

Karen I. Gold (SBN 258360)
kgold@blackstonepc.com
Sara Pezeshkpour (SBN 260240)
spezeshkpour@blackstonepc.com
Noam Reiffman (State Bar No. 299446)
nreiffman@blackstonepc.com
Marissa A. Mayhood (SBN 334376)
mmayhood@blackstonepc.com
BLACKSTONE LAW, APC
8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211
Tel: (310) 622-4278 / Fax: (855) 786-6356

Attorneys for Plaintiff JESSE ROMERO, individually,
on behalf of others similarly situated, and on behalf of
Aggrieved Employees pursuant to the
California Private Attorneys General Act

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

JESSE ROMERO, individually and on behalf
of others similarly situated,

Plaintiff,

vs.

CALIFORNIA CLOSET COMPANY, a
California corporation; CAL CLOSET
RETAIL, INC., a Delaware corporation; and
DOES 1 through 25, inclusive,

Defendants.

Case No.: 23STCV27355

The Hon. Samantha Jessner, R Department 7

**DECLARATION OF KAREN I. GOLD IN
SUPPORT OF PLAINTIFF'S MOTION FOR
FINAL APPROVAL OF CLASS ACTION AND
PAGA SETTLEMENT, ATTORNEYS' FEES
AND COSTS, ENHANCMENT PAYMENT,
AND SETTLEMENT ADMINISTRATION
COSTS**

Date: June 5, 2025

Time: 10:00 a.m.

Dept.: 7

Complaint Filed: November 7, 2023

FAC Filed: October 10, 2024

Trial Date: None Set

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1. I am an attorney duly licensed to practice law in all Courts of the State of California. I am a Senior Trial Attorney and Team Lead at Blackstone Law, APC (“Class Counsel”) and one of the attorneys of record for Plaintiff Jesse Romero (“Plaintiff”). I have personal knowledge of the facts contained herein, and, if called to testify, I could and would competently do so.

Proposed Class Counsel

Karen Gold

2. I graduated *cum laude* from UCLA in 2005 with a Bachelor of Science degree in Cognitive Science and a Specialization in Computing. I received my law degree from Boston University School of Law and was admitted to the California State Bar in 2008.

3. Upon graduation, I joined Cox Castle & Nicholson, LLP, and worked there for approximately a decade as a general litigation attorney focused primarily on high-stakes sophisticated cases including class action defense matters. Thereafter, I spent several years working for Marlin & Saltzman, LLP, which is a well-known plaintiff-side wage and hour law firm in Los Angeles, before transitioning over to Blackstone Law as a Senior Trial Attorney and Team Lead.

4. Throughout my career, I have managed and/or am currently managing over one hundred complex litigation cases, ranging from employment matters to corporate and general business litigation matters. On many of those cases, I was the only or primary attorney managing the case and thus obtained extensive experience overseeing these types of actions. In that capacity, I was often the primary contact for clients; took and defended many depositions; propounded and responded to discovery; prepared and opposed pleadings and motions, including dispositive and class certification motions; strategized on all cases; attended hearings; attended mediations; coordinated with class action administrators; prepared and worked with experts; participated in trial prep and trials; and engaged in all other intricate facets of litigation. Super Lawyers honored me as a Southern California Rising Star from 2015 through 2018.

5. As a Senior Trial Attorney and Team Lead at Blackstone Law, I currently oversee and handle over 100 wage-and-hour putative class actions and/or representative actions under PAGA

seeking relief on behalf of California employees and the State of California.

6. My billable rate is \$985. I am informed and believe that this is within the range of reasonable prevailing rates for attorneys with my education and experience in this area of law in Southern California

7. The attorneys at Blackstone Law possess combined extensive experience litigating wage and hour and other complex litigation matters.

Jonathan M. Genish

8. Jonathan M. Genish is the founder and owner of Blackstone Law. Mr. Genish is a 2008 graduate of the Benjamin N. Cardozo School of Law, and he was admitted to the California Bar that same year.

9. During law school, Mr. Genish clerked at the litigation firm Oved & Oved, LLP and was published several times in various small publications. Upon graduation, Mr. Genish was rehired by Freedman & Taitelman, LLP as an associate and remained employed there from September 2008 through August 2015. During his tenure, Mr. Genish managed hundreds (perhaps thousands) of complex litigation cases, though his primary area of expertise was employment, both single plaintiff and representative actions.

10. On the vast majority of his cases, Mr. Genish was the only or primary attorney managing the case and thus obtained extensive experience. In that capacity, he conducted wage and hour and wrongful termination labor and employment intakes; was the primary contact for all clients; took and defended hundreds (if not thousands) of depositions; propounded and responded to all discovery; prepared and opposed all motions and pleadings, including dispositive and certification motions; strategized on all cases; attended all hearings; attended all mediations; coordinated with class action administrators; prepared and worked with experts; first and second chaired multiple trials and arbitrations; and engaged in all other intricate facets of litigation. During that time, he represented a wide range of clients from sole proprietorships to Fortune 500 companies in state, federal, complex, and appellate courts. Many of the cases Mr. Genish managed were highly publicized, with articles written about them in the Los Angeles Times, Deadline, The Hollywood Reporter, Business Insider, Law360, and others. Super Lawyers has regularly honored him as a Southern California Rising Star

1 since 2012.

2 11. In February 2018, Mr. Genish started the law firm of Blackstone Law, APC,
3 representing plaintiffs in individual and representative employment litigation. The firm maintains
4 many highly pedigreed attorneys working on almost exclusively labor and employment class actions,
5 California Labor Code Private Attorney General Act of 2004 (“PAGA”) cases, and individual matters,
6 with roughly 15% of the firm focused on other complex general litigation matters. Mr. Genish has
7 considerable experience in handling class and representative action lawsuits throughout his career and
8 has been approved as counsel in a number of cases.

9 12. Mr. Genish is currently the managing partner at Blackstone Law, APC, overseeing
10 roughly 500 labor and employment cases, approximately 80% of which include a wage and hour
11 component. The majority of those cases are wage-and-hour putative class actions or representative
12 PAGA actions seeking relief on behalf of thousands of California employees. Mr. Genish’s billable
13 rate is \$1,150.

14 Blackstone Law

15 13. Blackstone Law, APC has been approved as class counsel in many class action and
16 PAGA actions that have since been resolved, the most recent of which are as follows:

- 17 • *David Williams v. Rancho Nicasio, LLC*, Marin County Superior Court, Case No.
18 CIV2203067, approved as class counsel in final settlement of wage and hour class and
19 PAGA action.
- 20 • *Bobby Birdi v. Lucid USA, Inc.*, Alameda County Superior Court, Case No.
21 21CV003541, approved as class counsel in final settlement of wage and hour class and
22 PAGA action.
- 23 • *Alexis Cardoza v. BHFC Operating LLC*, Los Angeles County Superior Court, Case No.
24 21STCV34040, approved as counsel in settlement of representative wage and hour action
25 pursuant to PAGA.
- 26 • *Theresa Bendorf, et al. v. Sea World LLC, et al.*, San Diego County Superior Court, Case
27 No. 37-2021-00034922-CU-OE-CTL, preliminarily approved as class counsel, in
28 association with other counsel, in settlement of wage and hour class and PAGA action.

- *Victor De La Cruz v. Northwest Pipe Company*, San Bernardino County Superior Court, Case No. CIVSB2211140, preliminarily approved as class counsel in settlement of wage and hour class and PAGA action.
- *Maria Ayala, et al. v. SDH Services West, LLC*, Kern County Superior Court, Case No. BCV-21-101933, approved as class counsel in final settlement of wage and hour class action.
- *Alfredo Sanchez v. Greenworld, Inc.*, Riverside County Superior Court, Case No. CVRI2105756, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Michael Bravo v. Michels Pacific Energy, Inc.*, Santa Clara County Superior Court, Case No. 22CV403427, preliminarily approved as class counsel in settlement of wage and hour class and PAGA action.
- *Oscar Bryant v. Midwest Construction Services, Inc. dba Trillium*, San Bernardino County Superior Court, Case No. CIVSB2121529, approved as class counsel in final settlement of wage and hour class action.
- *Matthew Savattieri v. AMI Expeditionary Healthcare, LLC, et al.*, Los Angeles County Superior Court, Case No. 21STCV33372, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Lexy Barajas, et al. v. H. W. Hunter, Inc.*, Los Angeles County Superior Court, Case No. 22STCV01892, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Alejandro Valdez v. C.H.I. Automart, Inc.*, Los Angeles County Superior Court, Case No. 21STCV40168, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Sheizan Bawa v. Meathead Movers, Inc.*, Orange County Superior Court, Case No. 30-2021-01211895-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Tanisha Lopez, et al. v. Restorix Health, Inc.*, Los Angeles County Superior Court, Case

No. 21STCV33067, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.

- *Perla Soto, et al. v. Nippon Express U.S.A., Inc.*, Los Angeles County Superior Court, Case No. 21STCV24902, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Angel Garcia, et al. v. J&B Investments, Inc., et al.*, San Bernardino County Superior Court, Case No. CIVSB2208601, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Sindy Aviles, et al. v. Freeway Insurance Services America, LLC*, Los Angeles County Superior Court, Case No. 21STCV34864, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Alexander Gnaedig, et al. v. Favorite Healthcare Staffing, Inc.*, Los Angeles County Superior Court, Case No. 21STCV20904, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Richard Evans v. My Paint Stop, LLC, et al.*, Contra Costa County Superior Court, Case No. MSC21-01812, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Jose Luis Parada George v. Main Electric Supply Company, LLC, et al.*, Orange County Superior Court, Case No. 30-2021-01220136-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Samia Salazar Yunis v. Sharif Jewelers*, Sacramento County Superior Court, Case No. 34-2020-00290080, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Daniel Analco v. Felix Chevrolet, LP, et al.*, Los Angeles County Superior Court, Case No. 21STCV36654, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Sasha Aiono v. Benefit Cosmetics*, Los Angeles County Superior Court, Case No. 21STCV33719, approved as counsel in settlement of representative wage and hour

1 action pursuant to PAGA.

- 2 • *Sitara Nayabkhil v. San Francisco SPCA et al.*, San Francisco Superior Court, Case No.
3 CGC-23-609950, approved as class counsel in final settlement of wage and hour class
4 and PAGA action.
- 5 • *Travis Sanford v. Santa Cruz Seaside Company*, Santa Cruz Superior Court, Case No.
6 23CV01762, approved as class counsel in final settlement of wage and hour class and
7 PAGA action.
- 8 • *Tyler Emery v. Santa Cruz Bicycles, LLC*, Santa Cruz Superior Court, Case No.
9 24CV00244, approved as class counsel in final settlement of wage and hour class and
10 PAGA action.

11 Marissa Mayhood

12 14. Marissa Mayhood is a Senior Attorney at Blackstone Law. She graduated from
13 Pepperdine University School of Law with a juris doctorate and a certificate in dispute resolution from
14 Pepperdine's Straus Institute. Ms. Mayhood spent approximately five years working for Marlin &
15 Saltzman, LLP, which is a well-known plaintiff-side wage and hour law firm in Los Angeles. While
16 working for Marlin & Saltzman, LLP, she litigated and helped settle a \$72.5 million case, *Utne v.*
17 *Home Depot U.S.A., Inc.*, United States District Court for the Northern District of California, Case
18 No. 3:16-cv-01854-RS, and was approved as class counsel. Her hourly rate of \$750 is reasonable
19 based on her education and experience and is in line with the market rate.

20 Sara Pezeshkpour

21 15. Sara Pezeshkpour, a 2008 graduate of the UCLA School of Law with an emphasis in
22 Public Interest Law and Policy, is a Law and Motion Attorney at Blackstone Law. Ms. Pezeshkpour
23 has spent her legal career exclusively representing plaintiffs in civil rights matters, including wage-
24 and-hour class and PAGA actions. She has significant experience in all stages of litigation, including
25 trial and appellate work, in both California and Federal courts. Her hourly rate of \$850 is reasonable
26 based on her education and experience and is in line with the market rate.

27 Junior Attorneys, Paralegal(s), and Staff

28 16. Junior attorneys, a paralegal and various staff members assisted with numerous discreet

tasks related to this case on an as-needed basis. Their time is not included in the lodestar amount provided below as only those attorneys tasked with overseeing this litigation were included below.

Procedural History of the Action

17. On October 24, 2023, Plaintiff provided written notice to the California Labor and Workforce Development Agency (“LWDA”) and to Defendants, pursuant to California Labor Code Section 2699.3, of the specific provision of the California Labor Code alleged to have been violated by Defendants (“PAGA Letter”). A true and correct copy of the PAGA Letter is attached hereto as **Exhibit 1**.

18. On November 7, 2023, Plaintiff filed a Class Action Complaint for Damages in the action entitled *Jesse Romero v. California Closet Company, et al.*, Los Angeles County Superior Court, Case No. 23STCV27355 (“Action”), thereby commencing a putative class action against Defendants California Closet Company and Cal Closet Retail, Inc. (“Defendants”).

19. On December 28, 2023, Plaintiff filed a Complaint for Enforcement Action Under the Private Attorneys General Act, California Labor Code §§ 2698, *et Seq.* in the action titled *Jesse Romero v. Cal. Closets Retail Inc. et al.*, Los Angeles County Superior Court Case No. 23STCV31746 (the “PAGA Action”, and collectively with the Class Action the “Actions”), thereby commencing a representative PAGA action against Defendants.

20. On August 20, 2024, Plaintiff and Defendants (together, the “Parties”) participated in mediation conducted by Kelly Knight (“Mediator”), a neutral and well-respected mediator with extensive experience in complex wage and hour matters. After a full day of mediation, and with the help of the Mediator, the Parties were able to reach an agreement to resolve this dispute on a class and PAGA basis.

21. On October 10, 2024, Plaintiff filed a First Amended Class and PAGA Representative Action Complaint (“Operative Complaint”) in the Action, which added a cause of action under PAGA. The Operative Complaint alleges Defendants violated the California Labor Code for failure to pay minimum wages and straight wages, failure to pay overtime wages, failure to pay vacation and holiday wages, failure to provide notice of entitlement to sick leave and properly pay sick leave, failure to provide compliant meal periods and premium payments in lieu thereof, failure to provide compliant

1 rest periods and premiums payments in lieu thereof, failure to timely pay wages during employment,
2 failure to provide compliant wage statements, failure to maintain required records, recordkeeping
3 violations, failure to timely pay wages upon separation, failure to provide proper payment of final
4 wages, and failure to reimburse necessary business expenses, for violations of California Business &
5 Professions Code Section 17200, et seq. Based on the aforementioned California Labor Code
6 violations, and for civil penalties under PAGA based on the aforementioned California Labor Code
7 violations. The Operative Complaint also asserts claims for violations of California Labor Code
8 Sections 201, 202, 203, 204, 210, 213, 216, 218.5, 218.6, 223, 225.5, 226, 226.3, 226.6, 226.7, 227.3,
9 233, 245, 245.5, 246, 246.5, 247, 247.5, 248.1, 248.2, 249, 256, 510, 511, 512, 551, 558, 558.1, 1174,
10 1174.5, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, 2802, 2810.5, and California Industrial
11 Commission Wage Orders.

12 22. On November 3, 2024, the Parties executed the Joint Stipulation of Class Action and
13 PAGA Settlement (“Settlement” or “Settlement Agreement”). Attached hereto as **Exhibit 2** is a true
14 and correct copy of the fully executed Settlement Agreement.

15 23. On December 10, 2024, Class Counsel submitted a copy of the Settlement Agreement
16 to the LWDA through its online submission portal in compliance with California Labor Code §
17 2699(l)(2). The LWDA has not objected to or otherwise responded to the submissions.

18 24. On December 10, 2024, Plaintiff filed a Motion for Preliminary Approval of Class
19 Action and PAGA Settlement (“Motion for Preliminary Approval”) and supporting documents. A true
20 and correct copy of the Motion for Preliminary Approval is attached hereto as **Exhibit 3**.

21 25. On October 7, 2024, the Court entered the Order Granting Preliminary Approval of
22 Class Action and PAGA Settlement (“Preliminary Approval Order”), thereby preliminarily approving
23 the terms of the Settlement Agreement, the Notice of Class Action Settlement (“Class Notice”), and
24 the proposed administration procedures and associated deadlines. A true and correct copy of the
25 Preliminary Approval Order is attached hereto as **Exhibit 4**.

26 26. On January 27, 2025, the Parties met and conferred to discuss whether the escalator
27 provision would be triggered if the Class Period and PAGA Period ended on January 29, 2025- the
28 hearing date for Plaintiff’s Motion for Preliminary Approval of Class Action and PAGA Settlement.

1 27. During that meeting, Defendant’s counsel represented that there was an increase in the
2 number of workweeks since the mediation. As a result, the Parties negotiated and executed an
3 amendment to the Settlement Agreement that would increase the Gross Fund Value and end the Class
4 Period and PAGA Period on January 29, 2025. Attached hereto as **Exhibit 5** is the Parties signed
5 Amendment to the Settlement Agreement.

6 **The Settlement Is Fair and Reasonable**

7 ***Discovery and Informed Arms-Length Negotiations***

8 28. The Parties’ settlement negotiations were at all times made at arm’s-length and were
9 adversarial. The Settlement was reached following a full day of mediation with a highly respected
10 mediator with substantial experience mediating wage and hour cases, and Plaintiff engaged in
11 additional negotiations in order to finalize the long-form agreement presently before the Court.

12 29. The Parties engaged in extensive informal discovery prior to reaching a settlement at
13 the mediation. Prior to mediation, Defendants produced putative class members’ time and pay data,
14 as well as Defendants’ employee handbook, relevant wage and hour policies, and information to
15 determine the total number of putative class members, the number of current versus former employees,
16 the total workweeks worked by the putative class members, and the average rate of pay for the putative
17 class members.

18 30. This allowed Plaintiff’s counsel to conduct an informed assessment and analysis of the
19 strengths and weaknesses of the claims and the potential class-wide damages.

20 31. Based on the information exchanged, the Parties extensively briefed issues regarding
21 class certification and liability and provided their analyses to the mediator who helped the Parties
22 debate the strengths and weakness of their respective positions. At all times, Plaintiff was willing and
23 prepared to litigate this matter through class certification and trial if the Parties had been unable to
24 reach a favorable resolution. Additionally, and as explained in detail below, settlement negotiations
25 were conducted by highly capable and experienced counsel. Class Counsel are respected members of
26 the California State Bar with strong records of vigorous and effective advocacy and are experienced
27 in handling complex wage and hour class action litigation. Accordingly, Class Counsel had sufficient
28 information and experience to act intelligently in negotiating the Settlement.

1 32. Although the investigation and information discovered supports Plaintiff's contentions,
2 Defendants raised potential defenses and other circumstances that impacted the risk of proceeding on
3 a class-wide basis. Consideration of these risks factored into the decision to enter the Settlement.

4 33. My colleagues and I were aware of Defendants' defenses and arguments and have also
5 taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and
6 delays inherent in such litigation, including those involved in class and/or representative adjudication.
7 Plaintiff further recognizes the burdens of proof necessary to establish liability for the claims asserted
8 in the Action, Defendants' defenses, and the difficulties in establishing entitlement to monetary
9 recovery. Plaintiff has also considered the Parties' settlement discussions, as well as the evaluations
10 of the mediator, who is experienced and well-regarded in complex labor and employment matters.

11 34. Defendants denied and continue to deny any liability and wrongdoing of any kind
12 associated with the claims alleged in the Class and PAGA Actions, and further denies that class
13 certification is appropriate for any purpose other than the Settlement. Defendants believe that it would
14 ultimately prevail in the Action. Defendants proffered defenses to both certification and to the merits
15 of Plaintiff's claims. Defendants contended that Plaintiff's claims are not suitable for class
16 certification because individual issues would predominate should this case go to trial. As with all class
17 actions, these complex cases raise difficult management and proof issues and, accordingly, there is a
18 significant risk that the Court may deny class certification.

19 35. My office also recognized that, even if Plaintiff prevailed at class certification, proving
20 the amount of wages due to each Class Member would be an expensive, time-consuming, and
21 extremely uncertain proposition. In order to prove liability and damages, my office would need to
22 request and analyze hundreds of pages of documents, obtain the Class Members' contact information,
23 contact them, and obtain declarations. Plaintiff also faced the very real risk that Defendants would
24 engage in settlements with current and former employees using the "Pickup Stix" procedure.
25 Obtaining the cooperation of current employees would also be difficult, given the likely reluctance to
26 aid prosecution of a lawsuit against a current employer. On the other hand, Defendants would likely
27 be able to obtain the cooperation of its employees. Moreover, even if Plaintiff prevailed at class
28 certification and trial, possible appeals would substantially delay any recovery by the Class.

36. The Parties agreed to settle the Class and PAGA claims at issue in the Action for a non-reversionary Gross Settlement Amount of \$1,794,000.00, exclusive of employer-side payroll taxes. The Gross Settlement Amount includes: (1) Class Counsel's fees not to exceed one-third percent (33.33%) of the Gross Settlement Amount (i.e., \$597,999.40 if the Gross Settlement Amount is \$1,794,000.00); (2) Class Counsel's actual litigation costs and expenses not to exceed \$23,000.00; (3) Settlement Administration Costs not to exceed \$10,990.00; (4) Enhancement Payment in the amount of \$7,500.00; and (5) a PAGA allocation of \$179,400.00 (75% to the LWDA and 25% to the PAGA Employees). After the above amounts are deducted from the Gross Settlement Amount, *the Participating Class Members will share in a Net Settlement Amount of approximately \$975,110.60, which is over 54% of the Gross Settlement Amount.*

37. The Settlement does not require Settling Class Members to submit claims as a prerequisite to receiving their *pro rata* share of the Net Settlement Amount ("Individual Settlement Payment") nor does it require Aggrieved Employees to submit claims as a prerequisite to receiving their *pro rata* share of twenty-five percent (25%) of the net PAGA Amount ("Individual PAGA Payment").

38. Therefore, I submit that the Settlement is fair, reasonable, and adequate. The Settlement is in the best interest of the Class Members, the Aggrieved Employees, and the State of California, and is within the accepted range of recoveries for this type of litigation given the inherent risk of litigation, the risk of obtaining and maintaining class certification, and the costs of further litigation.

Attorneys' Fees and Costs

Work Performed by Plaintiff's Counsel/ Lodestar

39. Class Counsel seeks one-third percent (33.33%) of the Gross Settlement Amount, equaling \$597,999.40 for fees for the time spent litigating this matter and reimbursement of actual costs and expenses not to exceed \$23,000 incurred in the prosecution of the Class Action and PAGA Action. Attached hereto as **Exhibit 6** is a document detailing the costs and expenses. Although the actual costs exceeded \$23,000 Class counsel is only requesting reimbursement of \$23,000. I am informed and believe that the requested fees and costs are fair compensation for undertaking complex,

1 risky, expensive, and time-consuming litigation on a contingent fee basis, especially in light of the
2 substantial benefits achieved by Class Counsel for the Class Members.

3 40. The effectiveness of Blackstone Law, APC's prosecution of this matter has translated
4 into tangible monetary benefits for the Participating Class Members as follows: (1) Participating Class
5 Members will obtain monetary recovery quickly, as opposed to waiting years for the same, or
6 potentially an even worse, result; (2) a guaranteed result that compares favorably with other similar
7 class action settlements of this type, given the strengths and weaknesses of the Class Action; and (3)
8 significant savings in Class Counsel's costs that would have only increased significantly had the
9 Action progressed through trial and/or appeals. Class Counsel has litigated this matter diligently and
10 was prepared to continue litigating this matter through class certification and trial.

11 41. The requested award of fees and costs was included and set forth clearly in the Class
12 Notice provided to the Class Members.

13 42. My team is somewhat unique in our approach to mediations. We treat early mediations
14 as "practice trials" of sorts, and spend extensive time gathering evidence, interviewing witnesses,
15 researching legal issues, and developing our legal and factual theories in advance of the mediation.
16 We believe that investing substantial time, energy and money up front often results in far better results
17 at mediation, and saves the plaintiffs, putative class members, and the firm years of potential delay
18 and additional costs should the case not settle at early mediation. Consistent with this approach, my
19 team extensively worked-up this case informally prior to mediation, which I am informed and believe
20 was a substantial contributing factor in obtaining the strong result achieved at mediation. Accordingly,
21 Blackstone Law has spent a considerable number of hours litigating this matter. Attorneys who worked
22 on this matter to date engaged in a multitude of tasks including, *inter alia*: (1) communicating with
23 the client; (2) performing preliminary legal research, (3) drafting the operative class action complaint,
24 (4) drafting the PAGA notice, (5) drafting the PAGA complaint, (6) locating and interviewing
25 witnesses, (7) negotiating with defense counsel to schedule the mediation and obtain the necessary
26 informal discovery documents sufficiently in advance of mediation; (8) hiring and interfacing with a
27 damages expert to calculate a damages model for use at mediation and multiple revisions and iterations
28 of the same; (9) reviewing and analyzing all documents produced by Defendant; (10) thoroughly

researching the legal and factual theories and investigating additional potential avenues of liability; (11) drafting a comprehensive mediation brief; (12) preparing for and attending mediation; (13) following-up on conversations and negotiations with the mediator and opposing counsel; (14) negotiating the terms of the long form settlement agreement and Class Notice documents; (15) obtaining administrative quotes from potential Settlement Administrators; (16) researching and drafting a Motion for Preliminary Approval and all supporting documents; (17) preparing for and attending the hearing on the Motion for Preliminary Approval; (18) interfacing with opposing counsel and the Settlement Administrator as necessary to effectuate the disbursement of class notice; (19) responding to questions from class members; and (20) drafting and reviewing the Motion for Final Approval and all supporting documents.

43. A summary of Blackstone's estimated lodestar to-date to complete these tasks is as follows:

<u>Attorney</u>	<u>Position</u>	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
Jonathan M. Genish	Managing Partner	109.7	\$1,150	\$126,155
Karen I. Gold	Senior Counsel	249.5	\$985	\$245,757.50
Sara Pezeshkpour	Law & Motion Attorney	21.3	\$850	\$18,105
Marissa Mayhood	Senior Associate	305.8	\$750	\$229,350
Total Hours		686.3 hours		
Total Fees		\$619,367.50		

44. I expect my team to spend an additional 35 hours at a blended rate for myself, Ms. Pezeshkpour, and Ms. Mayhood of \$861.66, resulting in an additional \$30,158.33 in attorneys' fees to be incurred finalizing the motion for final approval and supporting documents, preparing for and attending the Final Approval Hearing, managing the Settlement through its conclusion, including anticipated communications with defense counsel, the Settlement Administrator, our client, and Class Members, as well as any additional procedural issues that require attention. Based thereon, the total amount of Blackstone Law's estimated lodestar fees through closure of this case are approximately **\$649,525.83**.

45. One difficulty in determining the hourly rate of attorneys of similar skill and experience

in the relevant community is the scarcity of hourly fee-paying clients in class action litigation. As a practical matter, few if any employees or consumers pay attorneys' fees on an hourly basis for such litigation, and thus retainer agreements in such cases are based on a stepped-up contingency fee (with the percentage increasing from one third to forty-five – and sometimes even fifty percent, which in my experience is on par with personal injury contingency fee agreements – if the case goes to trial). Therefore, based on my experience, there really is no customary hourly billing rate for work that is routinely based on a contingent fee relationship, but the nature of class action work and the contingency relationship should be strongly considered by the Court.

46. Wage and hour work presents a specialized, challenging and complex area of law that is not within the knowledge of many lawyers. This kind of class action work requires specialized learning and the willingness to take large risks, particularly in light of the very real possibility that some portion of the cases accepted will result in little to no recovery, and therefore no fees to the firm. Thus, prosecution of this case has involved significant financial risk, as we undertook this matter solely on a contingency fee basis with no guarantee of recovery, and fronted all costs necessary for its prosecution. The risks of this matter are also apparent in that class certification would likely have been a hard-fought issue, and even if class certification were granted over Defendant's opposition, there was no assurance that Plaintiff would prevail on the inevitable motion for decertification, at trial, and/or on any subsequent appeal(s) regarding the same.

47. As with all contingency cases, I understand that my firm had to consider its workload when agreeing to pursue this litigation. Specifically, the firm had to be mindful of its attorneys' caseload when it took on this matter, and necessarily had to forgo other cases when it decided to do so, as my team and the other class action teams are currently at or near capacity.

Settlement Administration Costs

48. In Plaintiff's Motion for Preliminary Approval, Plaintiff requested, and the Court approved, Settlement Administration Costs not to exceed \$10,990.00. APEX Class Action, LLC the approved Settlement Administrator, provided my firm with its quote stating that its cost to administer the Settlement will not exceed \$10,990.00.

Allocation to the LWDA

49. As part of the Settlement, Defendant has agreed to pay One Hundred Seventy-Nine Thousand Four Hundred Dollars and Zero Cents (\$179,400.00) to settle the claims of the Aggrieved Employees brought pursuant to PAGA, of which the payment of \$134,550.00 (75% of the PAGA Amount) will be paid to the LDWA for education and enforcement purposes.

Notice to the Class

50. The Class Notice approved by the Court met the requirements for proper notice of settlement to a class: it identified the Parties and described the Action, the Class, the Gross Settlement Amount, the proposed method for distribution of the Gross Settlement Amount, the amounts proposed to be paid as the Class Representative Incentive Payment to Plaintiff, the Settlement Administration Costs to the Settlement Administrator, and the Attorneys' Fees and Costs to Class Counsel. The Class Notice described the proposed Settlement with enough specificity to allow each Class Member to make an informed choice whether to accept and participate in it. It also explained how and when Class Members may object to or opt out of the Class Settlement. Finally, the Class Notice provided the date and time of the hearing on final approval of the Settlement and informed Class Members how to obtain additional information about the Settlement.

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

Executed on May 13, 2025, at Westlake Village, California.

Karen Gold
Karen I. Gold

EXHIBIT 1



October 24, 2023

PAGA Claim Notice Via Online Electronic Submission

California Labor & Workforce Development Agency

800 Capitol Mall, Suite 5000 (MIC-55)

Sacramento, CA 95814

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

RE: *Jesse Romero v. Cal Closet Retail, Inc. / California Closet Company, Inc.*

Dear Representative:

This office represents Jesse Romero (“Claimant”) with respect to his claims under the California Labor Code against Cal Closet Retail, Inc. and California Closet Company, Inc. (including any and all affiliates, subsidiaries, parents, directors, and officers thereof) (collectively referred to herein as “Employers”). This letter is being sent simultaneously to Employers by certified mail.

Employers employed Claimant from approximately September 2021 to November 2022 as a non-exempt, hourly-paid employee. During his employment with Employers, Claimant was employed as an Installer and Journeyman Carpenter at 712 Hindry Avenue, Inglewood, CA 90301. Claimant performed various duties for Employer such as installing closets at home properties. Employer operates a business throughout California that provides installation services for custom closets and storage rooms.

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

As detailed below, Employers violated several of California’s wage and hour laws during Claimant’s employment, including but not limited to California Labor Code sections 201, 202, 203,

204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, 2802, and the Industrial Welfare Commission Wage Orders (“IWC Wage Orders”). The claims made on behalf of Claimant and Aggrieved Employees are based upon the following facts and theories:

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

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

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

Throughout the relevant time period, Employers regularly required Claimant and other Aggrieved Employees to perform work off-the-clock: (1) answering and responding to calls in between shifts regarding work the next day, and (2) having interrupted meal breaks requesting him to go back to work. Employers failed to compensate Claimant and other Aggrieved Employees for any of this off-the-clock work, in violation of California law. In addition, Employers utilized time rounding practices that resulted in the systematic underpayment of wages (including minimum wages, straight time wages and overtime wages) to Claimant and Aggrieved Employees.

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

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

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph of the applicable IWC

Wage Orders; penalties pursuant to California Labor Code sections 558, 1197.1, and 1199; and attorneys' fees and costs.

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

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

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

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

Claimant and other Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the meal periods which were not provided to them in compliance with

California law. Accordingly, Employers violated the applicable IWC Wage Orders and California Labor Code sections 226.7, 512(a) and 1198.

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

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

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

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

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

priority placed on completing job requirements over employees' right to receive rest periods.

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

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

4. FAILURE TO TIMELY PAY WAGES DURING EMPLOYMENT

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

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

5. FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

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

As a result of the practices described herein, the wage statements provided to Claimant and

other Aggrieved Employees failed to include the actual hours worked (including time spent working off-the-clock), the actual gross wages earned (including wages owed for time spent working off the clock and meal and rest period premiums), and the correct rates of pay. The wage statements provided to Claimant and other Aggrieved Employees also failed to include the name of the legal entity that employed Claimant and the Aggrieved Employees. Accordingly, Employers violated California Labor Code section 226(a).

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

6. FAILURE TO MAINTAIN ACCURATE RECORDS

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

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

7. FAILURE TO REIMBURSE NECESSARY EXPENDITURES

California Labor Code sections 2800 and 2802 require an employer to reimburse its employees for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. The IWC Wage Orders require employers to provide employees with the tools or equipment necessary for the performance of their job. During the relevant time period, Claimant and Aggrieved Employees incurred necessary business-related expenses and costs that were not fully reimbursed by Employers. These costs include but are not limited to personal cell phone expenses (including the device and the service plan) and the purchase of power tools and other various items (drills, jigsaw, and batteries) needed to perform or complete the installation job for Employers' clients.

Accordingly, Employers violated the IWC Orders and California Labor Code sections 2800 and 2802. Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to penalties paragraph of the applicable

IWC Wage Orders; and attorneys' fees and costs.

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

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

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

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

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

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

Employers are in direct violation of numerous California wage and hour laws including but not limited to said sections stated above. We hereby provide notice under the California Labor Code Private Attorneys General Act of 2004, California Labor Code Sections 2698, et seq., and

specifically ask for an investigation, or if the agency does not intend to investigate the alleged violations, a letter confirming the same so that we may allege a cause of action under PAGA against Employers for the violations discussed in this letter.

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

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

BLACKSTONE LAW

Karen Gold

Karen Gold.

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

California Closet Company, Inc
2001 W. Phelps Road, Suite 1
Phoenix, AZ 85023

California Closet Company, Inc
Agent for Service
2710 Gateway Oaks Drive
Sacramento, CA 95833

Cal Closets Retail, Inc.
2001 W. Phelps Road, Suite 1
Phoenix, AZ 85023

Cal Closets Retail, Inc.
Agent for Service

2710 Gateway Oaks Drive
Sacramento, CA 95833

EXHIBIT 2

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

This Joint Stipulation of Class Action and PAGA Settlement (“Settlement,” “Agreement,” or “Settlement Agreement”) is made and entered into by and between Plaintiff Jesse Romero (“Plaintiff” or “Class Representative”), individually, and on behalf of all others similarly situated and on behalf of the State of California with respect to Aggrieved Employees (as defined herein), and Defendant California Closet Company, Inc. and Defendant Cal Closets Retail, Inc. (collectively, “Defendants”) (together, Plaintiff and Defendants may also be referred to in this Settlement Agreement as “Parties” and individually as “Party”).

This Settlement Agreement shall be binding on Plaintiff, Settlement Class Members (as defined herein), the State of California as to the employment of Aggrieved Employees, and Defendants, subject to the terms and conditions hereof and the approval of the Court.

RECITALS

1. On October 24, 2023, Plaintiff provided written notice to the Labor and Workforce Development Agency (“LWDA”) by online submission and to Defendants by U.S. Certified Mail, pursuant to California Labor Code Section 2699.3, of alleged violations of the California Labor Code.

2. On November 7, 2023, Plaintiff filed a Class Action Complaint for Damages titled *Jesse Romero v. Cal. Closets Retail, Inc., et al.*, Los Angeles County Superior Court Case No. 23STCV27355 (the “Class Action”), thereby commencing a putative class action against Defendants.

3. On December 28, 2023, Plaintiff filed a Complaint for Enforcement Action Under the Private Attorneys General Act, California Labor Code §§ 2698, *et seq.* in the action titled *Jesse Romero v. Cal. Closets Retail, Inc., et al.*, Los Angeles County Superior Court, Case No. 23STCV31746 (the “PAGA Action”, and together with the Class Action the “Actions”), thereby commencing a representative PAGA action against Defendants.

4. These complaints allege causes of action for violations of the California Labor Code for failure to pay overtime wages, failure to provide compliant meal periods and premium payments in lieu thereof, failure to provide compliant rest periods and premium payments in lieu thereof, failure to pay minimum wages, failure to timely pay wages upon termination, failure to timely pay wages during employment, failure to provide compliant wage statements, failure to maintain complete and

accurate payroll records, and failure to reimburse necessary business expenses, for violations of California Business & Professions Code Section 17200, *et seq.* based on the aforementioned California Labor Code violations, and for civil penalties under the Private Attorneys General Act of 2004 pursuant to California Labor Code Section 2698, *et seq.* (“PAGA”) based on the aforementioned California Labor Code violations.

5. On October 8, 2024, Plaintiff submitted an amended PAGA notice asserting claims pursuant to California Labor Code sections 201, 202, 203, 204, 210, 213, 216, 218.5, 218.6, 223, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 233, 245, 245.5, 246, 246.5, 247, 247.5, 248.1, 248.2, 249, 256, 510, 511, 512, 551, 558, 558.1, 1174, 1174.5, 1185, 1194, 1197, 1197.1, 1198, 1199, 2800, 2802, applicable Industrial Welfare Commission Wage Orders, and California Code of Regulations, Title 8, section 11000, *et seq.*

6. On October 10, 2024, Plaintiff filed a First Amended Class and PAGA Representative Action Complaint (“Operative Complaint”) in the Class Action.¹ The Operative Complaint alleges thirteen (13) causes of action for violations of the California Labor Code for failure to pay minimum wages, failure to pay overtime wages, failure to provide and properly pay sick time, vacation time and/or PTO, failure to provide compliant meal periods and premium payments in lieu thereof, failure to provide compliant rest periods and premium payments in lieu thereof, failure to timely pay wages during employment, failure to provide compliant wage statements, failure to maintain required records, recordkeeping violations, failure to timely pay wages upon separation, failure to provide proper payment of final wages, and failure to reimburse necessary business expenses, for violations of California Business & Professions Code Section 17200, *et seq.* based on the aforementioned California Labor Code violations, and for civil penalties under PAGA based on the aforementioned California Labor Code violations. The Operative Complaint also asserts claims for violations of California Labor Code Sections 201, 202, 203, 204, 210, 213, 216, 218.5, 218.6, 223, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 233, 245, 245.5, 246, 246.5, 247, 247.5, 248.1, 248.2, 249, 256, 510, 511, 512, 551, 558, 558.1, 1174, 1174.5, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, 2802, 2810.5, and California

¹ Within seven (7) days of the Court’s order granting Preliminary Approval of the settlement, Plaintiff will dismiss the PAGA Action without prejudice.

1 Industrial Commission Wage Orders.

2 7. Defendants deny all material allegations set forth in the Actions (including the
3 Operative Complaint) and have asserted numerous affirmative defenses. Notwithstanding, in the
4 interest of avoiding further litigation, Defendants desire to fully and finally settle the Actions, Class
5 Released Claims (as defined herein), and PAGA Released Claims (as defined herein).

6 8. Class Counsel diligently investigated the class and PAGA claims against Defendants,
7 including any and all applicable defenses and the applicable law. The investigation included, *inter*
8 *alia*, the exchange of information, data, and documents, and review of corporate policies and practices.
9 The Parties have engaged in sufficient informal discovery and investigation to assess the relative
10 merits of the claims, contentions of the Parties, and the reasonable range of Defendants' potential
11 exposure in the Actions.

12 9. On August 20, 2024, the Parties participated in mediation with Kelly Knight (the
13 "Mediator"), a respected mediator of complex wage and hour actions, and with the assistance of the
14 Mediator's evaluations, the Parties reached the Settlement that is memorialized herein. The Parties'
15 settlement discussions were conducted at arms' length, and the Settlement is the result of an informed
16 and detailed analysis of Defendants' potential liability and exposure in relation to the costs and risks
17 associated with continued litigation. Based on Class Counsel's investigation and evaluation, Class
18 Counsel believes that the settlement with Defendants for the consideration and on the terms set forth
19 in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the Class
20 Members, State of California, and Aggrieved Employees in light of all known facts and circumstances,
21 including the risks of uncertainty and delay associated with litigation and various defenses asserted by
22 Defendants.

23 10. There is an overlapping matter that was filed after this case on or about July 19, 2024,
24 in the Alameda County Superior Court titled *Matthew Hinojosa v. Cal Closets Retail, Inc., et al.*, Case
25 No. 24CV084069 ("Alameda County Case"). This Settlement Agreement (if approved by the Court)
26 will extinguish the Alameda County Case through Preliminary Approval.

27 11. The Parties expressly acknowledge that this Settlement Agreement is entered into
28 solely for the purpose of compromising significantly disputed claims and that nothing in this

Settlement Agreement is an admission of liability or wrongdoing by Defendants. If for any reason this Settlement Agreement is not approved, it will be of no force or effect, and the Parties shall be returned to their original respective positions.

DEFINITIONS

12. The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective.

a. "Attorneys' Fees and Costs" means attorneys' fees approved by the Court for Class Counsel's litigation and resolution of the Actions and all actual costs and expenses incurred and to be incurred by Class Counsel in connection with the Actions, as defined in Paragraph 3, supra.

b. "Class" or "Class Member(s)" means all current and former hourly-paid and/or non-exempt employees who worked for Defendants within the State of California at any time during the Class Period.

c. "Class Counsel" means Jonathan M. Genish, Karen I. Gold, Sara Pezeshkpour, Ashley H. Cruz, and Marissa A. Mayhood of Blackstone Law, APC, who will seek to be appointed counsel for the Class.

d. "Class List" means a complete list of all Class Members that Defendants will diligently and in good faith compile from its records and provide to the Settlement Administrator. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet containing the following information for each Class Member: (1) full name; (2) last known mailing address; (3) last known phone numbers; (4) Social Security number; (5) workweek and pay period numbers where feasible, and hire and termination dates to calculate workweeks and pay periods where workweek/pay period numbers are not provided; and (6) such other information as is necessary for the Settlement Administrator to calculate Workweeks and PAGA Workweeks.

e. "Class Notice" means the Notice of Class Action and PAGA Settlement, substantially in the form attached hereto as "**Exhibit A.**"

f. "Class Period" means the period from November 7, 2019, through Preliminary Approval of the settlement with regard to defendant California Closet Company, Inc., and January 1, 2022, through Preliminary Approval of the settlement with regard to defendant Cal Closets Retail, Inc.

g. “Class Settlement” means the settlement and resolution of all Class Released Claims (as defined below).

h. “Court” means the Superior Court of the State of California for the County of Los Angeles.

i. “Defendants’ Counsel” means P. Dustin Bodaghi and Kimberly M. Shappley of Littler Mendelson, P.C.

j. “Effective Date” means the date when all of the following events have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the settlement; (b) the Judgment is final; and (c) 90 days have passed and the period of time to appeal has lapsed. The Judgment is final as of the latest of the following occurrences: (a) if no participating Settlement Class Member objects to the settlement, 90 days after the Court enters Judgment and the time to appeal lapses; (b) if one or more participating Settlement Class Members objects to the settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appeal is withdrawn or the appellate court affirms the Judgment and issues a remittitur.

k. “Employer Taxes” means the employer’s share of taxes and contributions in connection with the wages portion of Individual Settlement Shares, which shall be paid by Defendants in addition to the Gross Fund Value (“GFV”).

l. “Enhancement Payment” means the amount to be paid to Plaintiff, in recognition of his effort and work in prosecuting the Actions on behalf of Class Members and Aggrieved Employees, and general release of claims, as set forth in Paragraph 16.

m. “Final Approval” means the determination by the Court that the Settlement is fair, reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

n. “Final Approval Hearing” means the hearing at which the Court will consider and determine whether the Settlement should be granted Final Approval.

o. “Final Approval Order and Judgment” means the order granting final approval of the Settlement and entering judgment thereon, in a form and content mutually agreed to by the Parties, and subject to approval by the Court.

p. “Gross Fund Value” or “GFV” means the amount of one million four hundred and ninety-five thousand dollars and zero cents (\$1,495,000.00) to be paid by Defendants in full satisfaction of the Actions, Class Released Claims, and PAGA Released Claims, which includes all Attorneys’ Fees and Costs, Enhancement Payment, PAGA Payment, Settlement Administration Costs, and Net Settlement Amount to be paid to the Settlement Class Members. Defendants shall pay the Employer Taxes separately and in addition to the Gross Fund Value. The Gross Fund Value is non-reversionary; no portion of the Gross Settlement Payment will return to Defendants. The Gross Fund Value is subject to increase, as provided in Paragraph 19.

q. “Individual PAGA Payment” means the *pro rata* share of the Aggrieved Employee Amount that an Aggrieved Employee may be eligible to receive under the PAGA Settlement, to be calculated in accordance with Paragraph 21.

r. “Individual Settlement Payment” means the net payment of each Settlement Class Member’s Individual Settlement Share, after reduction for the employee’s share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share, as provided in Paragraph 22.

s. “Individual Settlement Share” means the *pro rata* share of the Net Settlement Amount that a Class Member may be eligible to receive under the Class Settlement, to be calculated in accordance with Paragraph 20.

t. “LWDA Payment” means the amount of one hundred and twelve thousand one hundred and twenty-five dollars and zero cents (\$112,125.00), i.e., 75% of the PAGA Payment, that the Parties have agreed to pay to the LWDA under the PAGA Settlement, as set forth in Paragraph 17.

u. “Net Settlement Amount” means the portion of the Gross Fund Value that is available for distribution to Settlement Class Members, which is the Gross Fund Value less the Court-approved Attorneys’ Fees and Costs, Enhancement Payment, PAGA Payment, and Settlement Administration Costs.

v. “Notice of Objection” means a Settlement Class Member’s written objection to the Class Settlement, which must: (a) contain the case name and number of the Actions; (b) contain the objector’s full name, signature, address, telephone number, and the last four (4) digits of the

objector's Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

w. "PAGA Payment" means the allocation of 10% from the Gross Fund Value for the PAGA Settlement. Seventy-five percent (75%) of the PAGA Payment, or \$112,125.00, will be paid to the LWDA (i.e., the LWDA Payment) and the remaining twenty-five percent (25%), or \$37,375.00, will be distributed to the Aggrieved Employees (i.e., the PAGA Employee Amount).

x. "Aggrieved Employee(s)" means all current and former hourly-paid and/or non-exempt employees who worked for Defendants in the State of California at any time during the PAGA Period.

y. "PAGA Employee Amount" means the amount of thirty-seven thousand three hundred and seventy-five dollars and zero cents (\$37,375.00), i.e., 25% of the PAGA Payment, to be distributed to Aggrieved Employees on a *pro rata* basis based on their PAGA Workweeks.

z. "PAGA Period" means the period from October 24, 2022, through Preliminary Approval of the settlement.

aa. "PAGA Settlement" means the settlement and resolution of all PAGA Released Claims.

bb. "PAGA Workweeks" means the number of weeks each Aggrieved Employee worked for Defendants as an hourly-paid or non-exempt employee in California during the PAGA Period, which Defendants will provide in the Class List where feasible, and calculated using the start and end dates during which time the Aggrieved Employees were classified as non-exempt during the PAGA Period where pay period numbers are not provided. The Aggrieved Employees' pay periods will be calculated by Defendants from their payroll records. The Aggrieved Employee must have worked and been paid for a pay period during the PAGA Period for it to be counted (i.e., the Aggrieved Employees must have at least one shift worked during that pay period). Where actual pay data may not be available, Defendants will use their best estimates of the pay period(s) worked by the Aggrieved Employees.

cc. "Preliminary Approval" means the date on which the Court enters the Preliminary Approval Order.

dd. "Preliminary Approval Order" means the order granting preliminary approval of the Settlement, in a form and content mutually agreed to by the Parties, and subject to approval by the Court.

ee. "Class Released Claims" means all claims that were alleged, or reasonably could have been alleged based on the factual allegations contained in the Operative Complaint, including, but not limited to, California Labor Code sections 201, 202, 203, 204, 210, 213, 216, 218.5, 218.6, 223, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 233, 245, 245.5, 246, 246.5, 247, 247.5, 248.1, 248.2, 249, 256, 510, 511, 512, 551, 558, 558.1, 1174, 1174.5, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, 2802, California Industrial Commission Wage Orders, and including all claims related to alleged: (1) Minimum Wage and Straight Time Violations; (2) Overtime Wage Violations; (3) Unpaid Vacation and Holiday Wages; (4) Meal Period Violations; (5) Rest Period Violations; (6) Failure to Timely Pay Wages During Employment; (7) Failure to Provide Accurate Wage Statements, Maintain Required Records, and Recordkeeping Violations; (8) Failure to Pay All Wages Earned and Unpaid at Separation; (9) Improper Payment of Final Wages; (10) Failure to Reimburse Business Expenses; (11) Failure to Provide Sick Leave and Notice of Entitlement to Sick Leave; and (12) Unfair Competition. This further includes any and all other claims under California common law, the California Labor Code, and the California Business and Professions Code alleged in or that could have been alleged under the facts, allegations and/or claims pleaded in the action. This expressly excludes PAGA Released Claims, which are separately released below.

ff. "PAGA Released Claims" means upon Defendant's fulfillment of its payment obligations of this Agreement, in exchange for the consideration provided by this Agreement, Plaintiff, the State of California, the LWDA, the Aggrieved Employees and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns and any other representative, proxy, or agent thereof shall release the Released Parties from all claims made or which could have been made for civil penalties under the PAGA, Labor Code section 2698, et seq., based on the facts pled in Plaintiff's letters to the LWDA (including his initial letter to the LWDA and the

amended letter discussed above) and the Operative Complaint, from October 24, 2022 to the date of the Court's order granting Preliminary Approval of the settlement including, but not limited to, any and all claims for PAGA penalties involving any allegations that Defendants failed to pay all wages due (including minimum wages, regular wages, sick pay, vacation pay, holiday pay, paid time off and overtime wages or double time wages); failed to provide legally-compliant meal and rest breaks and failed to pay premium pay for missed, late, interrupted or short meal and rest breaks; failed to timely pay all earned wages and compensation; failed to timely pay wages during employment; improper payment of final wages; failure to provide sick leave and notice of entitlement to sick leave; failed to reimburse necessary business expenses; failed to provide timely final pay; failed to maintain required records; recordkeeping violations; failed to properly pay sick pay and vacation time; failed to provide accurate itemized wage statement, as well as any claims under the California Labor Code for violations of Labor Code sections 201, 202, 203, 204, 210, 213, 216, 218.5, 218.6, 223, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 233, 245, 245.5, 246, 246.5, 247, 247.5, 248.1, 248.2, 249, 256, 510, 511, 512, 551, 558, 558.1, 1174, 1174.5, 1185, 1194, 1197, 1197.1, 1198, 1199, 2800, 2802, and applicable IWC Wage Orders, and California Code of Regulations, Title 8, Section 11000 et seq. The Aggrieved Employees shall release their PAGA claims, to the extent they have any interest, in their entirety and may not opt out of the PAGA Released Claims.

gg. "Released Parties" means: (i) Defendants; (ii) each of Defendants' past, present, and future direct and indirect parents; (iii) the respective past, present, and future direct and indirect subsidiaries and affiliates of any of the foregoing; (iv) the past, present, and future shareholders, directors, officers, agents, employees, attorneys, insurers, members, partners, managers, contractors, agents, consultants, representatives, administrators, fiduciaries, benefit plans, transferees, predecessors, successors and assigns of any of the foregoing; and (v) any individual or entity which could be jointly liable with any of the foregoing.

hh. "Request for Exclusion" means a letter submitted by a Class Member indicating a request to be excluded from the Class Settlement, which must: (a) contain the case name and number of the Actions; (b) contain the Class Member's full name, signature, address, telephone number, and last four (4) digits of the Class Member's Social Security number; (c) clearly state that the Class

Member does not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

ii. “Response Deadline” means the deadline by which Class Members must submit a Request for Exclusion, Notice of Objection, and/or Workweeks Dispute, which shall be the date that is forty-five (45) calendar days from the initial mailing of the Class Notice by the Settlement Administrator to Class Members, unless the 45th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the United States Postal service is open. The Response Deadline may also be extended by express agreement between Class Counsel and Defendants’ Counsel. Under no circumstances, however, will the Settlement Administrator have the authority to extend the Response Deadline. In the event that a Class Notice is re-mailed to a Class Member, the Response Deadline for that Class Member shall be extended fifteen (15) calendar days from the original Response Deadline.

jj. “Settlement Administrator” means Apex Class Action, LLC, or any other third-party class action settlement administrator agreed to by the Parties and approved by the Court for purposes of administering the Settlement. The Parties and their counsel each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

kk. “Settlement Administration Costs” means the costs payable from the Gross Fund Value to the Settlement Administrator for administering the Settlement, as set forth in Paragraph 18.

ll. “Settlement Class” or “Settlement Class Member(s)” means all Class Members who do not submit a timely and valid Request for Exclusion.

mm. “Workweeks” means the number of weeks each Class Member worked for Defendants as an hourly-paid or non-exempt employee in California during the Class Period, which Defendants will provide in the Class List where feasible, and calculated using the start and end dates during which time the Class Members were classified as non-exempt during the Class Period where workweek numbers are not provided. The Class Members’ pay periods will be calculated by Defendants from their payroll records. Class Members must have worked and been paid for a

workweek during the Class Period for it to be counted (i.e., the Class Member must have at least one shift worked during that workweek). Where actual pay data may not be available, Defendant will use its best estimates of the pay period(s) worked by the Class Members.

nn. “Workweeks Dispute” means a letter submitted by a Class Member disputing the number of Workweeks and/or PAGA Workweeks to which they have been credited, which must: (a) contain the case name and number of the Actions; (b) contain the Class Member’s full name, signature, address, telephone number, and the last four (4) digits of the Class Member’s Social Security number; (c) clearly state that the Class Member disputes the number of Workweeks and/or PAGA Workweeks credited to the Class Member and what the Class Member contends is the correct number; (d) include support for your challenge by sending copies of pay stubs or other records; and (e) be returned by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline. The Settlement Administrator will accept Defendants’ calculation of Workweeks based on Defendants’ records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Settlement Administrator will resolve Workweek challenges based on your submission and on input from Class Counsel and Defendants’ Counsel. The Settlement Administrator’s decision is final. You can’t appeal or otherwise challenge its final decision.

CLASS CERTIFICATION

13. For the purposes of this Settlement only, the Parties stipulate to the certification of the Class.

14. The Parties agree that certification for the purpose of settlement is not an admission that certification is proper under Section 382 of the California Code of Civil Procedure. Should, for whatever reason, the Court not grant Final Approval, the Parties’ stipulation to class certification as part of the Settlement shall become null and void ab initio and shall have no bearing on, and shall not be admissible in connection with, the issue of whether certification would be inappropriate in a non-settlement context.

TERMS OF THE AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements set

1 forth herein, the Parties agree, subject to the Court's approval, as follows:

2 15. Attorneys' Fees and Costs. Defendants agree not to oppose or impede any application
3 or motion by Class Counsel for attorneys' fees in the amount up to one third (33.33%) of the Gross
4 Fund Value (i.e., \$498,333.33 if the Gross Fund Value is \$1,495,000.00) and reimbursement of actual
5 costs and expenses associated with Class Counsel's litigation and settlement of the Actions, in an
6 amount not to exceed twenty-three thousand dollars and zero cents (\$23,000.00), both of which will
7 be paid from the Gross Fund Value. These amounts will cover any and all work performed and any
8 and all costs incurred by Class Counsel in connection with the litigation of the Actions, including,
9 without limitation, all work performed and costs incurred to date, and all work to be performed and
10 all costs to be incurred in connection with obtaining the Court's approval of this Settlement
11 Agreement, including any objections raised and any appeals necessitated by those objections. Class
12 Counsel shall be solely and legally responsible for correctly characterizing this compensation for tax
13 purposes and for paying any taxes on the amounts received. The Settlement Administrator shall issue
14 an IRS Form 1099 to Class Counsel for the Attorneys' Fees and Costs. Any portion of the requested
15 Attorneys' Fees and Costs that is not awarded by the Court to Class Counsel shall be reallocated to
16 the Net Settlement Amount for the benefit of the Settlement Class Members.

17 16. Enhancement Payment. Defendants agree not to oppose or impede any application or
18 motion by Plaintiff for an Enhancement Payment in the amount up to seven thousand five hundred
19 dollars and zero cents (\$7,500.00). The Enhancement Payment, which will be paid from the Gross
20 Fund Value, subject to Court approval, will be in addition to his Individual Settlement Payment as a
21 Settlement Class Member and Individual PAGA Payment as an Aggrieved Employee. Plaintiff shall
22 be solely and legally responsible for correctly characterizing this compensation for tax purposes and
23 for paying any taxes on the amounts received. The Settlement Administrator shall issue an IRS Form
24 1099 to Plaintiff for the Enhancement Payment. Any portion of the requested Enhancement Payment
25 that is not awarded by the Court to Plaintiff shall be reallocated to the Net Settlement Amount for the
26 benefit of the Settlement Class Members.

27 17. PAGA Payment. Subject to approval by the Court, the Parties agree that the amount
28 of one hundred and forty-nine thousand five hundred and zero cents (\$149,500.00) shall be allocated

1 from the Gross Fund Value toward penalties under the Private Attorneys General Act, California Labor
2 Code Section 2698, *et seq.* (i.e., the PAGA Payment), of which seventy-five percent (75%), or
3 \$112,125.00, will be paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%), or
4 \$37,375.00, will be distributed to Aggrieved Employees (i.e., the PAGA Employee Amount) on a *pro*
5 *rata* basis, based on the total number of PAGA Workweeks worked by each Aggrieved Employee
6 during the PAGA Period (i.e., the Individual PAGA Payments).

7 18. Settlement Administration Costs. The Settlement Administrator will be paid for the
8 reasonable costs of administration of the Settlement and distribution of payments under the Settlement,
9 which is currently not to exceed eleven thousand five hundred and zero cents (\$11,500.00). These
10 costs, which will be paid from the Gross Fund Value, subject to Court approval, will include, *inter*
11 *alia*, translating the Class Notice to Spanish, printing, distributing, and tracking Class Notices and
12 other documents for the Settlement, calculating and distributing payments due under the Settlement,
13 issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings, and
14 remittances, providing necessary reports and declarations, and other duties and responsibilities set
15 forth herein to process the Settlement, and as requested by the Parties. To the extent the actual
16 Settlement Administrator's costs are greater than the estimated amount stated herein, such excess
17 amount will be deducted from the Gross Fund Value, subject to approval by the Court. Any portion
18 of the estimated, designated, and/or awarded Settlement Administration Costs which are not in fact
19 required to fulfill payment to the Settlement Administrator to undertake the required settlement
20 administration duties shall be reallocated to the Net Settlement Amount for the benefit of the
21 Settlement Class Members.

22 19. Escalator Clause. Defendants have represented that the Class Members worked a total
23 of 44,939 Workweeks from November 7, 2019, to August 20, 2024, with regard to California Closet
24 Company, Inc. and from January 1, 2022, to August 20, 2024, with regard to Cal. Closets Retail, Inc.
25 If it is determined by the Settlement Administrator that the qualifying workweeks worked by the Class
26 Members during the Class Period ultimately increase by more than 10% (i.e., if the workweeks exceed
27 49,432) through the date of Preliminary Approval, Defendants, at their option, can either choose to:
28 (1) cut off the end date for the Class Period as of the date on which the number of workweeks reaches

49,432, or (2) increase the GFV on a proportional basis equal to the percentage increase in number of workweeks worked by the Class Members above the 10% (i.e., if there was an 11% increase in the number workweeks during the Class Period, Defendants would agree to increase the GFV by 1%).

20. Individual Settlement Share Calculations. Individual Settlement Shares will be calculated and apportioned from the Net Settlement Amount based on the Class Members' number of Workweeks, as follows:

a. After Preliminary Approval, the Settlement Administrator will divide the Net Settlement Amount by the Workweeks of all Class Members to yield the "Estimated Workweek Value," and multiply each Class Member's individual Workweeks by the Estimated Workweek Value to yield each Class Member's estimated Individual Settlement Share that each Class Member may be entitled to receive under the Class Settlement.

b. After Final Approval, the Settlement Administrator will divide the final Net Settlement Amount by the Workweeks of all Settlement Class Members to yield the "Final Workweek Value," and multiply each Settlement Class Member's individual Workweeks by the Final Workweek Value to yield each Settlement Class Member's final Individual Settlement Share.

21. Individual PAGA Payment Calculations. Individual PAGA Payments will be calculated and apportioned from the PAGA Employee Amount based on the Aggrieved Employees' number of PAGA Workweeks, as follows: The Settlement Administrator will divide the PAGA Employee Amount, i.e., 25% of the PAGA Payment, by the PAGA Workweeks of all Aggrieved Employees to yield the "PAGA Workweek Value," and multiply each Aggrieved Employee's individual PAGA Workweeks by the PAGA Workweek Value to yield each Aggrieved Employee's Individual PAGA Payment.

22. Tax Treatment of Individual Settlement Shares and Individual PAGA Payments. Each Individual Settlement Share will be allocated as follows: twenty-five percent (25%) wages and seventy-five percent (75%) for non-wage damages and penalties. The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to penalties and non-wage damages will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. The Settlement Administrator will withhold the employee's share of taxes and withholdings with respect to the wages

1 portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their
2 Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes
3 and withholdings). The Employer Taxes will be paid separately and in addition to the Gross Fund
4 Value. Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties
5 and will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator.

6 23. Administration of Taxes by the Settlement Administrator. The Settlement
7 Administrator will be responsible for issuing to Plaintiff, Settlement Class Members, Aggrieved
8 Employees, and Class Counsel any tax forms (i.e., IRS Forms W-2, IRS Forms 1099, etc.) as may be
9 required by law for all amounts paid pursuant to this Settlement Agreement. The Settlement
10 Administrator will also be responsible for calculating the Employer Taxes and forwarding all payroll
11 taxes and other legally required withholdings to the appropriate government authorities. The
12 Settlement Administrator will provide counsel for Defendants a copy of the tax filings and proof of
13 payment.

14 24. Tax Liability. Plaintiff, Class Counsel, Defendants, and Defendants' Counsel do not
15 intend anything contained in this Settlement Agreement to constitute advice regarding taxes or
16 taxability, nor shall anything in this Settlement Agreement be relied on as such. Plaintiff, Settlement
17 Class Members, and Aggrieved Employees are not relying on any statement, representation, or
18 calculation by Defendants, the Settlement Administrator, or Class Counsel in this regard. Plaintiff,
19 Settlement Class Members, and Aggrieved Employees understand and agree that Plaintiff, Settlement
20 Class Members, and Aggrieved Employees will be solely responsible for the payment of any taxes
21 and penalties assessed on the payments described in this Settlement Agreement. Plaintiff, Settlement
22 Class Members, and Aggrieved Employees should consult with their tax advisors concerning the tax
23 consequences of any payment they receive under the Settlement.

24 25. Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT AGREEMENT
25 (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY
26 TO THIS SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN
27 "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS
28 SETTLEMENT AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE

1 BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISORS, IS
2 OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE
3 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE
4 MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART
5 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY
6 UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE
7 (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS SETTLEMENT AGREEMENT, (B)
8 HAS NOT ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE
9 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY
10 OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR
11 DISCLOSURE BY ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY TO AVOID ANY
12 TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO
13 ATTORNEY OR ADVISOR TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION
14 THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISOR'S
15 TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY
16 BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX
17 TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY
18 TRANSACTION CONTEMPLATED BY THIS SETTLEMENT AGREEMENT.

19 26. Settlement Awards Do Not Trigger Additional Benefits. All payments made under the
20 Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually
21 are issued to the payee. It is expressly understood and agreed that payments made under this
22 Settlement shall not in any way entitle Plaintiff, Settlement Class Members, or any Aggrieved
23 Employee to additional compensation or benefits under any new or additional compensation or
24 benefits, or any bonus, contest, or other compensation or benefit plan or agreement in place during the
25 Class Period, nor will it entitle Plaintiff, Settlement Class Members, or any Aggrieved Employee to
26 any increased retirement, 401K benefits or matching benefits, or deferred compensation benefits
27 (notwithstanding any contrary language or agreement in any benefit or compensation plan document
28 that might have been in effect during the Class Period).

27. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement.

Upon execution of this Settlement Agreement, Plaintiff will obtain a hearing date from the Court for Plaintiff's motion for preliminary approval of the Settlement, which Plaintiff and Class Counsel will be responsible for drafting, and submit this Settlement Agreement to the Court in support of said motion. Class Counsel will provide Defendants' Counsel a draft of the preliminary approval motion before filing it with the Court. Defendants agree not to oppose the motion for preliminary approval of the Settlement consistent with this Settlement Agreement. By way of said motion, Plaintiff will apply for the entry of the Preliminary Approval Order seeking the following:

- a. Conditionally certifying the Class for settlement purposes only;
- b. Granting Preliminary Approval of the Settlement;
- c. Preliminarily appointing Plaintiff as the representative of the Class;
- d. Preliminarily appointing Class Counsel as counsel for the Class;
- e. Approving as to form and content, the mutually-agreed upon and proposed Class Notice and directing its mailing by First Class U.S. Mail;
- f. Approving the manner and method for Class Members to request exclusion from or object to the Class Settlement as contained herein and within the Class Notice;
- g. Scheduling a Final Approval Hearing at which the Court will determine whether Final Approval of the Settlement should be granted.

28. Notice of Settlement to the LWDA. Pursuant to California Labor Code § 2699(1)(2), Class Counsel shall notify the LWDA of the Settlement upon filing the motion for preliminary approval of the Settlement.

29. Delivery of Class List. Within thirty (30) calendar days of Preliminary Approval, Defendants will provide the Class List to the Settlement Administrator.

30. Notice by First-Class U.S. Mail.

- a. Within seven (7) calendar days after receiving the Class List from Defendants, the Settlement Administrator will perform a search based on the National Change of Address Database or any other similar services available, such as provided by Experian, for information to update and correct for any known or identifiable address changes, and will mail a Class Notice in English and

Spanish (in the form attached as **Exhibit A** to this Settlement Agreement) to all Class Members via First-Class U.S. Mail, using the most current, known mailing addresses identified by the Settlement Administrator.

b. Any Class Notice returned to the Settlement Administrator as undeliverable on or before the Response Deadline will be sent promptly via First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on the Class Notice. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace or other search, using the name, address, and/or Social Security number of the Class Member, and perform a single re-mailing within five (5) calendar days.

c. Compliance with the procedures described herein above shall constitute due and sufficient notice to Class Members of the Settlement and shall satisfy the requirements of due process. Nothing else shall be required of or done by the Parties, Class Counsel, or Defendants' Counsel to provide notice of the Settlement.

31. Disputes Regarding Workweeks and/or PAGA Workweeks. Class Members will have an opportunity to dispute the number of Workweeks and/or PAGA Workweeks to which they have been credited, as reflected in their respective Class Notices, by submitting a timely and valid Workweeks Dispute to the Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the postmark on the return mailing envelope will be the exclusive means to determine whether a Workweeks Dispute has been timely submitted. Absent evidence rebutting the accuracy of Defendants' records and data as they pertain to the number of Workweeks and/or PAGA Workweeks to be credited to a disputing Class Member, Defendants' records will be presumed to be correct and determinative of the dispute. However, if a Class Member produces information and/or documents to the contrary, the Settlement Administrator will evaluate the materials submitted by the Class Member and the Settlement Administrator will resolve and determine the number of eligible Workweeks and/or PAGA Workweeks that the disputing Class Member should be credited with under the Settlement. The Settlement Administrator's decision on such disputes will be final and non-appealable.

1 32. Requesting Exclusion from the Class Settlement. Any Class Member wishing to be
2 excluded from the Class Settlement must submit a timely and valid Request for Exclusion to the
3 Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the
4 postmark on the return mailing envelope will be the exclusive means to determine whether a Request
5 for Exclusion has been timely submitted. The Settlement Administrator will certify jointly to Class
6 Counsel and Defendants' Counsel the number of timely and valid Requests for Exclusion that are
7 submitted, and also identify the individuals who have submitted a timely and valid Request for
8 Exclusion in a declaration that is to be filed with the Court in advance of the Final Approval Hearing.
9 At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members
10 to request exclusion from the Class Settlement. Any Class Member who submits a Request for
11 Exclusion is prohibited from making any objection to the Class Settlement. Any Class Member who
12 submits a timely and valid Request for Exclusion will not be bound by the Class Settlement and will
13 not be issued an Individual Settlement Payment. Any Class Member who does not affirmatively
14 request exclusion from the Class Settlement by submitting a timely and valid Request for Exclusion
15 will be bound by all of the terms of the Class Settlement, including, and not limited to, those pertaining
16 to the Class Released Claims, as well as any judgment that may be entered by the Court if it grants
17 Final Approval to the Settlement. Notwithstanding the above, all Aggrieved Employees will be bound
18 to the PAGA Settlement and will be issued their Individual PAGA Payment, irrespective of whether
19 they submit a Request for Exclusion.

20 33. Objecting to the Class Settlement. To object to the Class Settlement, Settlement Class
21 Members must submit a timely and complete Notice of Objection to the Settlement Administrator, by
22 mail, postmarked on or before the Response Deadline. The date of the postmark on the return mailing
23 envelope will be the exclusive means to determine whether a Notice of Objection has been timely
24 submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendants'
25 Counsel the number of Notices of Objection that are submitted (specifying which ones were timely
26 and complete and which were not), and also attach them to a declaration that is to be filed with the
27 Court in advance of the Final Approval Hearing. At no time will any of the Parties or their counsel
28 seek to solicit or otherwise encourage Settlement Class Members to object to the Class Settlement or

1 appeal from the Final Approval Order and Judgment. Settlement Class Members, individually or
2 through counsel, may also present their objection orally at the Final Approval Hearing, regardless of
3 whether they have submitted a Notice of Objection.

4 1. Reports by the Settlement Administrator. The Settlement Administrator shall provide
5 weekly reports to counsel for the Parties providing: (a) the number of undeliverable and re-mailed
6 Class Notices; (ii) the number of Class Members who have submitted Workweeks Disputes; (iii) the
7 number of Class Members who have submitted Requests for Exclusion; and (iv) the number of
8 Settlement Class Members who have submitted Notices of Objection. Additionally, the Settlement
9 Administrator will provide to counsel for the Parties any updated reports regarding the administration
10 of the Settlement Agreement as needed or requested, and immediately notify the Parties when it
11 receives a request from an individual or any other entity regarding inclusion in the Class and/or
12 Settlement or regarding a Workweeks Dispute.

13 34. Defendants' Right to Rescind. If more than seven and a half percent (7.5%) of the
14 Class Members submit timely and valid Requests for Exclusion, Defendants may elect to rescind the
15 Settlement Agreement. Defendants must exercise this right of rescission in writing that is provided to
16 Class Counsel within fourteen (14) calendar days of the Settlement Administrator notifying the Parties
17 of the number of Class Members who have submitted timely and valid Requests for Exclusion
18 following the Response Deadline. If Defendants exercise this option, Defendants shall pay any costs
19 of settlement administration owed to the Settlement Administrator incurred up to that date.

20 35. Certification of Completion. Upon completion of administration of the Settlement, the
21 Settlement Administrator will provide a written declaration under oath to certify such completion to
22 the Court and counsel for all Parties.

23 36. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After
24 the Response Deadline, a Final Approval Hearing will be conducted to determine whether Final
25 Approval of the Settlement should be granted, along with the amounts properly payable for: (a)
26 Individual Settlement Shares; (b) Individual PAGA Payments; (c) LWDA Payment; (d) Attorneys'
27 Fees and Costs; (e) Enhancement Payment; and (f) Settlement Administration Costs. The Final
28 Approval Hearing will not be held earlier than thirty (30) calendar days after the Response Deadline.

Plaintiff and Class Counsel will be responsible for drafting the motion seeking Final Approval of the Settlement. Class Counsel will provide Defendants' Counsel a draft of the final approval motion before filing it with the Court. By way of said motion, Plaintiff will apply for the entry of the Final Approval Order and Judgment, which will provide for, in substantial part, the following:

- a. Approval of the Settlement as fair, reasonable, and adequate, and directing consummation of its terms and provisions;
- b. Certification of the Settlement Class;
- c. Approval of the application for Attorneys' Fees and Costs to Class Counsel;
- d. Approval of the application for Enhancement Payment to Plaintiff;
- e. Directing Defendants to fund all amounts due under the Settlement Agreement and ordered by the Court; and
- f. Entering judgment in the Actions, while maintaining continuing jurisdiction, in conformity with California Rules of Court 3.769 and the Settlement Agreement.

37. Funding of the Gross Fund Value. No later than thirty (30) days after the Effective Date, Defendants will deposit the Gross Fund Value into a Qualified Settlement Fund ("QSF") within the meaning of Treasury Regulation Section 1.468B-1, *et seq.*, to be established by the Settlement Administrator. Defendants shall provide all information necessary for the Settlement Administrator to calculate necessary payroll taxes including its official name, 8-digit state unemployment insurance tax ID number, and other information requested by the Settlement Administrator, no later than ten (10) business days after the Effective Date.

38. Distribution of the Gross Fund Value. Within seven (7) days of the funding of the Gross Fund Value, the Settlement Administrator will issue the Individual Settlement Payments to Settlement Class Members, Individual PAGA Payments to Aggrieved Employees, LWDA Payment to the LWDA, Enhancement Payment to Plaintiff, Attorneys' Fees and Costs to Class Counsel, and Settlement Administration Costs to itself. The Settlement Administrator shall also set aside the Employer Taxes and all employee-side payroll taxes, contributions, and withholding, and timely forward these to the appropriate government authorities.

39. Settlement Checks. The Settlement Administrator will be responsible for undertaking appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way

of check to the Settlement Class Members and the Individual PAGA Payments by way of check to the Aggrieved Employees in accordance with this Settlement Agreement. When issuing payments, the Settlement Administrator may combine the Individual Settlement Payment and Individual PAGA Payment into one check if the intended recipient for both payments is one individual. Settlement Class Members and Aggrieved Employees are not required to submit a claim to be issued an Individual Settlement Payment and/or Individual PAGA Payment. Each Individual Settlement Payment and Individual PAGA Payment check will be valid and negotiable for one hundred and eighty (180) calendar days from the date the checks are issued, and thereafter, shall be canceled. Any funds associated with such canceled checks shall be distributed by the Settlement Administrator to the State of California's Unclaimed Property Fund in the name of the Settlement Class Member and/or Aggrieved Employee. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code § 384, as the entire Net Settlement Amount will be paid out to Settlement Class Members, whether they cash their settlement checks. Therefore, Defendants will not be required to pay any interest on such amounts. The Settlement Administrator shall undertake amended and/or supplemental tax filings and reporting required under applicable local, state, and federal tax laws that are necessitated due to the cancelation of any Individual Settlement Payment and/or Individual PAGA Payment checks. Settlement Class Members whose Individual Settlement Payment checks are canceled shall, nevertheless, be bound by the Class Settlement, and Aggrieved Employees whose Individual PAGA Payment checks are cancelled shall, nevertheless, be bound by the PAGA Settlement.

40. Class Settlement Release. Upon the full funding of the Gross Fund Value, Plaintiff and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Class Released Claims.

41. PAGA Settlement Release. Upon the full funding of the Gross Fund Value, Plaintiff, the State of California with respect to all Aggrieved Employees, and all Aggrieved Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all PAGA Released Claims.

42. Plaintiff's General Release. Upon the full funding of the Gross Fund Value, Plaintiff,

individually and on his own behalf, will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, or causes of action of any kind or nature whatsoever, known or unknown, suspected or unsuspected, asserted or unasserted, which Plaintiff, at any time of execution of this Settlement Agreement, had or claimed to have or may have, including, but not limited to, any and all claims arising out of, relating to, or resulting from his employment and/or separation of employment with the Released Parties, including any claims arising under any federal, state, or local law, statute, ordinance, rule, or regulation or Executive Order relating to employment, including, but in no way limited to, any claim under Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 1981; the Americans with Disabilities Act; the Family and Medical Leave Act; the Employee Retirement Income Security Act; the California Family Rights Act; the California Fair Employment and Housing Act; all claims for wages or penalties under the Fair Labor Standards Act; all claims for wages or penalties under the California Labor Code; Business and Professions Code sections 17200 *et seq.*; all laws relating to violation of public policy, retaliation, or interference with legal rights; any and all other employment or discrimination laws; whistleblower claims; any tort, fraud, or constitutional claims; and any breach of contract claims or claims of promissory estoppel. It is agreed that this is a general release and is to be broadly construed as a release of all claims, provided that, notwithstanding the foregoing, this Paragraph expressly does not include a release of any claims that cannot be released hereunder by law. Plaintiff understands and expressly agrees that this Settlement Agreement extends to claims that he has against Defendants, of whatever nature and kind, known or unknown, suspected or unsuspected, vested or contingent, past, present, or future, arising from or attributable to an incident or event, occurring in whole or in part, on or before the execution of this Settlement Agreement. Any and all rights granted under any state or federal law or regulation limiting the effect of this Settlement Agreement, including the provisions of Section 1542 of the California Civil Code, ARE HEREBY EXPRESSLY WAIVED. Section 1542 of the California Civil Code reads as follows:

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.

43. Final Approval Order and Judgment. The Parties shall provide the Settlement Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court, and the Settlement Administrator shall post the Final Approval Order and Judgment on its website for sixty (60) calendar days. No individualized notice of the Final Approval Order and Judgment to the Class will be required.

44. Continued Jurisdiction. After entry of the judgment pursuant to the Settlement, the Court will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and Section 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b) settlement administration matters, and (c) such post-judgment matters as may be appropriate under court rules or as set forth in this Settlement Agreement.

45. Effects of Termination or Rescission of Settlement. Termination or rescission of the Settlement Agreement shall have the following effects:

a. The Settlement Agreement shall be void and shall have no force or effect, and no Party shall be bound by any of its terms;

b. In the event the Settlement Agreement is terminated, Defendants shall have no obligation to make any payments to any Party, Class Member, or attorney, except that the terminating Party shall pay the Settlement Administrator for services rendered up to the date the Settlement Administrator is notified that the Settlement has been terminated;

c. The Preliminary Approval Order, Final Approval Order and Judgment, including any order certifying the Class, shall be vacated;

d. The Settlement Agreement and all negotiations, statements, and proceedings relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be restored to their respective positions in the Actions prior to the execution of the Settlement Agreement;

e. Neither this Settlement Agreement, nor any ancillary documents, actions,

statements, or filings in furtherance of the Settlement (including all matters associated with the mediation) shall be admissible or offered into evidence in the Actions or any other action for any purpose whatsoever; and

f. Any documents generated to bring the Settlement into effect, will be null and void, and any order or judgment entered by the Court in furtherance of this Settlement Agreement will likewise be treated as void from the beginning.

46. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.

47. Exhibits Incorporated by Reference. The terms of this Settlement include the terms set forth in any attached exhibits, which are incorporated by this reference as though fully set forth in this Settlement Agreement. Any exhibits to this Settlement Agreement are an integral part of the Settlement.

48. Entire Agreement. This Settlement Agreement and any attached exhibits constitute the entirety of the Parties' agreement relating to the Settlement and transactions completed in accordance with the Settlement, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged in this Settlement Agreement. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties expressly recognize California Civil Code § 1625 and California Code of Civil Procedure § 1856(a), which provide that a written agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written representations or terms will modify, vary, or contradict the terms of this Settlement Agreement.

49. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in the Actions (including with respect to California Code of Civil Procedure § 583.310), except such proceedings necessary to implement and complete this Settlement Agreement, pending the Final Approval Hearing to be conducted by the Court.

50. Amendment or Modification. Prior to the filing of the motion for preliminary approval of the Settlement, the Parties may not amend or modify any provision of this Settlement Agreement

1 except by written agreement signed by counsel for all Parties. After the filing of the motion for
2 preliminary approval of the Settlement, the Parties may not amend or modify any provision of this
3 Settlement Agreement except by written agreement signed by counsel for all the Parties and subject
4 to Court approval. A waiver or amendment of any provision of this Settlement Agreement will not
5 constitute a waiver of any other provision.

6 51. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
7 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
8 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
9 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
10 effectuate the terms of this Settlement Agreement. Each Party warrants that he/it understands and has
11 full authority to enter into this Settlement Agreement, and further intends that this Settlement
12 Agreement will be fully enforceable and binding on him/it, as the case may be, and agrees that this
13 Settlement Agreement will be admissible and subject to disclosure in any proceeding to enforce its
14 terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under
15 state or federal law.

16 52. Signatories. It is agreed that because the members of the Class are so numerous, it is
17 impossible or impractical to have each Settlement Class Member or Aggrieved Employee execute this
18 Settlement Agreement. The Class Notice will advise all Class Members of the binding nature of the
19 Class Settlement as to the Settlement Class Members and the binding nature of the PAGA Settlement
20 as to the Aggrieved Employees, and the releases provided for by this Settlement Agreement shall have
21 the same force and effect as if this Settlement Agreement were executed by each Settlement Class
22 Member and Aggrieved Employee.

23 53. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,
24 and inure to the benefit of, the successors or assigns of each of the Parties hereto, as previously defined.

25 54. California Law Governs. All terms of this Settlement Agreement and attached exhibits
26 hereto will be governed by and interpreted according to the laws of the State of California.

27 55. Execution and Counterparts. This Settlement Agreement is subject only to the
28 execution of all Parties. However, this Settlement Agreement may be executed in one or more
counterparts. All executed counterparts and each of them, including facsimile, electronic, and scanned

1 copies of the signature page, will be deemed to be one and the same instrument.

2 56. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
3 Settlement Agreement is a fair, adequate, and reasonable settlement of the Actions and have arrived
4 at this Settlement after arm's length negotiations and in the context of adversarial litigation, taking
5 into account all relevant factors, present and potential. The Parties further acknowledge that they are
6 each represented by competent counsel and that they have had an opportunity to consult with their
7 counsel regarding the fairness and reasonableness of this Settlement Agreement. In addition, if
8 necessary to obtain approval of the Settlement, the Mediator may execute a declaration supporting the
9 Settlement and the reasonableness of the Settlement and the Court may, in its discretion, contact the
10 Mediator to discuss the Settlement and whether the Settlement is objectively fair and reasonable.

11 57. Invalidity of Any Provision. Before declaring any provision of this Settlement
12 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
13 possible consistent with applicable precedents so as to define all provisions of this Settlement
14 Agreement valid and enforceable.

15 58. Plaintiff's Cooperation. Plaintiff agrees to sign this Settlement Agreement and, by
16 signing this Settlement Agreement, is hereby bound by the terms herein and agrees to fully cooperate
17 to implement the Settlement.

18 59. Non-Admission of Liability. The Parties enter into this Settlement Agreement to
19 resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of
20 continued litigation. In entering into this Settlement Agreement, Defendants do not admit, and
21 specifically deny, they have violated any federal, state, or local law; violated any regulations or
22 guidelines promulgated pursuant to any statute or any other applicable laws, regulations, or legal
23 requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation
24 or deception; or engaged in any other unlawful conduct with respect to its employees. Neither this
25 Settlement Agreement, nor any of its terms or provisions, nor any of the negotiations connected with
26 it, shall be construed as an admission or concession by Defendants of any such violations or failures
27 to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this
28 Settlement Agreement, this Settlement Agreement and its terms and provisions shall not be offered or

received as evidence in any action or proceeding to establish any liability or admission on the part of Defendants or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local or other applicable law.

60. Captions. The captions and paragraph numbers in this Settlement Agreement are inserted for the reader's convenience, and in no way define, limit, construe, or describe the scope or intent of the provisions of this Settlement Agreement.

61. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed more strictly against one Party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations between the Parties, all Parties have contributed equally to the preparation of this Settlement Agreement.

62. Representation By Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in full.

63. All Terms Subject to Final Court Approval. All amounts and procedures described in this Settlement Agreement herein will be subject to final Court approval.

64. Notices. All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and deemed to have been duly given as of the third business day after mailing by First Class U.S. Mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff and Class Counsel:

Jonathan M. Genish

jgenish@blackstonepc.com

Karen I. Gold

kgold@blackstonepc.com

Sara Pezeshkpour

spezeshkpour@blackstonepc.com

Ashley H. Cruz

acruz@blackstonepc.com

Marissa A. Mayhood

mmayhood@blackstonepc.com
BLACKSTONE LAW, APC
 8383 Wilshire Boulevard, Suite 745
 Beverly Hills, California 90211
 Tel: (310) 622-4278 / Fax: (855) 786-6356

To Defendants:
 P. Dustin Bodaghi
 dbodaghi@littler.com
 Kimberly M. Shappley
 kshappley@littler.com
LITTLER MENDELSON, P.C.
 18565 Jamboree Road
 Suite 800
 Irvine, California 92612
 Tel: (949) 705-3000 / Fax: (949) 724-1201

65. Cooperation and Execution of Necessary Documents. All Parties and their counsel will cooperate with each other in good faith and use their best efforts to implement the Settlement, including, and not limited to, executing all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement. If the Parties are unable to reach agreement on the form or content of any document needed to implement this Settlement Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties may seek the assistance of the Mediator and then the Court to resolve such disagreement.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action and PAGA Settlement between Plaintiff and Defendant:

IT IS SO AGREED.

PLAINTIFF JESSE ROMERO

Dated: 10/25/2024



 Jesse Romero

DEFENDANT CALIFORNIA CLOSET COMPANY, INC.

Dated: 11/3/2024

DocuSigned by:

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Full Name: Rhonda Biddix

Title: CFO

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On behalf of California Closet Company, Inc.

**DEFENDANT CAL. CLOSET RETAIL,
INC.**

Dated: 11/3/2024

DocuSigned by:
Rhonda Biddix
AC08BF22BC71040F

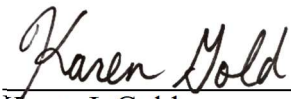
Full Name: Rhonda Biddix

Title: CFO

On behalf of Cal. Closet Retail, Inc.

BLACKSTONE LAW, APC

Dated: January 27, 2025



Karen I. Gold

*Attorneys for Plaintiff Jesse Romero and
Proposed Class Counsel*

LITTLER MENDELSON, P.C.

Dated: January 27, 2025



P. Dustin Bodaghi
Attorneys for Defendants

Ex. A

NOTICE OF CLASS ACTION AND PAGA SETTLEMENT

Jesse Romero v. Cal. Closets Retail Inc., et al.

Superior Court of California for the County of Los Angeles, Case Nos. 23STCV27355; 23STCV31746

PLEASE READ THIS CLASS NOTICE CAREFULLY.

The Superior Court for the State of California authorized this Notice. Please read it carefully! It is not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiff Jesse Romero (“Plaintiff”) and Defendants California Closet Company, Inc. and Cal Closets Retail, Inc. (collectively, “Defendants”) (Plaintiff and Defendants are collectively referred to as the “Parties”) in the cases entitled *Jesse Romero v. Cal. Closets Retail Inc., et al.*, Los Angeles County Superior Court, Case Nos. 23STCV27355; 23STCV31746 (the “Actions”), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] to determine whether or not the Court should grant final approval of the settlement (“Final Approval Hearing”).

I. IMPORTANT DEFINITIONS

“**Class**” or “**Class Member**” means all current and former hourly-paid and/or non-exempt employees who worked for Defendants within the State of California at any time during the Class Period.

“**Class Period**” means the period from November 7, 2019, through Preliminary Approval of the settlement with regard to Defendant California Closet Company, Inc., and January 1, 2022, through Preliminary Approval of the settlement with regard to defendant Cal Closets Retail, Inc.

“**Class Settlement**” means the settlement and resolution of all Class Released Claims (as defined below).

“**Aggrieved Employees**” means all current and former hourly-paid and/or non-exempt employees who worked for Defendants in the State of California at any time during the PAGA Period.

“**PAGA Period**” means the period from October 24, 2022, through Preliminary Approval of the settlement.

“**PAGA Settlement**” means the settlement and resolution of all PAGA Released Claims (as defined below).

“**Preliminary Approval**” means the date the Court issues its order preliminarily approving the settlement.

II. BACKGROUND OF THE ACTION

On October 24, 2023, Plaintiff provided written notice to the California Labor and Workforce Development Agency (“LWDA”) and Defendants of alleged violations of the California Labor Code (“PAGA Letter”). On November 7, 2023, Plaintiff commenced a putative class action lawsuit by filing a Class Action Complaint for Damages in the Los Angeles County Superior Court, Case No. 23STCV27355. On December 28, 2023, Plaintiff filed a Complaint for Enforcement Action Under the Private Attorneys General Act, California Labor Code §§ 2698. *et seq.* in the Los Angeles County Superior Court, Case No. 23STCV31746. On October 8, 2024, Plaintiff provided written notice to the LWDA and Defendants of additional provisions of the California Labor Code that Plaintiff contends were violated (“Amended PAGA Letter”). On October 10, 2024, Plaintiff filed a First Amended Class and PAGA Representative Action Complaint (“Operative Complaint”) alleging the following causes of action: (1) Minimum Wage and Straight Time Violations; (2) Overtime Wage Violations; (3) Unpaid Vacation and Holiday Wages; (4) Meal Period Violations; (5) Rest Period Violations; (6) Failure to Timely Pay Wages During Employment; (7) Failure to Provide Accurate Wage Statements, Maintain Required Records, and Recordkeeping Violations; (8) Failure to Pay All Wages Earned and Unpaid at Separation; (9) Improper Payment of Final Wages; (10) Failure to Reimburse Business Expenses; (11) Failure to Provide Sick Leave and Notice of Entitlement to Sick Leave; (12) Unfair Competition; and (13) Violation of the California Private Attorneys General Act.

Plaintiff contends that Defendants failed to: (i) properly pay minimum and overtime wages, (ii) provide compliant meal and

rest breaks and associated premiums, (iii) timely pay wages during employment, (iv) timely pay wages upon termination of employment and associated waiting-time penalties, (v) provide accurate wage statements, (vi) properly pay vacation and holiday wages, (vii) provide proper payment of final wages, (viii) provide sick leave and notice of entitlement to sick leave and (ix) reimburse business expenses, and thereby (x) engaged in unfair business practices in violation of the California Business and Professions Code section 17200, *et seq.*, and (xi) conduct that gives rise to penalties under the PAGA. Plaintiff sought, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys' fees and costs.

Defendants deny all of the allegations in the Actions, that they violated any law, or that they failed to pay any wages and contend they complied with all applicable laws.

The Parties participated in mediation with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into a Joint Stipulation of Class Action and PAGA Settlement ("Settlement" or "Settlement Agreement").

On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires Defendants to make payments under the Settlement and require Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendants unless they timely opt-out of the settlement.

If you are a Class Member, you need not take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks and/or PAGA Workweeks credited to you, if you so choose, as explained more fully in Sections III and IV below. If you are an Aggrieved Employee, you do not need to take any action to receive an Individual PAGA Payment; you will not have the opportunity to object or seek exclusion from the PAGA Settlement and all Aggrieved Employees will be bound to the PAGA Settlement if the Court grants final approval of the Settlement.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendants that the claims in the Actions have merit or that Defendants have any liability to Plaintiff, Class Members, or Aggrieved Employees. Plaintiff and Defendants, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of the Class Members, the State of California, and Aggrieved Employees.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is one million four hundred and ninety-five thousand dollars and zero cents (\$1,495,000.00) (the "Gross Fund Value"). The portion of the Gross Fund Value that is available for payment to Class Members is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Gross Fund Value less the following payments which are subject to approval by the Court: (1) attorneys' fees, in an amount not to exceed 33.33% of the Gross Fund Value (i.e., \$498,333.33 if the Gross Fund Value is \$1,495,000.00), and reimbursement of litigation costs and expenses, in an amount not to exceed twenty-three thousand dollars and zero cents (\$23,000.00) to Class Counsel; (2) Enhancement Payment in an amount not to exceed seven thousand five hundred dollars and zero cents (\$7,500.00) to Plaintiff for his services in the Actions; (3) the amount of one hundred and forty-nine thousand five hundred and zero cents (\$149,500.00) allocated toward civil penalties under the Private Attorneys General Act ("PAGA Payment"), of which the LWDA will be paid 75% (\$112,125.00) ("LWDA Payment") and the remaining 25% (\$37,375.00) will be distributed to Aggrieved Employees ("PAGA Employee Amount"); and (4) Settlement Administration Costs in an amount not to exceed eleven thousand five hundred and zero cents (\$11,500.00) to Apex Class Action, LLC ("Settlement Administrator").

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount (“Individual Settlement Share”) based on the number of weeks each Class Member worked for Defendants as an hourly-paid or non-exempt employee in California during the Class Period (“Workweeks”). The Settlement Administrator has divided the Net Settlement Amount by the Workweeks of all Class Members to yield the “Estimated Workweek Value,” and multiplied each Class Member’s individual Workweeks by the Estimated Workweek Value to yield an estimated Individual Settlement Share that each Class Member may be entitled to receive under the Class Settlement (which is listed in Section III.C below). Class Members who do not submit a timely and valid Request for Exclusion (“Settlement Class Members”) will be issued their final Individual Settlement Payment following final approval of the settlement by the Court.

Each Individual Settlement Share will be allocated as twenty-five percent (25%) as wages, which will be reported on an IRS Form W-2, and seventy-five percent (75%) as non-wage damages and penalties, which will be reported on an IRS Form 1099 (if applicable). Each Individual Settlement Share will be subject to reduction for the employee’s share of payroll taxes and withholdings with respect to the wages portion of the Individual Settlement Shares resulting in a net payment to the Settlement Class Member (“Individual Settlement Payment”). The employer’s share of taxes and contributions in connection with the wages portion of Individual Settlement Shares (“Employer Taxes”) will be paid by Defendants separately and in addition to the Gross Fund Value.

Aggrieved Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Employee Amount (“Individual PAGA Payment”) based on the number of weeks each Aggrieved Employee worked for Defendants as an hourly-paid or non-exempt employee in California during the PAGA Period (“PAGA Workweeks”). The Settlement Administrator has divided the PAGA Employee Amount, i.e., 25% of the PAGA Payment, by the PAGA Workweeks of all Aggrieved Employees to yield the “PAGA Workweek Value,” and multiplied each Aggrieved Employee’s individual PAGA Workweeks by the PAGA Workweek Value to yield each Aggrieved Employee’s Individual PAGA Payment.

Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, will not be subject to withholdings, and will be reported on IRS Form 1099 (if applicable).

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members and Individual PAGA Payments will be mailed to Aggrieved Employees at the address that is on file with the Settlement Administrator. **If the address to which this Class Notice was mailed is not correct, or if you move after you receive this Class Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

B. Your Workweeks and PAGA Workweeks (if applicable) Based on Defendant’s Records

According to Defendants’ records:

- From [REDACTED] through [REDACTED] (i.e., the Class Period), you are credited as having worked [REDACTED] Workweeks.
- From [REDACTED] through [REDACTED] (i.e., the PAGA Period), you are credited as having worked [REDACTED] PAGA Workweeks.

If you wish to dispute the Workweeks and/or PAGA Workweeks credited to you, you must submit your dispute in writing to the Settlement Administrator (“Workweeks Dispute”). The Workweeks Dispute must: (a) contain the case name and number of the Actions (*Jesse Romero v. Cal. Closets Retail Inc., et al.*, Case Nos. 23STCV27355; 23STCV31746); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) clearly state that you dispute the number of Workweeks and/or PAGA Workweeks credited to you and what you contend is the correct number; (d) include support for your challenge by sending copies of pay stubs or other records; and (e) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B below, postmarked **on or before** [Response Deadline].

The Settlement Administrator will accept Defendants’ calculation of Workweeks based on Defendants’ records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Settlement Administrator will resolve Workweek challenges based on your submission and on input from Class Counsel and Defendants’ Counsel. The Settlement Administrator’s decision is final.

You can't appeal or otherwise challenge its final decision.

C. Your Estimated Individual Settlement Share and Individual PAGA Payment (if applicable)

As explained above, your estimated Individual Settlement Share and Individual PAGA Payment (if applicable) is based on the number of Workweeks and PAGA Workweeks (if applicable) credited to you.

Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ [REDACTED]. The Individual Settlement Share is subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

Under the terms of the Settlement, your Individual PAGA Payment is estimated to be \$ [REDACTED] and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

The settlement approval process may take multiple months. Your Individual Settlement Share and Individual PAGA Payment (if applicable) reflected in this Class Notice is only an estimate. Your actual Individual Settlement Payment and Individual PAGA Payment (if applicable) may be higher or lower.

D. Release of Claims

Upon the full funding of the Gross Fund Value, Plaintiff and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Class Released Claims.

Upon the full funding of the Gross Fund Value, Plaintiff, the State of California with respect to all Aggrieved Employees, and all Aggrieved Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all PAGA Released Claims.

"Class Released Claims" means all claims that were alleged, or reasonably could have been alleged based on the factual allegations contained in the Operative Complaint, including, but not limited to, California Labor Code sections 201, 202, 203, 204, 210, 213, 216, 218.5, 218.6, 223, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 233, 245, 245.5, 246, 246.5, 247, 247.5, 248.1, 248.2, 249, 256, 510, 511, 512, 551, 558, 558.1, 1174, 1174.5, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, 2802, California Industrial Commission Wage Orders, and including all claims related to alleged: (1) Minimum Wage and Straight Time Violations; (2) Overtime Wage Violations; (3) Unpaid Vacation and Holiday Wages; (4) Meal Period Violations; (5) Rest Period Violations; (6) Failure to Timely Pay Wages During Employment; (7) Failure to Provide Accurate Wage Statements, Maintain Required Records, and Recordkeeping Violations; (8) Failure to Pay All Wages Earned and Unpaid at Separation; (9) Improper Payment of Final Wages; (10) Failure to Reimburse Business Expenses; (11) Failure to Provide Sick Leave and Notice of Entitlement to Sick Leave; and (12) Unfair Competition. This further includes any and all other claims under California common law, the California Labor Code, and the California Business and Professions Code alleged in or that could have been alleged under the facts, allegations and/or claims pleaded in the Actions. This expressly excludes the PAGA Released Claims, which are separately released below.

"PAGA Released Claims" means upon Defendant's fulfillment of its payment obligations of this Agreement, in exchange for the consideration provided by this Agreement, Plaintiff, the State of California, the LWDA, the Aggrieved Employees and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns and any other representative, proxy, or agent thereof shall release the Released Parties from all claims made or which could have been made for civil penalties under the PAGA, Labor Code section 2698, et seq., based on the facts pled in Plaintiff's letters to the LWDA (including his initial letter to the LWDA and the amended letter discussed above) and the Operative Complaint, from October 24, 2022 to the date of Preliminary Approval of the settlement including, but not limited to, any and all claims for PAGA penalties involving any allegations that Defendants failed to pay all wages due (including minimum wages, regular wages, sick pay, vacation pay, holiday pay, paid time off and overtime wages or double time wages); failed to provide legally-compliant meal and rest breaks and failed to pay premium pay for missed, late, interrupted or short meal and rest breaks; failed to timely pay all earned wages and compensation; failed to timely pay wages during employment; improper payment of final wages; failure to provide sick leave and notice of entitlement to sick leave; failed to reimburse necessary business expenses; failed to provide timely final pay; failed to maintain required records;

recordkeeping violations; failed to properly pay sick pay and vacation time; failed to provide accurate itemized wage statements, as well as any claims under the California Labor Code for violations of Labor Code sections 201, 202, 203, 204, 210, 213, 216, 218.5, 218.6, 223, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 233, 245, 245.5, 246, 246.5, 247, 247.5, 248.1, 248.2, 249, 256, 510, 511, 512, 551, 558, 558.1, 1174, 1174.5, 1185, 1194, 1197, 1197.1, 1198, 1199, 2800, 2802, and applicable IWC Wage Orders, and California Code of Regulations, Title 8, section 11000, et seq. The Aggrieved Employees shall release their PAGA claims, to the extent they have any interest, in their entirety and may not opt out of the PAGA Released Claims.

“Released Parties” means: (i) Defendants; (ii) each of Defendants’ past, present, and future direct and indirect parents; (iii) the respective past, present, and future direct and indirect subsidiaries and affiliates of any of the foregoing; (iv) the past, present, and future shareholders, directors, officers, agents, employees, attorneys, insurers, members, partners, managers, contractors, agents, consultants, representatives, administrators, fiduciaries, benefit plans, transferees, predecessors, successors and assigns of any of the foregoing; and (v) any individual or entity which could be jointly liable with any of the foregoing.

E. Attorneys’ Fees and Costs to Class Counsel

Class Counsel will seek attorneys’ fees in an amount not to exceed one third (33.33%) of the Gross Fund Value (i.e., \$498,333.33 if the Gross Fund Value is \$1,495,000.00) and reimbursement of litigation costs and expenses in an amount not to exceed twenty-three thousand dollars and zero cents (\$23,000.00) (collectively, “Attorneys’ Fees and Costs”), subject to approval by the Court. The Attorneys’ Fees and Costs granted by the Court will be paid from the Gross Fund Value. Class Counsel has been prosecuting the Actions on behalf of Plaintiff, Class Members, and Aggrieved Employees on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payment to Plaintiff

Plaintiff will seek the amount of seven thousand five hundred dollars and zero cents (\$7,500.00) (“Enhancement Payment), in recognition of his services in connection with the Actions. The Enhancement Payment will be paid from the Gross Fund Value, subject to approval by the Court, and if awarded, it will be paid to Plaintiff in addition to his Individual Settlement Payment and Individual PAGA Payment that he is entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed eleven thousand five hundred and zero cents (\$11,500.00) (“Settlement Administration Costs”) for the costs of the notice and settlement administration process, including, and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objection, and Workweeks Disputes, calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Fund Value, subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Class Settlement and receive money from the Class Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement and if the Court grants final approval of the Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Class Released Claims against the Released Parties as described in Section III.D above.

If you are an **Aggrieved** Employee and the Court grants final approval of the Settlement, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the PAGA Released Claims against the Released Parties as described in Section III.D above.

As a Class Member and **Aggrieved** Employee (if applicable), you will not be separately responsible for the payment of

attorney's fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney's fees and expenses.

B. Request Exclusion from the Class Settlement

Class Members may request to be excluded from the Class Settlement by submitting a letter ("Request for Exclusion") to the Settlement Administrator, at the following address:

[Settlement Administrator]

[Mailing Address]

A Request for Exclusion must: (a) contain the case name and number of the Actions (*Jesse Romero v. Cal. Closets Retail Inc. et al.*, Case Nos. 23STCV27355; 23STCV31746); (b) contain your full name, signature, address, telephone number, and last four (4) digits of your Social Security number; (c) clearly state that you do not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address above, postmarked **on or before** [Response Deadline].

If the Court grants final approval of the Settlement, any Class Member who submits a timely and valid Request for Exclusion will not be issued an Individual Settlement Payment, will not be bound by the Class Settlement (and the release of Class Released Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a timely and valid Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Class Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon.

Aggrieved Employees will be bound to the PAGA Settlement (and the release of PAGA Released Claims described in Section III.D above) and will still be issued an Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion.

C. Object to the Class Settlement

You can object to the Class Settlement as long as you have not submitted a Request for Exclusion by submitting a written objection ("Notice of Objection") to the Settlement Administrator.

The Notice of Objection must: (a) contain the case name and number of the Actions (*Jesse Romero v. Cal. Closets Retail Inc. et al.*, Case Nos. 23STCV27355; 23STCV31746); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B above, postmarked **on or before** [Response Deadline].

You may also appear at the Final Approval Hearing (discussed below) and present your objection orally, regardless of whether you have submitted a Notice of Objection.

D. Need to Promptly Cash Payment Checks

The front of every check issued for Individual Class Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name. If the monies represented by your check are sent to the Controller's Unclaimed Property, you should consult the rules of the California Controller's Unclaimed Property Fund for instructions on how to retrieve your money.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 7 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California, 90012 on [date], at [time], to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and grant the Attorneys' Fees and Costs to Class Counsel, Enhancement Payment to Plaintiff, and Settlement Administration Costs to the Settlement Administrator.

The Final Approval Hearing may be continued without further notice to the Class Members and Aggrieved Employees. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

You can find more information regarding appearing remotely through LA Court Connect online at: <https://www.lacourt.org/lacceligibility/ui/civil.aspx?casetype=cj>.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers, which are on file with the Court.

You may view the Settlement Agreement and other documents filed in the Action by for a fee by making an appointment in advance and visiting the civil clerk's office during business hours, located at the Stanley Mosk Courthouse, 111 North Hill Street, Los Angeles, California 90012, or online by visiting the following website: <https://www.lacourt.org/casesummary/ui/>

You may also visit the Settlement Administrator's website at [REDACTED] for more information and documents relating to the Settlement, or you may contact Plaintiff's attorneys and counsel for the Class (whose information is also below):

Settlement Administrator:

[Settlement Administrator]

[Mailing Address]

[Telephone]

[Email address]

Class Counsel:

Jonathan M. Genish
Karen I. Gold
Sara Pezeshkpour
Ashley H. Cruz
Marissa A. Mayhood
Blackstone Law, APC
8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211
Tel: (310) 622-4278 / Fax: (855) 786-6356

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.

EXHIBIT 3

Karen Gold (State Bar No. 258360)
kgold@blackstonepc.com
Sara Pezeshkpour (State Bar No. 260240)
spezeshkpour@blackstonepc.com
Ashley Cruz (State Bar No. 306235)
acruz@blackstonepc.com
Marissa Mayhood (State Bar No. 334376)
mmayhood@blackstonepc.com
BLACKSTONE LAW, APC
8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211
Tel: (310) 622-4278 / Fax: (855) 786-6356

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County of Los Angeles
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David W. Slayton,
Executive Officer/Clerk of Court,
By J. Nunez, Deputy Clerk

*Attorneys for Plaintiff JESSE ROMERO,
Individually, on behalf of others similarly situated,
and on behalf of Aggrieved Employees pursuant to the
California Private Attorneys General Act*

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

JESSE ROMERO, individually and on behalf of
others similarly situated,

Plaintiff,

vs.

CALIFORNIA CLOSET COMPANY, a
California corporation; CAL CLOSET RETAIL,
INC., a Delaware corporation; and DOES 1
through 25, inclusive,

Defendants.

Case No. 23STCV27355 (related to Case No.
23STCV31746)

Hon. Lawrence P. Riff, Dept. 7

**NOTICE OF MOTION AND MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT;
MEMORANDUM OF POINTS AND
AUTHORITIES IN SUPPORT THEREOF**

Date: January 29, 2025

Time: 10:00 a.m.

Dept.: 7

Complaint Filed: November 7, 2023

FAC Filed: October 10, 2024

Trial Date: Not Set

1 **TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:**

2 **PLEASE TAKE NOTICE THAT on January 29, 2025 at 10:00 a.m.** in Department 7 of the
3 above-captioned Court located at 312 N. Spring Street, Los Angeles, California 90012, pursuant to Rule
4 3.769 of the California Rules of Court, Plaintiff Jesse Romero (“Plaintiff”) will and hereby does move
5 the Court for an Order granting preliminary approval of the proposed class action and PAGA settlement
6 between Plaintiff and Defendants California Closet Company, Inc. (incorrectly named as California
7 Closet Company) and Cal Closets Retail, Inc. (incorrectly named as Cal Closet Retail, Inc.)
8 (“Defendants”).

9 Plaintiff requests that the Court enter an Order:

10 1. Preliminarily approving the Joint Stipulation of Class Action and PAGA Settlement
11 (“Settlement” or “Settlement Agreement”) attached as Exhibit 2 to the Declaration of Karen I. Gold in
12 Support of Plaintiff’s Motion for Preliminary Approval of Class Action and PAGA Settlement (“Gold
13 Decl.”);

14 2. Certifying the Class for Settlement purposes;

15 3. Appointing Plaintiff Jesse Romero as the Class Representative for Settlement purposes;

16 4. Appointing Jonathan M. Genish, Karen I. Gold, Sara Pezeshkpour, Ashley H. Cruz, and
17 Marissa A. Mayood of Blackstone Law, APC as Class Counsel for Settlement purposes;

18 5. Approving the proposed Notice of Class Action Settlement (“Class Notice”), attached as
19 Exhibit A to the Settlement Agreement, to be mailed to the Class;

20 6. Approving the opt-out and objection procedures provided in the Settlement Agreement
21 and set forth in the Class Notice;

22 7. For each Class Member, directing Defendants to furnish: (1) their full name; (2) last
23 known mailing address; (3) last known phone number(s); (4) Social Security number; (5) workweek and
24 pay period numbers where feasible, and hire and termination dates to calculate workweeks and pay
25 periods where the workweek/pay period numbers are not provided; and (6) such other information as is
26 necessary for the Settlement Administrator to calculate Workweeks and PAGA Workweeks (if
27 applicable) to the Settlement Administrator within thirty (30) calendar days after entry of the order
28 granting preliminary approval of the Settlement;

8. Approving the proposed deadlines for the settlement administration process; and

9. Setting a Final Approval Hearing.

Pursuant to California Labor Code section 2699(1)(2) and concurrently with the filing of this Motion, a copy of the Settlement was submitted to the California Labor and Workforce Development Agency (“LWDA”) via online submission through the LWDA’s website. (Gold Decl., ¶ 52).

This Motion is based upon this Notice, the attached Memorandum of Points and Authorities, the Declaration of Karen I. Gold, the Declaration of Plaintiff Jesse Romero, the Declaration of Sean Hartranft, the pleadings and other records on file with the Court in this matter, and any other further evidence or argument that the Court may properly receive at or before the hearing.

Respectfully submitted,

Dated: December 9, 2024

BLACKSTONE LAW, APC

By: Karen Gold
Karen I. Gold
Sara Pezeshkpour
Ashley H. Cruz
Marissa A. Mayhood

Attorneys for Plaintiff, Jese Romero, *Individually, on behalf of others similarly situated, and on behalf of Aggrieved Employees pursuant to the California Private Attorneys General Act*

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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Plaintiff Jesse Romero (“Plaintiff”) seeks preliminary approval of the Joint Stipulation of Class Action and PAGA Settlement (“Settlement” or “Settlement Agreement”) entered into between Plaintiff and Defendants California Closet Company and Cal Closet Retail, Inc. (“Defendants”) (collectively, the “Parties”). (Declaration of Karen I. Gold in Support of Plaintiff’s Motion for Preliminary Approval of Class Action and PAGA Settlement [“Gold Decl.”], Ex. 2). The Settlement terms are as follows:

- Class Size: Approximately 658 individuals as of August 23, 2024.
- Gross Fund Value: One million four hundred and ninety-five thousand dollars and zero cents (\$1,495,000.00).
- Attorneys’ Fees and Costs: Attorneys’ fees of up to one third (33.33%) of the Gross Fund Value (i.e., \$498,333.33 if the Gross Fund Value is \$1,495,000.00) plus actual litigation costs and expenses not to exceed twenty-three thousand dollars and zero cents (\$23,000.00), both of which will be paid from the Gross Fund Value.
- Enhancement Payment: Up to seven thousand five hundred dollars and zero cents (\$7,500.00), to be paid from the Gross Fund Value.
- PAGA Payment: One hundred and forty-nine thousand five hundred dollars and zero cents (\$149,500.00) from the Gross Fund Value, 75% (\$112,125.00) of which will be paid to the Labor and Workforce Development Agency (“LWDA”) and the remaining 25% (\$37,375.00) to be paid to the Aggrieved Employees.
- Settlement Administration Costs: Not to exceed eleven thousand five hundred dollars and zero cents (\$11,500.00), to be paid from the Gross Fund Value. (See generally, Declaration of Sean Hartranft [“Hartranft Decl.”]).
- Estimated Net Settlement Amount (Excluding PAGA payment to PAGA aggrieved employees): Eight hundred and forty-two thousand five hundred forty-one dollars and sixty-seven cents (\$842,541.67) to be distributed to Settlement Class Members.

As set forth herein, the Settlement is the product of informal discovery and arms-length negotiations with respected wage and hour mediator Kelly A. Knight, and provides a fair, adequate, and reasonable recovery for the Class. Plaintiff therefore respectfully requests that the Court grant preliminary

1 approval of the Settlement, conditionally certify the Class, approve the proposed Notice of Class Action
2 Settlement (“Class Notice”), and set a hearing date for final settlement approval, among other requested
3 relief.

4 II. FACTUAL AND PROCEDURAL BACKGROUND

5 Defendants design and build custom closets, entertainment centers, and kitchen pantries. Plaintiff
6 was employed by Defendants as an hourly-paid, non-exempt installer from approximately September
7 2021 to November 2022. (Declaration of Plaintiff Jesse Romero in Support of Motion for Preliminary
8 Approval of Class Action and PAGA Settlement [“Romero Decl.”], ¶ 2). Defendants allegedly jointly
9 and severally employed Plaintiff at their location in Inglewood, California. (*Id.*, at ¶ 2). Defendants deny
10 that they were joint employers. Plaintiff’s job duties included, among other things, installing closets at
11 clients’ locations. (*Id.*, at ¶ 2).

12 Plaintiff contends that Defendants engaged in a pattern and practice of wage abuse against him
13 and other hourly-paid and/or non-exempt employees. (*Id.*, at ¶ 3). This pattern and practice of wage
14 abuse involved, *inter alia*, requiring Plaintiff and other hourly-paid and/or non-exempt employees to
15 work off-the-clock without compensation, failing to properly pay overtime and minimum wages for all
16 hours worked, failing to provide meal and rest breaks to which they were entitled and failing to pay meal
17 and rest break premiums when due, failing to timely pay wages during employment and upon termination
18 of employment, failing to provide accurate wage statements, failing to reimburse necessary business-
19 related expenses and failing to adhere to other related protections afforded by the California Labor Code
20 and the applicable Industrial Welfare Commission Wage Order. Defendants deny these allegations.

21 On October 24, 2023, Plaintiff provided written notice to the LWDA by online submission and
22 to Defendant by U.S. Certified Mail, pursuant to California Labor Code Section 2699.3, of the specified
23 provisions of the California Labor Code alleged to have been violated by Defendant (“PAGA Letter”).
24 (Gold Decl., ¶ 10 & Ex. 1).

25 On November 7, 2023, Plaintiff filed a Class Action Complaint for Damages against Defendants
26 in the action entitled *Jesse Romero v. California Closet Company, et al.*, Los Angeles County Superior
27 Court Case No. 23STCV27355 (the “Class Action”), thereby commencing a putative class action against
28 Defendant. (*Id.*, ¶ 11).

1 On December 28, 2023, Plaintiff filed a Complaint for Enforcement Action Under the Private
2 Attorneys General Act, California Labor Code §§ 2698, *et seq.* in the action titled *Jesse Romero v. Cal.*
3 *Closets Retail, Inc. et al.*, Los Angeles County Superior Court, Case No. 23STCV31746 (the “PAGA
4 Action”, and collectively together with the Class Action the “Actions”), thereby commencing a
5 representative PAGA action against Defendants.

6 On October 8, 2024, Plaintiff submitted an amended written notice to the LWDA asserting claims
7 pursuant to California Labor Code sections 201, 202, 203, 204, 210, 213, 216, 218.5, 218.6, 223, 225.5,
8 226, 226.3, 226.6, 226.7, 227.3, 233, 245, 245.5, 246, 246.5, 247, 247.5, 248.1, 248.2, 249, 256,
9 510, 511, 512, 551, 558, 558.1, 1174, 1174.5, 1185, 1194, 1197, 1197.1, 1198, 1199, 2800, 2802,
10 applicable Industrial Welfare Commission Wage Orders, and California Code of Regulations, Title 8,
11 section 11000 *et seq.*

12 On October 10, 2024, Plaintiff filed a First Amended Class and PAGA Representative Action
13 Complaint (“Operative Complaint”) in the Class Action. (*Id.*, ¶ 14). The Operative Complaint alleges
14 Defendants violated the California Labor Code for failure to pay minimum wages and straight wages,
15 failure to pay overtime wages, failure to pay vacation and holiday wages, failure to provide notice of
16 entitlement to sick leave and properly pay sick leave, failure to provide compliant meal periods and
17 premium payments in lieu thereof, failure to provide compliant rest periods and premiums payments in
18 lieu thereof, failure to timely pay wages during employment, failure to provide compliant wage
19 statements, failure to maintain required records, recordkeeping violations, failure to timely pay wages
20 upon separation, failure to provide proper payment of final wages, and failure to reimburse necessary
21 business expenses, for violations of California Business & Professions Code Section 17200, *et seq.* based
22 on the aforementioned California Labor Code violations, and for civil penalties under PAGA based on
23 the aforementioned California Labor Code violations. The Operative Complaint also asserts claims for
24 violations of California Labor Code Sections 201, 202, 203, 204, 210, 213, 216, 218.5, 218.6, 223, 225.5,
25 226, 226.3, 226.6, 226.7, 227.3, 233, 245, 245.5, 246, 246.5, 247, 247.5, 248.1, 248.2, 249, 256, 510,
26 511, 512, 551, 558, 558.1, 1174, 1174.5, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, 2802,
27 2810.5, and California Industrial Commission Wage Orders. (*Id.*).

1 On June 21, 2024, June 28, 2024, and August 9, 2024, Defendants produced time and pay records
2 for all Class Members for the period of November 7, 2019, through June 14, 2024. (*Id.*, at ¶ 25).

3 On August 20, 2024, the Parties participated in a formal mediation conducted by Kelly Knight,
4 Esq., (“Mediator”), a neutral and respected mediator with extensive experience in complex wage and
5 hour matters, and with the assistance of the Mediator, the Parties were able to reach an agreement to
6 resolve this dispute on a class and representative basis. (*Id.*, ¶ 13). The Parties then worked diligently to
7 negotiate and memorialize the terms in a long form settlement agreement. (*Ibid*).

8 On November 3, 2024, the Parties executed the Settlement Agreement. (*Id.*, ¶ 15; & Ex. 2).

9 **III. THE SETTLEMENT TERMS**

10 **A. Class Definition**

11 1. For purposes of settlement only, the Parties have agreed that the Class shall be defined as
12 “all current and former hourly-paid and/or non-exempt employees who worked for Defendants within the
13 State of California at any time during the Class Period” (“Class Members” or “Class”). (Gold Decl., ¶
14 16; Settlement Agreement, ¶ 12(b)). The Class Period is defined as November 7, 2019 through
15 Preliminary Approval with regard to defendant California Closet Company, Inc., and January 1, 2022
16 through Preliminary Approval of the settlement with regard to defendant Cal Closets Retail, Inc. (Gold
17 Decl., ¶ 16; Settlement Agreement, ¶ 12(f)). The different class periods are the result of a prior settlement
18 entered into between class counsel in another matter and defendant Cal Closets Retail, Inc. Based on
19 information provided by Defendants, as of August 23, 2024, it is estimated that there are a total of six
20 hundred fifty-eight (658) Class Members. (Gold Decl., ¶ 16).

21 **B. Amount of Settlement**

22 The Parties have agreed to settle the class and PAGA claims at issue in the Operative Complaint
23 for a non-reversionary Gross Fund Value of one million four hundred and ninety-five thousand dollars
24 and zero cents (\$1,495,000.00), exclusive of employer-side payroll taxes. (Gold Decl., ¶ 17; Settlement
25 Agreement, ¶ 12(p)).

26 **C. Allocation and Funding of the Gross Fund Value**

27 The Gross Fund Value is a common fund and therefore includes all requested costs, fees, and
28 other allocations. (Gold Decl., ¶ 17; Settlement Agreement, ¶ 12(p)). The Gross Fund Value includes:

(1) Class Counsel’s fees in the amount of up to one third (33.33%) of the Gross Fund Value (i.e., \$498,333.33 if the Gross Fund Value is \$1,495,000.00); (2) Class Counsel’s actual litigation costs and expenses, not to exceed twenty-three thousand dollars and zero cents (\$23,000.00); (3) Settlement Administration Costs, not to exceed eleven thousand five hundred dollars and zero cents (\$11,500.00); (4) Enhancement Payment in the amount of up to seven thousand five hundred dollars and zero cents (\$7,500.00); and (5) PAGA Payment of one hundred and forty-nine thousand five hundred and zero cents (\$149,500.00) (Gold Decl., ¶ 17; Settlement Agreement, ¶¶ 12(l), 12(p), 12(w)). After the above-estimated amounts are deducted from the Gross Fund Value, the Net Settlement Amount that will be available for Class Members is currently estimated to be eight hundred and forty-two thousand five hundred forty-one dollars and sixty-seven cents (\$842,541.67). (Gold Decl., ¶ 17). Additionally, 25% of the PAGA Payment (“PAGA Employee Amount”), which is \$37,375.00 out of \$149,500.00 will be distributed to all current and former hourly-paid and/or non-exempt employees who worked for Defendants in the State of California at any time during the PAGA Period (“Aggrieved Employees”). (Gold Decl., ¶ 17; Settlement Agreement, ¶ 12(y)). The “PAGA Period” is defined as the period from October 24, 2022 through Preliminary Approval. (Gold Decl., ¶ 17; Settlement Agreement, ¶ 12(z)).

The Net Settlement Amount will be distributed and paid to all Class Members who do not submit a timely and valid Request for Exclusion (“Settlement Class Members”) on a *pro rata* basis based on the number of weeks each Class Member worked for Defendants as an hourly-paid and/or non-exempt employee in California during the Class Period (“Workweeks”). (Gold Decl., ¶ 19; Settlement Agreement, ¶¶ 12(u), 12(ll), 20). In order to be counted as a Workweek, the Class Member must have worked at least one shift in a given week. (Settlement Agreement, ¶ 12(mm)). The *pro rata* share of the Net Settlement Amount that a Class Member may be eligible to receive under the Class Settlement (“Individual Settlement Share”) will be calculated by the Settlement Administrator in accordance with the Settlement Agreement. (Gold Decl., ¶ 19; Settlement Agreement, ¶¶ 12(r), 20).

The PAGA Employee Amount will be distributed and paid to all Aggrieved Employees on a *pro rata* basis based on the number of weeks each Aggrieved Employee worked for Defendant as an hourly-paid and/or non-exempt employee in California during the PAGA Period (“PAGA Workweeks”). (Gold Decl., ¶ 20; Settlement Agreement, ¶¶ 12(q), 21). In order to be counted as a PAGA Workweek, the

1 Aggrieved Employee must have worked at least one shift in a given week. (Settlement Agreement, ¶
2 12(bb)). The *pro rata* share of the PAGA Employee Amount that an Aggrieved Employee may be eligible
3 to receive under the PAGA Settlement (“Individual PAGA Payment”) will be calculated by the
4 Settlement Administrator in accordance with the Settlement Agreement. (Gold Decl., ¶ 20; Settlement
5 Agreement, ¶ 21).

6 Each Individual Settlement Share will be allocated as twenty-five percent (25%) wages and
7 seventy-five percent (75%) non-wage damages and penalties. (Gold Decl., ¶ 21; Settlement Agreement,
8 ¶ 22). The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to
9 non-wage damages and penalties will be reported on an IRS Form 1099 (if applicable) by the Settlement
10 Administrator. (Gold Decl., ¶ 21; Settlement Agreement, ¶ 22). The Settlement Administrator will
11 withhold the employee’s share of taxes and withholdings with respect to the wages portion of the
12 Individual Settlement Shares, and issue checks to Settlement Class Members for their Individual
13 Settlement Share (“Individual Settlement Payment”). (Gold Decl., ¶ 21; Settlement Agreement, ¶¶ 22).
14 The employer’s share of taxes and contributions in connection with the wages portion of Individual
15 Settlement Shares (the “Employer Taxes”) will be paid by Defendants to the proper taxing authorities
16 separately and in addition to the Gross Settlement Amount. (Gold Decl., ¶ 21; Settlement Agreement, ¶¶
17 12(k), 22). Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties
18 and will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. (Gold Decl.,
19 ¶ 21; Settlement Agreement, ¶ 22).

20 The Gross Fund Value is a non-reversionary settlement. (Gold Decl., ¶ 22; Settlement Agreement,
21 ¶ 12(p)). The Net Settlement Amount will be fully distributed to Settlement Class Members and the
22 PAGA Payment will be fully distributed to the LWDA and Aggrieved Employees, in accordance with
23 the Settlement Agreement. (Gold Decl., ¶ 22; Settlement Agreement, ¶¶ 12(p), 12(u)). No money will
24 revert to Defendants. (Gold Decl., ¶ 22; Settlement Agreement, ¶ 12(p)).

25 Each Individual Settlement Payment and Individual PAGA Payment check will be valid and
26 negotiable for one hundred and eighty (180) calendar days from the date the checks are issued, and
27 thereafter, shall be canceled. (Gold Decl., ¶ 23; Settlement Agreement, ¶ 39). Any funds associated with
28 such canceled checks will be distributed by the Settlement Administrator to the State of California’s

Unclaimed Property Fund in the name of the Settlement Class Member and/or Aggrieved Employee. (Gold Decl., ¶ 23; Settlement Agreement, ¶ 39).

D. Released Claims

Upon the full funding of the Gross Fund Value, Plaintiff and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Class Released Claims. (Settlement Agreement, ¶ 40).

Upon the full funding of the Gross Fund Value, Plaintiff, the State of California with respect to all Aggrieved Employees, and all Aggrieved Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all PAGA Released Claims. (*Id.*, ¶ 41).

“Class Released Claims” means all claims that were alleged, or reasonably could have been alleged based on the factual allegations contained in the Operative Complaint, including, but not limited to, California Labor Code sections 201, 202, 203, 204, 210, 213, 216, 218.5, 218.6, 223, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 233, 245, 245.5, 246, 246.5, 247, 247.5, 248.1, 248.2, 249, 256, 510, 511, 512, 551, 558, 558.1, 1174, 1174.5, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, 2802, California Industrial Commission Wage Orders, and including all claims related to alleged: (1) Minimum Wage and Straight Time Violations; (2) Overtime Wage Violations; (3) Unpaid Vacation and Holiday Wages; (4) Meal Period Violations; (5) Rest Period Violations; (6) Failure to Timely Pay Wages During Employment; (7) Failure to Provide Accurate Wage Statements, Maintain Required Records, and Recordkeeping Violations; (8) Failure to Pay All Wages Earned and Unpaid at Separation; (9) Improper Payment of Final Wages; (10) Failure to Reimburse Business Expenses; (11); Failure to Provide Sick Leave and Notice of Entitlement to Sick Leave; and (12) Unfair Competition. This further includes any and all other claims under California common law, the California Labor Code, and the California Business and Professions Code alleged in or that could have been alleged under the facts, allegations and/or claims pleaded in the action. This expressly excludes PAGA Released Claims. (*Id.*, at ¶ 12(ee)).

“PAGA Released Claims” means upon Defendants’ fulfillment of their payment obligations of this Agreement, in exchange for the consideration provided by this Agreement, Plaintiff, the State of California, the LWDA, the Aggrieved Employees and their respective former and present representatives,

agents, attorneys, heirs, administrators, successors, and assigns and any other representative, proxy, or agent thereof shall release the Released Parties from all claims made or which could have been made for civil penalties under the PAGA, Labor Code section 2698, *et seq.*, based on the facts pled in Plaintiff's letters to the LWDA (including his initial letter to the LWDA and the amended letter discussed above) and the Operative Complaint, from October 24, 2022 to the date of the Court's order granting Preliminary Approval of the settlement including, but not limited to, any and all claims for PAGA penalties involving any allegations that Defendants failed to pay all wages due (including minimum wages, regular wages, sick pay, vacation pay, holiday pay, paid time off and overtime wages or double time wages); failed to provide legally-compliant meal and rest breaks and failed to pay premium pay for missed, late, interrupted or short meal and rest breaks; failed to timely pay all earned wages and compensation; failed to timely pay wages during employment; improper payment of final wages; failure to provide sick leave and notice of entitlement to sick leave; failed to reimburse necessary business expenses; failed to provide timely final pay; failed to maintain required records; recordkeeping violations; failed to properly pay sick pay and vacation time; failed to provide accurate itemized wage statements, as well as any claims under the California Labor Code for violations of Labor Code Sections 201, 202, 203, 204, 210, 213, 216, 218.5, 218.6, 223, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 233, 245, 245.5, 246, 246.5, 247, 247.5, 248.1, 248.2, 249, 256, 510, 511, 512, 551, 558, 558.1, 1174, 1174.5, 1185, 1194, 1197, 1197.1, 1198, 1199, 2800, 2802, and applicable IWC Wage Orders, and California Code of Regulations, Title 8, Section 11000 *et seq.* The Aggrieved Employees shall release their PAGA claims, to the extent they have any interest, in their entirety and may not opt out of the PAGA Released Claims. (*Id.*, at ¶ 12(ff)).

"Released Parties" means: (i) Defendants; (ii) each of Defendants' past, present, and future direct and indirect parents; (iii) the respective past, present, and future direct and indirect subsidiaries and affiliates of any of the foregoing; (iv) the past, present, and future shareholders, directors, officers, agents, employees, attorneys, insurers, members, partners, managers, contractors, agents, consultants, representatives, administrators, fiduciaries, benefit plans, transferees, predecessors, successors and assigns of any of the foregoing; and (v) any individual or entity which could be jointly liable with any of the foregoing. (*Id.*, at ¶ 12(gg)).

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IV. STANDARD OF REVIEW FOR PRELIMINARY APPROVAL

The settlement of a class action requires court approval. (*See Dunk v. Ford Motor Co.*, 48 Cal. App. 4th 1794 (1996)). “In general, questions whether a settlement was fair and reasonable, whether notice to the class was adequate, whether certification of the class was proper, and whether the attorney fee award was proper are matters addressed to the trial court’s broad discretion.” (*Wershba v. Apple Computer, Inc.*, 91 Cal.App.4th 224, 234-35 (2001) (disapproved on other grounds)).

The review and approval of a proposed class action settlement involves a two-step process. (*See* Cal. Rules of Court, Rule 3.769(c)). First, counsel submits the proposed terms of the settlement and the Court makes a preliminary assessment of whether the settlement appears to be sufficiently within the range of a fair settlement to justify providing notice of the proposed settlement to class members. After notice is provided to the class, the Court must conduct a second inquiry into whether the proposed settlement is fair, reasonable, and adequate. (*Ibid*).

The initial evaluation of the settlement at the preliminary approval step “is not a fairness hearing.” (*Armstrong v. Board of School Directors of City of Milwaukee*, 616 F.2d 305, 314 (7th Cir. 1980)). Rather, the limited purpose of this initial inquiry is to determine, at a threshold level, only whether the proposed settlement is within the range of possible approval and, as a result, “whether there is any reason to notify the class members of the proposed settlement and to proceed with a fairness hearing.” A presumption of fairness exists where: (1) the settlement is reached through arm’s length bargaining; (2) investigation and discovery are sufficient to allow counsel and the court to act intelligently; (3) counsel is experienced in similar litigation; and (4) the percentage of objectors is small. (*See In re Microsoft I-V Cases*, 135 Cal. App. 4th 706, 723 (2006)).

Preliminary approval does not require a court to make a final determination that the settlement is fair, reasonable, and adequate. Rather, that decision is made only at the final approval stage, after notice of the settlement has been given to the class members and they have had an opportunity to object or exclude themselves from the settlement. (*See* Cal. Rules of Court, Rule 3.769(g)). In considering a potential class settlement, the court need not reach any ultimate conclusions on the issues of fact and law which underlie the merits of the dispute and need not engage in a trial on the merits. (*See Officers for Justice v. Civil Service Commission*, 688 F.2d 615, 625 (9th Cir. 1982)).

1 **V. THE SETTLEMENT IS PRESUMED FAIR**

2 **A. The Settlement Was Reached as a Result of Arm’s-Length Bargaining**

3 California courts recognize that “a presumption of fairness exists where . . . [a] settlement is
4 reached through arm’s-length bargaining.” (*Wershba*, 91 Cal.App.4th at p. 245; *see also Clark v. Am.*
5 *Residential Servs. LLC*, 175 Cal.App.4th 785, 799 (2009)). Here, the Parties’ settlement negotiations
6 were at all times made at arm’s-length and were adversarial. (Gold Decl., ¶ 24). The Settlement was
7 reached following a full day of mediation with a highly respected mediator with substantial experience
8 mediating wage and hour cases. (*Ibid*). At all times, Plaintiff was willing and prepared to litigate this
9 matter through class certification and trial if the Parties had been unable to reach a favorable resolution.
10 (*Id.*, at ¶ 49).

11 **B. Sufficient Investigation and Discovery by Experienced Class Counsel**

12 Courts typically assess the status of discovery in determining whether a class action settlement
13 agreement is fair, reasonable, and adequate. (*Dunk*, 48 Cal.App.4th at p. 1801). Prior to mediation,
14 Defendants produced time and pay records for all putative Class Members for the period of November 7,
15 2019, through June 14, 2024. (Gold Decl., ¶ 25). Defendants also produced their Team Member
16 Handbook and Employee Handbook, which detail Defendants’ employment policies and practices. (Gold
17 Decl., ¶ 25).

18 Thus, the voluminous and detailed records produced by Defendants allowed Class Counsel to conduct
19 an informed assessment and analysis of the strengths and weaknesses of the claims and the potential
20 class-wide damages. (*Id.*, ¶ 26). Based on information exchanged, the Parties extensively briefed issues
21 regarding class certification and liability and provided their analyses to the Mediator who helped the
22 Parties debate the strengths and weakness of their respective positions. (*Id.*, ¶ 27). Additionally,
23 settlement negotiations were conducted by highly capable and experienced counsel. (*Id.*, ¶¶ 4-7, and 48).
24 Accordingly, Class Counsel had sufficient information and experience to act intelligently in negotiating
25 the Settlement.

26 **C. The Settlement is Fair and Reasonable in Light of the Parties’ Respective Legal Positions**
27 **and Recovery Risks**

1 A settlement is not judged against what might have been recovered had a plaintiff prevailed at
2 trial, nor does the settlement have to obtain 100% of the damages sought to be fair and reasonable.
3 (*Wershba*, 91 Cal.App.4th at pp. 246, 250). In evaluating the reasonableness of a settlement, a trial court
4 must consider “the strength of plaintiffs’ case, the risk, expense, complexity and likely duration of further
5 litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the
6 extent of discovery completed and the stage of the proceedings, the experience and views of counsel, the
7 presence of a governmental participant, and the reaction of the class members to the proposed settlement.”
8 (*Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 128 (2008)).

9 Here, the reasonableness of the Settlement is underscored by the fact that Defendants have legal
10 and factual grounds for defending the Action. Based upon Class Counsel’s experience litigating similar
11 complex matters, Plaintiff reasonably expected a vigorous and lengthy defense to both class certification
12 and the merits of the Action absent a settlement.

13 **1. Class Counsel’s Analysis of the Maximum Reasonable Liability and Damages**

14 Class Counsel analyzed all available data and estimated Defendants’ maximum reasonable
15 exposure to be approximately \$17,243,749, assuming the litigation was successful at trial on all claims
16 at issue and reasonable violation rates. This maximum reasonable potential analysis was then reduced
17 based on the challenges facing the likelihood of obtaining class certification, prevailing at trial, and other
18 attendant risks. (Gold Decl., ¶ 41). This estimate is based on an estimated reasonable liability for all
19 claims at issue and the total aggregate workweeks during the relevant time period, less interest, and based
20 on the analysis of the data which was extrapolated out for all class members across the entire putative
21 class period, which included: \$307,053 for unpaid overtime premium wages; \$4,633,006 for unpaid
22 overtime wages at the regular rate of pay; \$1,144,266 for unpaid off-the-clock work for 1 hour per
23 workweek of off-the-clock work; \$998,160 in liquidated damages for off-the-clock work; \$206,213 in
24 unpaid sick pay at the regular rate of pay; \$3,523,460 for meal period violations; \$1,305,606 for rest
25 break violations at a 20% violation rate; \$1,453,150 for wage statement penalties; \$1,779,496 for waiting
26 time penalties; \$383,639 for unreimbursed business expenses. (*Ibid*). Plaintiff further estimated that
27 Defendants faced an additional exposure of \$1,509,700 in non-stacked (*i.e.*, one penalty, per employee,
28 per pay period during the PAGA statutory period) PAGA penalties. (*Ibid*). Together with the PAGA

penalties, Defendants' maximum reasonable exposure totaled \$17,243,749 in damages and penalties. (*Ibid*).

2. Class Counsel's Risk-Based Analysis and Risk-Based Adjustments

While Plaintiff believes that Defendants faced significant exposure, substantial barriers to a recovery existed. Defendants contended that Plaintiff's claims are not suitable for class certification because individual issues and affirmative defenses would predominate should this case go to trial. (Gold Decl., ¶ 31; *See Brinker Restaurant Corp. v. Superior Court*, 53 Cal.4th 1004 (2012); *Duran v. U.S. Bank Nat. Assn.*, 59 Cal.4th 1, 35-36 (2014); *Wal-Mart Stores, Inc. v. Dukes*, 131 S.Ct. 2541, 2551 (2011)). While Plaintiff and Class Counsel disagree with Defendants' predictions, they also recognize that there is a significant risk that the Court may deny class certification. (Gold Decl., ¶ 31; *see also, Findings of the Study of California Class Action Litigation*, 2000-2006, available at <http://www.courts.ca.gov/documents/class-action-lit-study.pdf> (finding that only 21.4% of all class actions were certified either as part of a settlement or as part of a contested certification motion)).

For example, Plaintiff's meal period claims, which were based on Defendants' alleged failure to provide lawful meal periods, have been increasingly difficult to certify in recent years. (Gold Decl., ¶ 32; *See Brinker*, 53 Cal. 4th at 1034-35). Plaintiff's theory of liability for meal period violations was based on allegations that Defendants had failed to implement their policies and that their practices failed to allow Class Members to take meal breaks in the manner required under California law. (Gold Decl., ¶ 32; *See Bradley v. Networkers Int'l, LLC*, 211 Cal. App. 4th 1129, 1150 (2012) (holding that "the lack of a meal/rest break policy and uniform failure to authorize such breaks are matters of common proof.")). Defendants contended that their policies and practices at all times during the Class Period were lawful. Additionally, Defendants pointed to the fact that many of their employees who frequently worked shifts that did not exceed six hours in length had signed lawful meal period waivers, thereby reducing the alleged violation rate. Defendants further argued that the rate of purported meal period violations reflected in the data would require individualized inquiry and that such inquiry would prohibit a class from being certified. (*Ibid*). Class Counsel also had to consider the risk that the Court would find validity in an individualized proof defense to certification of Plaintiff's meal period claim. (*Ibid*).

1 As another example, a large portion of Defendants' overall liability lies in Plaintiff's rest period
2 allegations. (*Id.*, at ¶ 34). As with the meal period allegations, Defendants contended that they had a
3 lawful written rest period policy, provided compliant rest breaks, and relieved Class Members of all duties
4 as required under California law. (*Ibid*). Additionally, this claim was even more uncertain given the
5 difficulties associated with proving the alleged rest period violations, as Defendants were not required to
6 record these breaks. (*Ibid*). Given the lack of records demonstrating rest period violations, there were
7 legitimate concerns Plaintiff would not be able to certify these claims or prove substantial damages with
8 requisite certainty, which made the estimated value of this claim subject to challenge. (*Ibid*).

9 Plaintiff also faced challenges certifying and proving liability for his overtime and unpaid off-the-
10 clock claims, which comprise a large portion of Defendants' estimated overall liability. (*Id.*, at ¶ 36).
11 These claims were largely based on Defendants' unrecorded, off-the-clock work performed by the Class
12 Members both before and after their shifts and during purported meal and rest periods. (*Ibid*). However,
13 the individualized nature of why this work was performed and the individualized nature of damages
14 presented substantial concerns regarding the manageability of the case and the risk the Court could find
15 these issues prevented certification, and the estimated damages for this claim were based on an
16 assumption that all Class Members worked off the clock for at least one hour per week. (*Ibid*).

17 There are also substantial risks associated with Plaintiff's waiting time penalties and wage
18 statement claims. (*Id.*, at ¶ 39). First, these claims were derivative of Plaintiff's claims for unpaid meal
19 period premiums, unpaid rest period premiums, unpaid minimum wages, and unpaid overtime wages,
20 and if certification was denied on those underlying claims, these derivative claims for penalties would
21 also likely fail. (*Ibid*). Further, even if Plaintiff prevailed on his underlying claims, he would still be
22 required to demonstrate that Defendants' violations of California Labor Code section 203 were *willful*
23 violations. (Gold Decl., ¶ 39; *See, e.g., Choate v. Celite Corp.*, 215 Cal App. 4th 1460, 1468 (2013)
24 (holding that "an employer's reasonable, good faith belief that wages are not owed may negate a finding
25 of willfulness")). Wage statement claims have also seen varying treatment at the appellate level because
26 such claims have an element of discretion attached to them rather than a pure calculation of damages after
27 liability is proven. (*Jaimez v. DAIOHS USA, Inc.*, 181 Cal.App.4th 1286 (2010); *Price v. Starbucks*
28

1 *Corp.*, 192 Cal.App.4th 1136 (2011)). Accordingly, these derivative claims, which comprised a
2 substantial portion of Defendants' estimated liability, were therefore uncertain. (Gold Decl., ¶ 43).

3 Class Counsel also recognized that, even if Plaintiff prevailed at class certification, proving the
4 amount of wages due to Class Members would be expensive and time-consuming. (*Id.*, at ¶ 40). To
5 prove liability and damages, Class Counsel will need to request and analyze thousands of pages of
6 additional documents, obtain the Class Members' contact information, contact them, and obtain their
7 declarations at great expense. (*Ibid*). Obtaining the cooperation of current employees would also be
8 difficult, given the likely reluctance to aid prosecution of a lawsuit against a current employer. (*Ibid*).
9 On the other hand, Defendants would likely be able to obtain the cooperation of their employees. (*Ibid*).
10 Moreover, even if Plaintiff prevailed at class certification and trial, possible appeals would substantially
11 delay any recovery by the Class. (*Ibid*).

12 Therefore, taking into account how each of the above risks potentially effected Plaintiff's ability
13 to first obtain class certification, and then prove the underlying violations, plus the cost and delay in
14 recovering the alleged potential damages, Class Counsel discounted Defendants' estimated liability based
15 on the challenges facing his ability to succeed on class certification by 50% to \$8,621,874.50. (*Id.*, at ¶
16 41). The merits-based risk factors further reduced Defendant's estimated liability by an additional 50%.
17 (*Ibid*). This resulted in an adjusted estimated liability of \$4,310,937.25. In light thereof, the settlement
18 amount of \$1,495,000.00 is a significant and reasonable settlement. (*Ibid*).

19 Class Counsel also contemplated the risks of proceeding with the PAGA action and potential
20 liability Defendants could face from this claim as part of the global resolution. (*Id.*, at ¶ 42). Existing
21 case law makes PAGA claims subject to the same defenses and risks as Plaintiff's underlying wage
22 claims. (Gold Decl., ¶ 42; *see Elliot v. Spherion Pac. Work, LLC*, 572 F.Supp.2d 1169, 1181-82 (C.D.
23 Cal. 2008) ("Plaintiff's claim under [PAGA] is wholly dependent upon her other claims. Because all of
24 Plaintiff's other claims fail as a matter of law, so does her PAGA claim")). Class Counsel also anticipated
25 that even if successful on the merits at trial, the imposition of cumulative civil penalties based on the
26 alleged wage and hour violations could be considered unjust, arbitrary and oppressive, or confiscatory,
27 and that Defendants would argue that they made a good faith attempt to comply with their legal
28

obligations, thus warranting a discretionary reduction in penalties. (Gold Decl., ¶ 42).¹ Class Counsel also anticipated Defendants would argue that they made a good faith attempt to comply with their legal obligations and that the violations per pay period were low, warranting an additional reduction in civil penalties. (*Ibid*). Finally, Class Counsel was also mindful of the fact that PAGA is fundamentally not intended to be compensatory in nature but is instead intended to facilitate enforcement of California’s labor laws by financing state activities and educating and deterring non-compliance. (*Ibid*).

Therefore, after considering this multitude of factors, Plaintiff and Class Counsel concluded that it was in the best interest of the State of California and the Aggrieved Employees to enter into the Settlement, and to allocate one hundred and forty-nine thousand, five hundred dollars and zero cents (\$149,500.00) of the Gross Fund Value towards the PAGA claim, which represents 10% of the Gross Fund Value. (*Id.*, at ¶ 43). This percentage of the settlement is well within the range of wage and hour settlements regularly approved in both state and federal court for cases that include both a class and PAGA action. (*Ibid*). Often, such hybrid cases allocate only 1% of the gross settlement value to resolve PAGA claims, and, indeed, settlements allocations as little as 0.22% of the gross settlement amount have been approved as reasonable by courts. (*Ibid*). Moreover, the overall relief obtained by the Settlement is significant, not only from a monetary perspective, but also because it fulfills the public policy objectives of PAGA—to promote enforcement of California’s labor laws, provide funds to the state, and deter future non-compliance by the employer. (*Ibid*).

The Settlement is in the best interest of the Class Members, the Aggrieved Employees, and the State of California and is within the accepted range of recoveries for this type of litigation given the

¹ See, e.g., *Thurman v. Bayshore Transit Management, Inc.*, 203 Cal.App.4th 1112, 1131 (2012) (imposition of both statutory and civil penalties for same conduct is impermissible double recovery) (disapproved on other grounds); *Aguirre v. Genesis Logistics*, 2013 WL 10936035, at *3 (C.D. Cal. 2013) (“duplicative effect” of penalties is a factor in favor of “reducing ...the PAGA penalty”); *Smith v. Lux Retail North America, Inc.*, 2013 WL 2932243, at *3 (N.D. Cal. June 13, 2013) (declining to stack penalties based on the same conduct); *Castillo v. ADT, LLC*, 2017 WL 363108, at *4 (E.D. Cal. Jan. 25, 2017); *Sanchez v. McDonalds Restaurants of California, Inc.*, 2017 WL 4620746 (LA Super. Ct. July 6, 2017) (declining to stack penalties arising out of the same conduct); *Fleming v. Covidien, Inc.*, 2011 WL 756304718, at *4 (C.D. Cal. Aug. 12, 2011) (reducing PAGA penalties by 80%); *Cotter v. Lyft, Inc.*, 193 F.Supp.3d 1030 (N.D. Cal. 2016) (indicating that a substantial reduction is warranted where good faith dispute exists in legal obligations); *Carrington v. Starbucks Corp.*, 30 Cal.App.5th 504, 529 (2018) (approving reduction in penalties from \$50 per pay period to \$5 per pay period based on good faith attempts to comply with obligations and minimal violations).

1 inherent risk of litigation, the risk of obtaining and maintaining class certification, and the costs of further
2 litigation. (*Id.*, at ¶ 44).

3 **VI. CERTIFICATION FOR SETTLEMENT PURPOSES IS WARRANTED**

4 Three basic requirements must be met in order to sustain any class action: (1) there must be an
5 ascertainable class; (2) there must be a well-defined community of interest in the question of law or fact
6 affecting the parties to be represented; and (3) certification will provide substantial benefits to litigants
7 and the courts, *i.e.*, proceeding as a class action is superior to other methods. (*See Dunk*, 48 Cal.App.4th
8 at 1806). Plaintiff contends that the Action, which is based upon Defendants' wage and hour policies
9 and practices, satisfies these class certification requirements. Defendants deny Plaintiff's allegations, but
10 for purposes of the Settlement only, Defendants have stipulated to certification of the Class. (Settlement
11 Agreement, ¶ 13).

12 **A. An Ascertainable Class Exists Which is So Numerous That Joinder of All Members is** 13 **Impracticable**

14 Whether an ascertainable class exists turns on three factors: (1) the class definition, (2) the size of
15 the class, and (3) the means of identifying the class members. (*Miller v. Woods*, 148 Cal.App.3d 862,
16 873 (1983)). In this case, all three considerations favor class certification. Here, the Class is defined as
17 "all current and former hourly-paid and/or non-exempt employees who worked for Defendants within the
18 State of California at any time during the Class Period." (Gold Decl., ¶ 16; Settlement Agreement, ¶
19 12(b)). This provides a clear and definite scope for the proposed class.

20 Next, the Class is sufficiently numerous. There is no magic number that satisfies the numerosity
21 requirement. Courts have certified classes with as few as ten or twenty-eight class members. (*Rose v.*
22 *City of Hayward*, 126 Cal.App.3d 926, 934 (1981); *Bowles v. Superior Court*, 44 Cal. 2d 574 (1995);
23 *Hebbard v. Colgrove*, 28 Cal.App.3d 1017, 1030 (1972)). Here, the estimated Class size of six hundred
24 and fifty-eight (658) individuals (as of August 23, 2024) meets the numerosity requirement.

25 Finally, the question of whether class members are easily identifiable turns on whether a plaintiff
26 can establish "the existence of an ascertainable class." (*Daar v. Yellow Cab Co.*, 67 Cal.2d 695 at 706
27 (1967)). The existence of an ascertainable class in this case can be established through Defendants'
28 payroll records, and the Class definition is sufficiently specific to enable the Parties, Class Members, and

1 the Court to determine the parameters of the Class. (*See Clothesrigger, Inc. v. GTE Corp.*, 191 Cal.App.3d
2 605, 617 (1987)).

3 **B. The Class Shares a Well-Defined Community of Interest**

4 The community of interest requirement embodies three factors: (1) predominant questions of law
5 and fact; (2) class representatives with claims or defenses typical of the class; and (3) class representatives
6 who can adequately represent the class. (*Dunk*, 48 Cal.App.4th at 1806). Here, all three requirements
7 are easily satisfied.

8 The commonality criterion requires the existence of common question of law or fact and is
9 generally established with the issues of predominance and typicality. (*See Daar*, 67 Cal.2d 695, 706).
10 What is required is that a common question of fact or law exists which predominates over issues unique
11 to individual plaintiffs. The existence of individual issues or facts—generally present in any case arising
12 from employment—is not a bar to class certification as long as they do not render class litigation
13 unmanageable or predominate over the common issues. (*See B.W.I. Custom Kitchen v. Owens-Illinois,*
14 *Inc.*, 191 Cal.App.3d 1341, 1354 (1987)).

15 Here, Plaintiff's claims present common issues of law and fact that predominate and warrant class
16 certification. Plaintiff alleges that Defendants denied compliant meal and rest periods to employees,
17 required employees to perform work off-the-clock, and failed to fully compensate employees for all time
18 actually worked. These policies and practices meant that Defendants allegedly failed to pay minimum
19 and overtime wages, and other related claims. Plaintiff alleges that Defendants' policies and practices
20 were uniform as to all Class Members. Thus, class treatment is appropriate.

21 To satisfy the typicality requirement, California law does not require that plaintiffs' claims be
22 identical to the other class members. Rather, the test of typicality for a class representative is whether
23 other members have the same or similar injury, whether the action is based on conduct which is not
24 unique to the named plaintiff, and whether other class members have been injured by the same course of
25 conduct. (*Seastrom v. Neways, Inc.*, 149 Cal.App.4th 1496, 1502 (2007)). The typicality requirement
26 for a class representative refers to the nature of the claim or defense of the representative, and not to the
27 specific facts from which it arose or the relief sought. (*Ibid*).

28 Here, Plaintiff alleges that his claims are similar to that of the other Class Members and that

1 Plaintiff's claims arise out of the same alleged course of conduct giving rise to the claims of the other
2 Class Members. Because Plaintiff's claims are based upon the same alleged conduct and business
3 practices as those of Class Members, the typicality requirement has been satisfied.

4 Finally, the question of adequacy of representation "depends on whether the plaintiff's attorney
5 qualifies to conduct the proposed litigation in the plaintiff's interest or not antagonistic to the interests of
6 the class." (*McGee v. Bank of America*, 60 Cal.App.3d 442, 450 (1976)). Here, these considerations are
7 satisfied. Class Counsel is well-regarded and is qualified and experienced in employment-related, class-
8 action litigation. (Gold Decl., ¶¶ 4-7, and 48). Plaintiff will vigorously, adequately, and fairly represent
9 the interests of the Class. Plaintiff has, at all times, throughout the course of the litigation considered the
10 interests of the Class and understood that he must take steps to adequately represent the Class and their
11 interests. (Romero Decl., ¶¶ 4-9). Because Plaintiff's claims are typical of other Class Members and are
12 not based on unique circumstances, there is no antagonism between the interests of Plaintiff and the Class.

13 **C. A Class Action is Superior to a Multiplicity of Litigation**

14 Under the circumstances present here, proceeding as a class action is a superior means of resolving
15 this dispute, as the Class Members and the Court will derive substantial benefits. Class certification
16 would serve as the only means to deter and redress the alleged violations. (*See Linder v. Thrifty Oil Co.*,
17 23 Cal.4th 429, 434 (2000) (relevant considerations include the probability that each class member will
18 come forward to prove his or her separate claim and whether the class approach would actually serve to
19 deter and redress the alleged wrongdoing)). Further, individual actions arising out of the same operative
20 facts would unduly burden the courts and could result in inconsistent results. Therefore, class action
21 proceedings are superior to individual litigation.

22 **VII. THE REQUESTED ENHANCEMENT PAYMENT IS REASONABLE**

23 Plaintiffs in class action lawsuits are eligible for reasonable incentive payments as compensation
24 "for the expense or risk they have incurred in conferring a benefit on other members of the class." (*Munoz*
25 *v. BCI Coca-Cola Bottling Co.*, 186 Cal.App.4th 399, 412 (2010)). Courts routinely grant approval of
26 class action settlement agreements containing enhancements for the class representative, which are
27 necessary to provide incentive to represent the class and are appropriate given the benefit the class
28 representatives help to bring about for the class. (*See In re Online DVD Rental*, 779 F.3d 934, 947-948

(9th Cir. 2014) (approving incentive award 417 times larger than individual payments where incentive award made up a mere .17% of the settlement); *Gaudin v. Saxon Mortgage Servs., Inc.*, 2015 WL 7454183, at *10 (N.D. Cal. Nov. 23, 2015) (finding service award of \$15,000 to be “fair and reasonable”)).

Plaintiff initiated this litigation on behalf of his former co-workers who will now be entitled to receive payment from the Settlement. Plaintiff invested substantial time and effort into litigation, including his own research, reviewing documents, and extensive discussions with Class Counsel. (Romeo Decl., ¶¶ 4-9). Further, the requested amount for Plaintiff is also reasonable given the average award and the benefit gained by other Class Members. (*See* Gold Decl., 45). For these reasons, Plaintiff requests that an Enhancement Payment of seven thousand, five hundred dollars and zero cents (\$7,500.00) to Plaintiff be preliminarily approved by the Court. (Gold Decl., ¶ 45; Romero Decl., ¶ 12).

VIII. THE REQUESTED ATTORNEYS’ FEES AND COSTS ARE REASONABLE

Trial courts have “wide latitude” in assessing the value of attorneys’ fees and their decisions will “not be disturbed on appeal absent a manifest abuse of discretion.” (*Lealao v. Beneficial Cal, Inc.*, 82 Cal.App.4th 19, 41 (2000)). California law provides that attorney fee awards should be equivalent to fees paid in the legal marketplace to compensate for the result achieved and risk incurred. (*Id.*, at p. 47). In cases where class members present claims against a common fund and the defendant agrees to a percentage of the fund as part of the settlement, use of the percentage method is appropriate. (*Id.*, at p. 32).

Here, the requested attorneys’ fees in the amount up to one third (33.33%) of the Gross Fund Value (*i.e.*, \$498,333.33 if the Gross Fund Value is \$1,495,000.00) is disclosed to Class Members in the proposed Class Notice. (Settlement Agreement, Ex. A). The requested fee was freely negotiated, is common in the legal marketplace, and is not opposed by Defendants. The Motion for Final Approval will elaborate on the nature of the legal services provided and will also support Class Counsel’s request for the reimbursement of litigation costs and expenses not to exceed twenty-three thousand dollars and zero cents (\$23,000.00) (Gold Decl., ¶¶ 46, 49). Moreover, any Attorneys’ Fees and Costs not ultimately approved by the Court will be included in the Net Settlement Amount to be distributed to Settlement Class Members as this is a non-reversionary settlement. (Settlement Agreement, ¶ 15).

1 **IX. THE CLASS NOTICE AND THE OPT-OUT AND OBJECTION PROCESS**
2 **MEETS DUE PROCESS REQUIREMENTS**

3 The Parties have jointly drafted the Class Notice, which will be mailed to the Class Members.
4 (*Id.*, Ex. A). The Class Notice will include information regarding the nature of the Action, a summary of
5 the terms of the Settlement, the Class definition, information on how to object to and/or opt-out of the
6 Class Settlement and to dispute Workweeks and/or PAGA Workweeks, and the date of the Final Approval
7 Hearing. (*Ibid*). The Class Notice will list each Class Member’s total Workweeks and their estimated
8 Individual Settlement Share and each Aggrieved Employee’s total PAGA Workweeks and their estimated
9 Individual PAGA Payment. (*Ibid*).

10 Within thirty (30) calendar days after entry of the preliminary approval order, Defendants will
11 provide a list in a formatted readable Microsoft Office Excel spreadsheet to the Settlement Administrator
12 containing the following information for each Class Member: (1) full name; (2) last known mailing
13 address; (3) last known phone numbers; (4) Social Security number; (5) workweek and pay period
14 numbers where feasible, and hire and termination dates to calculate workweeks and pay periods where
15 workweek/pay period numbers are not provided; and (6) such other information as is necessary for the
16 Settlement Administrator to calculate Workweeks and PAGA Workweeks (collectively referred to as the
17 “Class List”). (*Id.*, ¶¶ 6, 12(d)). Within seven (7) calendar days after receiving the Class List from
18 Defendant, the Settlement Administrator will perform a search based on the National Change of Address
19 Database or other similar services available, such as provided by Experian, for information to update and
20 correct for any known or identifiable address changes, and will mail a Class Notice in English and Spanish
21 to all Class Members via First-Class U.S. Mail, using the most current, known mailing addresses
22 identified by the Settlement Administrator. (*Id.*, ¶ 30(a)). The Parties have agreed to use Apex Class
23 Action, LLC as the Settlement Administrator. (Gold Decl., ¶ 50; Settlement Agreement, ¶ 12(jj)).

24 In determining whether to approve a settlement of a class action, a trial court has wide discretion
25 as to the manner of giving notice to class members, and review on appeal is governed by the abuse of
26 discretion standard. (*See In re Cellphone Fee Termination Cases*, 186 Cal.App.4th 1380 (2010)). Here,
27 Class Counsel is not aware of an alternative method of providing notice to the Class which would result
28 in a higher likelihood of actual notice. (Gold Decl., ¶ 51). The original source of the mailing addresses

1 is from Class Members, who provided the information to Defendants. (*Ibid*).

2 Class Members will have forty-five (45) calendar days from the initial mailing of the Class Notice
3 by the Settlement Administrator to submit a Request for Exclusion, Notice of Objection, and/or
4 Workweeks Dispute (“Response Deadline”). (Settlement Agreement, ¶ 12(ii)).

5 Any Class Notice returned to the Settlement Administrator as undeliverable on or before the
6 Response Deadline will be sent promptly via First-Class U.S. Mail to the forwarding address affixed
7 thereto and the Settlement Administrator will indicate the date of such re-mailing on the Class Notice.
8 (*Id.*, at ¶ 30(b)). If no forwarding address is provided, the Settlement Administrator will promptly attempt
9 to determine a correct address using a skip-trace or other search, using the name, address, and/or Social
10 Security number of the Class Member, and perform a single re-mailing within five (5) calendar days.
11 (*Ibid*). In the event that a Class Notice is re-mailed to a Class Member, the Response Deadline for that
12 Class Member shall be extended fifteen (15) calendar days from the original Response Deadline. (*Id.*, at
13 ¶ 12(ii)).

14 Class Members will have an opportunity to dispute the number of Workweeks and/or PAGA
15 Workweeks to which they have been credited, as reflected in their respective Class Notices, by submitting
16 a timely and valid letter (“Workweeks Dispute”) to the Settlement Administrator, by mail, postmarked
17 on or before the Response Deadline. (*Id.*, at ¶¶ 12(ii), 12(nn)). A Workweeks Dispute must: (a) contain
18 the case name and number of the Actions; (b) contain the Class Member’s full name, signature, address,
19 telephone number, and the last four (4) digits of the Class Member’s Social Security number; (c) clearly
20 state that the Class Member disputes the number of Workweeks and/or PAGA Workweeks credited to
21 that Class Member and what the Class Member contends is the correct number; and (d) be returned by
22 mail to the Settlement Administrator at the specified address, postmarked on or before the Response
23 Deadline. (*Id.*, at ¶ 12(nn)).

24 Any Class Member wishing to be excluded from the Class Settlement must submit a timely and
25 valid letter (“Request for Exclusion”) to the Settlement Administrator, by mail, postmarked on or before
26 the Response Deadline. (*Id.*, at ¶¶ 12(ii), 32). A Request for Exclusion must: (a) contain the case name
27 and number of the Actions; (b) contain the Class Member’s full name, signature, address, telephone
28 number, and last four (4) digits of the Class Member’s Social Security number; (c) clearly state that the

1 Class Member does not wish to be included in the Class Settlement; and (3) be returned by mail to the
2 Settlement Administrator at the specified address, postmarked on or before the Response Deadline. (*Id.*,
3 at ¶ 12(hh)). Notwithstanding the above, all Aggrieved Employees will be bound by the PAGA
4 Settlement and will be issued their Individual PAGA Payment, irrespective of whether they submit a
5 Request for Exclusion. (*Id.*, at ¶ 32).

6 To object to the Class Settlement, Settlement Class Members must submit a timely and complete
7 written objection (“Notice of Objection”) to the Settlement Administrator, by mail, postmarked on or
8 before the Response Deadline. (*Id.*, at ¶ 33). A Notice of Objection must: (a) contain the case name and
9 number of the Actions; (b) contain the objector’s full name, signature, address, telephone number, and
10 the last four (4) digits of the objector’s Social Security number; (c) contain a written statement of all
11 grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any
12 papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the
13 Settlement Administrator at the specified address, postmarked on or before the Response Deadline. (*Id.*,
14 at ¶ 12(v)). Settlement Class Members, individually or through counsel, may also present their objection
15 orally at the Final Approval Hearing, regardless of whether they have submitted a Notice of Objection.
16 (*Id.*, at ¶ 33).

17 **X. CONCLUSION**

18 For all of the foregoing reasons, Plaintiff respectfully requests that this Court grant Plaintiff’s
19 Motion for Preliminary Approval of Class Action and PAGA Settlement and the relief requested herein.

20 Respectfully submitted,

21 Dated: **December 9, 2024**

BLACKSTONE LAW, APC

22 
23 _____

24 By:

Karen Gold
Sara Pezeshkpour
Ashley Cruz
Marissa Mayhood

27 Attorneys for Plaintiff, Jese Romero, *Individually, on behalf*
28 *of others similarly situated, and on behalf of Aggrieved*
Employees pursuant to the California Private Attorneys
General Act

EXHIBIT 4

Karen I. Gold (SBN 258360)
kgold@blackstonepc.com
Sara Pezeshkpour (State Bar No. 260240)
spezeshkpour@blackstonepc.com
Marissa A. Mayhood (SBN 334376)
mmayhood@blackstonepc.com
BLACKSTONE LAW, APC
8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211
Tel: (310) 622-4278 / Fax: (855) 786-6356

*Attorneys for Plaintiff JESSE ROMERO,
Individually, on behalf of others similarly situated,
and on behalf of Aggrieved Employees pursuant to the
California Private Attorneys General Act*

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

JESSE ROMERO, individually and on behalf
of others similarly situated,

Plaintiff,

vs.

CALIFORNIA CLOSET COMPANY, a
California corporation; CAL CLOSET
RETAIL, INC., a Delaware corporation; and
DOES 1 through 25, inclusive,

Defendants.

Case No. 23STCV27355

*Assigned for all purposes to Hon. Lawrence P.
Riff, Dept. 7*

**REVISED ~~[PROPOSED]~~ ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Date: January 29, 2025
Time: 9:00 a.m.
Dept.: 7

Complaint Filed: November 7, 2023
FAC Filed: October 10, 2024
Trial Date: Not Set

**[PROPOSED] ORDER GRANTING PRELIMINARY APPROVAL
OF CLASS ACTION AND PAGA SETTLEMENT**

FILED
Superior Court of California
County of Los Angeles
01/30/2025

David W. Slayton, Executive Officer / Clerk of Court
By: A. Morales Deputy

1 **[PROPOSED] ORDER**

2 On **January 29, 2025 at 9 a.m.** in Department 7 of the above-captioned Court located at 312
3 N. Spring Street, Los Angeles, California 90012, Plaintiff Jesse Romero's ("Plaintiff") Motion for
4 Preliminary Approval of Class Action and PAGA Settlement came on for hearing before the
5 Honorable ~~Lawrence P. Riffe~~ ^{Samantha Jessner} Blackstone Law, APC appeared on behalf of Plaintiff and Littler
6 Mendelson, P.C. appeared on behalf of defendants California Closet Company, Inc. (incorrectly
7 named as California Closet Company) and Cal Closets Retail, Inc. (incorrectly named as Cal Closet
8 Retail, Inc.) ("Defendants").

9 The Court, having carefully considered the papers, argument of counsel, and all matters
10 presented to the Court, and good cause appearing, hereby **GRANTS** Plaintiff's Motion for Preliminary
11 Approval of Class Action and PAGA Settlement.

12 **IT IS HEREBY ORDERED THAT:**

13 1. The Court preliminarily approves the Joint Stipulation of Class Action and PAGA
14 Settlement ("Settlement" or "Settlement Agreement") attached as **Exhibit 3** to the Supplemental
15 Declaration of Karen I. Gold in Support of Plaintiff's Motion for Preliminary Approval of Class Action
16 and PAGA Settlement and the Amendment to the Settlement Agreement ("Amendment") attached as
17 Exhibit 4 to the Supplemental Declaration of Karen I. Gold in Support of Plaintiff's Motion for
18 Preliminary Approval of Class Action and PAGA Settlement. Upon review, this Court has determined
19 that the Settlement falls within the range of fair, adequate, and reasonable resolutions of these matters.

20 2. This Order incorporates by reference the definitions in the Settlement Agreement, and
21 all capitalized terms defined therein shall have the same meaning in this Order as set forth in the
22 Settlement Agreement.

23 3. The Settlement appears to be fair, adequate, and reasonable. The Court finds that
24 extensive investigation and research have been conducted such that counsel for the parties were able
25 to reasonably evaluate their respective positions, and that the Settlement will avoid substantial
26 additional costs and the delay and risks of further prosecution of the case. The Court further finds that
27 the Settlement was reached as the result of intensive, serious, and non-collusive, arms-length
28 negotiations, and was entered into in good faith.

1 4. The Court preliminarily finds that the Settlement, including the allocations for the Class
2 Counsel's Attorneys' Fees and Class Counsel's Litigation Costs, Enhancement Payment, LWDA
3 Payment, Settlement Administration Costs, and payments to the Participating Class Members and
4 Aggrieved Employees provided for in the Settlement Agreement, appears to be within the range of
5 reasonableness of a settlement that could ultimately be given final approval by this Court. Indeed, the
6 Court has reviewed the monetary recovery that is being granted as part of the Settlement and
7 preliminarily finds that the monetary settlement awards made available to the Class Members and
8 Aggrieved Employees are fair, adequate, and reasonable when balanced against the risks of further
9 litigation relating to certification, liability, and damages issues and are consistent with the
10 requirements of California Labor Code § 2699(1).

11 5. The Court concludes that, for settlement purposes only, the proposed Class meets the
12 requirements for certification under section 382 of the California Code of Civil Procedure in that: (a)
13 the Class is ascertainable and so numerous that joinder of all members of the Class is impracticable;
14 (b) common questions of law and fact predominate, and there is a well-defined community of interest
15 amongst the members of the Class with respect to the subject matter of the litigation; (c) Plaintiff's
16 claims are typical of the claims of the members of the Class; (d) Plaintiff will fairly and adequately
17 protect the interests of the members of the Class; (e) a class action is superior to other available
18 methods for the efficient adjudication of the controversy; and (f) Class Counsel is qualified to act as
19 counsel for Plaintiff in his individual capacity and as the representative of the Class.

20 6. The Court conditionally certifies, for settlement purposes only, the Class, defined as
21 follows:

22 All current and former hourly-paid and/or non-exempt employees who worked for
23 Defendants within the State of California at any time during the Class Period.

24 (The Class Period is defined as the period from November 7, 2019, through January
25 29, 2025 with regard to defendant California Closet Company, Inc., and January 1,
26 2022, through January 29, 2025 with regard to defendant Cal Closets Retail, Inc.

27 7. The Court provisionally appoints Jonathan M. Genish, Karen I. Gold, Sara
28 Pezeshkpour, Ashley H. Cruz, and Marissa A. Mayhood of Blackstone Law, APC as counsel for the
Class ("Class Counsel").

1 8. The Court provisionally appoints Plaintiff Jesse Romero as the representative of the
2 Class (“Class Representative”).

3 9. The Court provisionally appoints Apex Class Action, LLC to handle the administration
4 of the Settlement (“Settlement Administrator”).

5 10. Within thirty (30) calendar days following the Preliminary Approval Date, Defendant
6 will provide the Settlement Administrator with the Class List, including each Class Member’s (1) full
7 name; (2) last known mailing address; (3) last known phone numbers; (4) Social Security number; (5)
8 workweek and pay period numbers where feasible, and hire and termination dates to calculate
9 workweeks and pay periods where workweek/pay period numbers are not provided; and (6) such other
10 information as is necessary for the Settlement Administrator to calculate Workweeks and PAGA
11 Workweeks.

12 11. The Court approves, both as to form and content, the Amended Notice of Class Action
13 and PAGA Settlement (“Class Notice”) attached hereto as **Exhibit 1**. The Class Notice shall be
14 provided to Class Members in the manner set forth in the Settlement Agreement. The Court finds that
15 the Class Notice appears to fully and accurately inform the Class Members of all material elements of
16 the Settlement, of Class Members’ right to be excluded from the Class Settlement by submitting a
17 Request for Exclusion, of Class Members’ right to dispute the Credited Workweeks to each of them
18 by submitting a Credited Workweeks dispute, and of each Participating Class Member’s right and
19 opportunity to object to the Class Settlement by submitting a notice of objection to the Settlement
20 Administrator. The Court further finds that the Class Notice will be addressed to the name of each
21 Class Member. The Court further finds that distribution of the Class Notice substantially in the
22 manner and form set forth in the Settlement Agreement and this Order, and that all other dates set forth
23 in the Settlement Agreement and this Order, meet the requirements of due process and shall constitute
24 due and sufficient notice to all persons entitled thereto. The Court further orders the Settlement
25 Administrator to mail the Class Notice by First-Class U.S. Mail in English and Spanish to all Class
26 Members within seven (7) calendar days of receipt of the Class List, pursuant to the terms set forth in
27 the Settlement Agreement.

28 12. The Court hereby preliminarily approves the proposed procedure, set forth in the

1 Settlement Agreement, for seeking exclusion from the Class Settlement. Any Class Member may
2 choose to be excluded from the Class Settlement by submitting a Request for Exclusion in conformity
3 with the requirements set forth in the Class Notice, to the Settlement Administrator, postmarked on or
4 before the date that is forty-five (45) calendar days from the initial mailing of the Class Notice by the
5 Settlement Administrator to Class Members (“Response Deadline”). In the event that a Class Notice
6 is re-mailed to a Class Member, the Response Deadline for that Class Member shall be extended fifteen
7 (15) calendar days from the original Response Deadline. Any such person who timely and validly
8 chooses to opt out of, and be excluded from, the Class Settlement will not be entitled to any recovery
9 under the Class Settlement and will not be bound by the Class Settlement or have any right to object,
10 appeal, or comment thereon. Nevertheless, all Aggrieved Employees will be issued their PAGA
11 Settlement Payment, irrespective of whether they submit a Request for Exclusion. To the extent a
12 Class Member does not submit a timely and valid Request for Exclusion (i.e., Participating Class
13 Members), such Class Member shall be bound by the Settlement Agreement and any final judgment
14 based thereon.

15 13. A Final Approval Hearing shall be held before this Court on June 05, 2025
16 at 10:00 ~~a.m.~~ p.m. in Department 7 of the Los Angeles Superior Court, located at 312 N.
17 Spring Street, Los Angeles, California 90012, to determine all necessary matters concerning the
18 Settlement, including: whether the proposed settlement of this action on the terms and conditions
19 provided for in the Settlement is fair, adequate, and reasonable and should be finally approved by the
20 Court; whether a judgment, as provided in the Settlement, should be entered herein; whether the plan
21 of allocation contained in the Settlement should be approved as fair, adequate, and reasonable to the
22 Class Members and Aggrieved Employees; and determine whether to approve the requests for the
23 Class Counsel’s Attorneys’ Fees and Class Counsel’s Litigation Costs, Enhancement Payment,
24 Settlement Administration Costs, and allocation for the PAGA Payment.

25 14. Class Counsel shall file a motion for final approval of the Settlement and for Class
26 Counsel’s Attorneys’ Fees and Class Counsel’s Litigation Costs, Enhancement Payment, and
27 Settlement Administration Costs, along with the appropriate declarations and supporting evidence,
28 including the Settlement Administrator’s declaration, by sixteen (16) court days prior to the Final

Approval Hearing, to be heard at the Final Approval Hearing.

15. To object to the Class Settlement, a Participating Class Member must submit their notice of objection to the Settlement Administrator on or before the Response Deadline. The notice of objection must: (a) contain the case name and number of the Actions; (b) contain the objector's full name, signature, address, telephone number, and the last four (4) digits of the objector's Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

16. Class Members, individually or through counsel, may also present their objection orally at the Final Approval Hearing, regardless of whether they have submitted a notice of objection.

17. In the event the Settlement does not become effective in accordance with the terms of the Settlement Agreement, or the Settlement is not finally approved, or is terminated, canceled, or fails to become effective for any reason, this Order shall be rendered null and void, shall be vacated, and the parties shall revert back to their respective positions as of before entering into the Settlement Agreement. The fact that the Court certified the Class for settlement purposes shall not be admissible or have any bearing on the issue of whether any class should be certified in a non-settlement context.

18. The Court reserves the right to adjourn or continue the date of the Final Approval Hearing and any dates provided for in the Settlement Agreement without further notice to the Class Members and retains jurisdiction to consider all further applications arising out of or connected with the Settlement.

19. Within 7 days of this Order, Plaintiff shall file a dismissal without prejudice of the matter entitled *Romero v. Cal. Closets Retail, Inc., et al.*, Los Angeles County Superior Court, Case No. 23STCV31746.

IT IS SO ORDERED.

Dated: 01/30/2025



Samantha Jessner / Judge

The Honorable Samantha P. Jessner
Judge of the Superior Court

EXHIBIT 1

NOTICE OF CLASS ACTION AND PAGA SETTLEMENT

Jesse Romero v. Cal. Closets Retail Inc., et al.

Superior Court of California for the County of Los Angeles, Case Nos. 23STCV27355; 23STCV31746

PLEASE READ THIS CLASS NOTICE CAREFULLY.

The Superior Court for the State of California authorized this Notice. Please read it carefully! It is not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiff Jesse Romero (“Plaintiff”) and Defendants California Closet Company, Inc. and Cal Closets Retail, Inc. (collectively, “Defendants”) (Plaintiff and Defendants are collectively referred to as the “Parties”) in the cases entitled *Jesse Romero v. Cal. Closets Retail Inc., et al.*, Los Angeles County Superior Court, Case Nos. 23STCV27355; 23STCV31746 (the “Actions”), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] to determine whether or not the Court should grant final approval of the settlement (“Final Approval Hearing”).

I. IMPORTANT DEFINITIONS

“**Class**” or “**Class Member**” means all current and former hourly-paid and/or non-exempt employees who worked for Defendants within the State of California at any time during the Class Period.

“**Class Period**” means the period from November 7, 2019 through January 29, 2025 with regard to Defendant California Closet Company, Inc., and January 1, 2022 through January 29, 2025 with regard to defendant Cal Closets Retail, Inc.

“**Class Settlement**” means the settlement and resolution of all Class Released Claims (as defined below).

“**Aggrieved Employees**” means all current and former hourly-paid and/or non-exempt employees who worked for Defendants in the State of California at any time during the PAGA Period.

“**PAGA Period**” means the period from October 24, 2022, through January 29, 2025.

“**PAGA Settlement**” means the settlement and resolution of all PAGA Released Claims (as defined below).

“**Preliminary Approval**” means the date the Court issues its order preliminarily approving the settlement.

II. BACKGROUND OF THE ACTION

On October 24, 2023, Plaintiff provided written notice to the California Labor and Workforce Development Agency (“LWDA”) and Defendants of alleged violations of the California Labor Code (“PAGA Letter”). On November 7, 2023, Plaintiff commenced a putative class action lawsuit by filing a Class Action Complaint for Damages in the Los Angeles County Superior Court, Case No. 23STCV27355. On December 28, 2023, Plaintiff filed a Complaint for Enforcement Action Under the Private Attorneys General Act, California Labor Code §§ 2698. *et seq.* in the Los Angeles County Superior Court, Case No. 23STCV31746. On October 8, 2024, Plaintiff provided written notice to the LWDA and Defendants of additional provisions of the California Labor Code that Plaintiff contends were violated (“Amended PAGA Letter”). On October 10, 2024, Plaintiff filed a First Amended Class and PAGA Representative Action Complaint (“Operative Complaint”) alleging the following causes of action: (1) Minimum Wage and Straight Time Violations; (2) Overtime Wage Violations; (3) Unpaid Vacation and Holiday Wages; (4) Meal Period Violations; (5) Rest Period Violations; (6) Failure to Timely Pay Wages During Employment; (7) Failure to Provide Accurate Wage Statements, Maintain Required Records, and Recordkeeping Violations; (8) Failure to Pay All Wages Earned and Unpaid at Separation; (9) Improper Payment of Final Wages; (10) Failure to Reimburse Business Expenses; (11) Failure to Provide Sick Leave and Notice of Entitlement to Sick Leave; (12) Unfair Competition; and (13) Violation of the California Private Attorneys General Act.

Plaintiff contends that Defendants failed to: (i) properly pay minimum and overtime wages, (ii) provide compliant meal and

rest breaks and associated premiums, (iii) timely pay wages during employment, (iv) timely pay wages upon termination of employment and associated waiting-time penalties, (v) provide accurate wage statements, (vi) properly pay vacation and holiday wages, (vii) provide proper payment of final wages, (viii) provide sick leave and notice of entitlement to sick leave and (ix) reimburse business expenses, and thereby (x) engaged in unfair business practices in violation of the California Business and Professions Code section 17200, *et seq.*, and (xi) conduct that gives rise to penalties under the PAGA. Plaintiff sought, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys' fees and costs.

Defendants deny all of the allegations in the Actions, that they violated any law, or that they failed to pay any wages and contend they complied with all applicable laws.

The Parties participated in mediation with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into a Joint Stipulation of Class Action and PAGA Settlement ("Settlement" or "Settlement Agreement").

On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires Defendants to make payments under the Settlement and require Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendants unless they timely opt-out of the settlement.

If you are a Class Member, you need not take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks and/or PAGA Workweeks credited to you, if you so choose, as explained more fully in Sections III and IV below. If you are an Aggrieved Employee, you do not need to take any action to receive an Individual PAGA Payment; you will not have the opportunity to object or seek exclusion from the PAGA Settlement and all Aggrieved Employees will be bound to the PAGA Settlement if the Court grants final approval of the Settlement.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendants that the claims in the Actions have merit or that Defendants have any liability to Plaintiff, Class Members, or Aggrieved Employees. Plaintiff and Defendants, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of the Class Members, the State of California, and Aggrieved Employees.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is one million seven hundred and ninety-four thousand dollars and zero cents (\$1,794,000.00) (the "Gross Fund Value"). The portion of the Gross Fund Value that is available for payment to Class Members is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Gross Fund Value less the following payments which are subject to approval by the Court: (1) attorneys' fees, in an amount not to exceed 33.33% of the Gross Fund Value (i.e., \$597,999.40 if the Gross Fund Value is \$1,794,000.00), and reimbursement of litigation costs and expenses, in an amount not to exceed twenty-three thousand dollars and zero cents (\$23,000.00) to Class Counsel; (2) Enhancement Payment in an amount not to exceed seven thousand five hundred dollars and zero cents (\$7,500.00) to Plaintiff for his services in the Actions; (3) the amount of one hundred seventy-nine thousand four hundred and zero cents (\$179,400.00) allocated toward civil penalties under the Private Attorneys General Act ("PAGA Payment"), of which the LWDA will be paid 75% (\$134,550.00) ("LWDA Payment") and the remaining 25% (\$44,850.00) will be distributed to Aggrieved Employees ("PAGA Employee Amount"); and (4) Settlement Administration Costs in an amount not to exceed eleven thousand five hundred and zero cents (\$11,500.00) to Apex Class Action, LLC ("Settlement Administrator").

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount (“Individual Settlement Share”) based on the number of weeks each Class Member worked for Defendants as an hourly-paid or non-exempt employee in California during the Class Period (“Workweeks”). The Settlement Administrator has divided the Net Settlement Amount by the Workweeks of all Class Members to yield the “Estimated Workweek Value,” and multiplied each Class Member’s individual Workweeks by the Estimated Workweek Value to yield an estimated Individual Settlement Share that each Class Member may be entitled to receive under the Class Settlement (which is listed in Section III.C below). Class Members who do not submit a timely and valid Request for Exclusion (“Settlement Class Members”) will be issued their final Individual Settlement Payment following final approval of the settlement by the Court.

Each Individual Settlement Share will be allocated as twenty-five percent (25%) as wages, which will be reported on an IRS Form W-2, and seventy-five percent (75%) as non-wage damages and penalties, which will be reported on an IRS Form 1099 (if applicable). Each Individual Settlement Share will be subject to reduction for the employee’s share of payroll taxes and withholdings with respect to the wages portion of the Individual Settlement Shares resulting in a net payment to the Settlement Class Member (“Individual Settlement Payment”). The employer’s share of taxes and contributions in connection with the wages portion of Individual Settlement Shares (“Employer Taxes”) will be paid by Defendants separately and in addition to the Gross Fund Value.

Aggrieved Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Employee Amount (“Individual PAGA Payment”) based on the number of weeks each Aggrieved Employee worked for Defendants as an hourly-paid or non-exempt employee in California during the PAGA Period (“PAGA Workweeks”). The Settlement Administrator has divided the PAGA Employee Amount, i.e., 25% of the PAGA Payment, by the PAGA Workweeks of all Aggrieved Employees to yield the “PAGA Workweek Value,” and multiplied each Aggrieved Employee’s individual PAGA Workweeks by the PAGA Workweek Value to yield each Aggrieved Employee’s Individual PAGA Payment.

Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, will not be subject to withholdings, and will be reported on IRS Form 1099 (if applicable).

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members and Individual PAGA Payments will be mailed to Aggrieved Employees at the address that is on file with the Settlement Administrator. **If the address to which this Class Notice was mailed is not correct, or if you move after you receive this Class Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

B. Your Workweeks and PAGA Workweeks (if applicable) Based on Defendant’s Records

According to Defendants’ records:

- **From [REDACTED] through [REDACTED] (i.e., the Class Period), you are credited as having worked [REDACTED] Workweeks.**
- **From [REDACTED] through [REDACTED] (i.e., the PAGA Period), you are credited as having worked [REDACTED] PAGA Workweeks.**

If you wish to dispute the Workweeks and/or PAGA Workweeks credited to you, you must submit your dispute in writing to the Settlement Administrator (“Workweeks Dispute”). The Workweeks Dispute must: (a) contain the case name and number of the Actions (*Jesse Romero v. Cal. Closets Retail Inc., et al.*, Case Nos. 23STCV27355; 23STCV31746); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) clearly state that you dispute the number of Workweeks and/or PAGA Workweeks credited to you and what you contend is the correct number; (d) include support for your challenge by sending copies of pay stubs or other records; and (e) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B below, postmarked **on or before [Response Deadline]**.

The Settlement Administrator will accept Defendants’ calculation of Workweeks based on Defendants’ records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Settlement Administrator will resolve Workweek challenges based on your

submission and on input from Class Counsel and Defendants' Counsel. The Settlement Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

C. Your Estimated Individual Settlement Share and Individual PAGA Payment (if applicable)

As explained above, your estimated Individual Settlement Share and Individual PAGA Payment (if applicable) is based on the number of Workweeks and PAGA Workweeks (if applicable) credited to you.

Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ [REDACTED]. The Individual Settlement Share is subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

Under the terms of the Settlement, your Individual PAGA Payment is estimated to be \$ [REDACTED] and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

The settlement approval process may take multiple months. Your Individual Settlement Share and Individual PAGA Payment (if applicable) reflected in this Class Notice is only an estimate. Your actual Individual Settlement Payment and Individual PAGA Payment (if applicable) may be higher or lower.

D. Release of Claims

Upon the full funding of the Gross Fund Value, Plaintiff and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Class Released Claims.

Upon the full funding of the Gross Fund Value, Plaintiff, the State of California with respect to all Aggrieved Employees, and all Aggrieved Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all PAGA Released Claims.

"Class Released Claims" means all claims that were alleged, or reasonably could have been alleged based on the factual allegations contained in the Operative Complaint, including, but not limited to, California Labor Code sections 201, 202, 203, 204, 210, 213, 216, 218.5, 218.6, 223, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 233, 245, 245.5, 246, 246.5, 247, 247.5, 248.1, 248.2, 249, 256, 510, 511, 512, 551, 558, 558.1, 1174, 1174.5, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, 2802, California Industrial Commission Wage Orders, and including all claims related to alleged: (1) Minimum Wage and Straight Time Violations; (2) Overtime Wage Violations; (3) Unpaid Vacation and Holiday Wages; (4) Meal Period Violations; (5) Rest Period Violations; (6) Failure to Timely Pay Wages During Employment; (7) Failure to Provide Accurate Wage Statements, Maintain Required Records, and Recordkeeping Violations; (8) Failure to Pay All Wages Earned and Unpaid at Separation; (9) Improper Payment of Final Wages; (10) Failure to Reimburse Business Expenses; (11) Failure to Provide Sick Leave and Notice of Entitlement to Sick Leave; and (12) Unfair Competition. This further includes any and all other claims under California common law, the California Labor Code, and the California Business and Professions Code alleged in or that could have been alleged under the facts, allegations and/or claims pleaded in the Actions. This expressly excludes the PAGA Released Claims, which are separately released below.

"PAGA Released Claims" means upon Defendant's fulfillment of its payment obligations of this Agreement, in exchange for the consideration provided by this Agreement, Plaintiff, the State of California, the LWDA, the Aggrieved Employees and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns and any other representative, proxy, or agent thereof shall release the Released Parties from all claims made or which could have been made for civil penalties under the PAGA, Labor Code section 2698, et seq., based on the facts pled in Plaintiff's letters to the LWDA (including his initial letter to the LWDA and the amended letter discussed above) and the Operative Complaint, from October 24, 2022 to January 29, 2025 including, but not limited to, any and all claims for PAGA penalties involving any allegations that Defendants failed to pay all wages due (including minimum wages, regular wages, sick pay, vacation pay, holiday pay, paid time off and overtime wages or double time wages); failed to provide legally-compliant meal and rest breaks and failed to pay premium pay for missed, late, interrupted or short meal and rest breaks; failed to timely pay all earned wages and compensation; failed to timely pay wages during employment; improper payment of final wages; failure to provide sick leave and notice of entitlement to sick leave; failed to reimburse necessary business expenses;

failed to provide timely final pay; failed to maintain required records; recordkeeping violations; failed to properly pay sick pay and vacation time; failed to provide accurate itemized wage statements, as well as any claims under the California Labor Code for violations of Labor Code sections 201, 202, 203, 204, 210, 213, 216, 218.5, 218.6, 223, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 233, 245, 245.5, 246, 246.5, 247, 247.5, 248.1, 248.2, 249, 256, 510, 511, 512, 551, 558, 558.1, 1174, 1174.5, 1185, 1194, 1197, 1197.1, 1198, 1199, 2800, 2802, and applicable IWC Wage Orders, and California Code of Regulations, Title 8, section 11000, et seq. The Aggrieved Employees shall release their PAGA claims, to the extent they have any interest, in their entirety and may not opt out of the PAGA Released Claims.

“Released Parties” means: (i) Defendants; (ii) each of Defendants’ past, present, and future direct and indirect parents; (iii) the respective past, present, and future direct and indirect subsidiaries and affiliates of any of the foregoing; (iv) the past, present, and future shareholders, directors, officers, agents, employees, attorneys, insurers, members, partners, managers, contractors, agents, consultants, representatives, administrators, fiduciaries, benefit plans, transferees, predecessors, successors and assigns of any of the foregoing; and (v) any individual or entity which could be jointly liable with any of the foregoing.

E. Attorneys’ Fees and Costs to Class Counsel

Class Counsel will seek attorneys’ fees in an amount not to exceed one third (33.33%) of the Gross Fund Value (i.e., \$597,999.40 if the Gross Fund Value is \$1,794,000.00) and reimbursement of litigation costs and expenses in an amount not to exceed twenty-three thousand dollars and zero cents (\$23,000.00) (collectively, “Attorneys’ Fees and Costs”), subject to approval by the Court. The Attorneys’ Fees and Costs granted by the Court will be paid from the Gross Fund Value. Class Counsel has been prosecuting the Actions on behalf of Plaintiff, Class Members, and Aggrieved Employees on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payment to Plaintiff

Plaintiff will seek the amount of seven thousand five hundred dollars and zero cents (\$7,500.00) (“Enhancement Payment), in recognition of his services in connection with the Actions. The Enhancement Payment will be paid from the Gross Fund Value, subject to approval by the Court, and if awarded, it will be paid to Plaintiff in addition to his Individual Settlement Payment and Individual PAGA Payment that he is entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed eleven thousand five hundred and zero cents (\$11,500.00) (“Settlement Administration Costs”) for the costs of the notice and settlement administration process, including, and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objection, and Workweeks Disputes, calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Fund Value, subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Class Settlement and receive money from the Class Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement and if the Court grants final approval of the Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Class Released Claims against the Released Parties as described in Section III.D above.

If you are an **Aggrieved** Employee and the Court grants final approval of the Settlement, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the PAGA Released Claims against the Released Parties as described in Section III.D above.

As a Class Member and **Aggrieved** Employee (if applicable), you will not be separately responsible for the payment of attorney's fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney's fees and expenses.

B. Request Exclusion from the Class Settlement

Class Members may request to be excluded from the Class Settlement by submitting a letter ("Request for Exclusion") to the Settlement Administrator, at the following address:

[Settlement Administrator]

[Mailing Address]

A Request for Exclusion must: (a) contain the case name and number of the Actions (*Jesse Romero v. Cal. Closets Retail Inc. et al.*, Case Nos. 23STCV27355; 23STCV31746); (b) contain your full name, signature, address, telephone number, and last four (4) digits of your Social Security number; (c) clearly state that you do not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address above, postmarked **on or before** [Response Deadline].

If the Court grants final approval of the Settlement, any Class Member who submits a timely and valid Request for Exclusion will not be issued an Individual Settlement Payment, will not be bound by the Class Settlement (and the release of Class Released Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a timely and valid Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Class Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon.

Aggrieved Employees will be bound to the PAGA Settlement (and the release of PAGA Released Claims described in Section III.D above) and will still be issued an Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion.

C. Object to the Class Settlement

You can object to the Class Settlement as long as you have not submitted a Request for Exclusion by submitting a written objection ("Notice of Objection") to the Settlement Administrator.

The Notice of Objection must: (a) contain the case name and number of the Actions (*Jesse Romero v. Cal. Closets Retail Inc. et al.*, Case Nos. 23STCV27355; 23STCV31746); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B above, postmarked **on or before** [Response Deadline].

You may also appear at the Final Approval Hearing (discussed below) and present your objection orally, regardless of whether you have submitted a Notice of Objection.

D. Need to Promptly Cash Payment Checks

The front of every check issued for Individual Class Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name. If the monies represented by your check are sent to the Controller's Unclaimed Property, you should consult the rules of the California Controller's Unclaimed Property Fund for instructions on how to retrieve your money.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 7 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California, 90012 on [date], at [time], to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and grant the Attorneys' Fees

and Costs to Class Counsel, Enhancement Payment to Plaintiff, and Settlement Administration Costs to the Settlement Administrator.

The Final Approval Hearing may be continued without further notice to the Class Members and Aggrieved Employees. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

You can find more information regarding appearing remotely through LA Court Connect online at: <https://www.lacourt.org/laccligibility/ui/civil.aspx?casetype=ci>.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers, which are on file with the Court.

You may view the Settlement Agreement and other documents filed in the Action by for a fee by making an appointment in advance and visiting the civil clerk's office during business hours, located at the Stanley Mosk Courthouse, 111 North Hill Street, Los Angeles, California 90012, or online by visiting the following website: <https://www.lacourt.org/casesummary/ui/>

You may also visit the Settlement Administrator's website at [redacted] for more information and documents relating to the Settlement, or you may contact Plaintiff's attorneys and counsel for the Class (whose information is also below):

Settlement Administrator:

[Settlement Administrator]

[Mailing Address]

[Telephone]

[Email address]

Class Counsel:

Jonathan M. Genish
Karen I. Gold
Sara Pezeshkpour
Ashley H. Cruz
Marissa A. Mayhood
Blackstone Law, APC
8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211
Tel: (310) 622-4278 / Fax: (855) 786-6356

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.

1 **PROOF OF SERVICE**

2 I, Yesenia Rosas, certify and declare as follows:

3 I am over eighteen years of age and not a party to the within action; my business address is
4 8383 Wilshire Blvd, Suite 745, Beverly Hills, California 90211. On January 29, 2025, I served a copy
of the following document(s):

5 **REVISED [PROPOSED] ORDER GRANTING PRELIMINARY APPROVAL OF CLASS**
6 **ACTION AND PAGA SETTLEMENT**

7 on the interested parties as follows:

8 P. Dustin Bodaghi
9 Kimberly M. Shappley
10 **LITTLER MENDELSON, P.C.**
11 18565 Jamboree Road, Suite 800
12 Irvine, California 92612
13 Telephone: 949.705.3000
14 Fax No.: 949.724.1201
15 Emails: kshappley@littler.com
16 dbodaghi@littler.com

*Attorneys for Defendants CALIFORNIA
CLOSET COMPANY and CAL CLOSET
RETAIL, INC.*

14 ☒ **BY ELECTRONIC SERVICE (CASE ANYWHERE):** I caused said document(s) to be sent to the
15 addressee(s) listed above via Case Anywhere. I did not receive, within a reasonable time after the
transmission, any electronic message or other indication that the transmission was unsuccessful.

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

17 ☒ **BY ONLINE SUBMISSION:** The foregoing documents were transmitted to the California
18 Labor and Workforce Development Agency through the online system established for the
19 submission of notices and documents, in conformity with California Labor Code section
2699(l). I did not receive any electronic message or other indication that the transmission was
unsuccessful.

20 ☒ **STATE** – I declare under penalty of perjury under the laws of the State of California that the
21 above is true and correct.

22 Executed on January 29, 2025 at Beverly Hills, California.

23
24 
25 Yesenia Rosas
26
27
28

EXHIBIT 5

FIRST AMENDMENT TO CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Amendment is made to the Joint Stipulation of Class Action and PAGA Settlement Agreement (“Settlement,” “Agreement” or “Settlement Agreement”) by and between Plaintiff Jesse Romero (“Plaintiff”) and Defendants California Closet Company, Inc. and Cal Closets Retail, Inc. (“Defendants”). This Agreement refers to Plaintiff and Defendants collectively as the “Parties.”¹

66. FIRST AMENDMENT TO DEFINITIONS AND TERMS OF SETTLEMENT

Paragraph 12(f) of the Agreement defining “Class Period” is amended to replace “Preliminary Approval” with “January 29, 2025” to read:

“Class Period” means the period from November 7, 2019, through *January 29, 2025*² of the settlement with regard to defendant California Closet Company, Inc., and January 1, 2022, through *January 29, 2025* of the settlement with regard to defendant Cal Closets Retail, Inc.

Paragraph 12(z) of the Settlement defining “PAGA Period” is amended to replace “Preliminary Approval” with “January 29, 2025” to read:

“PAGA Period” means the period from October 24, 2022, through *January 29, 2025*.

Paragraph 12(ff) of the Agreement defining “PAGA Release Claims” is amended as follows with the italicized language:

“PAGA Released Claims” means upon Defendant’s fulfillment of its payment obligations of this Agreement, in exchange for the consideration provided by this Agreement, Plaintiff, the State of California, the LWDA, the Aggrieved Employees and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns and any other representative, proxy, or agent thereof shall release the Released Parties from all claims made or which could have been made for civil penalties under the PAGA, Labor Code section 2698, et seq., based on the facts pled in Plaintiff’s letters to the LWDA (including his initial letter to the LWDA and the amended letter discussed above) and the Operative Complaint, from October 24, 2022 to *January 29, 2025* including, but not limited to, any and all claims for PAGA penalties involving any allegations that Defendants failed to pay all wages due (including minimum wages, regular wages, sick pay, vacation pay, holiday pay, paid time off and overtime wages or double time wages); failed to provide legally-compliant meal and rest breaks and failed to pay premium pay for missed, late, interrupted or short meal and rest breaks; failed to timely pay all earned wages and compensation; failed to timely pay wages during employment; improper payment of final wages; failure to provide sick leave and notice of entitlement to sick leave; failed to reimburse necessary business expenses; failed to provide timely final pay;

¹ This Amendment numbers paragraphs after the final paragraph 65 of the original Agreement for purposes of continuity, as though the text of this Amendment is set forth after the last paragraph of the Agreement.

² Italics are used in this Amendment to assist in identifying language that is changed and not otherwise as emphasis.

failed to maintain required records; recordkeeping violations; failed to properly pay sick pay and vacation time; failed to provide accurate itemized wage statement, as well as any claims under the California Labor Code for violations of Labor Code sections 201, 202, 203, 204, 210, 213, 216, 218.5, 218.6, 223, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 233, 245, 245.5, 246, 246.5, 247, 247.5, 248.1, 248.2, 249, 256, 510, 511, 512, 551, 558, 558.1, 1174, 1174.5, 1185, 1194, 1197, 1197.1, 1198, 1199, 2800, 2802, and applicable IWC Wage Orders, and California Code of Regulations, Title 8, Section 11000 et seq. The Aggrieved Employees shall release their PAGA claims, to the extent they have any interest, in their entirety and may not opt out of the PAGA Released Claims.

Paragraph 12(p) of the Agreement defining “Gross Fund Value” or “GFV” is amended as follows with the italicized language:

“Gross Fund Value” or “GFV” means the amount of *one million seven hundred and ninety-four thousand dollars and zero cents (\$1,794,000)* to be paid by Defendants in full satisfaction of the Actions, Class Released Claims, and PAGA Released Claims, which includes all Attorneys’ Fees and Costs, Enhancement Payment, PAGA Payment, Settlement Administration Costs, and Net Settlement Amount to be paid to the Settlement Class Members. Defendants shall pay the Employer Taxes separately and in addition to the Gross Fund Value. The Gross Fund Value is non-reversionary; no portion of the Gross Settlement Payment will return to Defendants. The Gross Fund Value is subject to increase, as provided in *amendment to Paragraph 19*.

Paragraph 12(t) of the Agreement defining “LWDA Payment” is amended as follows with the italicized language:

“LWDA Payment” means the amount of *one hundred and thirty-four thousand five hundred fifty dollars and zero cents (\$134,550.00)*, i.e., 75% of the PAGA Payment, that the Parties have agreed to pay to the LWDA under the PAGA Settlement, as set forth in Paragraph 17 *and further amendment*.

Paragraph 12(w) of the Agreement defining “PAGA Payment” is amended as follows with the italicized language:

“PAGA Payment” means the allocation of 10% from the Gross Fund Value for the PAGA Settlement. Seventy-five percent (75%) of the PAGA Payment, or *\$134,550.00*, will be paid to the LWDA (i.e., the LWDA Payment) and the remaining twenty-five percent (25%), or *\$44,850.00*, will be distributed to the Aggrieved Employees (i.e., the PAGA Employee Amount).

Paragraph 12(y) of the Agreement defining “PAGA Employee Amount” is amended as follows with the italicized language:

“PAGA Employee Amount” means the amount of *forty-four thousand eight hundred fifty dollars and zero cents (\$44,850.00)*, i.e., 25% of the PAGA Payment, to be distributed to Aggrieved Employees on a pro rata basis based on their PAGA Workweeks.

Paragraph 15 of the Agreement is amended as follows with the italicized language:

Attorneys' Fees and Costs. Defendants agree not to oppose or impede any application or motion by Class Counsel for attorneys' fees in the amount up to one third (33.33%) of the Gross Fund Value (i.e., \$597,999.40 if the Gross Fund Value is \$1,794,000.00) and reimbursement of actual costs and expenses associated with Class Counsel's litigation and settlement of the Actions, in an amount not to exceed twenty-three thousand dollars and zero cents (\$23,000.00), both of which will be paid from the Gross Fund Value. These amounts will cover any and all work performed and any and all costs incurred by Class Counsel in connection with the litigation of the Actions, including, without limitation, all work performed and costs incurred to date, and all work to be performed and all 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 shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts received. The Settlement Administrator shall issue an IRS Form 1099 to Class Counsel for the Attorneys' Fees and Costs. Any portion of the requested Attorneys' Fees and Costs that is not awarded by the Court to Class Counsel shall be reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members

Paragraph 17 of the Agreement is amended as follows with the italicized language:

PAGA Payment. Subject to approval by the Court, the Parties agree that the amount of *one hundred seventy-nine thousand four hundred dollars and zero cents* (\$179,400.00) shall be allocated from the Gross Fund Value toward penalties under the Private Attorneys General Act, California Labor Code Section 2698, et seq. (i.e., the PAGA Payment), of which seventy-five percent (75%), or \$134,550.00, will be paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%), or \$44,850.00, will be distributed to Aggrieved Employees (i.e., the PAGA Employee Amount) on a pro rata basis, based on the total number of PAGA Workweeks worked by each Aggrieved Employee during the PAGA Period (i.e., the Individual PAGA Payments).

Paragraph 19 of the Agreement is amended as follows with the italicized language:

Escalator Clause. Defendants have represented that the Class Members worked a total of *approximately 59,332 Workweeks* from November 7, 2019, to *January 29, 2025*, with regard to California Closet Company, Inc. and from January 1, 2022, to *January 25, 2025*, with regard to Cal. Closets Retail, Inc. If it is determined by the Settlement Administrator that the qualifying workweeks worked by the Class Members during the Class Period ultimately increase by more than 10% (i.e., if the workweeks exceed 65,265) through *January 29, 2025*, Defendants will increase the GFV on a proportional basis equal to the percentage increase in number of workweeks worked by the Class Members above the 10% (i.e., if there was an 11% increase in the number workweeks during the Class Period, Defendants would agree to increase the GFV by 1%).

The Class Notice attached as Exhibit A to the Agreement is hereby replaced with the revised Class Notice Attached hereto as Exhibit B.

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APPROVAL AND EXECUTION BY PARTIES

CLASS REPRESENTATIVE:

Dated: 01/28/2025



Jesse Romero
Plaintiff and Class Representative

DEFENDANT:

Dated: _____

California Closet Company, Inc.

By: _____

Title: _____

DEFENDANT:

Dated: _____

Cal Closets Retail, Inc.

By: _____

Title: _____

BLACKSTONE LAW, APC

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APPROVAL AND EXECUTION BY PARTIES

CLASS REPRESENTATIVE:

Dated: _____
Jesse Romero
Plaintiff and Class Representative

DEFENDANT:

Dated: 1/28/2025
California Closet Company, Inc.

DocuSigned by:

Rhonda Biddix

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By: Rhonda Biddix
Title: CFO

DEFENDANT:

Dated: 1/28/2025
Cal Closets Retail, Inc.

DocuSigned by:

Rhonda Biddix

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By: Rhonda Biddix
Title: CFO

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Dated: January 28, 2025



Karen I. Gold

Attorneys for Plaintiff Jesse Romero and
Proposed Class Counsel

LITTLER MENDELSON, P.C.



Dated: January 28, 2025

P. Dustin Bodaghi

Attorneys for Defendants

EXHIBIT B

NOTICE OF CLASS ACTION AND PAGA SETTLEMENT

Jesse Romero v. Cal. Closets Retail Inc., et al.

Superior Court of California for the County of Los Angeles, Case Nos. 23STCV27355; 23STCV31746

PLEASE READ THIS CLASS NOTICE CAREFULLY.

The Superior Court for the State of California authorized this Notice. Please read it carefully! It is not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiff Jesse Romero (“Plaintiff”) and Defendants California Closet Company, Inc. and Cal Closets Retail, Inc. (collectively, “Defendants”) (Plaintiff and Defendants are collectively referred to as the “Parties”) in the cases entitled *Jesse Romero v. Cal. Closets Retail Inc., et al.*, Los Angeles County Superior Court, Case Nos. 23STCV27355; 23STCV31746 (the “Actions”), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] to determine whether or not the Court should grant final approval of the settlement (“Final Approval Hearing”).

I. IMPORTANT DEFINITIONS

“**Class**” or “**Class Member**” means all current and former hourly-paid and/or non-exempt employees who worked for Defendants within the State of California at any time during the Class Period.

“**Class Period**” means the period from November 7, 2019 through January 29, 2025 with regard to Defendant California Closet Company, Inc., and January 1, 2022 through January 29, 2025 with regard to defendant Cal Closets Retail, Inc.

“**Class Settlement**” means the settlement and resolution of all Class Released Claims (as defined below).

“**Aggrieved Employees**” means all current and former hourly-paid and/or non-exempt employees who worked for Defendants in the State of California at any time during the PAGA Period.

“**PAGA Period**” means the period from October 24, 2022, through January 29, 2025.

“**PAGA Settlement**” means the settlement and resolution of all PAGA Released Claims (as defined below).

“**Preliminary Approval**” means the date the Court issues its order preliminarily approving the settlement.

II. BACKGROUND OF THE ACTION

On October 24, 2023, Plaintiff provided written notice to the California Labor and Workforce Development Agency (“LWDA”) and Defendants of alleged violations of the California Labor Code (“PAGA Letter”). On November 7, 2023, Plaintiff commenced a putative class action lawsuit by filing a Class Action Complaint for Damages in the Los Angeles County Superior Court, Case No. 23STCV27355. On December 28, 2023, Plaintiff filed a Complaint for Enforcement Action Under the Private Attorneys General Act, California Labor Code §§ 2698. *et seq.* in the Los Angeles County Superior Court, Case No. 23STCV31746. On October 8, 2024, Plaintiff provided written notice to the LWDA and Defendants of additional provisions of the California Labor Code that Plaintiff contends were violated (“Amended PAGA Letter”). On October 10, 2024, Plaintiff filed a First Amended Class and PAGA Representative Action Complaint (“Operative Complaint”) alleging the following causes of action: (1) Minimum Wage and Straight Time Violations; (2) Overtime Wage Violations; (3) Unpaid Vacation and Holiday Wages; (4) Meal Period Violations; (5) Rest Period Violations; (6) Failure to Timely Pay Wages During Employment; (7) Failure to Provide Accurate Wage Statements, Maintain Required Records, and Recordkeeping Violations; (8) Failure to Pay All Wages Earned and Unpaid at Separation; (9) Improper Payment of Final Wages; (10) Failure to Reimburse Business Expenses; (11) Failure to Provide Sick Leave and Notice of Entitlement to Sick Leave; (12) Unfair Competition; and (13) Violation of the California Private Attorneys General Act.

Plaintiff contends that Defendants failed to: (i) properly pay minimum and overtime wages, (ii) provide compliant meal and

rest breaks and associated premiums, (iii) timely pay wages during employment, (iv) timely pay wages upon termination of employment and associated waiting-time penalties, (v) provide accurate wage statements, (vi) properly pay vacation and holiday wages, (vii) provide proper payment of final wages, (viii) provide sick leave and notice of entitlement to sick leave and (ix) reimburse business expenses, and thereby (x) engaged in unfair business practices in violation of the California Business and Professions Code section 17200, *et seq.*, and (xi) conduct that gives rise to penalties under the PAGA. Plaintiff sought, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys' fees and costs.

Defendants deny all of the allegations in the Actions, that they violated any law, or that they failed to pay any wages and contend they complied with all applicable laws.

The Parties participated in mediation with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into a Joint Stipulation of Class Action and PAGA Settlement ("Settlement" or "Settlement Agreement").

On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires Defendants to make payments under the Settlement and require Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendants unless they timely opt-out of the settlement.

If you are a Class Member, you need not take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks and/or PAGA Workweeks credited to you, if you so choose, as explained more fully in Sections III and IV below. If you are an Aggrieved Employee, you do not need to take any action to receive an Individual PAGA Payment; you will not have the opportunity to object or seek exclusion from the PAGA Settlement and all Aggrieved Employees will be bound to the PAGA Settlement if the Court grants final approval of the Settlement.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendants that the claims in the Actions have merit or that Defendants have any liability to Plaintiff, Class Members, or Aggrieved Employees. Plaintiff and Defendants, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of the Class Members, the State of California, and Aggrieved Employees.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is one million seven hundred and ninety-four thousand dollars and zero cents (\$1,794,000.00) (the "Gross Fund Value"). The portion of the Gross Fund Value that is available for payment to Class Members is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Gross Fund Value less the following payments which are subject to approval by the Court: (1) attorneys' fees, in an amount not to exceed 33.33% of the Gross Fund Value (i.e., \$597,999.40 if the Gross Fund Value is \$1,794,000.00), and reimbursement of litigation costs and expenses, in an amount not to exceed twenty-three thousand dollars and zero cents (\$23,000.00) to Class Counsel; (2) Enhancement Payment in an amount not to exceed seven thousand five hundred dollars and zero cents (\$7,500.00) to Plaintiff for his services in the Actions; (3) the amount of one hundred seventy-nine thousand four hundred and zero cents (\$179,400.00) allocated toward civil penalties under the Private Attorneys General Act ("PAGA Payment"), of which the LWDA will be paid 75% (\$134,550.00) ("LWDA Payment") and the remaining 25% (\$44,850.00) will be distributed to Aggrieved Employees ("PAGA Employee Amount"); and (4) Settlement Administration Costs in an amount not to exceed eleven thousand five hundred and zero cents (\$11,500.00) to Apex Class Action, LLC ("Settlement Administrator").

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount (“Individual Settlement Share”) based on the number of weeks each Class Member worked for Defendants as an hourly-paid or non-exempt employee in California during the Class Period (“Workweeks”). The Settlement Administrator has divided the Net Settlement Amount by the Workweeks of all Class Members to yield the “Estimated Workweek Value,” and multiplied each Class Member’s individual Workweeks by the Estimated Workweek Value to yield an estimated Individual Settlement Share that each Class Member may be entitled to receive under the Class Settlement (which is listed in Section III.C below). Class Members who do not submit a timely and valid Request for Exclusion (“Settlement Class Members”) will be issued their final Individual Settlement Payment following final approval of the settlement by the Court.

Each Individual Settlement Share will be allocated as twenty-five percent (25%) as wages, which will be reported on an IRS Form W-2, and seventy-five percent (75%) as non-wage damages and penalties, which will be reported on an IRS Form 1099 (if applicable). Each Individual Settlement Share will be subject to reduction for the employee’s share of payroll taxes and withholdings with respect to the wages portion of the Individual Settlement Shares resulting in a net payment to the Settlement Class Member (“Individual Settlement Payment”). The employer’s share of taxes and contributions in connection with the wages portion of Individual Settlement Shares (“Employer Taxes”) will be paid by Defendants separately and in addition to the Gross Fund Value.

Aggrieved Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Employee Amount (“Individual PAGA Payment”) based on the number of weeks each Aggrieved Employee worked for Defendants as an hourly-paid or non-exempt employee in California during the PAGA Period (“PAGA Workweeks”). The Settlement Administrator has divided the PAGA Employee Amount, i.e., 25% of the PAGA Payment, by the PAGA Workweeks of all Aggrieved Employees to yield the “PAGA Workweek Value,” and multiplied each Aggrieved Employee’s individual PAGA Workweeks by the PAGA Workweek Value to yield each Aggrieved Employee’s Individual PAGA Payment.

Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, will not be subject to withholdings, and will be reported on IRS Form 1099 (if applicable).

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members and Individual PAGA Payments will be mailed to Aggrieved Employees at the address that is on file with the Settlement Administrator. **If the address to which this Class Notice was mailed is not correct, or if you move after you receive this Class Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

B. Your Workweeks and PAGA Workweeks (if applicable) Based on Defendant’s Records

According to Defendants’ records:

- From [] through [] (i.e., the Class Period), you are credited as having worked [] Workweeks.
- From [] through [] (i.e., the PAGA Period), you are credited as having worked [] PAGA Workweeks.

If you wish to dispute the Workweeks and/or PAGA Workweeks credited to you, you must submit your dispute in writing to the Settlement Administrator (“Workweeks Dispute”). The Workweeks Dispute must: (a) contain the case name and number of the Actions (*Jesse Romero v. Cal. Closets Retail Inc., et al.*, Case Nos. 23STCV27355; 23STCV31746); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) clearly state that you dispute the number of Workweeks and/or PAGA Workweeks credited to you and what you contend is the correct number; (d) include support for your challenge by sending copies of pay stubs or other records; and (e) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B below, postmarked **on or before** [Response Deadline].

The Settlement Administrator will accept Defendants’ calculation of Workweeks based on Defendants’ records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Settlement Administrator will resolve Workweek challenges based on your

submission and on input from Class Counsel and Defendants' Counsel. The Settlement Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

C. Your Estimated Individual Settlement Share and Individual PAGA Payment (if applicable)

As explained above, your estimated Individual Settlement Share and Individual PAGA Payment (if applicable) is based on the number of Workweeks and PAGA Workweeks (if applicable) credited to you.

Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ _____. The Individual Settlement Share is subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

Under the terms of the Settlement, your Individual PAGA Payment is estimated to be \$ _____ and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

The settlement approval process may take multiple months. Your Individual Settlement Share and Individual PAGA Payment (if applicable) reflected in this Class Notice is only an estimate. Your actual Individual Settlement Payment and Individual PAGA Payment (if applicable) may be higher or lower.

D. Release of Claims

Upon the full funding of the Gross Fund Value, Plaintiff and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Class Released Claims.

Upon the full funding of the Gross Fund Value, Plaintiff, the State of California with respect to all Aggrieved Employees, and all Aggrieved Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all PAGA Released Claims.

"Class Released Claims" means all claims that were alleged, or reasonably could have been alleged based on the factual allegations contained in the Operative Complaint, including, but not limited to, California Labor Code sections 201, 202, 203, 204, 210, 213, 216, 218.5, 218.6, 223, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 233, 245, 245.5, 246, 246.5, 247, 247.5, 248.1, 248.2, 249, 256, 510, 511, 512, 551, 558, 558.1, 1174, 1174.5, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, 2802, California Industrial Commission Wage Orders, and including all claims related to alleged: (1) Minimum Wage and Straight Time Violations; (2) Overtime Wage Violations; (3) Unpaid Vacation and Holiday Wages; (4) Meal Period Violations; (5) Rest Period Violations; (6) Failure to Timely Pay Wages During Employment; (7) Failure to Provide Accurate Wage Statements, Maintain Required Records, and Recordkeeping Violations; (8) Failure to Pay All Wages Earned and Unpaid at Separation; (9) Improper Payment of Final Wages; (10) Failure to Reimburse Business Expenses; (11) Failure to Provide Sick Leave and Notice of Entitlement to Sick Leave; and (12) Unfair Competition. This further includes any and all other claims under California common law, the California Labor Code, and the California Business and Professions Code alleged in or that could have been alleged under the facts, allegations and/or claims pleaded in the Actions. This expressly excludes the PAGA Released Claims, which are separately released below.

"PAGA Released Claims" means upon Defendant's fulfillment of its payment obligations of this Agreement, in exchange for the consideration provided by this Agreement, Plaintiff, the State of California, the LWDA, the Aggrieved Employees and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns and any other representative, proxy, or agent thereof shall release the Released Parties from all claims made or which could have been made for civil penalties under the PAGA, Labor Code section 2698, et seq., based on the facts pled in Plaintiff's letters to the LWDA (including his initial letter to the LWDA and the amended letter discussed above) and the Operative Complaint, from October 24, 2022 to January 29, 2025 including, but not limited to, any and all claims for PAGA penalties involving any allegations that Defendants failed to pay all wages due (including minimum wages, regular wages, sick pay, vacation pay, holiday pay, paid time off and overtime wages or double time wages); failed to provide legally-compliant meal and rest breaks and failed to pay premium pay for missed, late, interrupted or short meal and rest breaks; failed to timely pay all earned wages and compensation; failed to timely pay wages during employment; improper payment of final wages; failure to provide sick leave and notice of entitlement to sick leave; failed to reimburse necessary business expenses;

failed to provide timely final pay; failed to maintain required records; recordkeeping violations; failed to properly pay sick pay and vacation time; failed to provide accurate itemized wage statements, as well as any claims under the California Labor Code for violations of Labor Code sections 201, 202, 203, 204, 210, 213, 216, 218.5, 218.6, 223, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 233, 245, 245.5, 246, 246.5, 247, 247.5, 248.1, 248.2, 249, 256, 510, 511, 512, 551, 558, 558.1, 1174, 1174.5, 1185, 1194, 1197, 1197.1, 1198, 1199, 2800, 2802, and applicable IWC Wage Orders, and California Code of Regulations, Title 8, section 11000, et seq. The Aggrieved Employees shall release their PAGA claims, to the extent they have any interest, in their entirety and may not opt out of the PAGA Released Claims.

“Released Parties” means: (i) Defendants; (ii) each of Defendants’ past, present, and future direct and indirect parents; (iii) the respective past, present, and future direct and indirect subsidiaries and affiliates of any of the foregoing; (iv) the past, present, and future shareholders, directors, officers, agents, employees, attorneys, insurers, members, partners, managers, contractors, agents, consultants, representatives, administrators, fiduciaries, benefit plans, transferees, predecessors, successors and assigns of any of the foregoing; and (v) any individual or entity which could be jointly liable with any of the foregoing.

E. Attorneys’ Fees and Costs to Class Counsel

Class Counsel will seek attorneys’ fees in an amount not to exceed one third (33.33%) of the Gross Fund Value (i.e., \$597,999.40 if the Gross Fund Value is \$1,794,000.00) and reimbursement of litigation costs and expenses in an amount not to exceed twenty-three thousand dollars and zero cents (\$23,000.00) (collectively, “Attorneys’ Fees and Costs”), subject to approval by the Court. The Attorneys’ Fees and Costs granted by the Court will be paid from the Gross Fund Value. Class Counsel has been prosecuting the Actions on behalf of Plaintiff, Class Members, and Aggrieved Employees on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payment to Plaintiff

Plaintiff will seek the amount of seven thousand five hundred dollars and zero cents (\$7,500.00) (“Enhancement Payment”), in recognition of his services in connection with the Actions. The Enhancement Payment will be paid from the Gross Fund Value, subject to approval by the Court, and if awarded, it will be paid to Plaintiff in addition to his Individual Settlement Payment and Individual PAGA Payment that he is entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed eleven thousand five hundred and zero cents (\$11,500.00) (“Settlement Administration Costs”) for the costs of the notice and settlement administration process, including, and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objection, and Workweeks Disputes, calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Fund Value, subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Class Settlement and receive money from the Class Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement and if the Court grants final approval of the Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Class Released Claims against the Released Parties as described in Section III.D above.

If you are an **Aggrieved** Employee and the Court grants final approval of the Settlement, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the PAGA Released Claims against the Released Parties as described in Section III.D above.

As a Class Member and **Aggrieved** Employee (if applicable), you will not be separately responsible for the payment of attorney's fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney's fees and expenses.

B. Request Exclusion from the Class Settlement

Class Members may request to be excluded from the Class Settlement by submitting a letter ("Request for Exclusion") to the Settlement Administrator, at the following address:

[Settlement Administrator]
[Mailing Address]

A Request for Exclusion must: (a) contain the case name and number of the Actions (*Jesse Romero v. Cal. Closets Retail Inc. et al.*, Case Nos. 23STCV27355; 23STCV31746); (b) contain your full name, signature, address, telephone number, and last four (4) digits of your Social Security number; (c) clearly state that you do not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address above, postmarked **on or before [Response Deadline]**.

If the Court grants final approval of the Settlement, any Class Member who submits a timely and valid Request for Exclusion will not be issued an Individual Settlement Payment, will not be bound by the Class Settlement (and the release of Class Released Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a timely and valid Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Class Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon.

Aggrieved Employees will be bound to the PAGA Settlement (and the release of PAGA Released Claims described in Section III.D above) and will still be issued an Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion.

C. Object to the Class Settlement

You can object to the Class Settlement as long as you have not submitted a Request for Exclusion by submitting a written objection ("Notice of Objection") to the Settlement Administrator.

The Notice of Objection must: (a) contain the case name and number of the Actions (*Jesse Romero v. Cal. Closets Retail Inc. et al.*, Case Nos. 23STCV27355; 23STCV31746); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B above, postmarked **on or before [Response Deadline]**.

You may also appear at the Final Approval Hearing (discussed below) and present your objection orally, regardless of whether you have submitted a Notice of Objection.

D. Need to Promptly Cash Payment Checks

The front of every check issued for Individual Class Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name. If the monies represented by your check are sent to the Controller's Unclaimed Property, you should consult the rules of the California Controller's Unclaimed Property Fund for instructions on how to retrieve your money.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 7 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California, 90012 on **[date]**, at **[time]**, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and grant the Attorneys' Fees

and Costs to Class Counsel, Enhancement Payment to Plaintiff, and Settlement Administration Costs to the Settlement Administrator.

The Final Approval Hearing may be continued without further notice to the Class Members and Aggrieved Employees. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

You can find more information regarding appearing remotely through LA Court Connect online at: <https://www.lacourt.org/lacceligibility/ui/civil.aspx?casetype=ci>.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers, which are on file with the Court.

You may view the Settlement Agreement and other documents filed in the Action by for a fee by making an appointment in advance and visiting the civil clerk's office during business hours, located at the Stanley Mosk Courthouse, 111 North Hill Street, Los Angeles, California 90012, or online by visiting the following website: <https://www.lacourt.org/casesummary/ui/>

You may also visit the Settlement Administrator's website at _____ for more information and documents relating to the Settlement, or you may contact Plaintiff's attorneys and counsel for the Class (whose information is also below):

Settlement Administrator:

[Settlement Administrator]

[Mailing Address]

[Telephone]

[Email address]

Class Counsel:

Jonathan M. Genish

Karen I. Gold

Sara Pezeshkpour

Ashley H. Cruz

Marissa A. Mayhood

Blackstone Law, APC

8383 Wilshire Boulevard, Suite 745

Beverly Hills, California 90211

Tel: (310) 622-4278 / Fax: (855) 786-6356

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.

EXHIBIT 6

Date	Type of Expense	Description of Expense	Amount
10/24/2023	Mailing	Mailing Cost: Plaintiff Jesse Romero's Record Request to Defendant California Closet Company (Certified Mail)	\$8.53
10/24/2023	Other	PAGA Letter Submission Fee	\$75.00
10/25/2023	Mailing	Mailing Cost: PAGA Letter to Defendant California Closet Retail Inc. Agent (Certified Mail)	\$8.53
10/25/2023	Mailing	Mailing Cost: PAGA Letter to Defendant California Retail Inc. (Certified Mail)	\$8.53
10/25/2023	Mailing	Mailing Cost: PAGA Letter to Defendant California Closet Company Inc. Agent (Certified Mail)	\$8.53
10/25/2023	Mailing	Mailing Cost: PAGA Letter to Defendant California Closet Company Inc. (Certified Mail)	\$8.53
11/27/2023	Filing	Fee to Steno: Class Complaint Packet and Complex Fee (CLASS Filing Fee)	\$1,997.20
11/27/2023	Service	Fee to Steno: Personal Service on Defendant California Closet Company (CLASS Filing Fee)	\$210.45
11/27/2023	Service	Fee to Steno: Personal Service on Defendant California Retail Inc. (CLASS Filing Fee)	\$210.45
12/29/2023	Filing	Fee to Steno: Complaint Packet (PAGA Filing Fee)	\$647.20
1/29/2024	Filing	Fee to Steno: Joint Initial Status Conference Statement (CLASS Filing Fee)	\$59.95
2/9/2024	Filing	Fee to Steno: NAR (PAGA Filing Fee)	\$59.95
2/9/2024	Filing	Fee to Steno: Notice of Related Case (CLASS Filing Fee)	\$59.95
2/9/2024	Filing	Fee to Steno: Notice of Related Case (PAGA Filing Fee)	\$59.95
3/22/2024	Filing	Fee to Steno: Notice of Court Order (CLASS Filing Fee)	\$59.95
4/11/2024	Other	Fee to E-Service provider: Payment to Case Anywhere (CLASS e-service Fee)	\$123.72
7/11/2024	Other	Fee to E-Service provider: Payment to Case Anywhere (CLASS e-service Fee)	\$147.00
7/26/2024	Mediation	Plaintiffs' portion of Mediation Fee to Judicate West(Priority with USPS Tracking)	\$9,375.00
8/22/2024	Mailing	Mailing Cost: Berger Consulting Group, LLC	\$0.69
8/28/2024	Other	Payment to Damage Analysis Consultant, Berger Consulting Group	\$8,415.00
10/8/2024	Other	Mailing Cost: Amended PAGA Letter to California Closet Company (Certified Mail)	\$9.64
10/8/2024	Other	Mailing Cost: Amended PAGA Letter to California Closet Retail Inc. (Certified Mail)	\$9.64
10/8/2024	Other	Mailing Cost: Amended PAGA Letter to Agent for California Closet Retail, Inc. (Certified Mail)	\$9.64
10/8/2024	Other	Mailing Cost: Amended PAGA Letter to Agent for California Closet Company (Certified Mail)	\$9.64
10/11/2024	Filing	Fee to Steno: Stipulation to Permit Plaintiff to File First Amended Complaint; [Proposed] Order (CLASS Filing Fee)	\$86.95
10/14/2024	Other	Fee to E-Service provider: Payment to Case Anywhere (CLASS e-service Fee)	\$147.00
10/18/2024	Filing	Fee to Steno: First Amended Class and PAGA Representative Action Complaint (CLASS Filing Fee)	\$59.95
11/19/2024	Filing	Fee to Steno: Stipulation to Increase Pagelimit (CLASS Filing Fee)	\$59.95
12/2/2024	Filing	Fee to Steno: Stipulation and Order (CLASS Filing Fee)	\$86.95
12/13/2024	Filing	Fee to Steno: Motion for Preliminary Approval of Class and PAGA Settlement	\$140.95
1/20/2025	Other	Fee to E-Service provider: Payment to Case Anywhere (CLASS e-service Fee)	\$201.00
1/29/2025	Filing	Fee to Steno: Supplemental Declaration of KG ISO Motion for Preliminary Approval of Class and PAGA Settlement (CLASS Filing Fee)	\$99.95
1/30/2025	Filing	Fee to Steno: Revised [Proposed Order] (CLASS Filing Fee)	\$59.95
1/30/2025	Filing	Fee to Steno: Supplemental Declaration of KG ISO Motion for Preliminary Approval of Class and PAGA Settlement (CLASS Filing Fee+ Courtesy copy to the court)	\$202.00
2/10/2025	Filing	Fee to Steno: Request for Dismissal (PAGA Filing Fee)	\$59.95
2/25/2025	Other	Fee to E-Service provider: Payment to Case Anywhere (CLASS e-service Fee)	\$55.00
4/16/2025	Other	Fee to E-Service provider: Payment to Case Anywhere (CLASS e-service Fee)	\$49.00
	Filing	Future Cost to Steno: Filing of Motion for Final Approval	\$140.95

Total: **\$23,032.22**