, Mr. Hijazin was part of a trial team where his efforts were instrumental in securing two multi-million-dollar jury verdicts. See *Hammer v. Residential Credit Solutions, Inc.*, No. 13 C 6397 (N.D. Ill. Dec. 3, 2015), and *Saccameno v. Ocwen Loan Servicing, LLC*, 372 F. Supp. 3d 609 (N.D. Ill. 2019). Most recently, in late 2023, Mr. Hijazin's work was vital in securing a seven-digit settlement on the third day of trial. Mr. Hijazin graduated from the University of Illinois Chicago School of Law.

Daniel Jonathan. Daniel Jonathan is a senior counsel at Capstone Law. His practice primarily involves wage-and-hour class actions and PAGA litigation on behalf of employees for the failure to pay overtime and minimum wages, failure to provide meal and rest breaks, claims under the Fair Labor Standards Act, and other California Labor Code violations.

Prior to joining Capstone, Mr. Jonathan began his career as an associate at Kirkland & Ellis representing Fortune 500 clients in high-stakes litigation in various matters, including class action defense and plaintiff's actions for accounting fraud. Following that, he was a senior counsel at a boutique litigation firm where he successfully first-chaired several trials. Mr. Jonathan graduated from the Northwestern University School of Law. He received his undergraduate degree in Accounting from the University of Southern California, where he graduated cum laude. He has passed the CPA examination and worked as an auditor at Deloitte before attending law school.

Jonathan Lee. A senior counsel with Capstone, Jonathan Lee primarily litigates employment class actions. At Capstone, Mr. Lee has worked on several major successful class certification motions, and his work has contributed to multi-million dollar class settlements against various employers, including restaurant chains, retail stores, airport staffing companies, and hospitals. Prior to joining Capstone, Mr. Lee defended employers and insurance companies in workers' compensation actions throughout California.

Mr. Lee graduated in 2009 from Pepperdine University School of Law, where he served as an editor for the Journal of Business, Entrepreneurship and the Law; he received his undergraduate degree from UCLA.

Shealene Mancuso. Shealene Mancuso is a senior counsel with Capstone, specializing in employment class action litigation. Her practice is devoted to wage-and-hour class actions and Private Attorneys General Act litigation on behalf of employees for the failure to pay overtime and minimum wages, failure to provide meal and rest breaks, failure to provide compensation for off-the-clock work, claims under the Fair Labor Standards Act, and other California Labor Code violations.

Prior to joining Capstone Law, Ms. Mancuso was a Partner at a California maritime law firm, representing employers in federal claims brought by domestic and foreign civilian employees for benefits for injuries sustained while working on U.S. military bases for government contractors. She also has extensive litigation experience representing individuals in federal vaccine injury, personal injury, and family law matters. She served on the Board of Directors of a Philadelphia domestic violence organization and as a pro bono attorney assisting low-income families with custody and grandparent's rights matters. In 2020, she was recognized as a Rising Star by Super Lawyers.

Ms. Mancuso graduated from Temple University, Beasley School of Law in 2014, where she was a Fellow in the Rubin Public Interest Law Honor Society, served as the Volunteer Chair of the Women's Law Caucus, Women's Rights Chair of the National Lawyers Guild, Membership Coordinator of the American Constitution Society, and board member of the School to Prison Pipeline, and volunteered with the Domestic Violence Assistant Project. She began to develop her litigation skills through the Integrated Trial Advocacy Program at Temple Law, as a certified law clerk with the Ventura County District Attorney's Office, and through internships with non-profit organizations. She received her undergraduate degree from the University of California, Riverside, where she majored in Sociology: Law and Society.

Trisha Monesi. Trisha Monesi is a senior counsel at Capstone Law. Her practice focuses on wage-and-hour class actions and PAGA litigation on behalf of employees for the failure to pay overtime and minimum wages, failure to provide meal and rest breaks, claims under the Fair Labor Standards Act, and other California Labor Code violations.

Prior to practicing wage-and-hour class actions and PAGA litigation, Ms. Monesi prosecuted consumer class actions in state and federal court, focusing on automotive and consumer product defects, data breaches, and false advertising. Ms. Monesi graduated from Loyola Law School, Los Angeles in 2014, where she served as an editor of the Loyola of Los Angeles Entertainment Law Review and was a certified law clerk at the Center for Juvenile Law and Policy. She earned her undergraduate degree from Boston University in 2011, where she majored in Political Science and International Relations.

Robert Myong. Robert Myong is a senior counsel at Capstone Law. His practice focuses on helping employees recover their unpaid wages, overtime, and penalties in class actions and PAGA representative actions in state and federal court.

Prior to joining Capstone, Mr. Myong managed a team of attorneys that recovered millions of dollars on behalf of employees for their unpaid wages, discrimination, harassment, retaliation, and wrongful termination claims. Robert is a graduate of Whittier Law School and earned his bachelor's degree in economics from the University of Southern California.

Cody Padgett. Cody Padgett is a senior counsel with Capstone Law. Mr. Padgett prosecutes automotive defect and other consumer class action lawsuits during all stages of litigation. His work has been integral to achieving contested class certification in several automotive defect cases, including *Falco v. Nissan N. Am. Inc.*, No. 13-00686 (C.D. Cal.) (certifying a class of owners/lessees of Nissan vehicles), *Salas v. Toyota Motor Sales, U.S.A., Inc.*, No. 15-08629 (C.D. Cal.) (certifying a class of owners/lessees of Toyota vehicles), and *Victorino v. FCA US, LLC*, No. 16-01617 (S.D. Cal.) (certifying a class of owners/lessees of Dodge Dart vehicles). Mr. Padgett's efforts have also contributed to major settlements of automotive defect and consumer cases, providing substantial monetary relief to millions of class members, valued in the hundreds of millions of dollars. See, e.g., *Weckwerth v. Nissan North America, Inc.*, No. 18-00588 (M.D. Tenn.) (providing a \$407 to \$547 million-dollar benefit to a class of nearly 3 million consumers).

Prior to joining Capstone Law, Mr. Padgett assisted with the defense of major felony cases at the San Diego County Public Defender's Office. During law school, Mr. Padgett served as a judicial extern to the Honorable C. Leroy Hansen, United States District Court for the District of New Mexico. He graduated from California Western School of Law in the top 10% of his class and received his undergraduate degree from the University of Southern California, where he graduated *cum laude*. Mr. Padgett is admitted to practice in California, before

the Ninth Circuit Court of Appeals, and before United States District Court for the Northern, Eastern, Central, and Southern Districts of California.

Shahin Rezvani. Shahin Rezvani is a senior counsel with Capstone Law. His practice involves litigating consumer class action lawsuits. Mr. Rezvani has significant experience in high-stakes trials. He played a pivotal role in the *Freedom Wireless v. Boston Communications* five-month patent infringement jury trial, securing a then-monumental \$128 million verdict. Equally significant was his role in the *Rambus v. Micron* antitrust jury trial, defeating a \$4 billion claim, and the *Micron v. Rambus* spoliation trial resulting in Rambus's SDRAM and DDR SDRAM patents being rendered unenforceable. Mr. Rezvani's impact extends beyond big cases as well, including securing a favorable verdict for an executive in the entertainment industry and successfully defending against claims for breach of contract and fraud in the electronics sector. He has also obtained judgments as a matter of law on post-trial motions and secured summary judgments, such as a victory in an early cybersquatting suit for the Academy of Motion Picture Arts and Sciences.

Prior to Capstone, Mr. Rezvani was a senior attorney at a plaintiff's class action firm, where he handled wage & hour, consumer fraud, data breach, and other class actions. While there, he helped achieve the second largest settlement in the nation for an ADA class action case against Hyatt Corporation. With over two decades of legal expertise in antitrust, class action, consumer fraud, copyright, employment, patent, securities, and trademark disputes, his skills and accomplishments span a wide range of practice areas. Mr. Rezvani has previously represented both plaintiffs and defendants in antitrust, ERISA, employment and other matters. Mr. Rezvani graduated from UC Berkeley School of Law, and earned his Bachelor of Arts from University of California, Los Angeles.

Eduardo Santos. Eduardo Santos is a senior counsel at Capstone Law, and concentrates his practice on managing and obtaining court approval of many of Capstone's wage-and-hour, consumer, and PAGA settlements, from the initial contract drafting phase to motion practice, including contested motion practice on attorneys' fees. Over the course of his career, Mr. Santos has helped to secure court approval of over one hundred high-stakes class and representative action settlements totaling over \$100 million.

Before joining Capstone, Mr. Santos began his career at a prominent plaintiff's firm in Los Angeles specializing in mass torts litigation, with a focus on complex pharmaceutical cases. Most notably, he was involved in the national Vioxx settlement, which secured a total of \$4.85 billion for thousands of individuals with claims of injuries caused by taking Vioxx. Mr. Santos graduated from Loyola Law School, Los Angeles, where he was a recipient of a full-tuition scholarship awarded in recognition of academic excellence. While in law school, Mr. Santos served as an extern for the Honorable Thomas L. Willhite, Jr. of the California Court of Appeal. He graduated magna cum laude from UCLA and was a recipient of the Ralph J. Bunche Scholarship for academic achievement.

Mao Shiokura. Mao Shiokura is a senior counsel with Capstone. Her practice focuses on identifying, evaluating, and developing new claims, including PAGA representative actions and class actions for wage-and-hour violations and consumer actions under the Consumers Legal Remedies Act, False Advertising Law, Unfair Competition Law, and other consumer protection statutes. Prior to joining Capstone, Ms. Shiokura was an associate at a California lemon law firm, where she represented consumers in Song-Beverly, Magnuson-Moss, and fraud actions against automobile manufacturers and dealerships.

Ms. Shiokura graduated from Loyola Law School, Los Angeles in 2009, where she served as a staff member of Loyola of Los Angeles Law Review. She earned her undergraduate degree from the University of Southern

California, where she was a Presidential Scholar and majored in Business Administration, with an emphasis in Cinema-Television and Finance.

John Stobart. John Stobart is a senior counsel with Capstone Law. He focuses on appellate issues in state and federal courts and contributes to the firm's amicus curiae efforts to protect and expand the legal rights of California employees and consumers. Mr. Stobart has significant appellate experience having drafted over two dozen writs, appeals and petitions, and having argued before the Second, Fourth, and Fifth Districts of the California Court of Appeal.

Prior to joining Capstone, Mr. Stobart was a law and motion attorney who defended against civil liability in catastrophic injury and wrongful death cases brought against his clients, which included the railroad, public schools, small businesses, and commercial and residential landowners. He has drafted and argued scores of dispositive motions at the trial court level and had success in upholding judgments and verdicts on appeal. He graduated cum laude from Thomas Jefferson School of Law where he was on the mock trial competition team and earned his undergraduate degree from the Ohio State University.

Roxanna Tabatabaee pour. Roxanna Tabatabaee pour is a senior counsel with Capstone Law. Her practice primarily involves representing employees in class actions and representative actions for various violations of the California Labor Code.

Before joining Capstone, Ms. Tabatabaee pour's experience included representing workers in single-plaintiff and class/representative action lawsuits regarding wage-and-hour violations, as well as individual claims for discrimination, retaliation, failure to accommodate, harassment, and wrongful termination, under both California and federal laws. Ms. Tabatabaee pour received her undergraduate degrees from the University of California San Diego. She subsequently graduated from the American University, Washington College of Law, where she was a Marshall-Brennan Constitutional Literacy Fellow and taught Constitutional Literacy to teens in marginalized communities.

Ryan Tish. Ryan Tish is a senior counsel at Capstone Law. His practice primarily involves wage-and-hour class actions and Private Attorneys General Act ("PAGA") representative actions on behalf of employees for the failure to pay overtime and minimum wages, failure to provide meal and rest breaks, failure to reimburse necessary business expenses, and other claims under the Fair Labor Standards Act and California Labor Code.

Before joining Capstone, Mr. Tish was an associate at a civil litigation firm in Los Angeles, handling a variety of matters, including commercial contracts, real estate, and employment law. Mr. Tish has represented both employers and employees in actions ranging from individual claims of discrimination, harassment, retaliation, and wrongful termination, to class and representative actions for wage-and-hour and privacy law violations. Mr. Tish is a graduate of the University of Southern California Gould School of Law and earned his bachelor's degree in civil and environmental engineering from the University of California, Los Angeles. Mr. Tish is admitted to practice law in California and before the United States District Court for the Northern, Eastern, Central, and Southern Districts of California.

Orlando Villalba. Orlando Villalba is a senior counsel at Capstone Law. His practice primarily involves wage-and-hour class actions and PAGA litigation on behalf of employees for the failure to pay overtime and minimum wages, failure to provide meal and rest breaks, claims under the Fair Labor Standards Act, and other California Labor Code violations.

Mr. Villalba began his career at Kirkland & Ellis where he handled a wide range of business litigation matters, including transnational contract disputes, insurance-related tort claims, developer litigation, and civil rights actions. He also has extensive plaintiff-side experience representing government agencies and note-holders in the pursuit of mortgage and other fraud losses. Mr. Villalba graduated from Stanford Law School, where he served as an articles editor on the Stanford Journal of Law, Business & Finance. After law school, he clerked for the Honorable Warren Matthews of the Alaska Supreme Court. Orlando received his bachelor's degree in International Business from the University of Southern California.

Associates

Tyler Anderson. Tyler Anderson is an associate with Capstone Law. His practice focuses on complex motions, writs, and appeals. Before joining Capstone, Mr. Anderson was Co-Director of the Los Angeles Center for Community Law and Action (“LACCLA”), a nonprofit law firm that represents tenant unions and union organizers. While there, Mr. Anderson tried a disparate impact federal Fair Housing Act case that resulted in a jury verdict of over \$1,000,000. He also frequently used California Anti-SLAPP laws to block attempts to silence tenant union organizers. Prior to working at LACCLA, Mr. Anderson clerked for the Honorable Martha Vazquez, a federal district court judge for the District of New Mexico who, at the time, sat on the Executive Committee of the Federal Judiciary. Before that, Mr. Anderson was a litigation associate at the international law firm Jenner & Block LLP. Mr. Anderson graduated from Harvard Law School, where he was the Executive Articles Editor of the Harvard Journal on Legislation as well as President of one of the largest student-run pro bono organizations at Harvard University, Project No One Leaves. He graduated with several “Dean’s Scholar” prizes for receiving top grades in his constitutional law courses.

Sairah Budhwani. Sairah Budhwani is an associate with Capstone Law. Her practice focuses on evaluating and analyzing pre-litigation wage-and-hour claims, including claims for violations of overtime and minimum wage law, meal and rest period requirements, and off-the-clock work violations. Previously, Ms. Budhwani litigated employment discrimination, harassment, and retaliation claims, and also represented incarcerated individuals contesting the conditions of their confinement. Ms. Budhwani graduated from UCLA School of Law in 2019 and received an undergraduate degree in Urban Studies from University of California, Irvine in 2012. Ms. Budhwani is admitted to practice law in California. She is fluent in Urdu.

Jaime “Jimmy” Castañeda. Jaime Castañeda is an associate with Capstone Law. His practice focuses on prosecuting wage-and-hour class actions and Private Attorneys General Act (“PAGA”) representative actions on behalf of employees. Mr. Castañeda has experience representing both plaintiffs and defendants in employment law matters. Before joining Capstone, Mr. Castañeda was an associate at a California civil litigation firm where he represented employees in cases involving whistleblower retaliation, disability discrimination, racial discrimination, wrongful termination, and other forms of discrimination in the workplace. Mr. Castañeda graduated from Boston University School of Law in 2021. Prior to attending law school, Mr. Castañeda worked in the non-profit sector, providing free legal immigration services to the undocumented community in Los Angeles County. He received his undergraduate degree from the University of California, Los Angeles, where he double majored in Political Science and History.

Olivia Green. Olivia Green is an associate with Capstone Law. Her practice focuses on analyzing and evaluating pre-litigation wage-and-hour claims, including potential violations of overtime and minimum wage law, meal and rest period requirements, and off-the-clock work violations. Previously, Ms. Green litigated wage-and-hour class and PAGA actions as well as employment discrimination, harassment, and wrongful termination claims. As a result of her advocacy, she was named a Southern California Rising Star by Super

Lawyers in 2023 and 2024. Ms. Green graduated from Loyola Law School, Los Angeles, in 2020 where she served as President of the Black Law Student Association and was a member of the Entertainment Moot Court. She received her undergraduate degree from California State University, Fullerton where she majored in Political Science.

Nate Kiyam. Nate Kiyam is an associate with Capstone. His practice focuses on prosecuting automotive defect and other consumer class action cases in state and federal court. Prior to joining Capstone Law, Mr. Kiyam was an associate with the Auto Fraud Legal Center representing individuals who have been defrauded by dealers into purchasing a defective vehicle. Previous to that, Mr. Kiyam was an associate with DLA Piper, Allen Matkins, and Buchalter on various corporate and employment matters. Throughout his career, Mr. Kiyam has helped many organizations and individuals on various pro bono matters including winning an administrative trial for a young refugee in his asylum hearing. Mr. Kiyam is admitted to practice law in California and the District of Columbia.

Ninel Kocharyan. Ninel Kocharyan is an associate with Capstone. Her practice focuses on evaluating and analyzing pre-litigation wage-and-hour claims, including claims for violation of overtime and minimum wage law, meal and rest period requirements, and off-the-clock work violations. Ms. Kocharyan began her career in entertainment law reviewing, drafting, and negotiating contracts for talent and ensuring FTC compliance. She immigrated to the United States from Russia at the age of 15 with a passion to pursue a career in law. Ms. Kocharyan graduated from Thomas Jefferson School of Law in 2014 and received her undergraduate degree from University of California, Los Angeles where she majored in Political Science. Ms. Kocharyan is admitted to practice law in California.

Alexander Lima. Alexander Lima is an associate with Capstone Law. His practice focuses on evaluating pre-litigation wage-and-hour claims, including potential violations of overtime and minimum wage law, meal and rest period requirements, and off-the-clock work issues, as well as consumer protection claims. Previously, Mr. Lima was an associate at a California civil litigation practice representing individuals and entities in real estate disputes. Mr. Lima graduated from Santa Clara University, School of Law in 2018, where he served as an Executive Board Member of the Honors Moot Court and was selected as a regional finalist for the American Bar Association Negotiation Competition. He received his undergraduate degree from the University of California, Riverside in 2014.

Chase Laurent. Chase Laurent is an associate with Capstone Law. His practice focuses on evaluating and analyzing pre-litigation wage-and-hour claims, including claims for violation of overtime and minimum wage law, meal and rest period requirements, off-the-clock work violations, and unpaid business expenses. Previously, he litigated individual employment actions on behalf of plaintiffs, including discrimination, harassment, retaliation, wrongful termination, and wage-and-hour claims. Mr. Laurent graduated from University of San Francisco School of Law, where he served as the Technical Editor for the USF Law Review and twice competed on the USF Moot Court Competition Team. He earned his undergraduate degree at California Polytechnic State University, San Luis Obispo, where he majored in Psychology, with a double-minor in Child Development and Law & Society.

Alexander Wallin. Alexander Wallin is an associate at Capstone Law. He is a passionate litigator who has successfully represented employees against corporate injustice. Mr. Wallin has recovered millions of dollars in numerous wage-and-hour class actions, PAGA actions, and individual discrimination lawsuits. He has a particular interest in representing economically disadvantaged employees who cannot afford legal representation on a retainer-fee basis. Mr. Wallin is a member of the Los Angeles County Bar Association's



Employment Law Section and stays up-to-date with the rapidly evolving areas of wage-and-hour protections. He graduated from Loyola Law School in 2017 and is admitted to practice law in California, as well as before the United States District Court for Central and Northern Districts of California. He has been selected as a Southern California “Super Lawyers – Rising Star” in 2022 and 2023.

PROOF OF SERVICE

I am employed in the State of California, County of Los Angeles. I am over the age of 18 and not a party to the within suit; my business address is 1875 Century Park East, Suite 1000 Los Angeles, California 90067.

On **July 9, 2025**, I served the document described as: **DECLARATION OF RAUL PEREZ IN SUPPORT OF MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT** on the interested parties in this action by sending ☐ the original [or] ☒ a true copy thereof ☒ to interested parties as follows [or] ☐ as stated on the attached service list:

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☐ **BY MAIL (ENCLOSED IN A SEALED ENVELOPE):** I deposited the envelope(s) for mailing in the ordinary course of business at Los Angeles, California. I am "readily familiar" with this firm's practice of collection and processing correspondence for mailing. Under that practice, sealed envelopes are deposited with the U.S. Postal Service that same day in the ordinary course of business with postage thereon fully prepaid at Los Angeles, California.

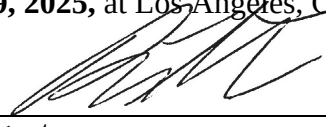
☐ **BY E-MAIL:** I hereby certify that this document was served from Los Angeles, California, by e-mail delivery on the parties listed herein at their most recent known e-mail address or e-mail of record in this action.

☒ **BY ELECTRONIC SERVICE:** I caused the document(s) to be transmitted electronically via One Legal eService to the individuals listed above, as they exist on that database. This will constitute service of the document(s).

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on **July 9, 2025**, at Los Angeles, California.

Riley McIntire

Type/Print Name



Signature