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[counsel continued on next page]

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

AMY JOHN OCHIRVAANI, on behalf of herself and all others similarly situated, and the general public, Plaintiffs, v. SHIELDS FOR FAMILIES, a California corporation; and DOES 1 through 50, inclusive, Defendants.	**CLASS ACTION** Case No. 23STCV24238 Assigned for All Purposes To: Honorable William F. Highberger Department 10 **DECLARATION OF ENOCH J. KIM IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT** Hearing Information: Date: February 22, 2026 Time: 10:00 a.m. Dept: 10 *Ochirvaani* Action filed: October 4, 2023 *Montes* FAC Filed: March 4, 2024 Trial date: None Set

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on behalf of herself and all others similarly situated

DECLARATION OF ENOCH J. KIM

I, Enoch J. Kim, declare as follows:

1. I am an attorney licensed and admitted to practice before all courts of the State of California and the United States District Court for the Central, Southern, Eastern, and Northern Districts of California.

2. I am Senior Counsel at D.Law, Inc. and counsel for Plaintiff Amy John Ochirvaani in her action with Plaintiff Adriana Montes ("Plaintiffs"), on behalf of themselves and all other similarly situated employees of Defendant Shields for Families ("Defendant") (Plaintiffs and Defendant are collectively referred to herein as "the Parties"). All of the matters set forth herein are within my personal knowledge. I submit this Declaration in support of Plaintiffs' Motion for Preliminary Approval of the Parties' Class Action and PAGA Settlement Agreement ("Motion"). A true and correct copy of the Parties' Class Action and PAGA Settlement Agreement ("Settlement Agreement" or "Settlement") is attached hereto as **Exhibit 1**.

Procedural History

3. Plaintiffs Ochirvaani and Montes worked as a non-exempt, hourly employee for Defendant and seeks to represent approximately 643 current and former California non-exempt hourly individuals who worked for Defendant during the Class Period. Defendant operates as a California-based non-profit organization, which focuses on offering various programs, ranging from behavior health, substance use disorder treatment, vocational, re-entry, homeless prevention, and other services to high-risk families in Los Angeles. Defendant operates various facilities including a facility based in Los Angeles, California. Settlement Class Members ("Class Members") worked as non-exempt hourly employees, and in similar and related positions in connection with providing various programs and other services to Defendant's customers throughout California.

4. On October 4, 2023, Plaintiff Ochirvaani commenced a Class Action in the Los Angeles Superior Court (Case no. 23STCV24238) by filing a Complaint alleging causes of actions against Defendant for (1) Failure to Provide Meal Periods; (2) Failure to Provide Rest Periods; (3) Failure to Pay Hourly Wages and Overtime; (4) Failure to Provide Accurate Wage

Statements; (5) Failure to Timely Pay all Final Wages; (6) Failure to Indemnify All Necessary Business Expenditures; and (7) Violation of California's Unfair Competition Law (Bus. & Prof. Code, §§17200-17210). (the "*Ochirvaani* Class Action"). On October 4, 2023, Plaintiff Ochirvaani submitted a PAGA notice (LWDA-CM-985662-23) to the Labor and Workforce Development Agency ("LWDA"). A true and correct copy of the PAGA notice is attached hereto as **Exhibit 2**.

5. Similarly, on December 29, 2023, Plaintiff Montes commenced a Class Action in the Los Angeles Superior Court (Case no. 23STCV31908) by filing a complaint alleging causes of action against Defendant (the "*Montes* Class Action"). Plaintiff Montes gave timely notice to the LWDA and Defendant that Plaintiff Montes intended to proceed with a representative action under PAGA (LWDA-CM-1002239-23). On March 4, 2024, after the 65-day statutory period passed, Plaintiff Montes filed her PAGA-Only Complaint in Los Angeles Superior Court, which contained claims for penalties under PAGA, Labor Code §2698 and was assigned Case No. 24STCV05419. On March 28, 2024, the Court related both the Ochirvaani and the Montes class action cases (Case Nos. 23STCV24238 and 23STCV31908, respectively). On February 13, 2026, Plaintiffs filed their First Amended Complaint ("Operative Complaint"), adding Plaintiff Montes as a named plaintiff and adding a claim for civil penalties under the California Private Attorneys General Act.

6. Plaintiffs contend that Defendant violated California's wage and hour laws by failing to pay overtime wages, failing to provide compliant rest breaks or rest break premium pay, failing to provide compliant meal periods or meal break premium pay, failing to timely pay wages during employment or upon separation and for waiting-time penalties, failing to indemnify reasonable and necessary business expenses, failing to provide accurate, itemized wage statements, and unfair competition.

Investigation

7. Before filing the lawsuit, Class Counsel conducted a thorough investigation and researched the facts and circumstances underlying the pertinent issues and applicable law. This required thorough discussions and interviews between Class Counsel and Plaintiffs, in addition

to the above-described research into the various legal issues involved in the case. After filing the lawsuit, Class Counsel conducted a thorough investigation of the facts and claims giving rise to the action, including (1) conducting informal discovery and meeting and conferring with defense counsel about same; (2) reviewing and analyzing records and data, as well as employment-related policies; (3) reviewing Plaintiffs' personnel file and other documentation; (4) interviewing Plaintiffs regarding potential Class Members; (5) researching the applicable law and potential defenses; (6) constructing damage models based on interpretations of California law and the facts and numbers provided by Defendant; and (7) reviewing information provided by Defendant in response to informal discovery and in advance of the mediation. The Parties conducted their own evaluations of the potential recoveries based on the claims alleged in the Action, including consulting experts.

8. Defendant, for its part, vigorously contested liability, the amount of claimed damages, and the propriety of class certification. After analyzing the relevant documents and other gathered data, Class Counsel believed that this case was appropriate for resolution via mediation. Given the high level of risk present for both sides, the Parties elected to mediate Plaintiffs' claims and attempt settlement.

Settlement Efforts

9. On July 9, 2024, the Parties attended an all-day mediation session with Kelly Knight, Esq., an experienced litigator and mediator in the field of wage and hour class actions. During mediation, counsel for Plaintiffs and Defendant discussed all aspects of the case, including the risks of continued litigation and the risks to all parties of proceeding with a class certification motion, as well as the merits of the primary claims in this case. Following mediation, the Parties accepted a mediator's proposal outlining general settlement terms. The Parties continued to work together on a long-form Settlement Agreement following mediation, which resulted in the Settlement Agreement before the Court for approval.

10. From Class Counsel's review of the facts, strengths, and weaknesses of the case and the risks and delays posed by further litigation, Class Counsel believes that the recovery for each Class Member is fair and reasonable. Further, the Settlement Agreement was the product of

a non-collusive settlement process in which the Parties were forced to make significant compromises in the interest of reaching a full and complete settlement of the lawsuit.

Summary of the Settlement

11. Under the terms of the proposed Settlement Agreement, Defendant has agreed to pay $350,000.00 ("**Gross Settlement Amount**") on a non-reversionary basis. (Exhibit 1, Settlement Agreement, ¶ 3.1.) In addition to and separate from the Gross Settlement Amount, Defendant will pay the employer's portion of any payroll taxes on the wage allocation portion of the individual settlement payments to Class Members. The Settlement Agreement defines the Class as all persons employed by Defendant in California and classified as non-exempt hourly employees who worked for Defendant during the Class Period (i.e. October 4, 2019, through July 9, 2024). (Exhibit 1, Settlement Agreement, ¶ 1.5, 1.13.) The Settlement Agreement also defines "Aggrieved Employee" as all individuals who were or have been employed by Defendant in California as non-exempt employees at any time during the PAGA Period (i.e. October 4, 2022 through July 9, 2024). (Exhibit 1, Settlement Agreement, ¶ 1.4, 1.33.) The "Net Settlement Amount" available for distribution to Class Members is the Gross Settlement Amount less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments. (Exhibit 1, Settlement Agreement, ¶ 1.29.) These amounts are detailed as follows:

- Class Counsel's Fees and Litigation Expenses Payment: Up to one-third of the Gross Settlement Amount, or **$115,000.00**, to Class Counsel as attorneys' fees for the litigation and resolution of this Action and actual costs incurred in this Action of not more than **$25,000.00**. (Exhibit 1, Settlement Agreement, ¶ 3.2.2.);
- Class Representative Enhancement Award to Named Plaintiffs: Up to **$5,000.00** to each Named Plaintiff as an award for their service as the class representatives (Exhibit 1, Settlement Agreement, ¶ 3.2.1.);
- Administration Expense Payment: A not-to-exceed amount of **$11,000.00** to the

Settlement Administrator for its costs of administration of the Settlement (Exhibit 1, Settlement Agreement, ¶ 3.2.3);

- PAGA Payment: **$25,000.00** for settlement of claims for civil penalties under PAGA, with 25% ($6,250.00) allocated to the Aggrieved Employees ("Individual PAGA Payments") and 75% ($18,750.00) allocated to the LWDA ("LWDA PAGA Payment") (Exhibit 1, Settlement Agreement, ¶ 3.2.5.).

12. If the Court approves the above allocations from the Gross Settlement Amount, the Net Settlement Amount ("NSA") is estimated to be **$164,000.00**. Twenty percent (20%) of each Participating Class Member's Individual Class Payment will be allocated to the Settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The remaining 80% of each Participating Class Member's Individual Class Payment will be allocated to the settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. (Exhibit 1, Settlement Agreement, ¶ 3.2.4.1.) Each Participating Class Member's "Individual Class Payment" shall be calculated by the Settlement Administrator using the following formula: (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period, and (b) multiplying the result by each individual Participating Class Member's Workweeks. (Exhibit 1, Settlement Agreement, ¶ 3.2.4.) The "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period. (Exhibit 1, Settlement Agreement, ¶ 1.24.) For the approximately 643 Class Members (if no exclusions), the average Gross Individual Settlement Payment, using a straight average, is $255.05.

13. Not later than twenty (20) days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. (Exhibit 1, Settlement Agreement, ¶ 4.2.) Using best efforts to perform as soon as possible, and in no event later than 14 (fourteen) days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via

first-class United States Postal Service ("USPS") mail, the Class Notice with Spanish translation. (Exhibit 1, Settlement Agreement, ¶ 7.4.2.) The Class Notice includes a summary of the case and settlement terms and provides Class Members with detailed instructions on how to exclude themselves, object to the settlement, and dispute the number of workweeks and/or pay periods attributed to each Class Member per Defendant's records. (Exhibit 1, Exhibit A, Class Notice). Not later than five (5) calendar days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. (Exhibit 1, Settlement Agreement, ¶ 7.4.3.) If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. (*Id.*) The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second. (*Id.*) Class Members who want to opt out must timely submit a signed and dated written request to be excluded from the class portion of the Settlement to the Settlement Administrator ("Opt-Out Request"). Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than forty-five (45) days after the Administrator mails the Class Notice (plus an additional 14 (fourteen) days for Class Members whose Class Notice is re-mailed). (Exhibit 1, Settlement Agreement, ¶7.5.1.) The Parties have jointly selected Phoenix Class Action Administrators ("Phoenix") to serve as the Administrator and verified that, as a condition of appointment, Phoenix agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for the Administration Expenses Payment. (Exhibit 1, Settlement Agreement, ¶ 7.1) The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements. (*Id.*) Phoenix has experience administering class action and PAGA settlements, has procedures in place to protect the security of class data, adequate insurance in the event of a data breach or defalcation of funds, and is qualified to administer the Settlement. (*See* Declaration of Jodey Lawrence, which also includes a breakdown of the anticipated costs of

notice to the class.) In addition, Phoenix will have a website for Class Members to review and reference for details regarding the Final Approval Hearing and any Final Approval Order and Judgement. If the Court grants final approval of the Settlement, a copy of the Final Approval Order and Judgment will be posted on this website for Class Members to review. The website will be provided to Class Members in the Class Notice that is mailed to them.

Certification for Settlement Purposes Only is Appropriate

14. Plaintiffs allege that the proposed Class satisfies the criteria for certification of a settlement class under California law, as embodied in California Code of Civil Procedure § 382. Defendant has agreed to the conditional certification of the class for settlement purposes only. In general, courts may take a proposed settlement into account in evaluating the propriety of class certification. *See Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1807 fn. 19. Indeed, a "lesser standard" of scrutiny applies in certifying classes for settlement purposes. *Id*. Therefore, the Court should take into consideration the fact that the Parties have settled their claims and stipulated to certification for settlement purposes when assessing whether the Settlement is fair and reasonable.

15. Numerosity and Ascertainability. The putative Class is so numerous that joinder of all members is impractical. Class Members are individuals who worked for Defendant in California as non-exempt, hourly employees during the period from October 4, 2019, through July 9, 2024. Defendant has identified 643 Class Members based on a review of its payroll and personnel records. Thus, the requirements of numerosity and ascertainability are met here.

16. Well-Defined Community of Interest. Plaintiffs contend, and Defendant does not dispute for settlement purposes only, that common issues of fact and law predominate as to each of the claims alleged by Plaintiffs, and the Class is united in its proof. This action involves, *inter alia*, a determination about Defendant's alleged failure to pay overtime wages, failure to provide compliant rest breaks or rest break premium pay, failure to provide compliant meal periods or meal break premium pay, failure to timely pay wages during employment or upon separation and for waiting-time penalties, failure to indemnify reasonable and necessary business expenses, failure to provide accurate, itemized wage statements, and largely derivative claims under the

UCL and PAGA. Plaintiffs contend Defendant's practices affected Class Members in the same way and presents questions that are suitable for common adjudication because all Class Members were subject to the same employment policies and practices. The outcome of litigation in this matter depends upon questions that are common to Class Members.

17. Typicality. The class representative's claims are typical when they arise from the same event, practice, or course of conduct that gives rise to the claims of other putative Class Members and if their claims rest on the same legal theories. Here, Plaintiffs allege that their claims are typical of Class Members' claims because they arose from the same factual basis and are based on the same legal theories. Plaintiffs and Class Members were employed by Defendant during the Class Period and were subject to the allegedly unlawful meal and rest policies and pay practices at issue in this litigation. Thus, the typicality requirement is satisfied.

18. Adequacy. Plaintiffs' interests are aligned with those of the Class Members, as they have suffered the same injuries as the Class Members and have no conflicts of interest. Plaintiffs have not shrunk from this responsibility. Indeed, Plaintiffs have devoted a substantial amount of time and energy to litigating this action and effectuating a settlement. Furthermore, as set forth below, Class Counsel are experienced in wage-and-hour litigation, especially class actions, and have zealously represented the interests of the class in litigating this case and have no conflicts of interest with the Class or Administrator. Accordingly, the adequacy requirement is satisfied.

19. Predominance and Superiority. Plaintiffs contend that individualized issues do not predominate over the issues of law and fact that are common to the Class as a whole. As explained, *supra*, Plaintiffs allege there are common issues of law and fact given that Plaintiffs and all Class Members were subjected to the same policies and pay practices during the relevant time period. Plaintiffs and Class Members seek meal and rest premiums, unpaid wages and overtime, and penalties for work performed as non-exempt employees for Defendant. Plaintiffs allege that these issues are suitable for common adjudication because all Class Members were allegedly subject to the same employment policies, and Plaintiffs contend the practices applied uniformly to all Class Members.

20. Plaintiffs contend that class resolution is superior to other available methods for the fair and efficient adjudication of the controversy as there is little interest or incentive for Class Members to individually control the prosecution of separate actions. Although the alleged injury resulting from Defendant's policies and practices are allegedly real and significant, the cost of individually litigating each such case against Defendant would easily exceed the value of any relief that could be obtained by any one Class Member individually. If Class Members are forced to litigate their claims individually this would result in over 643 individual actions against Defendant. Here, the alternative methods of resolution are individual suits for relatively small amounts. Hence, an individual suit would prove uneconomical for potential plaintiffs because litigation costs would dwarf a potential recovery.

The Settlement is Fair, Adequate, and Reasonable

21. In deciding whether to approve a proposed class action settlement, the Court must find that a proposed settlement is "fair, adequate, and reasonable" and falls within the "range of approval." *Dunk*, 48 Cal.App.4th at 1801-02. The trial court considers all relevant factors, such as "the strength of Plaintiffs' case, the risk, expense, complexity and likely duration of further litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the extent of discovery completed and the stage of the proceedings, the experience and views of counsel, the presence of a governmental participant, and the reaction of the Class Members to the proposed settlement." *Id.* The Settlement satisfies all of these requirements.

A. The Settlement is the Result of Serious, Informed, Non-Collusive Negotiations.

22. The proposed settlement was reached as a result of arm's length negotiations after the completion of pertinent informal discovery and the exchange of necessary Class Information. The negotiations have been, at all times, adversarial and non-collusive in nature. *See*, 4 Newberg on Class Actions (5th ed.) § 13:45 (due to the preference of settlement over litigation, "a court will presume that a proposed class action settlement is fair when certain factors are present, particularly evidence that the settlement is the product of arms-length negotiation, untainted by collusion."). Although Plaintiffs steadfastly maintain that their claims are meritorious, Plaintiffs acknowledge that there were substantial risks and uncertainty in proceeding with litigation. As

described below, Defendant presented multiple defenses to Plaintiffs' claims, both on the merits and with respect to class certification. Thus, while Plaintiffs were prepared to litigate these claims through class certification, and ultimately trial, success was far from certain. Assistance from a skilled mediator ensured that negotiations were non-collusive and well-informed.

B. Extent of Discovery and Stage of Proceedings.

23. As stated above, the Parties engaged in substantial informal discovery before the Settlement was reached to allow them to fully evaluate the class claims and Defendant's defenses. This litigation has reached the stage where the Parties have a clear view of their respective strengths and weaknesses.

C. Strength of Plaintiffs' Case and the Risk, Expense, Complexity, and Likely Duration of Any Litigation.

24. Plaintiffs' claims are based on Defendant's alleged failure to pay minimum wage, failure to pay overtime wages, failure to provide compliant rest breaks or rest break premium pay, failure to provide compliant meal periods or meal break premium pay, failure to timely pay wages during employment or upon separation and for waiting-time penalties, failure to indemnify reasonable and necessary business expenses, failure to provide accurate, itemized wage statements, and unfair competition, and largely derivative claims under the UCL and PAGA.

25. Plaintiffs allege that Defendant failed to pay Plaintiffs and Class Members at least minimum wages for all hours worked and proper overtime wages for hours worked in excess of eight hours in a day and 40 hours in a week. Specifically, Plaintiffs allege that Class Members were required to undergo temperature checks prior to clocking in for work and were not paid for that time. Additionally, Plaintiffs allege that Class Members were required to work after they had clocked out for the day in order to complete their tasks, including responding to emails.

26. Defendant contends that it did not require off the clock work, paid for all reported hours worked, that Class Members were instructed and required to record all hours worked. Defendant also contends that any alleged off the clock work was performed without Defendant's knowledge, and that it paid wages at the proper rates. Defendant also argued that given its

written policies and practices, any unrecorded hours are likely subject to individualized inquiry and unlikely to be certified. Given the difficulty in certifying this claim, Class Counsel applied a significant discount to damages based on this theory.

27. Plaintiffs also allege that Defendant failed to provide Plaintiffs and Class Members with lawful first and second meal periods. Specifically, Plaintiffs allege that Class Members were not provided meal periods altogether or had their meal periods late or cut short due to understaffing and heavy workloads.

28. Defendant contends that Class Members were given a reasonable opportunity to take their meal periods and that any deviations were at the voluntary election of Class Members. Defendant further contends that when compliant meal periods were not provided, Defendant provided premium pay to Class Members as reflected in their time and pay records. Defendant further contends that the meal break claim requires individualized inquiries which would preclude class certification. If Defendant's contentions prevail in trial, the likely outcome would be no recovery for the Class Members on the meal break claim.

29. Plaintiffs also contend that Defendant did not provide Class Members with paid 10-minute rest breaks for every four hours or major fraction thereof. Specifically, Plaintiffs contend that Class Members were not provided the opportunity to take rest periods since they were not relieved of their duties and were required to work through their rest breaks due to the excessive workloads and work assignments.

30. Defendant maintains that it did provide a reasonable opportunity for Class Members to take duty-free rest breaks during their shifts and dispute all allegations that rest breaks were not provided. Considering that unlike meal periods, rest breaks need not be recorded, these violations would likely be difficult to prove at trial and potentially depress the damages ultimately awarded. Therefore, Class Counsel applied significant and appropriate discounts to the rest break claim.

31. Plaintiffs allege that Defendant also required Plaintiffs and Class Members to incur necessary business expenses in the course of performing their required job duties without reimbursement. Specifically, Plaintiffs allege that Class Members were required to incur

expenses while working from home, including expenses for utilizing their computers, which led to increased utility bills and various other costs during the course of their employment, but were not reimbursed for those expenses.

32. As for the wage statement and waiting time penalties claims, Plaintiffs allege that Defendant consistently failed to provide Class Members with accurate and itemized wage statements and all wages due to Class Members upon termination of their employment with Defendant. Plaintiffs allege that Defendant made it difficult to account with precision for the unlawfully withheld wages and meal and rest period compensation owed during the liability period, because it did not implement and preserve a record-keeping method as required. Defendant contends that these claims are merely derivative of the underlying claims and that Plaintiffs and Class Members would be unable to first establish liability for the underlying claims for the reasons described above. Defendant further contends that even if they could first establish liability for the underlying claims, Plaintiffs and Class Members would be unable to establish that Defendant's conduct was willful and knowing as required by the relevant statutes since Defendant acted in good faith to provide accurate wage statements and pay all wages due to Plaintiffs and Class Members. Thus, Defendant contends that the wage statement and waiting time penalties claims to have little to no value.

33. Further, Defendant contends that the PAGA claim is also derivative of the underlying claims in the Action and ultimately fails because the underlying claims have no merit. Defendant also contends that even if Plaintiffs and Class Members could establish Labor Code violations, the Court has the discretion to award less than the maximum civil penalty amount and would award substantially less civil penalties here because Defendant acted in good faith to comply with the relevant wage and hour laws and any violations were minor and technical in nature.

34. Defendant generally denies all claims alleged in the Action and further denies class and/or representative treatment is appropriate for any purpose other than this Settlement and that it complied with all applicable laws. However, Defendant has concluded that further litigation would be protracted and expensive and that it is desirable that the Action be fully and

finally settled in the manner and upon the terms and conditions herein.

35. As stated above, while Plaintiffs and Class Counsel contend the claims asserted in the Action have merit, they also acknowledge the expense, delay, and risks of continued litigation. Although the Parties engaged in significant informal discovery in advance of mediation, the Parties still had significant discovery to complete had the matter not settled. This would have required the expenditure of substantial time and resources by both Parties that would have very likely spanned several years. Even if Plaintiffs were to certify the classes, the Parties would incur considerably more attorney fees and costs through a possible decertification motion, trial, and possible appeal. This Settlement avoids those risks and the accompanying expense.

D. The Risk of Maintaining Class Action Status Through Trial.

36. Plaintiffs had not yet filed their motion for class certification, and as such, the extent to which Plaintiffs proposed classes were certifiable is somewhat speculative. Absent a settlement, there was a risk that there would not be a certified class at the time of trial, or if there were, it could consist of a significantly smaller group of employees than the proposed Settlement Class, resulting in less overall recovery.

37. Finally, in class actions, decertification is always a possibility, and there is always a risk that a trial of this magnitude can become unmanageable. Cases like *Duran v. U.S. Bank Nat. Assn.* (2014) 59 Cal. 4th 1, 34 address the complexity of using statistical samples in class actions and demonstrate that decertification is a real risk that Class Counsel must consider. A class trial would have also required expert witnesses, the accrual of extensive litigation costs, and the commitment of extensive further time and financial resources. Finally, given the complexity and unsettled nature of the issues, it is somewhat likely that any outcome at trial would have resulted in a lengthy and costly appeal. An appeal would result in further delay for the Class Members who have already waited years for resolution in this matter. Risk and legal uncertainty must be dealt with in any litigation, and this Settlement was the product of compromise accounting for those risks and that uncertainty.

E. The Presence of a Governmental Participant.

38. Class Counsel will be submitting the Settlement Agreement and this Motion to the

LWDA concurrently with the filing of this Motion pursuant to Labor Code § 2699(l)(2).

F. The Amount Offered in Settlement is Fair Given the Potential Value of the Claims.

39. Because the class consists of numerous employees, it was unlikely that the potential monetary claims of individual Class Members would have proved viable without the class-action mechanism. The Settlement Agreement should be approved in light of two California appellate decisions: *Clark v. American Residential Services LLC* (2009) 175 Cal.App.4th 785 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116.

40. The strength of the Plaintiff's case in light of the settlement amount is deemed by courts to be the "most important." *Clark v. American Residential Services, LLC* (2009) 175 Cal.App.4th 785, 799 (citing *Kullar*). Here, Plaintiffs allege that Defendant failed to pay minimum wage, failed to pay overtime wages, failed to provide compliant rest breaks or rest break premium pay, failed to provide compliant meal periods or meal break premium pay, failed to timely pay wages during employment or upon separation and for waiting-time penalties, failed to indemnify reasonable and necessary business expenses, and failed to provide accurate, itemized wage statements, all in violation of California law. Plaintiffs seek related violations of California's Business & Professions Code, penalties pursuant to Labor Code § 2699 *et seq*. Summary calculations for estimated liability for each of these claims are below.

Failure to Pay Minimum and Overtime Wages:

41. Plaintiffs allege that Defendant failed to pay Plaintiffs and Class Members at least minimum wages for all hours worked and proper overtime wages for hours worked in excess of eight hours in a day and 40 hours in a week.

42. Class Counsel's expert estimated Defendant's exposure on the unpaid wages due to off the clock work to be approximately $1,180,200.00 (assuming 5 minutes of off the clock work per shift and 95.1% of off the clock hours attributable to overtime). However, given Defendant's defenses and the potential hurdles facing certification of off-the-clock claims, Class Counsel applied a 90% discount making for an adjusted realistic exposure of **$118,020.00** for Defendant.

Meal Periods and Rest Breaks:

43. Plaintiffs allege that Defendant had a common practice and policy of denying

compliant meal periods.

44. For each meal period missed, of less than 30 minutes, or taken late for which the employee was not provided a reasonable opportunity to take a complete and timely meal period, an employer must pay the employee an additional one hour of compensation. Labor Code §226.7. This additional hour of compensation is referred to as "premium pay." To comply with these laws, every employer must keep, for each employee, accurate time records showing when the employee begins and ends each work period and takes his or her meal periods. See Wage Order 4-2001(7)(A)(3). Plaintiffs allege that Defendant failed to pay the legally required premium at their regular rate of pay whenever meal periods were missed, interrupted, or late.

45. Class Counsel's expert estimated Defendant's maximum exposure on the meal period claim at approximately $592,740.00 (meal period premiums due with an offset for meal period premiums paid). However, given Defendant's defenses and the potential hurdles facing certification of the meal break claim, Class Counsel applied a 90% discount making for an adjusted realistic exposure of **$59,274.00** for Defendant.

46. Rest Breaks: Plaintiffs contend that Defendant did not provide Class Members with timely paid 10-minute rest breaks for every four hours or major fraction thereof.

47. Class Counsel's expert estimated Defendant's maximum liability exposure on the rest break period claim at approximately $2,252,849.00 assuming a 25% violation rate. However, given Defendant's contentions and the difficulties facing certification of rest break claims, Class Counsel applied a 90% discount making for an adjusted realistic exposure of **$225,284.90** for Defendant. Owing to the arguments above and the fact that the recording of rest periods is not required, this claim was substantially discounted.

Inaccurate Wage Statement Violations:

48. Under Labor Code § 226(a), Plaintiffs and the Class are entitled to recover $50 for initial violations for inaccurate wage statements and $100 for subsequent violations, up to a maximum of $4,000 per employee.

49. Class Counsel's expert estimated Defendant's maximum total exposure on the section 226 claim at approximately $1,134,200.00 (assuming $50/$100 for initial and subsequent

violations and 390 employees during the relevant period and a maximum of $4,000 per employee). After considering Defendant's contentions and the potential class certification issues, Class Counsel discounted this amount by 95% to get an adjusted realistic exposure of **$56,710.00.**

Failure to Pay Final Wages at Termination or Separation:

50. In allegedly failing to pay Class Members their minimum wages, overtime wages, and premium pay for deficiently provided meal periods and rest breaks, all discussed above, Plaintiffs allege that Defendant willfully failed to pay Class Members all wages due and certain at the time of termination or within seventy-two (72) hours of resignation, as required under Labor Code § 203.

51. Section 203 further provides that if an employer willfully fails to pay an employee all wages due at termination or within 72 hours of resignation, then that employee's wages will continue as a penalty until paid for a period of up to 30 days from the date they were due. Because Class Members stopped working for Defendant but were allegedly not paid their full compensation for the reasons discussed above, Class Members did not receive all wages due upon termination of employment.

52. Class Counsel estimated Defendant's maximum total exposure on the section 203 claim at approximately $1,702,012.00 (285 terminated employees during the relevant period x 30 days x average hourly rate per year x 8.4 hours per workday). Given the foregoing arguments, Class Counsel discounted this amount by 95% to get an adjusted realistic exposure of **$85,100.60**.

Failure to Reimburse for Necessary Business Expenditures:

53. Under Labor Code § 22802(a) Defendant must indemnify Plaintiffs and Class Members for all necessary expenditures or losses incurred in direct consequence of the discharge of their duties.

54. Plaintiffs' expert estimated Defendant's total exposure on the unreimbursed business expenses claim at approximately $857,000.00 (assuming $50 per month). However, given Defendant's reimbursement policy and the potential for the need for individualized inquiries

making class certification of this claim difficult, Class Counsel applied a 95% discount to get an adjusted realistic exposure of **$42,850.00**.

PAGA Penalties:

55. The Labor Code Private Attorneys General Act, Labor Code § 2698 *et seq*., allows Plaintiffs to obtain civil penalties on behalf of herself and other aggrieved employees for Defendant's violation of any provision of the Labor Code enumerated under Labor Code § 2699.5. Where civil penalties are provided in the statute, those civil penalties are recoverable; where no civil penalties are recoverable, Labor Code § 2699(f) establishes civil penalties of one ($100) for each aggrieved employee per pay period for the initial violation and two hundred dollars ($200) for each aggrieved employee per pay period for each subsequent violation. Pursuant to Labor Code § 2699(i), seventy-five percent (75%) of the penalties recovered must be allocated to the Labor and Workforce Development Agency (LWDA), with the remaining twenty-five percent (25%) allocated to the affected employees. The limitations period for all penalties is one year prior to the filing of the complaint.

56. The provisions of the Labor Code potentially triggering PAGA penalties in this case include but are not limited to Labor Code §§ 96, 98.6, 200, 201, 202, 203, 204, 210, 226, 226.3, 226.7, 227.3, 232, 232.5, 245, et seq., 432, 510, 512, 558, 1102.5, 1174, 1174.5, 1194, 1197, 1197.1, 1197.5, 1198.5, 2698, 2699, et seq., and 2802. PAGA penalties are not mandatory and are instead permissive. Labor Code § 2699(e)(2) states that "a court may award a lesser amount than the maximum civil penalty amount specified by this part if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory." *See Thurman v. Bayshore* (2012) 203 Cal. App. 4th 1112 (substantially reducing PAGA penalties by 30% under this provision). Defendant contested Plaintiff's claim for PAGA penalties.

57. PAGA penalties are also derivative of each and every other claim, and Defendant argued the PAGA claims would be subject to the same defenses as the underlying claims, and as well as additional equitable defenses, including substantial compliance. Finally, under *Amaral v. Cintas Corp.* (2008) 163 Cal.App.4th 1157, Defendant asserted that penalties under PAGA

could, at best, be awarded only at the rates obtainable for initial violations under the applicable statutes, because Defendant had never been notified of the alleged violations. *Id.* at 1208-1209.

58. Plaintiffs estimated Defendant's total exposure on the PAGA claim at approximately $1,153,700.00 (11,537 PAGA Pay Periods x $100). However, Class Counsel also estimated any PAGA recovery would be substantially reduced and applied a discount of 95% in light of the countervailing arguments with regard to the other causes of action and the Court's power to award "a lesser amount than the maximum civil liability." Thus, Plaintiffs estimated the realistic exposure on the PAGA claim as $57,685.00.

Unfair Business Practices

59. Plaintiffs pled this cause of action to augment their other causes of action and aid in their prosecution. Business & Professions Code § 17208 extends the statute of limitations on Plaintiffs' wage claims, which qualify as unfair business practices, to four years rather than the three years provided by statute.

Summary

60. The foregoing discussion establishes the adequacy of the Settlement amount in light of the merits of Plaintiffs' case and establishes the fairness of the class-action settlement in the instant case, including by analyzing it in light of the *Clark* and *Kullar* decisions. It does so by explaining the legal basis for each of Plaintiffs' causes of action, summarizing the evidence that Class Counsel gathered in support of those causes of action, and relating to Defendant's legal and factual arguments that worked to detract from the strength of Plaintiffs' case.

61. Class Counsel applied reasonable and justified discounts, considering the facts and legal contexts outlined above. These substantial discounts were necessary in light of Defendant's contentions and denial of liability. This Settlement, like most others, was the product of compromise. As addressed above, Plaintiffs estimated that Defendant faced approximately $644,924.50 in total realistic exposure on Plaintiffs' main claims. The Gross Settlement Amount of $350,000.00 therefore represents a recovery for the Class Members of approximately 54% of the total realistic exposure Plaintiffs estimated Defendant could face on these class-wide claims. Class Counsel submits that this is an optimal result for the Class in light of all of the factors

described above.

Class Counsel Fees Payment is Fair and Reasonable

62. Under the Settlement, Class Counsel requests, without opposition from Defendant, an award of $115,000.00 for attorneys' fees and reasonable expenses incurred to prosecute the Action. This request is fair, reasonable, and adequate to compensate Class Counsel for the substantial work they have put into this case and, moreover, the risk they assumed by taking it in the first place as they will not receive any compensation for their efforts until recovery is obtained for the Class. The attorneys' fees award is intended to reimburse Class Counsel for all uncompensated work that they have already done and for all the work they will continue to do in carrying out and overseeing the notification to Class Members, communicating with Class Members regarding their claims, and assisting in the administration of the Settlement if it is preliminarily approved. The requested fee is reasonable for the services provided to Class Members and for the benefits they are to receive. Class Counsel's costs incurred to date and estimated future costs are currently estimated not to exceed $25,000.00.

Class Representative Service Payments are Fair and Reasonable

63. Plaintiffs are entitled to a reasonable service payment for their efforts and initiative in bringing and helping to prosecute this action. Plaintiffs spent significant time better apprising themselves of their rights, deciding whether remedial action should be taken and how it should be taken, searching for attorneys, and communicating with Class Counsel. Plaintiffs were consistently communicative with counsel, routinely checked-in, and were responsive to Class Counsel's requests for information for discovery, documentation, and meetings.

64. Both before and after the filing of this lawsuit, Plaintiffs conferred with Class Counsel to discuss every aspect of their case. Plaintiffs assisted counsel in investigating and substantiating the claims alleged in this action, provided documents and information about Defendant and the industry, identified witnesses, and attended mediation on behalf of the Class.

65. In agreeing to be the named plaintiffs in this litigation, Plaintiffs accepted a number of risks. For example, Plaintiffs accepted the potential risk of being liable for Defendant's costs and potentially the company's fees if the lawsuit was unsuccessful. Further, Plaintiffs risked the

potential stigma of being a class representative in a class action labor dispute, which may affect their future employability.

66. Plaintiffs seek an enhancement in the amount not to exceed $5,000.00 each ($10,000.00 total). Plaintiffs secured a benefit for the Class worth $350,000.00. In the aggregate, the requested enhancement represents only a small percentage of the settlement consideration. The total amount which Plaintiffs are requesting to be allocated to a service award is approximately 2.9% of the total settlement amount. In light of the foregoing, Class Counsel believes that the $10,000.00 incentive awards to the Class Representatives are fair and reasonable.

Proposed Class Notice Provides Adequate Notice

67. The notification procedure set out in the Settlement Agreement provides the greatest likelihood that each and every Class Member will receive the Class Notice, attached to the Settlement as Exhibit A. Under the Settlement, no later than twenty (20) days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. Using best efforts to perform as soon as possible, and in no event later than 14 (fourteen) days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice with Spanish translation. (Exhibit 1, Settlement Agreement, ¶ 4.2, 7.4.2.) The Class Notice includes a summary of the case and settlement terms and provides Class Members with detailed instructions on how to exclude themselves, object to the settlement, and dispute the number of workweeks and/or pay periods attributed to each Class Member per Defendant' records. (Exhibit A, Class Notice). Settlement Class Members who want to opt out must timely submit a signed and dated written request to be excluded from the class portion of the Settlement to the Settlement Administrator ("Opt-Out Request"). Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than forty-five (45) days after the Administrator mails the Class Notice (plus an additional 14 (fourteen) days for Class Members whose Class Notice is re-mailed). (Exhibit 1, Settlement

Agreement, ¶ 7.5.1.) A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. (*Id.*) To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline. (*Id.*) This is the best and most practicable way to ensure the greatest possible number of Class Members will receive the Notice.

68. The settlement agreement does not impose any affirmative duties on Participating Class Members. No claim form is required to participate in the Settlement. Individuals who wish to opt out or object may do so. The Class Notice itself fully apprises Class Members of the nature of the lawsuit, the claims involved, the terms of the settlement, and their options thereunder. (Exhibit 1, Settlement Agreement, Exhibit A, Class Notice). It provides for a specific procedure to seek exclusion from the Class, disputing payments and Class Information, challenging workweek and pay period data, and lodging objections to the settlement. (*Id*.) In the Class Notice, Class Members will also receive Class Counsel's contact information so they can speak to attorneys conversant with the legal and factual issues involved in this case, as well as the contact information for the Settlement Administrator. The efforts taken to ensure that Class Members receive the Class Notice and are well informed about the settlement are reasonable and provide the best notice practicable under the facts.

Qualifications and Adequacy of Class Counsel

69. D.Law prosecutes wage and hour cases, including class actions and PAGA actions on behalf of employees and others who have had their rights violated. D.Law, either on its own or with co-counsel, is currently serving as Plaintiff's counsel of record in numerous wage and hour and employment class action and PAGA action cases pending in both state and federal court.

70. D.Law is well-qualified and has ample experience, knowledge, and resources to act as counsel and represent Plaintiffs and the putative Class and Aggrieved Employees in this action. Our practice is exclusively focused on employment matters and representing Plaintiff in wage and hour actions with the same or similar causes of actions brought forth in the matter pending before this Court.

71. D.Law has litigated and successfully resolved many wage and hour class action cases involving failure to pay wages and derivative Labor Code claims and penalties. See e.g. De La Rosa v. The Coca Cola Company et al. (Superior Court of California in Napa, 17CV000787), Harvey v. Bed Bath & Beyond of California Limited Liability Company (Superior Court of California in Alameda, RG17885153), Paredes v. Bottling Group LLC et. al. (Superior Court of California in Kern), Ramirez v. Harris Ranch Beef Company (Superior Court of California in Fresno, 16CECG04103), Gates v. Gate Gourmet, Inc. et. al. (Southern District of California, 16-cv-01084-L-AGS), Hargrave v. Antelope Valley Hospital (Superior Court of California in Los Angeles, BC663252), Ramirez v. Milton Roy et. al. (Superior Court of California in Los Angeles, BC 632 276), Hawkins v. AvalonBay Communities (Superior Court of California in Santa Clara, 17CV316492), Jones Tharpe et al. v. Sprint Corporation et al. (Superior Court of California in Los Angeles, BC644645), Ortega et al. v. Nestle Waters North America, Inc. et al. (Superior Court of California in Los Angeles, BC623610), Schultz v. Jimbo's Natural Family, Inc. (Superior Court of California in San Diego, 37-2017-00022348-CUE-OE-CTL), Ambrose v. Victor Valley Global et al. (Superior Court of California in San Bernardino, CIVDS1709289), Puerta-Gildardo v. Real Time Staffing Services LLC et. al. (Superior Court of California in Los Angeles, BC565445), Vargo v. Pregis Innovative Packaging LLC (Superior Court of California in Tulare, 270836), Conlin v. Aegis Senior Communities LLC (Northern District of California, 17-cv-05534-LHK), Galarza v. Kloeckner Metals Corporation (Central District of California, 2:17-cv-04910-FMO), Estes v. L3 Technologies, Inc. et al. (Southern District of California, 3:17-cv-02356-H-JMA), Rowser v. Trunk Club, Inc. (Central District of California, 2:17-cv-05064-DSF-RAO), Leach v. The Claremont Colleges, Inc. (Superior Court of California in Los Angeles, BC686451), Vaesau v. PCT Enterprises, Inc. dba Precision Cabinets (Superior Court of California, County of Contra Costa MSC18-02404), Terry v. TF Louderback, Inc. dba Bay Area Beverage Company (Superior Court of the State of California, County of Contra Costa, MSC18-00859), Roach v. Westcare California, Inc. (Superior Court of California in Kern County, BCV-17-102367-SDS), Patton v. Church & Dwight Co., Inc. (Central District of California, EDCV 18-903-MWF (KKx)), Juarez v. ISL Employees, Inc. (Superior Court of California in Madera,

MCV074787), Ferraro v. USC Verdugo Hill s Hospital, et al. (Superior Court of California in Los Angeles, 18STCV09463), Ford v. Account Control Technology, Inc., et al. (Superior Court of California in Los Angeles, 19STCV09369), Ornelas v. iStorage, et al. (Superior Court of California in San Francisco, CGC-18-571421), Martinez v. Ronpak, Inc. (Superior Court of California in Riverside, RIC1901307), Barrera et al. v. Exclusive Wireless, Inc. (Superior Court of California in Stanislaus, 9000687), Barajas v. Mancha Development Company LLC (Superior Court of California in Orange County, 30-2018-00974707-CU-OE-CXC), Prado v. IMAX Corporation dba IMAC Worldwide Home (Superior Court of California in San Bernardino, CIVDS1820265), Rodriguez v. ND Industries, Inc. (Superior Court of California in Los Angeles, 19STCV38096), Singletary v. Motel 6 Operating LP, et al. (Southern District of California, 3:20-cv-0270-LAB-AHG), Quizon v. CF Watsonville East, LLC, et al. (Superior Court of California in Santa Cruz, 20CV01868), Stephenson v. Bakersfield Dodge, Inc. (Superior Court of California in Kern, BCV-20-102693), Bacerra v. Hugo Boss Retail, Inc. (Superior Court of California in San Diego, 37-2021-00002933-CU-OE-CTL), Walker v. Ariat International, Inc. (Superior Court of California in Alameda, HG19026439), Orr v. Petvet Care Centers (California) Inc. (Superior Court of California in Santa Clara, 19CV354063), Jimenez v. OEC Distribution Services, Inc. (Superior Court of California in San Bernardino, CIVDS1915743), Virdi v. Absolute Security International (Superior Court of California in San Bernardino, CIVDS 1909589), Raj v. First Transit, Inc (Superior Court of California in Sacramento, 34-2021-00295895-CU-OE-GDS), Marchbanks v. Torrid Administration, Inc. (Superior Court of California in San Diego, 37-2020-00008179-CU-OE-NC), among others.

72. I am Senior Counsel at D.Law where I manage the class action and PAGA settlements team. I was admitted to the California Bar in December 2008. I received my J.D. from Pepperdine University School of Law and B.S. from the University of Southern California. Since graduating from law school, I have dedicated virtually my entire career on the practice of employment law. I have practiced employment law from the plaintiff's side, from the defense side, and from an in-house position. I have significant experience specifically working on wage and hour class actions from the plaintiff's side as well as the defense side, with the majority of

my experience coming from the plaintiff's side.

73. Attorney David Keledjian is Senior Counsel at D.Law and he manages his own complex litigation team. Mr. Keledjian was admitted to the California Bar in December 2016. Mr. Keledjian received his J.D. from Trinity Law School and B.A. from California State University of Fullerton. Since graduating from law school, Mr. Keledjian has dedicated virtually his entire career on the practice of employment law. Mr. Keledjian has practiced employment law from both the plaintiff's side and defense side. Mr. Keledjian has significant experience specifically working on wage and hour class actions from the plaintiff's side, with the majority of his experience coming from representing employees and obtaining significant settlements on their behalf. During his career, Mr. Keledjian has represented employees in over 100 wage-and-hour class action lawsuits as lead or co-lead counsel (including in the Central, Southern, Eastern and Northern Districts of California), and he has obtained six and seven figure settlements against a range of defendants, including Fortune 500 companies. These cases have involved the gamut of wage-and-hour claims, including claims for failure to pay minimum wages, unpaid wages and overtime, failure to provide meal breaks, inaccurate pay statements, and failure to pay timely wages - similar to claims at issue in the present matter. Mr. Keledjian is experienced in prosecuting employment matters, particularly class actions. In addition to the present case, he is also class counsel for dozens of other putative wage-and-hour class-action lawsuits pending in various state and federal jurisdictions throughout California.

74. Associate Attorney David Arakelyan received his Bachelor of Arts in political science from the University of California, Los Angeles, in 2009. Mr. Arakelyan then earned his Juris Doctorate from the University of California, Los Angeles in May of 2020. Upon graduating from law school, he has primarily focused my practice on representing employees in wage-and-hour class actions. Mr. Arakelyan has worked on multiple cases that have resulted in favorable settlements for the employee Class Members and Aggrieved Employees he has represented.

75. Associate Attorney Bradford Smith graduated from the University of California, Irvine with a Bachelor of Arts in History and received his Juris Doctor from Loyola Law School, Los Angeles in 2022. He was admitted to practice law in the State of California in 2022. Before

joining D.Law, Inc., he worked at a law firm specializing in insurance defense litigation. Since 2023, his focus has been on wage and hour class action litigation and settlements.

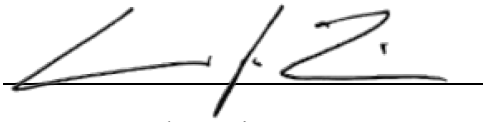
76. The collective experience of the D.Law attorneys in litigating employment wage and hour matters has been integral in identifying legal issues, evaluating the strengths and weaknesses of a case, and generally negotiating fair and reasonable class and representative action settlements. Practice in the narrow field of wage and hour litigation requires skill and knowledge concerning the constantly evolving substantive law (state and federal), as well as the procedural law of class and representative action litigation. In this action, the attorneys at D.Law are fully equipped to use the skills and knowledge developed over decades of prosecuting and defending wage and hour class actions to fairly and adequately represent the interests of the Class Members and aggrieved employees. Therefore, based on our resources, experience, and knowledge, the attorneys at D.Law are well-qualified to act as class counsel and represent the Plaintiffs and the putative Class Members and aggrieved employees in this action.

77. We understand the responsibilities owed as counsel to the Settlement Class Members and aggrieved employees we represent. The attorneys at D.Law thoroughly investigated the claims asserted in this action and have remained committed to dedicating the resources necessary to represent the Settlement Class and vigorously pursue their claims. Based upon my experience and understanding of the claims and defenses in this action, I believe the settlement is fair, adequate, and reasonable for the Class Members and aggrieved employees and all involved, and that the Settlement is well within the range of reasonableness that would permit it to be finally approved. I am not aware of any conflict of interest with Plaintiffs or any other Class Member that would interfere with the duties as Class Counsel.

78. On October 27, 2026, Plaintiffs submitted the Parties' Class and PAGA Action Settlement Agreement and Plaintiffs' Motion for Preliminary Approval of Class Action and PAGA Settlement Agreement and supporting documents to the LWDA. A true and correct copy of the confirmatory email from the LWDA is attached hereto as **Exhibit 3.**

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

Executed on October 27, 2026, in Pasadena, California.



Enoch J. Kim, Esq.

EXHIBIT 1

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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

AMY JOHN OCHIRVAANI and ADRIANA MONTES, on behalf of themselves and all others similarly situated, and the general public, *Plaintiff*, v. SHIELDS FOR FAMILIES, a California corporation; and DOES 1 through 50, inclusive, *Defendants*.	Case No. 23STCV24238 Related Case No. 23STCV31908 **CLASS ACTION AND PAGA SETTLEMENT AGREEMENT** Original Complaint filed: October 4, 2023 Related Complaint filed: December 29, 2023 First Amended Complaint filed: February 12, 2026 Trial Date: None set

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This Class Action and PAGA Settlement Agreement ("Agreement") is made by and between plaintiffs Amy John Ochirvaani and Adriana Montes ("Plaintiffs") and defendant Shields for Families ("Defendant"). The Agreement refers to Plaintiffs and Defendant collectively as "Parties," or individually as "Party."

1. **DEFINITIONS.**

1.1 "Action" means the Plaintiffs' lawsuits alleging wage and hour violations against Defendant captioned *Amy J. Ochirvaani, et al v. Shields for Families,* Case No. 23STCV24238, filed on October 4, 2023, in Los Angeles County Superior Court, and *Montes v. Shields for Families*, Case No. 23STCV31908, filed on December 29, 2023, in Los Angeles County Superior Court.

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

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

1.4 "Aggrieved Employees" means and includes all individuals who were or have been employed by Defendant in California as non-exempt employees at any time during the PAGA Period.

1.5 "Class" means all persons employed by Defendant in California and classified as non-exempt hourly employees who worked for Defendant during the Class Period.

1.6 "Class Counsel" means D.LAW, INC. and BIBIYAN LAW GROUP, P.C.

1.7 "Class Counsel Fees Payment" means an award of attorneys' fees granted to Class Counsel, to be paid from the Gross Settlement Amount. The Parties have agreed Plaintiffs will request approval from the Court of up to $115,000.00 (One Hundred and Fifteen Thousand and Zero Cents).

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1.8 "Class Counsel Litigation Expenses Payment" means the amount allocated to Class Counsel for reimbursement of reasonable expenses and costs incurred to prosecute the Action, to be paid from the Gross Settlement Amount.

1.9 "Class Data" means Class Member identifying information in Defendant's possession including the Class Member's name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.

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

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

1.12 "Class Notice" means the Court approved Notice of Settlement and hearing date for final Court approval, to be mailed to Class Members in English with a Spanish translation in the form, without material variation, attached as **Exhibit A** and incorporated by reference into this Agreement.

1.13 "Class Period" means the period from October 4, 2019, through July 9, 2024.

1.14 "Class Representatives" means the named Plaintiffs, Amy J. Ochirvaani and Adriana Montes, in the Action seeking Court approval to serve as a Class Representatives.

1.15 "Class Representative Service Payments" means the payment to the Class Representatives for initiating the Action and providing services in support of the Action.

1.16 "Court" means the Superior Court of California, County of Los Angeles.

1.17 "Defendant" means named Defendant Shields for Families.

1.18 "Defense Counsel" means BERGER KAHN.

1.19 "Effective Date" means the date by which both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no

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Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.20 "Final Approval" means the Court's order granting final approval of the Settlement.

1.21 "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval of the Settlement.

1.22 "Final Judgment" means the Judgment entered by the Court upon granting Final Approval of the Settlement.

1.23 "Gross Settlement Amount" or "GSA" means the non-reversionary payment of $350,000.00 (Three Hundred Fifty Thousand Dollars with Zero Cents), which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payments, and the Administrator's Expenses.

1.24 "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

1.25 "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

1.26 "Judgment" means the judgment entered by the Court based upon the Final Approval.

1.27 "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.28 "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.29 "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA

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Payment, Class Representative Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.30 "Non-Participating Class Member" means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

1.31 "Operative Complaints" means the operative First Amended Complaint filed in the Ochirvaani Action, Case No. 23STSV24238 on February 12, 2026.

1.32 "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.33 "PAGA Period" means the period from October 4, 2022 through July 9, 2024.

1.34 "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698 *et seq*.).

1.35 "PAGA Notices" means Plaintiff Ochirvaani's October 4, 2023 and Plaintiff Montes' December 29, 2023, letters to LWDA and the Defendant providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.36 "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount ($25,000.00), allocated 25% to the Aggrieved Employees ($6,250.00) and 75% to LWDA ($18,750.00) in settlement of PAGA claims.

1.37 "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.38 "Plaintiffs" means Amy J. Ochirvaani and Adriana Montes, the named plaintiffs in the Action.

1.39 "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.

1.40 "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.

1.41 "Released Class Claims" means the claims being released as described in Paragraph 5.2 below.

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1.42 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.

1.43 “Released Parties” means: Defendant and all of Defendant’s subsidiaries, affiliates, shareholders, members, agents, predecessors, successors, owners, and assigns.

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

1.45 "Response Deadline" means forty-five (45) days after the Administrator mails Notice to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.

1.46 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

1.47 “Workweek” means any week during which a Class Member worked for Defendant for at least one day, during the Class Period.

2. **RECITALS.**

2.1 On October 4, 2023, Plaintiff Ochirvaani commenced a Class Action by filing a complaint alleging causes of action against Defendant for (1) Failure to Provide Meal Periods; (2) Failure to Provide Rest Periods; (3) Failure to Pay Hourly Wages and Overtime; (4) Failure to Provide Accurate Wage Statements; (5) Failure to Timely Pay all Final Wages; (6) Failure to Indemnify All Necessary Business Expenditures; and (7) Violation of California’s Unfair Competition Law (Bus. & Prof. Code, §§17200-17210). Simultaneously, on October 4, 2023, and pursuant to Labor Code §2699.3, subd.(a), Plaintiff Ochirvaani gave timely notice to the LWDA and Defendant that Plaintiff Ochirvaani intended to proceed with a representative action under PAGA (LWDA-CM-985662-23). However, Plaintiff Ochirvaani did not add her claims for penalties under PAGA, Labor Code § 2698, to her Complaint.

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2.2 Similarly, on December 29, 2023, Plaintiff Montes commenced a Class Action by filing a complaint alleging causes of action against Defendant for (1) Failure to Pay Overtime Wages; (2) Failure to Pay Minimum Wages; (3) Failure to Provide Meal Periods; (4) Failure to Provide Rest Periods; (5) Waiting Time Penalties; (6) Wage Statement Violations; (7) Failure to Timely Pay Wages; (8) Failure to Indemnify; (9) Unfair Competition. Simultaneously, on November 14, 2023, and pursuant to Labor Code §2699.3, subd.(a), Plaintiff Montes gave timely notice to the LWDA and Defendant that Plaintiff Montes intended to proceed with a representative action under PAGA (LWDA-CM-1002239-23). On March 4, 2024, after the 65-day statutory period passed, Plaintiff Montes filed her PAGA-Only Complaint in Los Angeles Superior Court, which contained claims for penalties under PAGA, Labor Code §2698 and was assigned Case No. 24STCV05419.

2.3 On March 28, 2024, the Court related the both the *Ochirvaani* and the *Montes* class action cases (Case Nos. 23STCV24238 and 23STCV31908, respectively).

2.4 Defendant denies the allegations in the Operative Complaints, denies any failure to comply with the laws identified in the Operative Complaints, and denies any and all liability for the causes of action alleged.

2.5 On July 9, 2024, the Parties participated in an all-day mediation presided over by Mediator Kelly Knight. The Parties were unable to reach an agreement during the mediation. Plaintiff subsequently engaged the services of a financial expert, Creal Consulting, Inc., to assess Defendant's financial status. The Parties were ultimately able to reach a settlement and executed this Settlement Agreement.

2.6 In advance of mediation, Class Counsel conducted a thorough investigation into the facts of, and applicable law to, the Action, including speaking to current and former employees of Defendant regarding Defendant's employment policies and practices. Prior to mediation, Plaintiffs also obtained and analyzed a representative sampling of time and payroll data for Class Members and the necessary policy documents through informal discovery to properly evaluate the strengths and weakness of the claims and engage in meaningful settlement discussions. Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk*

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v. Foot Locker Retail, Inc., 48 Cal.App.4th 1794, 1801 (1996) and *Kullar v. Foot Locker Retail, Inc*., 168 Cal.App.4th 116, 129-130 (2008) ("*Dunk*/*Kullar*").

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

2.8 The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. **MONETARY TERMS.**

3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, Defendant will pay a non-reversionary Gross Settlement Amount ("GSA") in the amount of $350,000.00 (Three Hundred and Fifty Thousand Dollars and Zero Cents) to fully settle, resolve, and extinguish all claims asserted in the Action, including without limitation all claims asserted in the PAGA Notices, and to separately pay any and all employer payroll taxes owed on the wage portions of the Individual Class Payments. Defendant has no obligation to pay the GSA (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire GSA without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the GSA will revert to Defendant.

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

3.2.1 To Plaintiffs: A payment for the Class Representative Service Payments to the Class Representatives, Amy J. Ochirvaani and Adriana Montes, of not more than $5,000 (Five Thousand Dollars) each in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representatives are entitled to receive as a Participating Class Member. Defendant will not oppose Plaintiffs' requests for Class Representative Service Payments that do not exceed this amount. As part of the motion for the Class Counsel Fees and Litigation Expenses Payments, Plaintiffs will seek Court approval for any Class Representative Service Payments no

later than 16 (sixteen) court days prior to the Final Approval Hearing, or as otherwise ordered by the Court. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount to be distributed to Participating Class Members. The Administrator will pay the Class Representative Service Payments using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on the Class Representative Service Payments.

3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third of the GSA, which is currently estimated to be above $115,000.00 (One Hundred and Fifteen Thousand and Zero Cents) and a Class Counsel Litigation Expenses Payment of not more than $25,000.00 (Twenty-Five Thousand Dollars and Zero Cents). Defendant will not oppose requests for these payments. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees and Litigation Expenses Payment no later than 16 (sixteen) court days prior to the Final Approval Hearing, or as otherwise ordered by the Court. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount for distriubution to Participating Class Members. Released Parties shall have no liability to Class Counsel or any other Plaintiffs' counsel arising from any claim to any portion of Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3 To the Administrator: An Administrator Costs Payment not to exceed $11,000 (Eleven Thousand Dollars and Zero Cents) except for a showing of good cause and as approved by the Court. To the extent the Administration Costs are less or the Court approves payment of less than $11,000, the Administrator will retain the remainder in the Net Settlement Amount to be distributed to Participating Class Members.

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3.2.4 To Each Participating Class Member: An Individual Class Payment is calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period, and (b) multiplying the result by each individual Participating Class Member's Workweeks.

3.2.4.1 Tax Allocation of Individual Class Payments. 20% of each Participating Class Member's Individual Class Payment will be allocated to the Settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The 80% of each Participating Class Member's Individual Class Payment will be allocated to the settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

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

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of $25,000.00 (Twenty-Five Thousand Dollars) to be paid from the Gross Settlement Amount, with 75% ($18,750) allocated to the LWDA PAGA Payment and 25% ($6,250) allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties of $6,250 by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period, and (b) multiplying the result by each individual Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount to be distributed to

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Participating Class Members. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. **SETTLEMENT FUNDING AND PAYMENTS.**

4.1 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendant represents there are **643** Class Members who collectively worked a total of **70,163** Workweeks from October 4, 2019, through June 10, 2024, and **390** Aggrieved Employees who worked a total of **11,537** PAGA Pay Periods from October 4, 2022 through June 10, 2024.

4.2 Class Data. Not later than twenty (20) days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than fourteen (14) days after the Effective Date.

4.4 Payments from the Gross Settlement Amount. Within fourteen (14) days after Defendant funds the GSA, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class

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Representative Service Payments. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payments shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

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

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

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

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

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

5.1 Plaintiffs' Release. Plaintiffs and his or her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences, that occurred during the Class Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaints and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaints, Plaintiffs' PAGA Notices, or ascertained during the Action and released under Paragraphs 5.2 and 5.3, below ("Plaintiffs' Release"). Plaintiffs' Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

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

> A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release,

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and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

5.2 Released Class Claims: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from those claims arising out of or related to the allegations set forth in the Operative Complaints that arose during the Class Period, including all statutes on which those claims are based in the Operative Complaints, including claims for: (1) failure to pay minimum wage for all hours worked in violation of Labor Code §§1194 1194.2, 1197, and 1198 and the applicable IWC Wage Order(s); (2) failure to pay proper overtime wages in violation of Labor Code §§510, 1194, 1197, and 1198, and the applicable IWC Wage Order(s); (3) failure to provide compliant rest periods and pay missed rest break premiums in violation of Labor Code §§ 204, 223, 226.7, 1198 and the applicable IWC Wage Order(s); (4) failure to provide compliant meal periods and pay missed meal period premiums in violation of Labor Code §§204, 223, 226.7, 512, 1198 and the applicable IWC Wage Order(s); (5) failure to pay all wages due and owing at separation in violation of Labor Code §§201, 202, and 203; (6) failure to reimburse business expenses in violation of Labor Code §§2802 and 2804; (7) failure to provide complete and accurate wage statements in violation of Labor Code §§226 and 226.3; (8) deceptive, fraudulent, or otherwise unlawful business practices based on the foregoing in violation of California's Unfair Competition Law (Bus. & Prof. Code, §§17200–17210); and (9) all claims for liquidated damages, penalties, interest, fees, costs based on the foregoing (collectively, the "Released Class Claims"). This release shall apply to claims arising during the Class Period. Except as set forth in Paragraph 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

5.3 Released PAGA Claims: All Aggrieved Employees, including Non-Participating Class Members who are Aggrieved Employees, are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors,

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and assigns, the Released Parties from all claims for PAGA Penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaints, the PAGA Notices, and ascertained in the course of the Action including claims for violations of California Labor Code §§ 96, 98.6, 200, 201, 202, 203, 204, 210, 226, 226.3, 226.7, 227.3, 232, 232.5, 245, *et seq*., 432, 510, 512, 558, 1102.5, 1174, 1174.5, 1194, 1197, 1197.1, 1197.5, 1198.5, 2698, 2699, *et seq.*, and 2802, including but not limited to (1) failure to pay minimum wage for all hours worked in violation of Labor Code §§1194 1194.2, 1197, and 1198 and the applicable IWC Wage Order(s); (2) failure to pay proper overtime wages in violation of Labor Code §§510, 1194, 1197, and 1198, and the applicable IWC Wage Order(s); (3) failure to provide compliant rest periods and pay missed rest break premiums in violation of Labor Code §226.7 and the applicable IWC Wage Order(s); (4) failure to provide compliant meal periods and pay missed meal period premiums in violation of Labor Code §§226.7 and 512, and the applicable IWC Wage Order(s); (5) failure to pay all wages due and owing at separation in violation of Labor Code §§201, 202, and 203; (6) failure to reimburse business expenses in violation of Labor Code §§2802 and 2804; (7) failure to provide complete and accurate wage statements in violation of Labor Code §§226 and 226.3; (8) deceptive, fraudulent, or otherwise unlawful business practices based on the foregoing in violation of California's Unfair Competition Law (Bus. & Prof. Code, §§17200–17210); and (9) all claims for liquidated damages, penalties, interest, fees, costs based on the foregoing ("Released PAGA Claims").

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

6.1 Defendant's Declaration in Support of Preliminary Approval. Within 10 (ten) days of the full execution of this Agreement, Defendant will prepare and deliver to Class Counsel a signed Declaration from Defendant and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In their Declarations, Defense Counsel and Defendant shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

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6.2 Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk*/*Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiffs, Class Counsel or Defense Counsel; (v) a signed declaration from each Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (vii) all facts relevant to any actual or potential conflict of interest with Class Members, and/or the Administrator. In their Declarations, Plaintiffs and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.3 Responsibilities of Counsel. Class Counsel is responsible for expeditiously finalizing and filing the Motion for Preliminary Approval; obtaining a prompt hearing date for the Motion for Preliminary Approval; and filing the Motion for Preliminary Approval no later than 16 (sixteen) court days before the hearing, unless otherwise ordered by the Court; and appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

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

7. **SETTLEMENT ADMINISTRATION.**

7.1 Selection of Administrator. The Parties have jointly selected Phoenix Settlement Administrators to serve as the Administrator and verified that, as a condition of appointment, the Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

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

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

7.4 Notice to Class Members.

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

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

7.4.3 Not later than five (5) calendar days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

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

7.4.5 If the Administrator, Defendant, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith. in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice

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requiring them to exercise options under this Agreement not later than 14 (fourteen) days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5 Requests for Exclusion (Opt-Outs).

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

7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are

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subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the Released PAGA Claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

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

7.7 Objections to Settlement.

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

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

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

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

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

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

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

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

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

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

8. **CLASS SIZE ESTIMATES and ESCALATOR CLAUSE.** Based on its records, Defendant represents there are **643** Class Members who collectively worked a total of **70,163** Workweeks during the Class Period, and **390** Aggrieved Employees who worked a total of **11,537** PAGA Pay Periods during the PAGA Period. If it is determined that the total number of Workweeks during the Class Period is greater than 73,671(i.e. a 5% increase), the GSA will be increased by the same number of percentage points above 5% by which the actual number of

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Workweeks exceeds 73,671. Likewise, if it is determined that the total number of PAGA Pay Periods worked during the PAGA Period is greater than 12,113(i.e. a 5% increase), the GSA will be increased by the same number of percentage points above 5% by which the actual number of PAGA Pay Periods exceeds 11,537. If this provision is triggered so as to increase the GSA, the Parties agree that the portion of the GSA allocated to attorneys' fees will increase proportionally such that the total amount of attorneys' fees remains one-third of the GSA after the upward adjustment required by this provision is implemented.

9. **DEFENDANT'S RIGHT TO WITHDRAW.** Defendant represents, as of the date of this Settlement Agreement, there are 654 Class Members. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds ten percent (10%) of the total of all Class Members (i.e. more than 65 (Sixty-Five) opt-outs), Defendant may, but is not obligated, to elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be *void ab initio*, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than 20 (Twenty) days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

10. **MOTION FOR FINAL APPROVAL.** Not later than sixteen (16) court days before the calendared Final Approval Hearing, unless otherwise scheduled by the Court, Plaintiffs will file in Court, a Motion for Final Approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l); a Proposed Final Approval Order; and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiffs shall provide drafts of these documents to Defense Counsel not later than seven (7) days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

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

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

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

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

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

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

12. **ADDITIONAL PROVISIONS.**

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

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12.2 Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendant, and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify the other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiffs, Class Counsel, Defendant, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

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

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

12.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendant, respectively, to take all appropriate

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action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

12.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution. Defendant also agrees to stipulate to the filing of an amended/consolidated complaint, encompassing all allegations in the *Ochirvaani* and *Montes* complaints for settlement purposes in the *Ochirvaani* matter, Case No. 23STCV24238.

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

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

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

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

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

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

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

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

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

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

To Plaintiffs:

Emil Davtyan (SBN 299363)
emil@d.law
David Yeremian (SBN 226337)
d.yeremnian@d.law
David Keledijan (SBN 309135)
d.keledjian@d.law
David Arakelyan (SBN 337076)
d.arakelyan@d.law
450 N. Brand Blvd. Ste. 840
Glendale, CA 91203
Telephone: (818) 962-6465
Fax: (818) 962-6469

BIBIYAN LAW GROUP, P.C.
David D. Bibiyan (Cal. Bar No. 287811)
david@tomorrowlaw.com
Calyn V. Hadlock (Cal. Bar No. 352401)
calyn@tomorrowlaw.com

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8484 Wilshire Boulevard, Suite 500
Beverly Hills, California 90211
Tel: (310) 438-5555; Fax: (310) 300-1705

To Defendant:

ERIN R. EZRA, ESQ. (SBN 275780)
eezra@bergerkahn.com
TUCKER PHILLIPS, ESQ.
tphillips@bergerkahn.com (SBN 338227)
Berger Kahn, A Law Corporation
1 Spectrum Pointe Dr., Suite 340
Lake Forest, CA 92630
Telephone: (949) 614-0100
Facsimile: (949) 771-1922

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

12.18 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement, including the filing of a consolidated complaint encompassing all claims in the *Ochirvaani* and *Montes* lawsuit. The Parties further agree that upon the signing of this Agreement pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

IT IS SO AGREED.

By the Parties:

DATED: 3/5/2026

DocuSigned by:
Amy John Ochirvaani
5F5562E0C7CF478...

Plaintiff AMY J. OCHIRVAANI

DATED: 03/12/2026

Plaintiff ADRIANA MONTES

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DATED: _____

_____

Defendant SHIELDS FOR FAMILIES

By: _____

Position: _____

Approved by counsel:

DATED: March 4, 2026

D.LAW, INC.

BY: _____

David Yeremian
David Keledjian
David Arakelyan
Counsel for Plaintiff Amy J. Ochirvaani

DATED: 03/13/2026

BIBIYAN LAW GROUP, P.C.

BY: David Bibiyan

David B. Bibiyan
Calyn V. Hadlock
Counsel for Plaintiff Adriana Montes

DATED: March 4, 2026

BERGER KAHN

BY: _____

Erin Ezra
Tucker Y. Phillips
Attorneys for Defendant Shields for Families

DATED: Mar 6, 2026

Kathryn Icenhower, PhD

Defendant SHIELDS FOR FAMILIES

By: Kathryn Icenhower, PhD

Position: Chief Executive Officer

Approved by counsel:

DATED: March 4, 2026

D.LAW, INC.

BY: _____

David Yeremian

David Keledjian

David Arakelyan

Counsel for Plaintiff Amy J. Ochirvaani

DATED: March 4, 2026

BIBIYAN LAW GROUP, P.C.

BY: _____

David B. Bibiyan

Calyn V. Hadlock

Counsel for Plaintiff Adriana Montes

DATED: March 4, 2026

BERGER KAHN

BY: _____

Erin Ezra

Tucker Y. Phillips

Attorneys for Defendant Shields for Families

EXHIBIT A

Superior Court of California, County of Los Angeles
Amy John Ochirvaani, et al., v. Shields for Families
Case No. 23STCV24238

The Superior Court for the State of California authorized this Notice.
It's not junk mail, spam, an advertisement, or solicitation by a lawyer.
This is not a lawsuit against you and you are not being sued

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL ("Notice")

To: All persons employed by Shields for Families ("Defendant") in California and classified as non-exempt hourly employees who worked for Defendant during the period from October 4, 2019 through July 9, 2024 ("Class Period").

YOU MAY BE ELIGIBLE TO RECEIVE PAYMENT FROM THE CLASS ACTION AND PAGA SETTLEMENT DESCRIBED IN THIS NOTICE.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	To receive a Settlement payment, you do not need to do anything. Your payment will be mailed to you, automatically, if the Court grants final approval of the Settlement. *You must, however, keep a current address on file with the Settlement Administrator to ensure receipt of your check.*
CHANGE CONTACT AND ADDRESS INFORMATION	Update your address with the Settlement Administrator to ensure your check is sent to the correct address.
EXCLUDE YOURSELF FROM THE CLASS SETTLEMENT	If you do not want to participate in the Class portion of the Settlement, you may exclude yourself (opt out) from the Class portion of the Settlement. If you exclude yourself from the Class portion of the Settlement, you will not receive an Individual Class Payment (defined below). This option preserves your right to pursue the Released Class Claims (defined below) against Defendant. However, even if you exclude yourself from the Class portion of the Settlement, you will still receive your Individual PAGA Payment from the PAGA portion of the Settlement (if eligible) and be bound by it as further explained below.
OBJECT	Write to the Settlement Administrator if you think the Settlement is not fair or you can appear at a hearing to explain to the Court why you think the Settlement is not fair.

- **YOUR RIGHTS AND OPTIONS – AND THE DEADLINES TO EXERCISE THEM – ARE EXPLAINED IN THIS NOTICE.**
- **DEFENDANT WILL NOT RETALIATE IN ANY MANNER AGAINST ANYONE FOR PARTICIPATING OR NOT PARTICIPATING IN THIS SETTLEMENT.**

BACKGROUND ON THE LAWSUIT

1. Why did I get this notice?

You received this notice because Defendant's records identify you as someone who worked for Shields for Families in California as a non-exempt employee at any time from October 4, 2019, through July 9, 2024, making you a "Class Member" during the "Class Period." The Settlement will resolve certain wage and hours claims of Class Members, which are described below, during the Class Period. The Settlement will also resolve claims for civil penalties brought under the California Private Attorneys General Act ("PAGA"). If you are a Class Member, you are also an "Aggrieved Employee" if you worked for Defendant in California as a non-exempt employee at any time from October 4, 2022, through July 9, 2024 ("PAGA Period").

The purpose of this Notice is to explain the lawsuit, the pending Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court has preliminarily approved the proposed Settlement and directed that you receive this Notice. The Court has not yet decided whether to grant final approval. The Court will hold a final approval hearing (details provided below) to determine whether to finally approve the Settlement.

2. What is this Class and PAGA Lawsuit about?

On October 4, 2023, Plaintiff Ochirvaani filed a Class Action Complaint against Defendant in the Superior Court of California, County of Los Angeles, Case No. 23STCV24238, alleging claims for failure to provide meal periods, failure to provide rest periods, failure to pay hourly wages and overtime, failure to provide accurate wage statements, failure to timely pay all final wages, failure to indemnify all necessary business expenditures, and violation of California's Unfair Competition Law. ("Ochirvaani Lawsuit"). On December 29, 2023, Plaintiff Montes filed a Class Action Complaint against Defendant in the Superior Court of California, County of Los Angeles, Case No. 23STCV31908, alleging causes of action against Defendant. ("Montes Lawsuit"). On March 28, 2024, the Court related the Ochirvaani and Montes Lawsuits. On February 12, 2024, Plaintiff Ochirvaani filed a First Amended Class Action Complaint adding Adriana Montes as a named plaintiff and adding a claim for civil penalties under PAGA ("Operative Complaint").

Defendant denies all allegations in the Operative Complaint and contends that it has fully complied with the California Labor Code. The Settlement is not an admission of any wrongdoing by Defendant or an indication that any law was violated or that this case was suitable for class or representative treatment.

3. Why is there a Settlement?

The Court has not decided in favor of Plaintiffs or Defendant or made any decision as to whether this case could proceed on a class or representative basis. Instead, with the assistance of an experienced and neutral mediator, the Parties successfully negotiated the Settlement to resolve the Lawsuit rather than continue the expensive and time-consuming process of litigation. Both sides agree the proposed Settlement is a compromise of disputed claims.

4. Who are the Attorneys for the Parties?

Counsel for Plaintiffs and the Class ("Class Counsel") Counsel for Defendant:

Counsel for Plaintiff Amy John Ochirvaani:
David Keledjian, Esq.
David Arakelyan, Esq.
Enoch J. Kim, Esq.
Bradford Smith, Esq.
D.LAW, INC.
250 N. Madison Ave, 2nd Floor
Pasadena, CA 91101
Telephone: (818) 962-6465
Fax: (818) 962-6469

Counsel for Plaintiff Adriana Montes
David D. Bibiyan, Esq.
Calyn V. Hadlock, Esq.
BIBIYAN LAW GROUP, P.C.
1460 Westwood Boulevard
Los Angeles, CA 90211
Telephone: (310) 438-5555
Fax: (310) 300-1705

Erin R. Ezra, Esq.
Tucker Phillips, Esq.
BERGER KAHN, A LAW CORPORATION
1 Spectrum Pointe Drive, Suite 340
Lake Forest, CA 92630
Telephone: (949) 614-0100
Fax: (949) 771-1922

THE TERMS OF THE SETTLEMENT

5. What is the Settlement Amount?

The proposed Settlement provides for a maximum payment of $350,000.00 (the "Gross Settlement Amount"). From the Gross Settlement Amount, Class Counsel will apply to the Court for attorneys' fees of $115,000.00 and actual litigation costs not to exceed $25,000.00; a payment of up to $5,000.00 each ($10,000.00 total) to Plaintiffs Ochirvaani and Montes for their time and efforts to initiate and prosecute the Lawsuit ("Class Representative Service Payment"); PAGA Penalties of $25,000.00, with $18,750.00 allocated to the California Labor Workforce Development Agency ("LWDA") and $6,250.00 allocated to the Aggrieved Employees as Individual PAGA Payments based on the number of pay periods worked during the PAGA Period; and payment not to exceed $11,000.00 to Phoenix Class Action Administrators ("Administrator") for settlement administration expenses ("Administration Expenses Payment"). The exact amount of the attorneys' fees, litigation costs, Class Representative Service Payment, and Administration Expenses Payment will be determined by the Court at the Final Approval Hearing. The remaining portion of the Gross Settlement Amount ("Net Settlement Amount") is currently estimated to be approximately **[$XXXXXXX].** The Net Settlement Amount will be apportioned and paid out to Class Members who do not opt out from the Settlement ("Participating Class Members") as individual payments based on the number of workweeks worked during the Class Period ("Individual Class Payments").

6. How will the Individual Class Payments to Participating Class Members be calculated?

Participating Class Members will receive Individual Class Payments as a proportional amount of the Net Settlement Amount. **A claim form is not required**. Class Members who opt out of the Class portion of the Settlement will not receive an Individual Class Payment and will not be bound by the Class portion of the Settlement.

Each Participating Class Member's Individual Class Payment will be a pro-rata share of the Net Settlement Amount based on the number of workweeks worked during the Class Period ("Workweeks"). The Administrator will calculate the total Workweeks for all Participating Class Members. The respective Workweeks for each

Participating Class Member will be divided by the total Workweeks for all Participating Class Members, resulting in the pro-rata share of the Net Settlement Amount that each Participating Class Member would be entitled to.

All Individual Class Payments to Participating Class Members shall be allocated as follows for tax purposes: 20% of each Participating Class Member's Individual Class Payment will be allocated to wage claims (the "Wage Portion"). The Wage Portion is subject to tax withholding and will be reported on an IRS W-2 Form. 80% of each Participating Class Member's Individual Class Payment will be allocated to interest and penalties (the "Non-Wage Portion"). The Non-Wage Portion is not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

Your total estimated Workweeks is _____. Based on that, your anticipated approximate Individual Class Payment is _____.

7. How will the PAGA Penalties be allocated to the LWDA and Aggrieved Employees?

The Parties will ask the Court to approve $25,000.00 in PAGA Penalties in settlement of claims of civil penalties under PAGA. As required under PAGA, 75% of the PAGA Penalties, or $18,750.00, will be paid to the LWDA ("LWDA PAGA Payment"). The remaining 25% of the PAGA Penalties, or $6,250.00, will be paid to Aggrieved Employees ("Individual PAGA Payment").

No claim form is required to receive an Individual PAGA Payment. Because Aggrieved Employees cannot opt out of the PAGA portion of the Settlement, Aggrieved Employees will receive an Individual PAGA Payment and be bound by the PAGA portion of the Settlement even if they opt out of the Class portion of the Settlement.

Each Aggrieved Employee's Individual PAGA Payment will be a pro-rata share of the 25% ($6,250.00) of the PAGA Penalties to be distributed to Aggrieved Employees. Individual PAGA Payments will be based on the number of Pay Periods that each Aggrieved Employee worked for Defendant during the PAGA Period as a proportion of all Pay Periods worked by all Aggrieved Employees during the PAGA Period. For tax purposes, 100% of the Individual PAGA Payments will be allocated as penalties for which an IRS Form 1099 will be issued, if required by law.

Your total estimated Pay Periods are _____. Based on that, your anticipated Individual PAGA Payment is _____.

HOW TO GET A PAYMENT

8. How can I get a settlement payment?

If you do nothing, you will automatically receive your Individual Class Payment and Individual PAGA Payment (if any) after the Court's approval of the Settlement becomes final. You must notify the Administrator of any change in your name and/or mailing address if the information shown on this is not correct.

It is your responsibility to keep the Administrator informed of any change in your address. Settlement payments will be mailed to the last known address the Settlement Administrator has on file for you. You can contact the Administrator by U.S. Mail, email, or phone at _____ if you need to update your contact information.

9. What do I do if I believe my Workweeks and/or Pay Periods are incorrect?

If you believe the Workweeks and/or Pay Periods above are not correct, you may send a letter to the Administrator indicating what you believe to be the correct information. Your letter must be postmarked, faxed,

or emailed on or before _____, 2026 [*45 days within mailing of Notice*]. You should include any documents or other information which supports what you believe to be the number of Workweeks and/or Pay Periods you worked. The Settlement Administrator will resolve any dispute regarding these issues based on Defendant's records and any information you provide.

10. When can I expect to receive a settlement check?

Individual Class Payments and Individual PAGA Payments will be mailed to Participating Class Members and Aggrieved Employees approximately 14 days after the Administrator receives the funds from the Defendant (due 21 days after the Effective Date). The "Effective Date" means the date when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

Settlement checks should be cashed promptly upon receipt. Proceeds of checks that remain uncashed after 180 days from the date of issuance will be transferred to the California Controller's Unclaimed Property Fund in your name. If the monies represented by your check is sent to the Controller's Unclaimed Property Fund, you should consult the rules of the Fund for instructions on how to retrieve your money. If your settlement check is lost or misplaced, you should contact the Settlement Administrator immediately.

WHAT HAPPENS IF THE COURT APPROVES THE SETTLEMENT

11. What am I giving up to get an Individual Settlement Payment?

If the Court approves the Settlement and unless you exclude yourself from the Class portion of the Settlement, you will become a Participating Class Member, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against Defendant concerning the claims being resolved in the Settlement. Specifically, you will be giving up or "releasing" the claims described below:

Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from those claims arising out of or related to the allegations set forth in the Operative Complaints that arose during the Class Period, including all statutes on which those claims are based in the Operative Complaints, including claims for: (1) failure to pay minimum wage for all hours worked in violation of Labor Code §§1194 1194.2, 1197, and 1198 and the applicable IWC Wage Order(s); (2) failure to pay proper overtime wages in violation of Labor Code §§510, 1194, 1197, and 1198, and the applicable IWC Wage Order(s); (3) failure to provide compliant rest periods and pay missed rest break premiums in violation of Labor Code §§ 204, 223, 226.7, 1198 and the applicable IWC Wage Order(s); (4) failure to provide compliant meal periods and pay missed meal period premiums in violation of Labor Code §§204, 223, 226.7, 512, 1198 and the applicable IWC Wage Order(s); (5) failure to pay all wages due and owing at separation in violation of Labor Code §§201, 202, and 203; (6) failure to reimburse business expenses in violation of Labor Code §§2802 and 2804; (7) failure to provide complete and accurate wage statements in violation of Labor Code §§226 and 226.3; (8) deceptive, fraudulent, or otherwise unlawful business practices based on the foregoing in violation of California's Unfair Competition Law (Bus. & Prof. Code, §§17200–17210); and (9) all claims for liquidated damages, penalties, interest, fees, costs based on the foregoing (collectively, the "Released Class Claims"). This release shall apply to claims arising during the Class Period. Except as set forth in Paragraph 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period. ("Released Class Claims").

"Released Parties" are Defendant and all of Defendant's subsidiaries, affiliates, shareholders, members, agents, predecessors, successors, owners, and assigns.

12. What PAGA Claims are released by the Settlement?

Release by Aggrieved Employees: All Aggrieved Employees, including Non-Participating Class Members who are Aggrieved Employees, are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA Penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaints, the PAGA Notices, and ascertained in the course of the Action including claims for violations of California Labor Code §§ 96, 98.6, 200, 201, 202, 203, 204, 210, 226, 226.3, 226.7, 227.3, 232, 232.5, 245, *et seq*., 432, 510, 512, 558, 1102.5, 1174, 1174.5, 1194, 1197, 1197.1, 1197.5, 1198.5, 2698, 2699, *et seq.*, and 2802, including but not limited to (1) failure to pay minimum wage for all hours worked in violation of Labor Code §§1194 1194.2, 1197, and 1198 and the applicable IWC Wage Order(s); (2) failure to pay proper overtime wages in violation of Labor Code §§510, 1194, 1197, and 1198, and the applicable IWC Wage Order(s); (3) failure to provide compliant rest periods and pay missed rest break premiums in violation of Labor Code §226.7 and the applicable IWC Wage Order(s); (4) failure to provide compliant meal periods and pay missed meal period premiums in violation of Labor Code §§226.7 and 512, and the applicable IWC Wage Order(s); (5) failure to pay all wages due and owing at separation in violation of Labor Code §§201, 202, and 203; (6) failure to reimburse business expenses in violation of Labor Code §§2802 and 2804; (7) failure to provide complete and accurate wage statements in violation of Labor Code §§226 and 226.3; (8) deceptive, fraudulent, or otherwise unlawful business practices based on the foregoing in violation of California's Unfair Competition Law (Bus. & Prof. Code, §§17200–17210); and (9) all claims for liquidated damages, penalties, interest, fees, costs based on the foregoing ("Released PAGA Claims").

"PAGA Notices" are the letters submitted to the LWDA and Defendant by Plaintiff Ochirvaani on October 4, 2023 and Plaintiff Montes on November 14, 2023.

EXCLUDING YOURSELF FROM THE CLASS SETTLEMENT

13. How do I opt out of the Class portion of the Settlement?

If you wish to preserve your right to pursue your own separate lawsuit against Defendant for the Released Class Claims or otherwise do not want to participate in the Class portion of the Settlement for whatever reason, you have the option to exclude yourself from the Class portion of the Settlement. However, you cannot opt out of the PAGA portion of the Settlement. Class Members who opt out of the Class portion of the Settlement will still be bound by the PAGA portion of the Settlement and will receive an Individual PAGA Payment (if any).

To opt out of the Class portion of the Settlement and the release of Released Class Claims, you must provide a signed and dated letter to the Administrator requesting to be excluded. The letter must include the case name, case number (located at the top of this Notice), your full name, mailing address, email address or telephone number and a statement that you request exclusion from the Settlement and do not wish to participate in the Settlement. The letter should be signed by you and faxed, emailed, or postmarked on or before _____, 2026 [*45 days within mailing of Notice*]. Opt-out requests faxed, emailed, or postmarked after the deadline will be invalid. The Administrator's information is below:

Administrator: NAME
Email Address:
Mailing Address:
Telephone:

Fax Number:

14. If I don't exclude myself from the Class portion of the Settlement, can I sue Defendant for the same thing later?

No. Unless you exclude yourself, you give up any right to sue Defendant for the claims being released by the Class portion of the Settlement, the Released Class Claims. If you have a claim or lawsuit already filed against Defendant or any of the Released Parties, you should speak to your lawyer in that case immediately. You may need to exclude yourself from the Class portion of the Settlement to continue your own lawsuit. You cannot exclude yourself from the PAGA portion of the Settlement.

OBJECTING TO THE SETTLEMENT

15. How do I tell the Court that I don't like the Settlement?

If you are a Participating Class Member and don't think the Settlement is fair, you can object to some or all of the Settlement. You can either object to the Settlement in person at the Final Approval Hearing or you can submit a written objection. Written objections must be faxed, emailed, or mailed (postmarked) to the Administrator by _____, 2026 [*45 days within mailing of Notice*].

The written objection should state your name and mailing address and describe all reasons for objecting to the terms of the Settlement. You should also include or attach any documents upon which your objection is based. If the Court overrules the objection at the Final Approval Hearing, the Settlement will be approved and you will receive your Individual Class Payment. If you do not submit a written objection, you may still appear at the Final Approval Hearing to voice your objection or to otherwise observe the proceedings.

Class Members who opt out from the Class portion of the Settlement have no right to object to the Settlement.

THE COURT'S FINAL APPROVAL HEARING

16. When and where will the Court decide whether to grant final approval of the Settlement?

The Court will hold a "Final Approval Hearing" in Department 10 of the Los Angeles County Superior Court located at 312 N. Spring Street, Los Angeles, CA 90012 on _____ 2026, at ___. At this hearing, the Court will determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve the Class Counsel's request for attorneys' fees and costs, the Class Representative Service Payments, and the Administration Expense Payment.

The Court may reschedule the Final Approval Hearing without further notice to Class Members. You can also check the Court's docket in this case, which will have the most up to date information about the case, by visiting the Court's websites at https://www.lacourt.ca.gov/pages/lp/access-a-case/tp/find-case-information/cp/os-civil-case-access.

17. Do I have to come to the Final Approval Hearing?

No. Class Counsel will answer any questions the Court may have. But you are welcome to come at your own expense. If you timely submit a written objection, you don't have to come to Court to talk about it but you may. You may also hire and pay your own lawyer to attend if you so desire.

[instructions for appearing remotely, if applicable]

GETTING MORE INFORMATION

18. Whom may I contact if I have questions about the Settlement?

You may contact Class Counsel at the contact information above in Paragraph 4 if you have any questions about the Settlement. You may also contact the court-appointed Administrator, [NAME], using its contact information provided above.

You may also visit [insert website URL] to review important case notices and documents.

PLEASE DO NOT TELEPHONE THE SUPERIOR COURT CLERK TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

EXHIBIT 2

D.Law

880 E. Broadway
Glendale, CA 91205

(818) 962-6465
(818) 962-6469

October 4, 2023

VIA ON-LINE SUBMISSION AND MAIL:
https://dir.tfaforms.net/128 **(copy by certified mail to all Defendants)**

Private Attorneys General Act
Attn. PAGA Administrator
455 Golden Gate Avenue, 9th Floor
San Francisco, CA 94102

Shields For Families
Kathryn Icenhower, Agent for Service of Process
11601 S. Western Ave
Los Angeles, CA 90047
Certified Mail Tracking Number: 9414 8112 0620 3684 3162 14

LWDA Case No.: LWDA-CM-985662-23

Re: Labor Code § 2698, *et seq*. Penalties – PAGA Notice Letter to the LWDA
Ochirvaani v. Shields for Families, et al.

Gentlepersons:

This office represents Plaintiff Amy John Ochirvaani ("Plaintiff") and other similarly situated aggrieved employees (collectively "Aggrieved Employees") for violations of California Labor Code §§ 201, 202, 203, 204, 210, 212, 213, 226, 226.3, 226.7, 226.8, 510, 512, 515, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, 2699, *et seq.*, and 2802; provisions of the Industrial Welfare Commission (IWC) Wage Order(s); and California Business & Professions Code § 17200 et seq.

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

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

We also set forth herein the facts and theories and the California Labor Code violations which Defendants engaged in with respect to Plaintiff an all of their Aggrieved Employees in California.

The Class Action Complaint provides the details of Plaintiff's class-wide claims and claims under the Act, and the applicable California law governing them. It, along with this Notice Letter, addresses in detail numerous violations that subject Defendants to civil and statutory penalties under the Act.

Relevant Facts

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

Defendants had a common policy and practice of systemically failing to pay Aggrieved Employees proper wages and overtime for all hours worked, at the proper rates of pay.

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

Next, Aggrieved Employees were also consistently required to perform work, off-the-clock, for which they were not paid wages. Aggrieved Employees were systemically required to work pre-shift hours without pay. Specifically, Aggrieved Employees were required to undergo temperature checks prior to clocking in. Next, Aggrieved Employees were required to perform work, and work-related tasks during unpaid meal periods. Furthermore, Aggrieved Employees were required to keep working after they had clocked out for the day in order to complete the assigned tasks, including having to responded to various work-related emails both before and after the completion of their shift. Defendants required Aggrieved Employees to work overtime but did not allow them to properly record their time, which resulted in Aggrieved Employees performing off-the-clock work on a regular basis. Defendants also unlawfully altered the time records for Aggrieved Employees, to reflect fewer hours worked. The forgoing and uncompensated working time was under the direction and control of Defendants, for which no wages were paid.

This uncompensated time caused Aggrieved Employees to work in excess of eight (8), ten (10) and/or twelve (12) hours a day and/or forty (40) hours a week, entitling Aggrieved Employees to minimum and overtime wages, which they were systemically denied.

Defendants had a common policy and practice of systemically denying Aggrieved Employees the opportunity to take meal periods in compliance with California Law. Specifically, due to understaffing and heavy workloads, Aggrieved Employees were denied the opportunity to take timely meal periods prior to the completion of their fifth hour of work. Additionally, Aggrieved Employees did not have the opportunity to take a timely second meal period when working over ten (10) hours per day. Furthermore, Aggrieved Employees were not relieved of all work duties

during unpaid meal periods and were required to keep working during meal breaks.

Aggrieved Employees were not provided with meal periods of at least thirty (30) minutes for each five (5) hour work period due to (1) Defendants' policy of not scheduling each meal period as part of each work shift; and (2) Defendants' practice of requiring Aggrieved Employees to continue working through their meal and rest periods due to the excessive workload.

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

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

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

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

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

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

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

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

Aggrieved Employees were not reimbursed for business expenses incurred in executing their duties under Defendant's employ. Specifically, Aggrieved Employees were required to utilize their computers from home, incurring Internet service and various utility costs, all of which was necessary to perform their duties under Defendants' employ. Aggrieved Employees were not reimbursed for these necessary work-related expenses.

PAGA Claim Details, Legal Bases for Violations and Penalties:
As addressed above and in further detail in the Class Action Complaint, the Aggrieved Employees complain of the following violations committed by Defendants:[1]

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

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

California Labor Code § 1197, entitled "Pay of Less Than Minimum Wage" states: "The minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful." The minimum wage provisions of California Labor Code are enforceable by private civil action pursuant to Labor Code § 1194(a) which states: "Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney's fees and costs of suit."

As described in California Labor Code §§ 1185 and 1194.2, any action for wages incorporates the applicable Wage Order of the California Industrial Welfare Commission. Also, California Labor Code §§ 1194, 1197, 1197.1 and those Industrial Welfare Commission Wage Orders entitle non-

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

exempt employees to an amount equal to or greater than the minimum wage for all hours worked. All hours must be paid at the statutory or agreed rate, or at the minimum rate in the absence of a contractually agreed upon one. The underpayment of wages to Aggrieved Employees is and has been a direct consequence of Defendants' unlawful compensation policies and practices, which applied uniformly to the Aggrieved Employees working at locations and work sites throughout California.

Defendants had a common policy and practice of systemically failing to pay Aggrieved Employees proper wages and overtime for all hours worked, at the proper rates of pay.

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

Next, Aggrieved Employees were also consistently required to perform work, off-the-clock, for which they were not paid wages. Aggrieved Employees were systemically required to work pre-shift hours without pay. Specifically, Aggrieved Employees were required to undergo temperature checks prior to clocking in. Next, Aggrieved Employees were required to perform work, and work-related tasks during unpaid meal periods. Furthermore, Aggrieved Employees were required to keep working after they had clocked out for the day in order to complete the assigned tasks, including having to responded to various work-related emails both before and after the completion of their shift. Defendants required Aggrieved Employees to work overtime but did not allow them to properly record their time, which resulted in Aggrieved Employees performing off-the-clock work on a regular basis. Defendants also unlawfully altered the time records for Aggrieved Employees, to reflect fewer hours worked. The forgoing and uncompensated working time was under the direction and control of Defendants, for which no wages were paid.

This uncompensated time caused Aggrieved Employees to work in excess of eight (8), ten (10) and/or twelve (12) hours a day and/or forty (40) hours a week, entitling Aggrieved Employees to minimum and overtime wages, which they were systemically denied.

Defendants have the ability to pay minimum and overtime wages for all time worked and have willfully refused to pay such wages with the intent to secure for Defendants a discount upon this indebtedness with the intent to annoy, harass, oppress, hinder, delay, or defraud Aggrieved Employees.

In light of the forgoing, the Aggrieved Employees seek to recover wages and penalties. Aggrieved Employees are entitled to recover the unpaid minimum wages (including double minimum wages), liquidated damages in an amount equal to the minimum wages unlawfully unpaid, interest thereon and reasonable attorney's fees and costs of suit pursuant to California Labor Code § 1194(a). the

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

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

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

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

Defendants have violated Labor Code § 1194 and Labor Code § 510 (and paragraphs 2(K), 2(S), 3(A) and 4(A)-4(B) of the relevant orders of the Industrial Welfare Commission) by failing to pay Employees: (a) time and one-half their regular hourly rates for hours worked in excess of eight hours in a workday or in excess of forty hours in any workweek or for the first eight hours worked on the seventh day of work in any one workweek; or (b) twice their regular rate of pay for hours worked in excess of twelve hours in any one day or for hours worked in excess of eight hours on any seventh day of work in a workweek. Defendants had a consistent policy of not paying Employees wages for all hours worked, including by requiring off the clock work as addressed above and by under-reporting actual hours worked. With work shifts generally requiring eight hours or more of work on a given day, this unpaid off the clock work resulted in Aggrieved Employees working past eight hours on a shift or more than forty hours in a week, which required that they be paid at the correct overtime rate of 1.5 times their regular rate.

When considered in combination with the other wage violations addressed above, Aggrieved Employees were not properly compensated, nor were they paid overtime and double time rates for hours worked in excess of 8, 10, and 12 hours in a given day, and/or forty hours in a given week. Defendants did not make available to Employees a reasonable protocol for correcting time records

when Employees worked overtime hours or to fix incorrect time entries or those that Defendants unlawfully under-recorded to the Employee's detriment. Defendants have also violated these provisions by requiring other similarly situated Aggrieved Employees to work through meal periods when they were required to be clocked out or to otherwise work off the clock to complete their daily job duties.

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

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

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

Defendants had a common policy and practice of systemically denying Aggrieved Employees the opportunity to take meal periods in compliance with California Law. Specifically, due to understaffing and heavy workloads, Aggrieved Employees were denied the opportunity to take timely meal periods prior to the completion of their fifth hour of work. Additionally, Aggrieved Employees did not have the opportunity to take a timely second meal period when working over ten (10) hours per day. Furthermore, Aggrieved Employees were not relieved of all work duties during unpaid meal periods and were required to keep working during meal breaks.

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

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

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

Rest-Break Liability Under Labor Code § 226.7 and Penalties

Defendants have consistently failed to provide Aggrieved Employees with paid rest breaks of not less than 10 minutes for every work period of 4 or more consecutive hours, as required by Labor Code. Aggrieved Employees were not provided with rest periods of at least ten (10) minutes for each four (4) hour work period, or major fraction thereof, due to (1) Defendants' policy of not scheduling each rest period as part of each work shift, including second rest breaks for shifts of six (6) hours or more; and a third rest period for shifts of ten (10) hours or more; (2) no formal compliant written rest period policy that encouraged employees to take their rest periods, or that properly advised Aggrieved Employees of their rest period rights; (3) Defendants' policy and practice of requiring Aggrieved Employees to continue working through their rest breaks due to the excessive workload.

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

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

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

Defendants have consistently required Aggrieved Employees to incur necessary business expenses in the execution of their duties under Defendants' employ. Specifically, Aggrieved Employees were not reimbursed for business expenses incurred in executing their duties under Defendant's employ. Specifically, Aggrieved Employees were required to utilize their computers from home, incurring Internet service and various utility costs, all of which was necessary to perform their duties under Defendants' employ. Aggrieved Employees were not reimbursed for these necessary work-related expenses in violation of Labor Code § 2802.

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

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

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

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

Additionally, for the purposes of Subsection (a)(9), Plaintiff seeks to expand the scope of the Aggrieved Employees she seeks to represent to extend to all individuals employed by Defendants during the applicable period. The wage statements issued to Aggrieved Employees failed to state all applicable hourly rates for which Aggrieved Employees were paid as required by Labor Code § 226(a)(9).

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

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

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

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

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

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

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

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

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

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

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

Waiting Time Penalties Pursuant to Labor Code § 203

Some Aggrieved Employees no longer work for Defendants; they either resigned or were terminated from Defendants' employ. Based on the forgoing, Defendants have had a consistent policy of failing to pay all wages earned by and owed to Aggrieved Employees at the time of their termination of within seventy-two hours of their resignation, as required by California under Labor Code § 203. In light of the forgoing, Aggrieved Employees seek to recover wages and penalties pursuant to Labor Code § 558 and further specifically seek penalties and wages under Labor Code § 203, which provides that an employee's wages shall continue until paid for up to thirty (30) days from the date they were due.

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

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

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

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

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

The Aggrieved Employees seek penalties under Labor Code §§ 2698 and 2699 for Defendants' violation of Labor Code provisions included under Labor Code § 2699.5, including the penalty provisions, without limitation, based, *inter alia*, on the following California Labor Code sections: §§ 201, 202, 203, 204, 210, 212, 213, 226, 226.3, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, 2699, *et seq.*, and 2802, including as follows:

(a) Wage Claims: For failure to provide the Aggrieved Employees all earned regular pay and minimum wages for regular hours worked and for failure to pay overtime premium wages for overtime hours worked, failure to pay proper reporting time and sick pay under Labor Code §§ 510, 1194(a), 1197, and 1198, and paragraphs 2(K), 3(A), 4(A), 4(B) and 20 of the applicable IWC Wage Order(s) seeking all civil and statutory penalties available and applicable under Labor Code §§ 246, 227.3, 510, 558, 1194.2, 1197.1, 1198, 1199, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

(b) Meal and Rest Period Claims: For failure to provide the Aggrieved Employees off-duty, timely, and unpaid meal periods and failure to authorize and permit them to take off-duty, timely, and paid rest periods, or pay one hour of regular pay in lieu thereof, under Labor Code §§ 512, 1198, and 226.7, and Sections 11, 12(A), and 12(B) of the applicable IWC Wage Order(s) seeking all civil and statutory penalties available and applicable, including under paragraph 20 of the applicable IWC Wage Orders, and wages under Labor Code §§ 226.7, 512, 558, including sections 558(a)(1)-(3), 1199 and 2699(f)(2), and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

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

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

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

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

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

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

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

Regards,

D.LAW, INC.

David Yeremian

Cc: **Shields for Families,** by Certified Mail

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Attorneys for Plaintiff AMY JOHN OCHIRVAANI

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

AMY JOHN OCHIRVAANI, on behalf of herself and all others similarly situated, and the general public,

Plaintiff,

v.

SHIELDS FOR FAMILIES, a California corporation; and DOES 1 through 50, inclusive,

Defendants.

Case No.:

CLASS ACTION COMPLAINT

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

JURY TRIAL DEMANDED

Plaintiff AMY JOHN OCHIRVAANI ("Plaintiff"), on behalf of herself, all others similarly situated, and the general public, complain and allege as follows:

INTRODUCTION

1. Plaintiff brings this class action against Defendants SHIELDS FOR FAMILIES, a California corporation; and DOES 1 through 50, inclusive, (collectively referred to as "Defendants") for alleged violations of the California Labor Code and California Business and Professions Code. As set forth below, Plaintiff alleges that Defendants have:

a. failed to pay them overtime wages at the correct rate;

b. failed to pay them double time wages at the correct rate;

c. failed to pay them overtime and/or double time wages by failing to include all applicable remuneration in calculating the regular rate of pay;

d. failed to provide them with meal periods;

e. failed to provide them with rest periods;

f. failed to pay them premium wages for missed meal and rest periods;

g. failed to provide them with accurate written wage statements;

h. failed to reimburse them with necessary business expenditures; and

i. failed to pay them all of their final wages following separation of employment.

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

JURISDICTON AND VENUE

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

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

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

PARTIES

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

6. Plaintiff is informed and believes, and thereupon alleges that Defendant SHIELDS FOR FAMILIES is, and at all relevant times mentioned herein, a California corporation doing business in the State of California.

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

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

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

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

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

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

a. **Hourly Employee Class**: All persons employed by Defendants, collectively or separately, and/or any staffing agencies and/or any other third parties in hourly or non-exempt positions in California four years prior to the filing of this action and ending on the date that final judgment is entered in this action ("Hourly Employee Class").

b. **Meal Period Sub-Class**: All **Hourly Employee Class** members who worked in a shift in excess of five hours during the four years prior to the filing of this action and ending on the date that final judgment is entered in this action.

c. **Rest Period Sub-Class**: All **Hourly Employee Class** members who worked a shift of at least three and one-half (3.5) hours the four years prior to the filing of this action and ending on the date that final judgment is entered in this action.

d. **Waiting Time Penalties Sub-Class**: All **Hourly Employee Class** members who separated from their employment with Defendants during the period beginning three years before the filing of this action and ending when final judgment is entered.

e. **Wage Statement Class**: All persons employed by Defendants in California during the period beginning one year before the filing of this action and ending when final judgment is entered.

f. **Expense Reimbursement Class:** All persons employed by Defendants in California who incurred business expenses during the **Relevant Time Period**.

g. **UCL Class**: All **Hourly Employee Class** and **Expense Reimbursement Class** members employed by Defendants in California during the four years prior to the filing of this action and ending on the date that final judgment is entered in this action.

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

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

14. **Commonality and Predominance:** Common questions of law and fact exist as to all class members and predominate over any questions which affect only individual class members. These common questions include, but are not limited to:

a. Whether Defendants maintained a policy or practice of failing to provide employees with their rest periods;

b. Whether Defendants maintained a policy or practice of failing to provide employees with their meal periods;

c. Whether Defendants failed to pay premium wages to class members when they have not been provided with meal and rest periods at the appropriate rates of pay;

d. Whether Defendants failed to pay minimum and/or overtime wages to class members for all time worked;

e. Whether Defendants failed to provide class members with accurate written wage statements as a result of providing them with written wage statements with inaccurate entries for, among other things, amounts of gross and net wages, and total hours worked;

f. Whether Defendants applied policies or practices that result in late and/or incomplete final wage payments;

g. Whether Defendants failed to reimburse class members for all necessary business expenses incurred during the discharge of their duties;

h. Whether Defendants are liable to class members for waiting time penalties under Labor Code section 203; and

i. Whether class members are entitled to restitution of money or property that Defendants may have acquired from them through unfair competition;

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

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

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

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

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

GENERAL ALLEGATIONS

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

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

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

21. Next, Plaintiff and Class Members were also consistently required to perform work, off-the-clock, for which they were not paid wages. Plaintiff and Class Members were systemically required to work pre-shift hours without pay. Specifically, Plaintiff and Class Members were required to undergo temperature checks prior to clocking in. Next, Plaintiff and Class Members were required to perform work, and work-related tasks during unpaid meal periods. Furthermore, Plaintiff and Class Members were required to keep working after they had clocked out for the day in order to complete the assigned tasks, including having to responded to various work-related emails both before and after the completion of their shift. Defendants required Plaintiff and Class Members to work overtime but did not allow them to properly record their time, which resulted in Plaintiff and Class Members performing off-the-clock work on a regular basis. Defendants also unlawfully altered the time records for Plaintiff and Class Members, to reflect fewer hours worked. The forgoing and uncompensated working time was under the direction and control of Defendants, for which no wages were paid.

22. This uncompensated time caused Plaintiff and Class Members to work in excess of eight (8), ten (10) and/or twelve (12) hours a day and/or forty (40) hours a week, entitling Plaintiff and Class Members to minimum and overtime wages, which they were systemically denied.

23. Defendants had a common policy and practice of systemically denying Plaintiff and Class Members the opportunity to take meal periods in compliance with the California Law. Specifically, due to understaffing and heavy workloads, Plaintiff and Class Members were denied the opportunity to take timely meal periods prior to the completion of their fifth hour of work. Additionally, Plaintiff and Class Members did not have the opportunity to take a timely second meal period when working over ten (10) hours per day. Furthermore, Plaintiff and Class Members were not relieved of all work duties during unpaid meal periods and were required to keep working during meal breaks.

24. Plaintiff and Class Members were not provided with meal periods of at least thirty (30) minutes for each five (5) hour work period due to (1) Defendants' policy of not scheduling each meal

period as part of each work shift; and (2) Defendants' practice of requiring putative class members to continue working through their meal and rest periods due to the excessive workload.

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

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

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

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

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

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

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

hourly rate by the employee" were not accurately reflected in that: all hours worked, including overtime, were not included.

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

33. Plaintiff and Class Members were not reimbursed for business expenses incurred in executing their duties under Defendant's employ. Specifically, Plaintiff and Class Members were required to utilize their computers from home, incurring Internet service and various utility costs, all of which was necessary to perform their duties under Defendants' employ. Plaintiff and Class members were not reimbursed for these necessary work-related expenses.

FIRST CAUSE OF ACTION

FAILURE TO PROVIDE MEAL PERIODS

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

(Plaintiff and Meal Period Sub-Class)

34. Plaintiff incorporates by reference the preceding paragraphs of the Complaint as if fully alleged herein.

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

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

37. Labor Code section 226.7 and Section 11 of the applicable Industrial Welfare Commission Wage Order ("Wage Order") both prohibit employers from requiring employees to work during required meal periods and require employers to pay non-exempt employees an hour of

premium wages on each workday that the employee is not provided with the required meal period.

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

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

40. Section 11 of the applicable Wage Order states:

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

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

42. Plaintiff alleges that, at all relevant times during the applicable limitations period, Defendants maintained a policy or practice of not providing Plaintiff and members of the **Meal Period Sub-Class** with uninterrupted, duty-free meal periods for at least thirty (30) minutes for each five (5) hour work period, as required by Labor Code section 512 and the applicable Wage Order. Specifically, due to understaffing and heavy workloads, Plaintiff and **Meal Period Sub-Class** members were denied the opportunity to take timely meal periods prior to the completion of their fifth hour of work. Additionally, Plaintiff and **Meal Period Sub-Class** members did not have the opportunity to take a timely second meal period when working over ten (10) hours per day. Furthermore, Plaintiff and **Meal Period Sub-Class** members were not relieved of all work duties during unpaid meal periods and were required to keep working during meal breaks.

43. Plaintiff and **Meal Period Sub-Class** members were not provided with meal periods of at least thirty (30) minutes for each five (5) hour work period due to (1) Defendants' policy of not

scheduling each meal period as part of each work shift; and (2) Defendants' practice of requiring **Meal Period Sub-Class** members to continue working through their meal and rest periods due to the excessive workload.

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

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

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

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

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

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

SECOND CAUSE OF ACTION

FAILURE TO PROVIDE REST PERIODS

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

(Plaintiff and Rest Period Sub-Class)

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

51. At all relevant times, Plaintiff and the **Rest Period Sub-Class** members have been

non-exempt employees of Defendants entitled to the full rest period protections of both the Labor Code and the applicable Wage Order.

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

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

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

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

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

57. Plaintiff and **Rest Period Sub-Class** members were not provided with rest periods of at least ten (10) minutes for each four (4) hour work period, or major fraction thereof, due to (1) Defendants' policy of not scheduling each rest period as part of each work shift, including second rest breaks for shifts of six (6) hours or more and a third rest period for shifts of ten (10) hours or more; (2) no formal compliant written rest period policy that encouraged employees to take their rest periods, or that properly advised **Rest Period Sub-Class** members of their rest period rights; (3) Defendants' policy and practice of requiring **Rest Period Sub-Class** members to continue working through their rest breaks due to the excessive workload.

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

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

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

THIRD CAUSE OF ACTION

FAILURE TO PAY HOURLY AND OVERTIME WAGES

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

(Plaintiff and Hourly Employee Class)

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

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

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

64. Section 4 of the applicable Wage Order requires an employer to pay non-exempt employees at least the minimum wage set forth therein for all hours worked, which consist of all hours that an employer has actual or constructive knowledge that employees are working.

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

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

67. Labor Code section 1197 makes it unlawful for an employer to pay an employee less

than the minimum wage required under the applicable Wage Order for all hours worked during a payroll period.

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

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

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

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

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

73. Labor Code section 510 and Section 3 of the applicable Wage Order also require employers to pay non-exempt employees overtime wages of no less than two times their respective regular rates of pay for all hours worked in excess of twelve hours in one workday and for all hours worked in excess of eight hours on a seventh consecutive workday during the workweek.

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

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

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

77. Plaintiff and **Hourly Employee Class** members were consistently required to perform work, off-the-clock for which they were not paid wages. Specifically, Plaintiff and **Hourly Employee Class** members were required to undergo temperature checks prior to clocking in. Next, Plaintiff and **Hourly Employee Class** members were required to perform work, and work-related tasks during unpaid meal periods. Furthermore, Plaintiff and **Hourly Employee Class** members were required to keep working after they had clocked out for the day in order to complete the assigned tasks, including having to responded to various work-related emails both before and after the completion of their shift. Defendants required Plaintiff and **Hourly Employee Class** members to work overtime but did not allow them to properly record their time, which resulted in Plaintiff and **Hourly Employee Class** members performing off-the-clock work on a regular basis. Defendants also unlawfully altered the time records for Plaintiff and **Hourly Employee Class** members. The forgoing and uncompensated working time was under the direction and control of Defendants, for which no wages were paid.

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

79. As a result of Defendants' unlawful conduct, Plaintiff and **Hourly Employee Class**

members have suffered damages in an amount, subject to proof, to the extent they were not paid the full amount of wages earned during each pay period during the applicable limitations period, including overtime wages.

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

81. Pursuant to Labor Code section 1194, Code of Civil Procedure section 1021.5, the substantial benefit doctrine, and/or the common fund doctrine, Plaintiff, on behalf of herself and **Hourly Employee Class** members, seek to recover reasonable attorneys' fees.

FOURTH CAUSE OF ACTION

FAILURE TO PROVIDE ACCURATE WRITTEN WAGE STATEMENTS

(Lab. Code § 226)

(Plaintiff and Wage Statement Penalties Sub-Class)

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

83. Labor Code section 226(a) states:

> An employer, semimonthly or at the time of each payment of wages, shall furnish to his or her employee, either as a detachable part of the check, draft, or voucher paying the employee's wages, or separately if wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee, except as provided in subdivision (j), (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer and, if the employer is a farm labor contractor, as defined in subdivision (b) of Section 1682, the name and address of the legal entity that secured the services of the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee and, beginning July 1, 2013, if the employer is a temporary services employer as defined in Section 201.3, the rate of pay and the total hours worked for each temporary services assignment. The deductions made from payment of wages shall be recorded in ink or

> other indelible form, properly dated, showing the month, day, and year, and a copy of the statement and the record of the deductions shall be kept on file by the employer for at least three years at the place of employment or at a central location within the State of California. For purposes of this subdivision, 'copy' includes a duplicate of the itemized statement provided to an employee or a computer-generated record that accurately shows all of the information required by this subdivision.

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

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

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

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

88. Plaintiff and **Wage Statement Class** members have suffered injuries, in that Defendants have violated their legal rights to receive accurate wage statements and have misled them about their actual rates of pay and wages earned. In addition, inaccurate information on their wage statements have prevented immediate challenges to Defendants' unlawful pay practices, has required

discovery and mathematical computations to determine the amount of wages owed, has caused difficulty and expense in attempting to reconstruct time and pay records, and/or has led to the submission of inaccurate information about wages and deductions to federal and state government agencies.

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

FIFTH CAUSE OF ACTION

FAILURE TO TIMELY PAY ALL FINAL WAGES

(Lab. Code §§ 201-203)

(Plaintiff and Waiting Time Penalties Sub-Class)

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

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

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

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

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

95. Plaintiff is informed and believes that, at all relevant times during the applicable limitations period, Defendants have maintained a policy or practice of paying **Waiting Time**

Penalties Sub-Class members their final wages without regard to the requirements of Labor Code sections 201 or 202 by failing to timely pay them all final wages.

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

97. Pursuant to Labor Code sections 203 and 218.6, Plaintiff, on behalf of herself and **Waiting Time Penalties Sub-Class** members, seek waiting time penalties from the dates that their final wages have first become due until paid, up to a maximum of thirty days, and interest thereon.

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

SIXTH CAUSE OF ACTION

FAILURE TO INDEMNIFY

(Lab. Code § 2802)

(Plaintiff and Reimbursement Class)

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

100. Labor Code section 2802(a) states:

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

101. Plaintiff and **Expense Reimbursement Class** members were not reimbursed for business expenses incurred in executing their duties under Defendant's employ. Specifically, Specifically, Plaintiff and **Expense Reimbursement Class Members** were required to utilize their computers from home, incurring Internet service and various utility costs, all of which was necessary to perform their duties under Defendants' employ. Plaintiff and **Expense Reimbursement Class**

Members were not reimbursed for these necessary work-related expenses.

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

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

SEVENTH CAUSE OF ACTION

UNFAIR COMPETITION

(Bus. & Prof. Code §§ 17200 *et seq*.)

(Plaintiff and UCL Class)

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

105. Business and Professions Code section 17200 defines "unfair competition" to include any unlawful business practice.

106. Business and Professions Code section 17203-17204 allow a person who has lost money or property as a result of unfair competition to bring a class action in accordance with Code of Civil Procedure section 382 to recover money or property that may have been acquired from similarly situated persons by means of unfair competition.

107. California law requires employers to pay hourly, non-exempt employees for all hours they are permitted or suffered to work, including hours that the employer knows or reasonable should know that employees have worked.

108. Plaintiff and the **UCL Class** members re-alleges and incorporates the FIRST, SECOND, THIRD, and SIXTH causes of action herein.

109. Plaintiff lost money or property as a result of the aforementioned unfair competition.

110. Defendants have or may have acquired money by means of unfair competition.

111. Plaintiff is informed and believes and thereupon alleges that by committing the Labor Code violations described in this Complaint, Defendants violated Labor Code sections 215, 216, 225,

226.6, 226.7, 354, 408, 512, 510, 553, 1175, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 1199, and 2802 as well as applicable Wage Orders, which make it a misdemeanor to commit the violations alleged herein.

112. Defendants have committed criminal conduct through their policies and practices of, *inter alia*, failing to comport with their affirmative obligations as an employer to: provide non-exempt employees with compliant meal and rest periods; pay for all hours worked at the proper rates of pay; proper sick time pay; reporting time pay; and reimbursement for necessary business expenditures.

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

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

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

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

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

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

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

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

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

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

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

PRAYER FOR RELIEF

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

a. An order that the action be certified as a class action;

b. An order that Plaintiff be appointed class representative;

c. An order that counsel for Plaintiff be appointed class counsel;

d. Unpaid wages and overtime;

e. Actual damages;

f. Liquidated damages;

g. Unreimbursed expenses;

h. Restitution;

i. Declaratory relief;

j. Pre-judgment interest;

k. Statutory penalties;

l. Costs of suit;

m. Reasonable attorneys' fees; and

n. Such other relief as the Court deems just and proper.

Dated: October 4, 2023

D.LAW, INC.

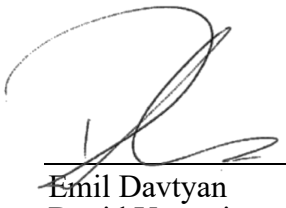
Emil Davtyan
David Yeremian
David Keledjian
David Arakelyan
Attorneys for Plaintiff
AMY JOHN OCHIRVAANI, and the putative class

DEMAND FOR JURY TRIAL

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

Dated: October 4, 2023

D.LAW, INC.



Emil Davtyan
David Yeremian
David Keledjian
David Arakelyan
Attorneys for Plaintiff
AMY JOHN OCHIRVAANI , and the putative class

EXHIBIT 3