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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO

ALEXANDER COTA, as an individual and on
behalf of all others similarly situated,

Plaintiff,

vs.

J.W. FLOOR COVERING, INC., a California
Corporation; and DOES 1 through 100,

Defendants.

Case No. 37-2023-00046498-CU-OE-CTL

*[Assigned for all purposes to the Hon.
Marcella O. McLaughlin, Dept. C-72]*

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

Date: January 30, 2026

Time: 9:30 a.m.

Dept.: C-72

Action Filed: October 25, 2023

Trial Date: None Set

1 I, SEAN M. BLAKELY, declare as follows:

2 1. I am a Partner at Haines Law Group, APC, and counsel for the named Plaintiff
3 Alexander Cota (“Plaintiff”) and the proposed Settlement Class in the above-captioned matter. I
4 am a member in good standing of the bar of the State of California and am admitted to practice
5 in this Court. I have personal knowledge of the facts stated in this declaration and could testify
6 competently to them if called upon to do so.

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

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

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

1 have been appointed as class counsel and/or played a significant role in prosecuting the litigation,
2 and which have received final approval: *Santimateo v. Sun Healthcare Group, Inc., et al*, Case
3 No. BC471884, California Superior Court, Los Angeles County, Judge Jane L. Johnson presiding
4 (granted final approval of settlement on behalf of employees at rehabilitation facility involving
5 claims for unpaid wages and meal and rest period violations, and other claims, in which I was
6 approved at an hourly rate of \$325 for work performed in 2012-2013); *Teyuca v. Pacific Alliance*
7 *Medical Center, Inc.*, California Superior Court, Los Angeles County, Judge William F.
8 Highberger presiding (granting final approval of settlement on behalf of healthcare workers for
9 unpaid wages, meal and rest period violations, and other claims, in which I was approved at an
10 hourly rate of \$325 for work performed in 2012-2013); *Arteaga v. Command Center Security,*
11 *Inc.*, Case No. BC480496, California Superior Court, Los Angeles County, Judge John Shepard
12 Wiley, Jr. presiding (granting final approval of settlement on behalf of security guards involving
13 claims for unpaid overtime, meal and rest period violations, and other claims, in which I was
14 approved at an hourly rate of \$425 for work performed in 2012-2015); *Casadine v. Maxim*
15 *Healthcare Services, Inc.*, Case No. CV 12-10078-DMG (CWx), United States District Court,
16 Central District of California, Judge Dolly M. Gee presiding (granting final approval of settlement
17 on behalf of home health care employees involving claims for unpaid wages and other claims, in
18 which I was approved at an hourly rate of \$425 for work performed in 2012-2015); *Guzman v.*
19 *Andrew Lauren Interiors, Inc., et al.*, Case No. BC567757, California Superior Court, Los
20 Angeles County, Judge Elihu M. Berle presiding (granting final approval of settlement on behalf
21 of construction workers involving claims for unpaid wages, meal and rest period violation, and
22 other claims, in which I was approved at an hourly rate of \$425 for work performed in 2014-
23 2016); *Booker v. The Goodyear Tire and Rubber Company*, Case No. BC498399, California
24 Superior Court, Los Angeles County, Judge Amy Hogue presiding (granting final approval of
25 settlement on behalf of tire mechanics involving claims for unpaid wages, meal and rest period
26 violations, and other claims, in which I was approved at an hourly rate of \$425 for work performed
27 in 2013-2015); *Nunez v. CompuCom Systems, Inc.*, Case No. BC618385, California Superior
28 Court, Los Angeles County, Judge John Shepard Wiley, Jr. presiding (granting final approval of

1 settlement on behalf of IT support workers for overtime, meal and period, reimbursement, and
2 related violations, approved at hourly rate of \$475 for work performed in 2016 and 2017); *Galvan*
3 *v. AMVAC Chemical Corporation*, Case No. 30-2014-00716103-CU-OE-CXC, California
4 Superior Court, Orange County, Judge William D. Claster presiding (granting final approval of
5 settlement on behalf of non-exempt employees of a chemical manufacturing company involving
6 claims for unpaid overtime and waiting time penalties); *Razon v. TTM Technologies, Inc., et al.*,
7 Case No. 37-2016-00038326-CU-OE-CTL, California Superior Court, San Diego County, Judge
8 Gregory W. Pollack presiding (granting final approval of settlement involving claims for unpaid
9 overtime wages, wage statement violations, and meal period violations); *Blank v. Coty, Inc., et*
10 *al.*, Case No. BC624850, California Superior Court, Los Angeles County, Judge Williams F.
11 Highberger presiding (granting final approval of settlement involving claims for wage statement
12 violations, meal period violations, and other claims); *Morales v. Caremeridian, LLC, et al.*, Case
13 No. BC593191, California Superior Court, Los Angeles County, Judge William F. Highberger
14 presiding (granting final approval of settlement on behalf of direct support professionals
15 involving claims for unpaid wages, meal and rest period violations, wage statement violations,
16 and other claims); *Aguilar v. Act Fulfillment, Inc.*, Case No. RIC1616643, California Superior
17 Court, Riverside County, Judge Sharon J. Waters presiding (granting final approval of settlement
18 on behalf of non-exempt factory workers involving claims for meal period violations); *Sandoval*
19 *v. AMCOR Flexibles Inc.*, Case No. BC617499, California Superior Court, Los Angeles County,
20 Judge Kenneth R. Freeman presiding (granting final approval of settlement on behalf of
21 manufacturing employees involving claims for unpaid wages, meal period violations, rest period
22 violations, and waiting time penalties); *Le v. GBW Railcar Services, L.L.C.*, Case No.
23 RIC1612209, California Superior Court, Riverside County, Judge Sharon J. Waters presiding
24 (granting final approval of settlement on behalf of non-exempt employees of a freight railcar
25 manufacturer involving claims for unpaid overtime and minimum wages, meal period violations,
26 and rest period violations); *Silva v. ADJ Products, LLC*, Case No. BC618581, California Superior
27 Court, Los Angeles County, Judge William F. Highberger presiding (granting final approval of
28 settlement involving claims for unpaid overtime and minimum wages, rest period violations,

wage statement violations, and waiting time penalties); *Lira v. Discus Dental, LLC, et al.*, Case No. CIVDS1620402, California Superior Court, San Bernardino County, Judge David Cohn presiding (granting final approval of settlement on behalf of non-exempt manufacturing employees involving claims for unpaid minimum and overtime wages, meal and rest period violations, and other claims); *Gonzales v. PathPoint*, Case No. BC657147, California Superior Court, Los Angeles County, Judge Carolyn B. Kuhl presiding (granting final approval of settlement on behalf of non-exempt direct support professionals involving claims for meal and rest period violations and other claims); *Duran v. PRADA USA CORP.*, Case No. BC644319, California Superior Court, Los Angeles County, Judge Maren E. Nelson presiding (granting final approval of settlement on behalf of non-exempt commissioned salespersons involving claims for unpaid overtime wages, meal and rest period violations, failure to reimburse for necessary expenditures, and other claims); *Banegas v. UPM, Inc.*, Case No. BC644438, California Superior Court, Los Angeles County, Judge Carolyn B. Kuhl presiding (granting final approval of settlement on behalf of non-exempt manufacturing employees involving claims for unpaid wages, meal and rest period violations, and other claims); *Palafox v. Pacific Line Clean-Up, Inc.*, Case No. 30-2017-00921632-CU-OE-CXC, California Superior Court, Orange County, Judge William D. Claster presiding (granting final approval of settlement on behalf of non-exempt employees involving claims for unpaid overtime wages, meal and rest period violations, and other claims); *Janet Arroyo v. AST Sportswear, Inc., dba Bayside Apparel Manufacturing, Inc.*, Case No. 30-2017-00909663-CU-OE-CXC, California Superior Court, Orange County, Judge Glenda Sanders presiding (granting final approval of settlement on behalf of non-exempt garment employees involving claims for unpaid minimum wages, meal and rest period violations, and other claims); *Carlos Garcia v. Fabrica International, Inc.*, Case No. 30-2017-00949461-CU-OE-CXC, California Superior Court, Orange County, Judge William D. Claster presiding (granting final approval of settlement on behalf of non-exempt manufacturing employees involving claims for unpaid minimum and overtime wages, meal and rest period violations, and statutory penalties); *Jonathan Leon v. Piercey West, Inc.*, Case No. BC656874, California Superior Court, Los Angeles County, Judge Amy D. Hogue presiding (granting final approval of settlement on behalf

1 of non-exempt commissioned salespersons and other employees involving claims for unpaid
2 wages, meal and rest period violations, unreimbursed business expenses, and other claims); and
3 *Matthew Tovar, et al. v. Rentokil North America, Inc.*, Case No. BC676386, California Superior
4 Court, Los Angeles County, Judge Daniel J. Buckley presiding (granting final approval of
5 settlement on behalf of non-exempt employees involving claims for unpaid overtime, meal and
6 rest break violations, and other claims); *Seungmin Samantha Lee v. Infor (US) Inc.*, Case No.
7 CGC-18-566393, California Superior Court, San Francisco County, Judge Ethan P. Schulman
8 presiding (granting final approval of settlement on behalf of sales development representatives
9 involving claims for unpaid overtime, meal and rest period violations, and penalty claims); *Tracy*
10 *Aguilar, et al. v. Aero Port Services, Inc.*, Case No. BC659234, California Superior Court, Los
11 Angeles County, Judge Carolyn B. Kuhl presiding (granting final approval of settlement on behalf
12 of non-exempt employees involving claims for meal and rest period violations, and other claims);
13 *Carlos Perez, et al. v. Moss Bros. Auto Group, Inc., et al.*, Case No. RIC1709905, California
14 Superior Court, Riverside County, Judge Sunshine S. Sykes presiding (granting final approval of
15 settlement on behalf of non-exempt commissioned salespersons involving claims for unpaid
16 wages, meal and rest period violations, other claims); and *Julio Alfaro v. Orange Automotive*
17 *d/b/a Kia of Orange*, Case No. 30-2017-00945105-CU-OE-CXC, California Superior Court,
18 Orange County, Judge Randall J. Sherman presiding (granting final approval settlement on behalf
19 of non-exempt commissioned employees involving claims for unpaid wages, meal and rest period
20 violations, unreimbursed business expenses, and penalty claims).

21 5. I have also moved to certify and have received an order certifying a class action in
22 *Ontiveros v. Safelite Fulfillment, Inc., et al.*, Case No. CV 15-7118-DMG (RAOx), United States
23 District Court, Central District of California, Honorable Dolly M. Gee presiding (certifying six
24 classes of employees for rest period violations, wage statement violations, meal period violations,
25 and overtime and double-time violations); and *Vazquez v. Kraft Heinz Foods Company*, Case No.
26 16-CV-02749-WQH (BLM), United States District Court, Southern District of California,
27 Honorable William Q. Hayes, presiding (certifying unpaid wages classes, meal period classes,
28 wage statement class, and waiting time penalty class).

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

5 7. As counsel for Plaintiff and the proposed Settlement Class, I have been intimately
6 involved in this case since its inception, and I believe that the proposed Settlement is a favorable
7 result for the Settlement Class.

8 8. Defendant J.W. Floor Covering, Inc. (“J.W. Floor”) is a full-service flooring
9 company with eight facilities located throughout California.

10 9. On October 25, 2023, Plaintiff filed his Class Action Complaint in San Diego
11 County Superior Court, alleging that J.W. Floor : (i) failed to pay all minimum wages; (ii) failed
12 to pay all overtime wages; (iii) failed to provide all lawful meal periods; (iv) failed to authorize
13 and permit all legally compliant rest periods; (v) failed to reimburse for all necessary business
14 expenditures; (vi) failed to issue accurate, itemized wage statements; and (vii) engaged in unfair
15 competition in violation of California Business & Professions Code § 17200 *et seq.* On that same
16 day, Plaintiff sent his PAGA notice letter to the LWDA. A true and correct copy of Plaintiff’s
17 October 25, 2023 LWDA letter is attached hereto as **Exhibit 2**. Subsequently, on January 2, 2024,
18 Plaintiff filed the First Amended Class and Representative Action Complaint (“FAC”) adding a
19 cause of action for civil penalties under the Private Attorneys’ General Act of 2004, Labor Code
20 Section 2698, *et seq.* On March 15, 2024, J.W. Floor filed a demurrer to the FAC, alleging that
21 claims asserted by Plaintiff for the period between October 25, 2019 and March 20, 2023 had
22 been previously resolved by way of a court-approved class-wide settlement in *Ugarte, et al. v.*
23 *Professional Flooring Installation, Inc., et al.*, Los Angeles Superior Court, Case. No. BC613043.
24 On April 8, 2024, Plaintiff filed the operative Second Amended Class and Representative Action
25 Complaint (“SAC”), changing the proposed class period to begin on March 21, 2023 to
26 correspond to the end of the class period in the *Ugarte* settlement.

27 10. The Parties engaged in extensive formal and informal discovery. Plaintiff served
28 written discovery requests seeking, among other items, timekeeping and payroll records for the

putative class, J.W. Floor’s written wage and hour policies/procedures, and other information and documents. The Parties extensively met and conferred regarding J.W. Floor’s responses and objections and J.W. Floor ultimately produced a sampling of timekeeping and payroll records for approximately 20% of the putative class, as well as its Employee Handbook and its relevant written wage and hour policies/procedures. In connection with mediation, J.W. Floor produced relevant data points, including the number of putative class members, the number of aggregate workweeks worked during the Class Period, and the aggregate number of pay periods during the PAGA Period. Plaintiff conducted a comprehensive analysis and extrapolation of the payroll and timekeeping data produced by J.W. Floor to create a detailed exposure analysis for all claims at issue. This discovery allowed the Parties to assess the merits and value of Plaintiff’s claims, the chances of certification of Plaintiff’s claims, and J.W. Floor’s potential defenses.

11. On May 29, 2025, the Parties participated in a full-day mediation with Steven J. Serratore, Esq., a preeminent wage and hour class action mediator. During mediation, the Parties vigorously debated their opposing legal positions, the likelihood of certification of Plaintiff’s claims, and the legal basis for the claims and defenses. The Parties were able to reach a settlement at mediation with the assistance of Mr. Serratore. In the months following mediation, the Parties negotiated and finalized the terms of the Settlement and executed the long-form Settlement Agreement now before the Court. A true and correct copy of the Stipulation of Settlement is attached hereto as **Exhibit 1**. The proposed Class Notice is attached as **Exhibit A** to the Settlement Agreement. The proposed Notice of Estimated Individual Settlement Payment is attached as **Exhibit B** to the Settlement Agreement.

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

• Gross Settlement Amount:	\$275,000.00
• Minus Court-approved attorneys’ fees:	\$91,666.67
• Minus Court-approved verified costs (up to):	\$30,000.00
• Minus Court-approved Enhancement Payment:	\$7,500.00
• Minus amount set aside as PAGA penalties:	\$20,000.00
• <u>Minus estimated settlement administration costs (up to):</u>	<u>\$7,450.00</u>
Net Settlement Amount:	\$118,383.33
• PLUS 25% “PAGA Amount” to Aggrieved Employees:	\$5,000.00
Total Amount Paid to Settlement Class members:	\$123,383.33

1 13. According to J.W. Floor, there are approximately 245 Settlement Class members.
2 Therefore, the average Individual Settlement Payment from the Net Settlement Amount is
3 projected to be approximately \$483.20. There are approximately 245 PAGA Employees who
4 worked during the PAGA Period. Therefore, the average PAGA Payment is estimated to be
5 approximately \$20.41.

6 14. Plaintiff alleges that due to J.W. Floor's meal policies/practices, first meal periods
7 were frequently late (commencing after the fifth hour of work), short (i.e., less than a full 30
8 minutes), and/or missed. Plaintiff contends that even when he was able to take his first meal
9 periods, they were usually interrupted with work demands. In addition, Plaintiff contends that
10 despite the appearance of facially compliant meal periods, the tablets on which he and other non-
11 exempt employees recorded their meal periods were often broken and supervisors would
12 frequently enter seemingly compliant meal punches even when Plaintiff and other non-exempt
13 employees were not able to take them. Plaintiff estimates there were approximately 40,104 non-
14 compliant first meal periods during the Class Period. Plaintiff also calculated the average hourly
15 rate of pay to be approximately \$24.36 per hour. Therefore, Plaintiff calculated J.W. Floor's
16 maximum exposure for first meal period violations at approximately \$973,645 [(40,104 first meal
17 period violations – 135 meal period premiums paid) * \$24.36 average premium]. J.W. Floor
18 counters that it has maintained compliant written meal period policies throughout the Class Period
19 and has always provided compliant meal periods in line with those policies. J.W. Floor further
20 contends that it always provides employees the opportunity to take meal periods and is not
21 required to *ensure* they are taken. Thus, J.W. Floor argues that any non-compliant meal periods
22 resulted from lawful employee waiver or choice, rather than any policy and/or practice of J.W.
23 Floor. J.W. Floor also argues that employees were required to fill out daily attestations declaring
24 that they received timely, compliant meal periods, and paid meal period premiums when
25 employees indicated they did not receive a compliant meal period. Finally, J.W. Floor maintains
26 Plaintiff's meal period claim is not suited for class certification since individual inquiries would
27 be needed to assess which employees, if any, took non-compliant or missed meal periods, how
28 many meal periods were non-compliant or missed, and the reasons why a particular employee did

1 not take a meal period on a particular shift, and for second meal periods. In light of these defenses
2 and arguments, Plaintiff discounted J.W. Floor's maximum exposure by 65% for the risk of non-
3 certification, and an additional 65% to account for J.W. Floor's defenses on the merits or failing
4 to recover the full amount sought, to arrive at an estimated total of approximately \$119,272.

5 15. Plaintiff contends that J.W. Floor failed to pay all overtime wages to Settlement
6 Class members due to its allegedly unlawful timekeeping policies/practices. Specifically, Plaintiff
7 contends that J.W. Floor's timekeeping system would automatically clock out employees after
8 working 8.0 hours, resulting in an underpayment of overtime wages to Settlement Class members.
9 Based on Plaintiff's review of employee timekeeping records, approximately 30% of all shifts
10 (20,052) reflect a shift that ends exactly 8.0 hours after the shift began. Plaintiff conservatively
11 estimates that the average unpaid time for each of these shifts was approximately 15 minutes,
12 resulting in approximately 5,013 unpaid hours. Therefore, Plaintiff estimates that J.W. Floor's
13 maximum exposure for this claim is approximately \$183,175 (5,013 unpaid hours * \$36.54
14 average overtime rate). However, J.W. Floor argues that its timekeeping policies/practices were
15 compliant and always compensated Settlement Class members for all hours worked throughout
16 the Class Period. J.W. Floor further argues that its timekeeping policies/practices were lawful,
17 since it was the employees' responsibility to have all overtime hours pre-approved prior to
18 working over 8.0 hours in a shift. Additionally, J.W. Floor asserts Plaintiff would be unable to
19 certify an overtime class given the individualized inquiries as to whether Settlement Class
20 members were in fact working "off-the-clock." Based on these defenses, Plaintiff discounted the
21 maximum exposure by 60% to account for the risk of non-certification, and an additional 65% to
22 account for J.W. Floor's defenses on the merits, to arrive at an estimated exposure of
23 approximately \$25,645.

24 16. Plaintiff alleges that J.W. Floor failed to pay Settlement Class members all
25 overtime wages owed as a result of its failure to include the value of all non-discretionary bonuses
26 into the "regular rate" of pay, including bonuses of Visa gift cards when employees earned a five-
27 star customer review. Based on Plaintiff's review of payroll records, overtimes wages owed due
28 to the failure to include various payments into the regular rate were approximately \$23,261. J.W.

1 Floor argues that it properly included all forms of remuneration when calculating the regular rate
2 of pay, and therefore, paid all overtime wages to Settlement Class members. J.W. Floor contends
3 the vast majority of additional payments at issue are discretionary bonuses and thus need not be
4 included in the regular rate. J.W. Floor further argues that Settlement Class members received
5 different types of bonuses throughout the Class Period, creating substantive differences among
6 the Settlement Class members with respect to the incentives received, making class certification
7 unlikely. In light of these defenses, Plaintiff discounted the maximum amount that the class could
8 potentially recover by 25% for risk of non-certification and discounted an additional 50% for risk
9 of being unsuccessful on the merits or failure to recover the full amount sought, to arrive at an
10 estimated total of approximately \$8,723.

11 17. Plaintiff initially alleged that J.W. Floor's piece-rate compensation
12 policies/practices failed to compensate Plaintiff for all "non-productive time" and failed to
13 separately compensate Plaintiff for paid rest periods. However, a review of Plaintiff's
14 timekeeping and payroll records revealed that Plaintiff was properly compensated for paid rest
15 periods and non-productive time during the Class Period, and therefore, Plaintiff did not place
16 any value on these theories of liability.

17 18. Plaintiff alleges that J.W. Floor failed to authorize and permit all legally compliant
18 off-duty rest periods. Specifically, Plaintiff contends that he and other non-exempt employees
19 were often interrupted during their rest periods and required to work through their off-duty rest
20 periods due to work demands. In addition, on occasions when all lawful rest periods were not
21 authorized and permitted, Plaintiff alleges J.W. Floor failed to pay rest period premiums as
22 required by Labor Code § 226.7. According to Plaintiff's analysis, there were a total of 66,840
23 shifts over 3.5 hours, and Plaintiff contends that he and other non-exempt employees were not
24 provided with duty-free rest periods on approximately 50% of all shifts. Therefore, Plaintiff
25 calculated J.W. Floor's maximum rest period exposure at approximately \$814,111 (33,420 rest
26 period violations * \$24.36 average premium). J.W. Floor counters that it has maintained
27 compliant written rest period policies throughout the Class Period and has always authorized and
28 permitted employees a 10-minute rest period for each four (4) hours worked, or major fraction

thereof, as required under the Wage Order, and that any failure to take rest periods was a result of employee choice, and that it is not required to police rest periods. J.W. Floor also argues that Plaintiff's rest period claim is not amenable to class treatment, since individual inquiries would be required to determine which employees failed to take rest periods, how many rest periods they failed to take, and the reasons why each employee failed to take rest period(s) on a particular shift. These manageability concerns are especially present with respect to rest period claims, J.W. Floor argues, given that rest periods are not—and need not be—recorded. In light of these defenses, Plaintiff discounted the maximum amount that the class could potentially recover by 75% for risk of non-certification, and discounted an additional 75% for risk of being unsuccessful on the merits or failure to recover the full amount sought, to arrive at a projected exposure of approximately \$50,882.

19. Plaintiff alleges that J.W. Floor failed to reimburse him and other non-exempt employees members for all reasonable and necessary work expenditures, including personal cellular phone expenses. Specifically, Plaintiff alleges J.W. Floor required Plaintiff and other non-exempt employees to use their personal cellular phones on a daily basis, however, J.W. Floor failed to reimburse Plaintiff and other non-exempt employees for the costs associated with their cellular phones. Assuming that employees are owed approximately \$25.00 per month for cellular phone usage, Plaintiff estimates J.W. Floor's maximum liability for its failure to reimburse employees for usage of their personal cellular phones at approximately \$77,125 (3,085 aggregate work months * \$25.00 per month). In response, J.W. Floor maintains that employees were not required to use their personal cellular phones as part of their job. J.W. Floor further argues that any expenses incurred by employees were extremely minimal, given the wide availability of low-cost cellular phone plans. J.W. Floor further contends that this claim would require individual inquiries into whether employees actually used their personal cellular phones for work purposes, how much expense they incurred, whether they submitted a request for reimbursement, and the reasonableness of that expense, thus precluding class certification. In light of J.W. Floor's defenses, Plaintiff discounted the maximum exposure by 55% for a risk of non-certification, and an additional 60% for a risk of being unsuccessful on the merits, to arrive at an estimated exposure

1 of approximately \$13,883.

2 20. As a result of the unpaid wages and unpaid meal and rest period premium wages
3 described above, Plaintiff alleges that J.W. Floor is liable for wage statement penalties pursuant
4 to Labor Code § 226. Plaintiff's analysis reflected that there were approximately 245 Settlement
5 Class members and approximately 13,368 pay periods worked during the liability period
6 applicable to Plaintiff's wage statement claim. Those penalties are calculated as \$50 for each
7 "initial" violation and \$100 for each "subsequent" violation, with a maximum of \$4,000 per
8 employee. Plaintiff, therefore, assumed the maximum \$4,000.00 penalty for each employee and
9 calculated J.W. Floor's potential wage statement exposure at approximately \$980,000 (245
10 employees * \$4,000 maximum penalty). J.W. Floor argues any alleged wage statement violations
11 were not "knowing and intentional," and Plaintiff cannot show that he or other employees
12 "suffer[ed] injury" due to the alleged wage statement violations, as required by Labor Code §
13 226(e) for the imposition of penalties. Further, J.W. Floor contends its wage statements always
14 accurately reflected hours worked and amounts paid as well as all other required information,
15 precluding liability for wage statement penalties. In light of these defenses, Plaintiff discounted
16 the maximum exposure by 70% for risk of non-certification, and by an additional 80% for risk of
17 being unsuccessful on the merits, for an estimated realistic exposure of approximately \$58,800.

18 21. As a result of the foregoing Labor Code violations, Plaintiff alleges that J.W. Floor
19 is liable for civil penalties under the PAGA. Plaintiff estimated a maximum total PAGA exposure
20 at approximately \$1,336,800 (13,368 pay periods * \$100 "initial" penalty). Since Plaintiff's
21 PAGA claim is derivative of Plaintiff's underlying wage claims, J.W. Floor asserts the PAGA
22 claim would fail with those claims. J.W. Floor further maintains that, given its good-faith
23 defenses, this Court would exercise its discretion to substantially reduce any PAGA penalties if
24 it were to find J.W. Floor liable for any of Plaintiff's claims. J.W. Floor also asserts the Court
25 would drastically reduce any award of PAGA penalties as "confiscatory." Therefore, Plaintiff
26 discounted the maximum figure by 80% for risk of losing on the merits and/or not recovering a
27 PAGA penalty for every pay period, and an additional 85% to account for the possibility of this
28 Court reducing penalties, to arrive at an estimated exposure of approximately \$40,104.

1 22. Using these estimated figures for each of the claims described above, Plaintiff
2 predicted that the potential realistic recovery for the Settlement Class would be approximately
3 \$317,309. The proposed Settlement of \$275,000.00 represents approximately 86.7% of the
4 reasonably forecasted recovery for the Settlement Class. Preliminary approval is appropriate since
5 the Settlement will provide significant monetary relief to the Settlement Class, which is consistent
6 with what Plaintiff's counsel believes could have been recovered had the case proceeded through
7 trial.

8 23. Although the Parties engaged in significant formal and informal discovery prior to
9 mediation, the Parties still had significant formal discovery to complete had the matter not been
10 settled. This would have required the expenditure of substantial time and resources by both Parties
11 that would have very likely spanned several years. Even if Plaintiff was to certify the classes, the
12 Parties would incur considerably more attorneys' fees and costs through a possible decertification
13 motion, trial, and possible appeal. This Settlement avoids those risks and the accompanying
14 expense.

15 24. My office will also apply for an attorneys' fees award of one-third of the Gross
16 Settlement Amount, which is currently estimated to be \$91,666.67, and up to \$30,000.00 in
17 verified costs reimbursement. Plaintiff submits the requested fee is fair compensation for
18 undertaking complex, risky, expensive, and time-consuming litigation on a purely contingent fee
19 basis. Class Counsel has incurred substantial attorneys' fees conducting pre-filing investigation,
20 analyzing Plaintiff's claims, conducting legal research, conducting extensive formal and informal
21 discovery, analyzing Settlement Class members' timekeeping and payroll records, creating a
22 comprehensive damages model, preparing for and attending mediation, negotiating and preparing
23 the long-form Stipulation of Settlement, preparing this Motion, and otherwise litigating the case.
24 Class Counsel expects to expend additional attorney time in attending the hearing on this Motion,
25 overseeing the Notice process and fielding questions from Settlement Class members, preparing
26 the Final Approval papers, and attending the Final Approval hearing.

27 25. Plaintiff will apply for Class Representative Enhancement Payment at the time of
28 seeking final approval of the proposed class action settlement in the amount of \$7,500.00 for his

1 service to the Settlement Class. As will be fully briefed at the time of final approval, Plaintiff's
2 requested Enhancement Payment is intended to recognize the time and effort Plaintiff expended
3 on behalf of the Settlement Class, including providing substantial factual information and
4 documents to Class Counsel, discussing the claims and theories at issue in the litigation, actively
5 participating in the prosecution of his claims, as well as the significant risks Plaintiff undertook
6 by agreeing to serve as the named plaintiff in this case.

7 I declare under penalty of perjury under the laws of the State of California that the
8 foregoing is true and correct. Executed on January 7, 2026, at El Segundo, California.

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10 Sean M. Blakely
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EXHIBIT 1

STIPULATION OF SETTLEMENT

This Stipulation of Settlement (“Settlement Agreement”) is reached by and between Plaintiff Alexander Cota (“Plaintiff”), individually and on behalf of all members of the Settlement Class (defined below), on one hand, and Defendant J.W. Floor Covering, Inc. (hereinafter “J.W. Floor”), on the other hand. Plaintiff and J.W. Floor are referred to herein collectively as the “Parties.” Plaintiff and the Settlement Class are represented by Paul K. Haines, Sean M. Blakely, and Joel M. Gordon of Haines Law Group, APC (“Class Counsel”). J.W. Floor is represented by Lawrence G. Campitiello and Madeline Cahill of Cahill & Campitiello LLP.

On October 25, 2023, Plaintiff filed a class action complaint against J.W. Floor in San Diego County Superior Court, in the matter entitled *Alexander Cota v. J.W. Floor Covering, Inc.*, Case No. 37-2023-00046498-CU-OE-CTL (the “Complaint”). On January 2, 2024, Plaintiff filed a First Amended Class and Representative Action Complaint (“FAC”), adding a cause of action under the Private Attorneys General Act, Cal. Labor Code § 2698 *et seq* (“PAGA”). On April 8, 2024, Plaintiff filed the operative Second Amended Class and Representative Action Complaint (“SAC”), alleging the following causes of action: (1) minimum wage violations; (2) failure to pay all overtime wages; (3) meal period violations; (4) rest period violations; (5) failure to reimburse for all necessary business expenditures; (6) wage statement violations; (7) unfair competition in violation of Cal. Business & Professions Code § 17200, *et seq.*; and (8) civil penalties under the PAGA. The Complaint, the FAC, and the SAC are referred to herein as the “Action.”

Given the uncertainty of litigation, Plaintiff and J.W. Floor wish to settle individually and on behalf of the Settlement Class. Accordingly, Plaintiff and J.W. Floor agree as follows:

1. **Settlement Class.** For the purposes of this Settlement Agreement only, Plaintiff and J.W. Floor stipulate to the certification of the following Settlement Class:

All current and former non-exempt employees who worked for Defendant J.W. Floor Covering, Inc. in California from March 21, 2023 through July 28, 2025 (the “Class Period”).

The Parties agree that certification for purposes of this Settlement Agreement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure or under Rule 23 of the Federal Rule of Civil Procedure. If for any reason this Settlement Agreement is not approved or is terminated, in whole or in part, this conditional agreement to class certification will be inadmissible and will have no effect in this matter or in any claims brought on the same or similar allegations, and the Parties shall revert to the respective positions they held prior to entering into the Settlement Agreement.

2. **Release by Settlement Class Members and Plaintiff.** Plaintiff and every member of the Settlement Class (except those who opt out and except as to the PAGA claims specified below) will fully release and discharge J.W. Floor, and all of its past and present officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys, (collectively the “Released Parties”), as follows:

- A. Upon the Effective Date and the complete funding of the Gross Settlement Amount, Settlement Class members will release all claims, demands, rights, liabilities and causes of action that were pled in the operative SAC that arose during the Class Period, including claims for: (a) failure to pay all minimum wages; (b) failure to pay all overtime wages; (c) failure to provide meal periods as required by law; (d) failure to authorize rest periods as required by law; (e) failure to reimburse for all necessary business expenses; (f) failure to provide accurate, itemized wage statements; (g) waiting time penalties; and (h) all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories described above (the “Class Released Claims”). The period of the Class Released Claims shall extend to the limits of the Class Period.
- B. **Release of PAGA Claims.** In addition, all Settlement Class members (regardless of whether they opt out) who worked for J.W. Floor at any time from March 21, 2023 through July 28, 2025 (the “PAGA Period”) are “Aggrieved Employees” and shall release the Released Parties from all claims for civil penalties under PAGA arising during the PAGA Period as disclosed in Plaintiff’s October 25, 2023 Notification Letter to the Labor and Workforce Development Agency (“LWDA”) (“the PAGA Released Claims”).
- C. **Release by Plaintiff.** As a condition of receiving the Class Representative Enhancement Payment, and upon J.W. Floor’s complete funding of the Gross Settlement Amount, Plaintiff has agreed to release, individually and in addition to the Class Released Claims described above, all claims, whether known or unknown, without exception, against the Released Parties. The Parties understand and agree that Plaintiff is not, by way of this release, releasing any workers’ compensation claims, unemployment insurance claims, nor any other claims which cannot be released as a matter of law. Notwithstanding the foregoing, Plaintiff understands that this release includes unknown claims and that Plaintiff is, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

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

Specifically excluded from Plaintiff’s Released Claims are any claims that cannot be released as a matter of law, such as claims for workers’ compensation benefits or unemployment benefits. No workers’ compensation claims are being resolved under this Settlement.

3. **Gross Settlement Amount.** As consideration, J.W. Floor agrees to pay a non-reversionary “Gross Settlement Amount” of Two Hundred Seventy-Five Thousand Dollars and Zero Cents (\$275,000.00) in full and complete settlement of the Action, as follows:

- A. The Parties have agreed to engage ILYM Group, Inc. as the “Settlement Administrator” to administer this Settlement.
- B. The Gross Settlement Amount shall be deposited with the Settlement Administrator within sixty (60) calendar days of the Effective Date (which, for this purpose, shall be defined as the later of (1) date on which the Court enters an Order granting Final Approval of the Settlement Agreement or, (2) solely in the event that there are any objections to the Settlement Agreement (the filing of an objection being a prerequisite to the filing of an appeal), the later of: (i) the last date on which any appeal might be filed or (ii) the successful resolution of any appeal(s) – including expiration of any time to seek reconsideration or further review.
- C. This is a non-reversionary settlement. The Gross Settlement Amount includes:
- (1) All payments (including interest) to the Settlement Class;
 - (2) All costs of the Settlement Administrator and settlement administration, which are anticipated to be no greater than Seven Thousand Four Hundred Fifty Dollars and Zero Cents (\$7,450.00);
 - (3) Up to Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) to Plaintiff for Plaintiff’s Class Representative Enhancement Payment, in recognition of his contributions to the Lawsuit and his service to the Settlement Class. Even in the event that the Court reduces or does not approve the requested Class Representative Enhancement Payment, Plaintiff shall not have the right to revoke this Settlement Agreement, and it will remain binding;
 - (4) Up to one-third of the Gross Settlement Amount in Class Counsel’s attorneys’ fees, plus actual costs and expenses incurred by Class Counsel related to the Lawsuit as supported by declaration, which are currently estimated to be no greater than Thirty Thousand Dollars and Zero Cents (\$30,000.00). In the event that the Court reduces or does not approve the requested Class Counsel attorneys’ fees or costs, Class Counsel shall not have the right to revoke this Settlement Agreement, and it will remain binding; and
 - (5) Twenty Thousand Dollars and Zero Cents (\$20,000.00) of the Gross Settlement Amount has been set aside by the Parties as PAGA civil penalties. Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Fifteen Thousand Dollars and Zero Cents (\$15,000.00) will be payable to the Labor & Workforce Development Agency (“LWDA”), and the remaining twenty-five percent (25%), or Five Thousand Dollars and Zero Cents (\$5,000.00), will be payable to certain Settlement Class members as the “PAGA Amount,” which PAGA Amount will be distributed as described below.

- (6) Any difference between these requested amounts and the amounts approved by the Court will revert to the Net Settlement Amount for the benefit of the Settlement Class members who do not opt out.

- D. **Escalator Clause.** J.W. Floor represents that there are an estimated 13,500 total collective workweeks worked during the Class Period. If the number of workweeks during the Class Period exceeds this figure by more than 10% (i.e., if there are 14,851 or more workweeks), J.W. Floor agrees to either: (1) increase the Gross Settlement Amount on a proportional basis above the 10% threshold (i.e., if there is a 12% increase in the number of workweeks, J.W. Floor shall increase the Gross Settlement Amount by 2%); or (2) at J.W. Floor's option, elect to end the Class Period as of the date on which the total number of workweeks reaches 14,851 workweeks.
- E. J.W. Floor's share of payroll taxes shall be paid by J.W. Floor separately from, and in addition to, the Gross Settlement Amount.

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

- A. The Settlement Administrator shall first deduct from the Gross Settlement Amount the amounts approved by the Court for Class Counsel's attorneys' fees, Class Counsel's costs and expenses, Plaintiff's Class Representative Enhancement Payment, the Settlement Administrator's fees and expenses for administration, and the total amount designated as PAGA civil penalties. The remaining amount shall be known as the "Net Settlement Amount."
- B. From the Net Settlement Amount, the Settlement Administrator will calculate each Settlement Class member's Individual Settlement Payment based on the following formula:
 - i. The Net Settlement Amount shall be allocated to Settlement Class members who worked during the Class Period, as follows: each participating Settlement Class member shall receive a proportionate settlement share based upon the number of weeks worked as a non-exempt employee during the Class Period, the numerator of which is the Settlement Class member's total weeks worked as a non-exempt employees during the Class Period, and the denominator of which is the total weeks worked as non-exempt employees by all Settlement Class members (who do not opt out) who worked during the Class Period.
- C. In addition to the Net Settlement Amount, the PAGA Amount will be allocated as follows: Each Settlement Class member who was employed by J.W. Floor at any time during the PAGA Period (including those who submit a valid and timely Request for Exclusion from the class action settlement), shall receive a portion of the PAGA Amount proportionate to the number of pay periods worked during the

PAGA Period, and which will be calculated by multiplying the PAGA Amount by a fraction, the numerator of which is the Settlement Class member's gross number of pay periods worked during the PAGA Period, and the denominator of which is the total number of pay periods worked by all participating Settlement Class members (including those who submit a valid and timely Request for Exclusion from the class action settlement) during the PAGA Period.

- D. Within ten (10) calendar days following J.W. Floor's deposit of the Gross Settlement Amount with the Settlement Administrator, the Settlement Administrator will calculate Individual Settlement Payment amounts and provide the same to the Parties' counsel for review and approval. Within seven (7) calendar days of approval by the Parties' counsel, the Settlement Administrator will prepare and mail Individual Settlement Payments, less applicable taxes and withholdings, to participating Settlement Class members. The Settlement Administrator shall simultaneously pay the withholdings to the applicable authorities with the necessary reports, submitting copies to J.W. Floor's counsel.
- E. For purposes of calculating applicable taxes and withholdings, each Settlement Payment shall be allocated as follows: Any payment from the Net Settlement Amount shall be allocated as 85% penalties and interest and 15% as wages. Any payment from the PAGA Amount shall be allocated as 100% penalties. The Settlement Administrator will be responsible for issuing to participating Settlement Class members IRS Forms W-2 for amounts deemed "wages" and IRS Forms 1099 for the amounts allocated as penalties and interest. Notwithstanding the treatment of the payments to each Settlement Class member above, none of the payments called for by this Settlement Agreement, including the wage portion, are to be treated as earnings, wages, pay or compensation for any purpose of any applicable benefit or retirement plan, unless required by such plans.
- F. Each member of the Settlement Class who receives a Settlement Payment must cash that check within 180 days from the date the Settlement Administrator mails it. Any funds payable to Settlement Class members whose checks are not cashed within 180 days after mailing shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500 *et seq.*, in the name of the Settlement Class member to whom the check was issued, until such time that they claim their property.
- G. Neither Plaintiff nor J.W. Floor shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement Administrator.

5. **Attorneys' Fees and Costs.** J.W. Floor will not object to Class Counsel's request for a total award of attorneys' fees of one-third of the Gross Settlement Amount, which is currently estimated to be Ninety-One Thousand Six Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$91,666.67). Additionally, Class Counsel will request an award of actual costs and expenses as supported by declaration, in an amount not to exceed Thirty Thousand Dollars and Zero Cents

(\$30,000.00) from the Gross Settlement Amount. These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation: all work performed and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator when the Settlement Administrator pays the fee award allowed by the Court.

6. **Class Representative Enhancement Payment.** J.W. Floor will not object to a request for a Class Representative Enhancement Payment of up to Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) for Plaintiff, for his time and risk in prosecuting this case, and his service to the Settlement Class. This award will be in addition to Plaintiff's respective Individual Settlement Payment as a Settlement Class member, and shall be reported on an IRS Form 1099 issued by the Settlement Administrator. In the event that the Court reduces or does not approve the requested Service Award, Plaintiff shall not have the right to revoke this Settlement, and it will remain binding.

7. **Settlement Administrator.** J.W. Floor will not object to the appointment of ILYM Group, Inc. as Settlement Administrator. J.W. Floor will not object to Plaintiff's request to the Court to pay up to Seven Thousand Dollars Four Hundred Fifty Dollars and Zero Cents (\$7,450.00) for its services from the Gross Settlement Amount. The Settlement Administrator shall be responsible for sending notices and for calculating Individual Settlement Payments and preparing all checks and mailings, calculating J.W. Floor's share of taxes payable on the wages, which shall be deducted from the Gross Settlement Amount, and other duties as described in this Settlement Agreement. The Settlement Administrator shall be authorized to pay itself from the Gross Settlement Amount by Class Counsel only after Individual Settlement Payments have been mailed to all participating Settlement Class members. The Settlement Administrator shall also be responsible for posting the Final Judgment to its website.

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

- A. Conditionally certifying the Settlement Class for purposes of this Settlement Agreement;
- B. Appointing Paul K. Haines, Sean M. Blakely, and Joel M. Gordon of Haines Law Group, APC as Class Counsel;
- C. Appointing Plaintiff Alexander Cota as Class Representative for the Settlement Class;
- D. Approving ILYM Group, Inc. as Settlement Administrator;
- E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;
- F. Approving the form and content of the Notice Packet (which is comprised of the Class Notice and Notice of Estimated Individual Settlement Payment, drafts of

which are attached hereto as **Exhibits A and B**, respectively), and directing the mailing of same; and

G. Scheduling a Final Approval hearing.

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

- A. Within ten (10) business days after entry of an order preliminarily approving this Settlement, J.W. Floor will provide the Settlement Administrator with the names, last known addresses, phone numbers, social security numbers, the dates of employment, and the number of workweeks worked by each Settlement Class member while employed during the Class Period (the "Class Data"). The Class Data shall be provided to the Settlement Administrator in an electronic format satisfactory to the Settlement Administrator.
- B. Within ten (10) business days from receipt of this information, the Settlement Administrator shall (i) run the names of all Settlement Class members through the National Change of Address ("NCOA") database to determine any updated addresses for Settlement Class members; (ii) update the address of any Settlement Class member for whom an updated address was found through the NCOA search; (iii) calculate the estimated Individual Settlement Payment for each Settlement Class member; and (iv) mail a Notice Packet to each Settlement Class member at his or her last known address or at the updated address found through the NCOA search, and retain proof of mailing.
- C. Requests for Exclusion. Any Settlement Class member who wishes to opt-out of the Settlement must complete and mail a Request for Exclusion (defined below) to the Settlement Administrator within sixty (60) calendar days of the date of the initial mailing of the Notice Packets (the "Response Deadline").
 - i. The Notice Packet shall state that Settlement Class members who wish to exclude themselves from the Settlement must submit a Request for Exclusion by the Response Deadline. The Request for Exclusion must: (1) contain the name, address, telephone number and the last four digits of the Social Security number of the Settlement Class member; (2) contain a statement that the Settlement Class member wishes to be excluded from the Settlement; (3) be signed by the Settlement Class member; and (4) be postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion does not contain the information listed in (1)-(3), it will not be deemed valid for exclusion from the Settlement, except a Request for Exclusion not containing a Settlement Class member's telephone number and/or last four digits of the Social Security number will be deemed valid. The date of the postmark on the Request for Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Settlement Class member who requests to be excluded from the Settlement Class will not be entitled to any recovery under

this Settlement Agreement and will not be bound by the terms of the Settlement or have any right to object, appeal or comment thereon. Notwithstanding the foregoing, the PAGA settlement and release provisions will apply to all Settlement Class members whether or not they exclude themselves from the class action settlement. Settlement Class members who were employed by J.W. Floor at any time during the PAGA Period and submit a valid and timely Request for Exclusion shall still be entitled to their portion of the PAGA Amount described above, and will release all PAGA Released Claims, whether they submit a valid and timely Request for Exclusion or not.

- D. Objections. Members of the Settlement Class who do not request exclusion may object to this Settlement Agreement as explained in the Class Notice by filing a written objection with the Settlement Administrator (who shall serve all objections as received on Class Counsel and J.W. Floor's counsel, as well as file all such objections with the Court). J.W. Floor's counsel and Class Counsel shall file any responses to objections no later than the deadline to file the Motion for Final Approval, unless the objections are filed within ten (10) days of the Motion for Final Approval filing deadline, in which case J.W. Floor's counsel and Class Counsel shall have ten (10) days to file a response to the objections. To be valid, any written objection should: (1) contain the objecting Settlement Class member's full name and current address, as well as contact information for any attorney representing the objecting Settlement Class member for purposes of the objection; (2) include all objections and the factual and legal bases for same; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence; and (4) be postmarked no later than the Response Deadline. Members of the Settlement Class who do not request exclusion may also object to the Settlement by appearing at the Final Approval Hearing. Members of the Settlement class who request exclusion *may not* object to the Settlement.
- E. Notice of Estimated Individual Settlement Payment / Disputes. Each Notice Packet mailed to a Settlement Class member shall disclose the amount of the Settlement Class member's estimated Individual Settlement Payment as well as all of the information that was used from J.W. Floor's records in order to calculate the Settlement Payment. Settlement Class members will have the opportunity, should they disagree with J.W. Floor's records regarding the information stated in the Notice of Estimated Individual Settlement Payment, to provide documentation and/or an explanation to show contrary information. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Payments under the terms of this Settlement Agreement. The Settlement Administrator's determination of the eligibility for and amount of any Individual Settlement Payment shall be binding upon the Settlement Class member and the Parties.

- F. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a “skip trace,” to obtain an updated mailing address within five (5) business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement Administrator shall resend the Notice Packet to the Settlement Class member immediately, and in any event within three (3) business days of obtaining the updated address. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Settlement Class member. It will be conclusively presumed that, if an envelope so mailed has not been returned within thirty (30) days of the mailing, the Settlement Class member received the Notice Packet. Settlement Class members to whom Notice Packets are re-mailed after having been returned as undeliverable to the Settlement Administrator shall have fourteen (14) calendar days from the date of re-mailing, or until the Response Deadline has expired, whichever is later, to submit a Request for Exclusion, Objection, or dispute. Notice Packets that are re-mailed shall inform the recipient of this adjusted deadline. If a Settlement Class member’s Notice Packet is returned to the Settlement Administrator more than once as non-deliverable, then an additional Notice Packet shall not be mailed. Nothing else shall be required of, or done by, the Parties, Class Counsel, or J.W. Floor’s Counsel to provide notice of the proposed settlement.

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

- A. Granting final approval of the Settlement, adjudging the terms thereof to be fair, adequate, and reasonable, and directing consummation of its terms and provisions;
- B. Approving Plaintiff’s and Class Counsel’s request for attorneys’ fees and reimbursement of costs, Class Representative Enhancement Payment, and settlement administration costs; and
- C. Entering Final Judgment pursuant to California Rule of Court 3.769. Said Judgment shall be posted on the Settlement Administrator’s website.

11. **Non-Admission of Liability.** Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this Settlement. Each of the Parties has entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to Federal Evidence Code Section 408 and California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by Federal Evidence Code Section 408 and the California Evidence Code Section 1152.

12. **Non-disclosure and Non-publication.** Plaintiff and Class Counsel agree not to disclose or publicize the Settlement Agreement contemplated herein, the fact of the Settlement Agreement, its terms or contents, or the negotiations underlying the Settlement Agreement, in any manner or form, directly or indirectly, to any person or entity, except to Settlement Class members and as shall be contractually required to effectuate the terms of the Settlement Agreement as set forth herein. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other Lawsuits, Class Counsel may disclose the names of the Parties in this Lawsuit, the venue/case number of this Lawsuit, and a general description of the Lawsuit, to a court in a declaration by Class Counsel.

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

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

if to J.W. Floor: Lawrence G. Campitiello of Cahill & Campitiello LLP, 11440 West
Bernardo Court, Suite 214, San Diego, CA 92127;
lcampitiello@cahillcampitiello.com.

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

15. **Cooperation.** The Parties agree to work cooperatively, diligently and in good faith to ensure that all documents necessary to effectuate this Settlement are properly and timely filed.

16. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the Lawsuit contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof. Further, all terms of this Agreement and the exhibits hereto shall be governed by and interpreted according to the laws of the State of California.

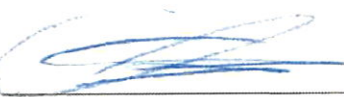
17. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

18. **Enforcement Action.** Consistent with the class action procedure, the Parties agree that the San Diego County 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.

DATED: June 25, 2025

DEFENDANT J.W. FLOOR COVERING, INC.

By: 

Christopher Tiffany
Title: Chief Operating Officer

DATED: _____, 2025

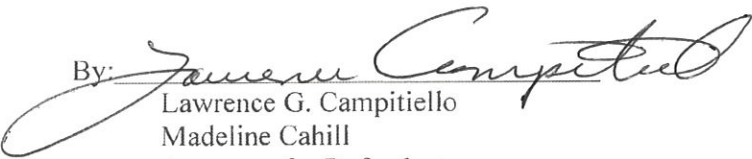
PLAINTIFF ALEXANDER COTA

By: _____
Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED: 6-25-, 2025

CAHILL & CAMPITIELLO LLP

By: 

Lawrence G. Campitiello
Madeline Cahill
Attorneys for Defendant

DATED: _____, 2025

HAINES LAW GROUP, APC

By: _____
Paul K. Haines
Sean M. Blakely
Joel M. Gordon
Attorneys for Plaintiff

unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

DATED: _____, 2025

DEFENDANT J.W. FLOOR COVERING, INC.

By: _____

Christopher Tiffany
Title: Chief Operating Officer

DATED: June 26, 2025

PLAINTIFF ALEXANDER COTA

By:  _____
[Alexander Cota \(Jun 26, 2025 11:50 PDT\)](#)
Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED: _____, 2025

CAHILL & CAMPITIELLO LLP

By: _____

Lawrence G. Campitiello
Madeline Cahill
Attorneys for Defendant

DATED: June 26, 2025

HAINES LAW GROUP, APC

By:   _____

Paul K. Haines
Sean M. Blakely
Joel M. Gordon
Attorneys for Plaintiff

EXHIBIT A

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN DIEGO

ALEXANDER COTA, as an individual and on behalf
of all others similarly situated,

Plaintiff,

vs.

J.W. FLOOR COVERING, INC., a California
corporation; and DOES 1 through 100,

Defendants.

Case No. 37-2023-00046498-CU-OE-CTL

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

To: All current and former non-exempt employees who worked for Defendant J.W. Floor Covering, Inc.
in California from March 21, 2023 through July 28, 2025.

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

Why should you read this notice?

The San Diego County Superior Court has granted preliminary approval of a proposed class action settlement (the "Settlement") in the case of *Alexander Cota v. J.W. Floor Covering, Inc.*, San Diego County Superior Court Case No. 37-2023-00046498-CU-OE-CTL (the "Action"). Because your rights may be affected by the Settlement, it is important that you read this notice carefully.

You may be entitled to money from this Settlement. Defendant J.W. Floor Covering, Inc.'s ("J.W. Floor") records show that you were employed at J.W. Floor as a non-exempt employee in the State of California between March 21, 2023 through July 28, 2025 (the "Class Period"). The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

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

What is this case about?

Plaintiff Alexander Cota ("Plaintiff") brought this Action against J.W. Floor, seeking to assert claims on behalf of a class of current and former non-exempt employees who worked for J.W. Floor in the State of California at any time during the Class Period. Plaintiff is known as the "Class Representative," and his attorneys, who also represent the interests of all Settlement Class members, are known as "Class Counsel."

In the Action, Plaintiff alleges that J.W. Floor: (1) failed to pay all minimum wages; (2) failed to pay all overtime wages; (3) failed to provide all meal periods, or premium pay for non-compliant meal periods; (4) failed to authorize and permit all rest periods, or premium pay for non-compliant rest periods; (5) failed to reimburse necessary business expenses; (6) failed to furnish accurate, compliant, and itemized wage statements; (7) engaged in unfair, unlawful business practices; and (8) is liable for civil penalties under the Private Attorneys' General Act ("PAGA").

J.W. Floor denies all liability to Settlement Class members, denies the factual and legal allegations in the Action, and believes that it has valid defenses to Plaintiff's claims. J.W. Floor has entered into the Settlement solely for the purposes of resolving this dispute. Accordingly, the Settlement constitutes a compromise of disputed claims and should not be construed as an admission of liability on the part of J.W. Floor, which expressly denies all liability.

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

The Class Representative and Class Counsel support the Settlement. Among the reasons for support are the defenses to liability potentially available to J.W. Floor, the risk of denial of class certification, the inherent risks of trial on the merits, and the delays and uncertainties associated with litigation.

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

Who are the Attorneys?

Attorneys for the Plaintiff/Settlement Class:	Attorneys for J.W. Floor Covering, Inc.:
HAINES LAW GROUP, APC Paul K. Haines phaines@haineslawgroup.com Sean M. Blakely sblakely@haineslawgroup.com Joel M. Gordon jgordon@haineslawgroup.com 2155 Campus Drive, Suite 180 El Segundo, California 90245 Tel: (424) 292-2350 Fax: (424) 292-2355 haineslawgroup.com	CAHILL & CAMPITIELLO LLP Lawrence G. Campitiello lcampitiello@cahillcampitiello.com Madeline Cahill mcahill@cahillcampitiello.com 11440 West Bernardo Court, Suite 214 San Diego, California 92127 Tel: (442) 777-5708 cahillcampitiello.com

What are the terms of the Settlement?

On <<PRELIM APPROVAL DATE>>, the Court preliminarily certified a class, for settlement purposes only, of all current and former non-exempt employees who worked for J.W. Floor in the State of California during the Class Period. Settlement Class members who do not opt out of the Settlement pursuant to the procedures set forth in this Notice will be bound by the Settlement and will release their claims against J.W. Floor as described below.

J.W. Floor has agreed to pay \$275,000.00 (the "Gross Settlement Amount") to fully resolve all claims in the Action, including payments to Settlement Class members, requested attorneys' fees and expenses, settlement administration costs, the amount designated as PAGA civil penalties, and the Class Representative's Enhancement Payment.

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

Attorneys' Fees and Expenses. Class Counsel have been prosecuting the Action on behalf of the Settlement Class members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount

awarded to Class Counsel as attorneys' fees, which will be paid from the Gross Settlement Amount. Settlement Class members are not personally responsible for any of Class Counsel's attorneys' fees or expenses. Class Counsel will ask for fees of up to one-third of the Gross Settlement Amount, which is currently estimated to be \$91,666.67, as reasonable compensation for the work Class Counsel performed and will continue to perform in this Action through Settlement finalization. Class Counsel also will ask for reimbursement of up to \$30,000.00 for verified costs Class Counsel incurred in connection with the Action.

Settlement Administration Costs. The Court has approved ILYM Group, Inc. to act as the "Settlement Administrator," who is sending this Notice to you and will perform many other duties relating to the Settlement. The Court has approved setting aside up to \$7,450.00 from the Gross Settlement Amount to pay the settlement administration costs.

Enhancement Payment to Class Representative. Class Counsel will ask the Court to award an enhancement payment in the amount of \$7,500.00 for Plaintiff to compensate him for his service and extra work provided on behalf of the Settlement Class members.

To the LWDA and Aggrieved Employees: PAGA Penalties in the total amount of \$20,000.00 to be paid from the Gross Settlement Amount. \$15,000.00 will be paid to the California Labor & Workforce Development Agency ("LWDA"), representing 75% of the \$20,000.00 the parties have agreed to allocate to the settlement of Plaintiff's claims on behalf of aggrieved employees under the PAGA. The remaining \$5,000.00 will be payable to Aggrieved Employees as "Individual PAGA Payments."

Calculation of Settlement Class Members' Individual Settlement Payments. After deducting the Court-approved amounts above, the balance of the Gross Settlement Amount will form the Net Settlement Amount, which will be distributed to all Settlement Class members who do not submit a valid and timely Request for Exclusion (described below). The Net Settlement Amount is estimated at approximately \$118,383.33 and will be divided as follows:

- (i) Individual Settlement Payments to All Participating Settlement Class members: The Settlement Administrator will calculate Individual Settlement Payments from the Net Settlement Amount based on each Settlement Class member's proportionate Workweeks worked during the Class Period. Specifically, each Individual Settlement Payment will be calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Settlement Class members during the Class Period, and (b) multiplying the result by the total Workweeks worked by each Participating Settlement Class member during the Class Period.
- (ii) In addition to the Net Settlement Amount, \$5,000.00 of the Gross Settlement Amount has been allocated to the Individual PAGA Payments and will be allocated to all Settlement Class members (regardless of whether they submit a timely and valid Request for Exclusion) who worked for J.W. Floor at any time from March 21, 2023 through July 28, 2025 (the "PAGA Period"), in proportion to the number of PAGA Pay Periods that each Settlement Class member worked for J.W. Floor in California as a non-exempt employee during that time period.

Payments to Settlement Class members. If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to all Settlement Class members who did not submit a valid and timely Request for Exclusion. Each member of the Settlement Class who receives a Settlement Award must cash that check within 180 days from the date the Settlement Administrator mails it. Any funds payable to Settlement Class members whose checks are not cashed within 180 days after mailing shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500 *et seq.*, in the name of the Settlement Class member to whom the check was issued, until such time that they claim their property.

Allocation and Taxes. For tax purposes, each Individual Settlement Payment will be treated as follows: fifteen percent (15%) as "wages," for which an IRS form W-2 will be issued; eighty-five percent (85%) as penalties

and interest, for which an IRS form 1099 will be issued. Settlement Class members are responsible for the proper income tax treatment of the Individual Settlement Payments. The Settlement Administrator, J.W. Floor and its counsel, and Class Counsel cannot provide tax advice. Accordingly, Settlement Class members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Release. If the Court approves the Settlement, upon the Effective date and the complete funding of the Gross Settlement Amount, all Settlement Class members who did not submit a timely and valid Request for Exclusion, will fully release and discharge J.W. Floor and any of its past, present, and future parents, subsidiaries, divisions, and/or affiliated companies and entities, and each of its/their past, present, and future owners, officers, directors, members, managers, employees, consultants, partners, subsidiaries, shareholders, attorneys, insurers, joint venturers, agents, successors, assigns, legal representatives, and/or any other persons acting on its/their behalf (collectively the “Released Parties”), as follows: all Settlement Class members who have not opted out will release and discharge J.W. Floor from liability for all claims that were pled or could have been pled in the Action based on the factual allegations therein, that arose during the Class Period (“Released Class Claims”), including claims for: (1) minimum wages; (2) overtime wages; (3) meal period violations; (4) rest period violations; (5) failure to reimburse for all necessary business expenditures; (6) wage statement penalties; (7) waiting time penalties; (8) unfair competition; and (9) civil penalties under the PAGA.

In addition, all Settlement Class members (regardless of whether they opt-out) who worked for J.W. Floor at any time from period from March 21, 2023 through July 28, 2025 (the “PAGA Period”) are “Aggrieved Employees.” All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA civil penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Action and the PAGA Notice, and ascertained in the course of the Action, including, but not limited to, any right or claim for PAGA penalties predicated on: (1) minimum wages; (2) overtime wages; (3) meal period violations; (4) rest period violations; (5) failure to reimburse for all necessary business expenditures; (6) wage statement penalties; (7) waiting time penalties; (8) any violation or breach of the California Labor Code arising from or related to the conduct or omission alleged, or could have reasonably been alleged, in the Action and the conduct or omission ascertained in the course of the Action, including without limitation, any violation or breach of California Labor Code §§ 201-204, 226 et seq., 226.7, 245.5, 510, 512, 516, 558, 1194, 1198, 2802, 2804, or any other similar wage orders (“Released PAGA Claims”).

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

How can I claim money from the Settlement?

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

What other options do I have?

Dispute Information in Notice of Estimated Individual Settlement Payment. Your Individual Settlement Payment is based on the number of workweeks you worked during the Class Period. The information contained in J.W. Floor’s records regarding the number of workweeks you worked during the Class Period, along with your estimated Individual Settlement Payment, is listed on the accompanying Notice of Estimated Individual Settlement Payment. If you disagree with the information in your Notice of Estimated Individual Settlement Payment, you may submit a dispute, along with any supporting documentation, in accordance with the procedures stated in the Notice of Estimated Individual Settlement Payment. Any disputes, along with supporting documentation, must be postmarked no later than <<RESPONSE DEADLINE>>. **DO NOT**

SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.

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

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

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

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

You may also appear at the Final Approval Hearing scheduled for <<FINAL APPROVAL HEARING DATE/TIME>> in Department C-72 of the San Diego County Superior Court, located at Hall of Justice, Sixth Floor, 330 West Broadway, San Diego, California 92101. You have the right to appear either in person or through your own attorney at this hearing. All objections or other correspondence must state the name and number of the case, which is *Alexander Cota v. J.W. Floor Covering, Inc.*, San Diego County Superior Court Case No. 24CVP-0190. You do not need to object in writing to be heard at the Final Approval Hearing.

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

What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on <<FINAL APPROVAL HEARING DATE/TIME>>, in Department C-72 of the San Diego County Superior Court, located at Hall of Justice, Sixth Floor, 330 West Broadway, San Diego, California 92101. The Court also will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses and the Enhancement Payment to the Class Representative. The Final Approval Hearing may be postponed without further notice to the Settlement Class. You may contact Class Counsel using the contact information provided above to confirm the address and time of the hearing. **You are not required to attend the Final Approval Hearing, although any Settlement Class member is welcome to attend the hearing.**

How can I get additional information?

This Notice is only a summary of the Action and the Settlement. For more information, you may inspect the Court's files and the Settlement Agreement at the Office of the Clerk of the San Diego County Superior Court, located at 330 West Broadway, San Diego, California 92101, during regular court hours. You may also contact Class Counsel using the contact information listed above for more information.

**PLEASE DO NOT CALL OR WRITE THE COURT, J.W. FLOOR, OR ITS ATTORNEYS FOR
INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS**

REMINDER AS TO TIME LIMITS

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

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

EXHIBIT B

NOTICE OF ESTIMATED INDIVIDUAL SETTLEMENT PAYMENT

ALEXANDER COTA V. J.W. FLOOR COVERING, INC.
SAN DIEGO COUNTY SUPERIOR COURT CASE NO. 37-2023-00046498-CU-OE-CTL

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 Individual Settlement Payment:

According to J.W. Floor Covering, Inc.'s ("J.W. Floor") records:

- (a) you worked for J.W. Floor in California from _____ to _____;
- (b) you worked _____ workweeks for J.W. Floor in the State of California from March 21, 2023 through July 28, 2025;
- (c) you worked _____ pay periods for J.W. Floor in the State of California from March 21, 2023 through July 28, 2025; and

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

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

If you dispute the above information from J.W. Floor's records, J.W. Floor's records will control unless you are able to provide documentation that establishes otherwise and that J.W. Floor's records are mistaken. If there is a dispute about whether J.W. Floor's information or yours is accurate, and the dispute cannot be resolved informally, the dispute will be resolved by the Settlement Administrator as described in the "Court Approved Notice of Class Action Settlement and Hearing Date for Final Court Approval" that accompanies this Form.

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

Signature: _____

Date: _____

EXHIBIT 2

HAINES LAW GROUP
EMPLOYMENT ATTORNEYS

October 25, 2023

VIA LWDA WEBSITE

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

Re: *Alexander Cota v. J.W. Floor Covering, Inc.*

To Whom It May Concern:

Please be advised that this law firm represents Alexander Cota (“Mr. Cota”) in claims arising from his employment with J.W. Floor Covering, Inc; and Does 1 through 100 (collectively “JW Floor Covering”). Mr. Cota is an “aggrieved employee” as defined by Labor Code Section 2698 *et seq.*, due to JW Floor Covering’s numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code Section 2699.3, which requires aggrieved employees to notify their employer and the Labor & Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated. For purposes of this letter, “aggrieved employees” include all of JW Floor Covering’s non-exempt employees who worked for JW Floor Covering in California during the one year immediately preceding the date of this letter through the present.

JW Floor Covering serves San Diego County and the surrounding areas, as a construction company that specializes in flooring services. Since February 2022, Mr. Cota has worked for JW Floor Covering as a non-exempt employee in the position of “Residential Installer”.

Throughout his employment with JW Floor Covering, Mr. Cota was paid on a piece-rate basis, whereby he was paid a pre-determined rate per flooring unit completed. Mr. Cota and other aggrieved employees were compensated exclusively on a piece-rate basis, and for at least a portion of Mr. Cota’s employment, JW Floor Covering did not maintain any record of the hours worked by Mr. Cota or other aggrieved employees who were compensated on a piece-rate basis. Additionally, when JW Floor Covering did begin to record the hours worked by Mr. Cota and other aggrieved employees, JW Floor Covering maintained a policy and practice of manipulating the timecards of Mr. Cota and other aggrieved employees to reflect less hours worked. When Mr. Cota brought the issue of his timecards reflecting less hours worked to human resources, JW Floor Covering did not rectify the situation but instead told Mr. Cota that his hours worked did not matter because he was being paid on a piece-rate basis. As a result of JW Floor Covering’s failure to accurately record Mr. Cota’s and other aggrieved employees’ hours worked, JW Floor

Covering failed to pay Mr. Cota and other aggrieved employees all minimum and overtime wages owed.

Moreover, during Mr. Cota's employment with JW Floor Covering, JW Floor Covering failed to keep track of Mr. Cota's and other aggrieved employees' hours spent performing non-productive tasks such as traveling to and from job sites, unloading tools, attending meetings, and purchasing materials. As a result of JW Floor Covering's failure to record Mr. Cota's and other aggrieved employees' time spent performing non-productive tasks, JW Floor Covering failed to maintain accurate records of Mr. Cota's and other aggrieved employees' hours worked and failed to pay Mr. Cota and other aggrieved employees who were compensated on a piece-rate basis for their "non-productive" time (i.e., hours that they were working but were not actually performing piece-rate work). *See Gonzalez v. Downtown LA Motors, LP*, 215 Cal.App.4th 36 (2013) (holding that a piece-rate compensation structure that does not separately compensate employees for non-productive time violates California minimum wage laws).

Additionally, throughout Mr. Cota's employment with JW Floor Covering, Mr. Cota regularly worked in excess of 8 hours per day and/or 40 hours per week. However, as a result of JW Floor Covering's failure to record Mr. Cota and other piece-rate employees non-productive time JW Floor Covering has failed to compensate its employees at one-and-a-half times the regular rate of pay for overtime hours, as non-productive wages are required to be included in the regular rate of pay for purposes of determining overtime compensation. Additionally, upon information and belief, JW Floor Covering paid Mr. Cota and other aggrieved employees non-discretionary incentive pay, including but not limited to, bonus payments and/or other forms of pay that are not excludable from an employee's "regular rate" of pay (hereinafter the aforementioned forms of pay are collectively referred to as "Incentive Pay"). However, JW Floor Covering failed to properly calculate Mr. Cota's and other aggrieved employees' regular rates of pay as a result of their receipt of Incentive Pay, thereby miscalculating and underpaying the overtime wages owed to them.

JW Floor Covering was further obligated to provide Mr. Cota and other aggrieved employees with paid sick time pursuant to the Healthy Workplaces, Healthy Families Act of 2014 (Cal. Labor Code §§ 245-249) ("paid sick time"). Pursuant to Cal. Labor Code § 245.5(e) and § 246(l), the wages for the "paid sick days" are to 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 "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." However, JW Floor Covering failed to properly provide and/or properly compensate all wages owed to Mr. Cota and other aggrieved employees because it had a uniform policy or practice of paying paid sick time used by Mr. Cota and other aggrieved employees at their regular hourly base without including earned non-discretionary bonuses, piece-rate, or other incentives (hereinafter referred to as "Incentive Pay") and/or in another manner that did not comply with Labor Code §§ 245.5(e) and 246(l).

In addition, JW Floor Covering did not properly compensate Mr. Cota or other aggrieved employees paid on a piece-rate basis for rest periods, as required under Labor Code 226.2 and *Bluford v. Safeway Stores, Inc.* (2013) 216 Cal.App.4th 864, 872 (“under the rule of *Armenta v. Osmose, Inc.* (2005) 135 Cal.App.4th 314, 323, rest periods must be separately compensated in a piece-rate system.”). Although JW Floor Covering maintained a payroll code listed as “Paid Break” for rest and recovery compensation, JW Floor Covering did not in fact separately compensate Mr. Cota and other aggrieved employees for rest periods. Instead, upon information and belief, JW Floor Covering relabeled a portion of the gross piece-rate wages as “Paid Break” compensation, such that the gross wages paid simply matched the total piece-rate wages with no additional wages paid for rest periods. Accordingly, JW Floor Covering is liable for rest period premiums for its failure to accurately compensate Mr. Cota and other aggrieved employees paid on a piece-rate basis for rest periods.

JW Floor Covering further failed to provide Mr. Cota and other aggrieved employees with all legally compliant meal periods due to JW Floor Covering’s meal period policies/practices, which have frequently resulted in, missed, late (commencing after the fifth hour of work), and/or short (less than 30 minutes) meal periods. Additionally, JW Floor Covering failed to provide Mr. Cota and other aggrieved employees with second meal periods on shifts over 10.0 hours. Further, on those occasions when Mr. Cota and other aggrieved employees were not provided with a meal period to which they were entitled, JW Floor Covering had a policy and practice of manipulating Mr. Cota’s timesheets to reflect a meal period that was not taken. Mr. Cota brought the issue of JW Floor Covering’s failure to provide him with a meal period on multiple occasions as well as the manipulation of his timesheets, however JW Floor Covering never paid him the required meal period premium for its failure to provide him with a legally compliant meal period or paid him for the time he spent working during his meal period. Upon information and belief, JW Floor Covering maintained no mechanism for the payment of meal period premium payments as required by Labor Code § 226.7, in the event that a legally-compliant meal period was not provided to their non-exempt employees.

JW Floor Covering failed to reimburse Mr. Cota and other aggrieved employees for use of their personal cellular phones for work activities. Specifically, JW Floor Covering required Mr. Cota and other aggrieved employees to use their personal cellphones to communicate with their managers while they were at the worksite. However, JW Floor Covering failed to reimburse Mr. Cota and other aggrieved employees for the use of their personal cellular phones for business purposes.

As a result of JW Floor Covering’s failure to pay all minimum and overtime wages and failure to pay all meal and rest period premium wages, JW Floor Covering maintained inaccurate payroll records, and issued inaccurate wage statements to Mr. Cota and other aggrieved employees. JW Floor Covering’s wage statements are also facially deficient because they fail to include the gross wages earned, net wages earned, and the number of piece rate units earned and the applicable piece rate in violation of Labor Code § 226(a)(1) - (3).

Additionally, as a result of the above violations, JW Floor Covering failed to timely pay all former aggrieved employees their wages at the time of separation of employment in violation of Labor code §§ 201-203.

Pursuant to California Judicial Council Emergency Rule 9, statutes of limitations of more than 180 days were suspended for 178 days, from April 6, 2020 through October 1, 2020. Accordingly, the relevant time period for each cause of action pled herein has been calculated to include 178 days preceding the filing of this action.

As described above, JW Floor Covering committed the following violations of the Labor Code, and Industrial Welfare Commission Wage Order 16 (“Wage Order 16”):

Minimum Wage Violations

JW Floor Covering was required to pay Mr. Cota and other aggrieved employees an hourly rate at least equal to the minimum wage for each hour actually worked. *See* Labor Code §§ 1182.12, 1194, 1194.2, 1197; Wage Order 16, § 4. As alleged above, JW Floor Covering failed to conform its pay practices to the requirements of the law. This unlawful conduct includes, but is not limited to JW Floor Covering’s piece-rate compensation structure for Mr. Cota and other aggrieved employees and timekeeping policies and practices, which resulted in JW Floor Covering failing to pay these individuals for all hours worked. As a result of these policies/practices, which fail to compensate for all hours worked, Mr. Cota and other aggrieved employees were deprived of all required minimum wages.

Overtime Wage Violations

JW Floor Covering was required to pay Mr. Cota and other aggrieved employees overtime wages for all hours worked in excess of eight hours per workday and/or forty hours per workweek. *See* Labor Code §§ 1194(a) and 1198; Wage Order 16, § 3. According to Labor Code § 510(a), “Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee.” This Section further provides, “Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee.” As alleged above, JW Floor Covering regularly and systematically, as a policy and practice, did not record employees’ hours and did not pay any overtime wages. As a result of these policies/practices, Mr. Cota and other aggrieved employees were not compensated for all overtime and double-time wages.

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Meal Period Violations

As alleged above, JW Floor Covering failed to provide Mr. Cota and other aggrieved employees with all required and compliant meal periods. *See* Labor Code §§ 226.7 and 512; Wage Order 16, § 11. As a result, Mr. Cota and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal or rest or recovery period in accordance with ... [an] order of the Industrial Welfare Commission ... the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest or recovery period is not provided.”).

Rest Period Violations

As alleged above, JW Floor Covering also failed to authorize and permit Mr. Cota and other aggrieved employees to take all required rest periods. *See* Labor Code §§ 226.7 and 516; Wage Order 16, § 12. As a result, Mr. Cota and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required rest periods. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest period is not provided.”)

Failure to Reimburse Employees for Necessary Business Expenditures

As alleged above, JW Floor Covering failed to reimburse Mr. Cota and other aggrieved employees for necessary work expenses, including the use of their personal cellular phones for business purposes. JW Floor Covering’s policy of not providing reimbursement for necessary work-related expenses is in violation of Wage Order 16, § 9, and Labor Code §§ 2802 and 2804 (“An employer shall indemnify his or her employees for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or obedience to the directions of the employer.”) Mr. Cota and other aggrieved employees are therefore entitled to reimbursement of such unpaid work expenses with interest.

Wage Statement Violations

JW Floor Covering was required to furnish Mr. Cota and other aggrieved employees with complete and accurate itemized wage statements that showed, among other things, their rates of pay, corresponding number of hours worked at each rate of pay, total gross wages earned, and total net wages earned. *See* Labor Code §§ 226(a) and 1174(d); Wage Order 16, § 7. As a result of JW Floor Covering’s failure to pay all overtime, minimum, and double-time wages, and failure to pay all required meal and rest period premium wages, JW Floor Covering maintained inaccurate payroll records and issued

inaccurate wage statements to Mr. Cota and other aggrieved employees in violation of Labor Code § 226. JW Floor Covering's failure to comply with its wage statement obligations was knowing and intentional, and Mr. Cota and other aggrieved employees have suffered injury as a result.

Waiting Time Penalties

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

As an "aggrieved employee," Mr. Cota will initiate a civil action on behalf of himself and other aggrieved employees to recover civil penalties resulting from the wage and hour violations alleged herein. Based on Mr. Cota's own investigation, and on information and belief, JW Floor Covering committed and continues to commit the following Labor Code violations:

- a. JW Floor Covering violated Labor Code §§ 1182.12, 1194, 1194.2, and 1197 by failing to pay Mr. Cota and other aggrieved employees the statutory minimum wage for all hours worked;
- b. JW Floor Covering violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Mr. Cota and other aggrieved employees all overtime compensation earned;
- c. JW Floor Covering violated Labor Code §§ 226.7, 512, 558, and 1198 by failing to provide meal periods as required by law and failing to pay meal period premiums to Mr. Cota and other aggrieved employees at these employees' respective regular rates of compensation for meal period violations;
- d. JW Floor Covering violated Labor Code §§ 226.2, 226.7, 516, 558, and 1198 by failing to authorize and permit Mr. Cota and other aggrieved employees all required rest periods and failing to pay rest period premiums to Mr. Cota and other aggrieved employees at these employees' respective regular rates of compensation for rest period violations;
- e. JW Floor Covering violated Labor Code §§ 2802 and 2804 by failing to reimburse Mr. Cota and other aggrieved employees for all necessary expenditures incurred;

- f. JW Floor Covering violated Labor Code § 226 by failing to furnish Mr. Cota and other aggrieved employees with accurate and compliant itemized wage statements;
- g. JW Floor Covering violated Labor Code §§ 201, 202, and 203 by failing to timely pay all final wages due to aggrieved employees;
- h. JW Floor Covering violated Labor Code § 204 by failing to pay Mr. Cota and other aggrieved employees all wages earned at least twice during each calendar month; and
- i. JW Floor Covering violated Labor Code §§ 1174 and 1198 by failing to maintain accurate records on behalf of Mr. Cota and other aggrieved employees.

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

Very truly yours,
HAINES LAW GROUP, APC



Paul K. Haines

cc: J.W. Floor Covering, Inc. (via certified mail)

PROOF OF ACCEPTANCE (ELECTRONIC)

PRODUCED DATE: 10/26/2023

HAINES LAW GROUP:

The following is information for Certified Mail™/RRE item number:

9214 8901 9403 8335 4979 35

Our records indicate that this item was accepted by the USPS at:

SHIPMENT RECEIVED ACCEPTANCE PENDING EL SEGUNDO,CA 90245 10/25/2023

ORIGINAL INTENDED RECIPIENT:

J W FLOOR COVERING INC

C/O: JOHN S WALLACE

9881 CARROLL CENTRE RD

SAN DIEGO CA 92126-4554