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all others similarly situated, and on behalf of the general public

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF SACRAMENTO

KENTON SAMUELS on behalf of
himself, all others similarly situated, and
on behalf of the general public,

Plaintiffs,

v.

WIS INTERNATIONAL, INC.; CHI
MANAGEMENT GROUP LP;
CROSSMARK, INC.; and DOES 1-100,
Defendants.

Case No. 23CV012186
(Consolidated with Case No. 24CV00311)

*[Assigned for all purposes to the
Honorable Jill Talley; Dept. 23]*

**DECLARATION OF DAVID MARA, ESQ.,
IN SUPPORT OF PLAINTIFF KENTON
SAMUELS' MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION AND
PAGA SETTLEMENT, CONDITIONAL
CERTIFICATION, APPROVAL OF CLASS
NOTICE, SETTING OF FINAL APPROVAL
HEARING DATE**

Date: April 3, 2026
Time: 9:00 a.m.

Date Filed: November 22, 2023
Trial Date: None Set

1 I, DAVID MARA, declare as follows:

- 2 1. I am President of Mara Law Firm, PC, and counsel of record for Plaintiff and the putative class
3 in this matter. I am duly admitted to practice before all the courts of the state of California. The
4 following facts are within my personal knowledge and, if called to testify, I could and would
5 competently testify thereto.
- 6 2. I graduated from California Western School of Law and was admitted to practice law in
7 California in May 2004.
- 8 3. I extensively handle employment cases which involve violations of the California Labor Code
9 and Industrial Welfare Commission Wage Orders, such as wage and hour class actions and
10 cases alleging violations of the Private Attorneys General Act of 2004 ("PAGA"). I have
11 litigated over three hundred and fifty (350) class action and PAGA lawsuits over the course of
12 nearly 20 years.
- 13 4. I was co-class counsel in *Hohnbaum v. Brinker Restaurant Corp.* (San Diego County Superior
14 Court, Case No. GIC834348) which was the underlying case in the California Supreme Court's
15 landmark decision in *Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004, in
16 which the California Supreme Court delineated the scope of employer obligations to provide,
17 and employee rights to receive, meal and rest periods under California law.
- 18 5. I am frequently called upon to author Amicus Curiae briefs on behalf of Consumer Attorneys
19 of California ("CAOC"). For example, I authored the Amicus Curiae briefs on behalf of CAOC
20 in *Augustus v. ABM Security Services, Inc.* (2016) 2 Cal.5th 257, (The California Supreme Court
21 ruling that, like meal periods, employers must relieve employees of all duty and relinquish all
22 control to satisfactorily discharge its obligation to authorize and permit rest periods.); *Frlekin v.*
23 *Apple, Inc.* (2020) 8 Cal.5th 1038 (The California Supreme Court ruling that the time spent on
24 the employer's premises waiting for, and undergoing, required exit searches of packages, bags,
25 or personal technology devices voluntarily brought to work is compensable hours worked
26 within the meaning of the Wage Orders.); *Oliver v. Superior Court* (2021) California Court of
27 Appeal Case No. H049185 (A brief asking the California Court of Appeal for the Sixth
28 Appellate District to determine whether mandatory drive time of personal vehicles should be

- 1 considered hours worked within the meaning of the Wage Orders' suffered or permitted test.).
- 2 *Davidson v. O'Reilly Auto Enterprises, LLC* (9th Cir., 2020; Docket No. 18-56188) (a brief
- 3 seeking Review *En Banc* of an order denying class certification in a wage and hour matter). I
- 4 am also a member of CAOC's Amicus Committee that determines the cases in which the
- 5 organization will agree to provide amicus support.
- 6 6. I was a member of CAOC's Amicus Committee that determines the cases in which the
- 7 organization will agree to provide amicus support.
- 8 7. I have also lectured as a panelist for California Employment Lawyers Association regarding
- 9 a host of wage and hour issues.
- 10 8. My firm has been granted class certification in both state and federal courts.
- 11 9. My firm has been named as class counsel in a number of wage and hour class actions in which
- 12 the Court granted the plaintiff's motion for class certification. For example, my firm has been
- 13 named class counsel: *Mario Norona v. B&G Delivery System, Inc.* (Sacramento County
- 14 Superior Court, Case No. 34-2015-00186826-CU-OE-GDS); *Jerald Schroeder v. YRC, Inc.; et*
- 15 *al.* (Central District of California, Case No. 12-cv-01374-TJH); *John Martin v. Sysco*
- 16 *Corporation, et al.* (Eastern District of California, Case No. 1:16-cv-00990-DAD-SAB);
- 17 *William Smith v. Werner Enterprises, Inc. d/b/a C.L. Werner, Inc.* (District of Nebraska, Case
- 18 No. 8:15-cv-287); *Thomas Perez v. City of San Diego* (San Diego County Superior Court, Case
- 19 No. 37-2014-00016621-CU-OE-CTL); *Eric Mendez v. M&N Consulting, Inc. dba A-Line*
- 20 *Messenger Service* (San Bernardino County Superior Court, Case No. CIVDS1923624);
- 21 *Denson Sales v. Professional Auto Transport, Inc. et al.* (San Bernardino County Superior
- 22 Court, Case No. CIVDS2010153); *Sonny Williams v. Hansen and Adkins Auto Transport, Inc.;*
- 23 *et al.* (San Bernardino County Superior Court, Case No. CIVDS2020832); *Bobby Williams v.*
- 24 *Mohsen Transport, Inc.* (San Diego County Superior Court, Case No. 37-2019-00063361-CU-
- 25 OE-CTL); *Ashton Harden vs. Mushiana Transport Inc.* (Sacramento County Superior Court,
- 26 Case No. 34-2021-00301950-CU-OE-GDS); and *Ribaldo Olvera et al. v. American Corporate*
- 27 *Security, et al.* (Los Angeles County Superior Court Case No. 21STCV16417).
- 28 10. My firm has also been named as class counsel in numerous cases during the settlement process.

1 Here is a non-exhaustive list of cases where my firm has been named as class counsel in cases
2 during the settlement process: *Kenneth Cox v. 3PL Worx, et al.* (Yolo County Superior Court,
3 Case No. CV-18-100); *Brian Davidson v. A&B Trucking Services, Inc.* (Kern County Superior
4 Court Case No. BCV-16-102985); *Alex Vega, et al. v. Advance Beverage Co., Inc.* (Kern
5 County Superior Court, Case No. BCV-16-100848); *Jaime Ruiz v. Altura Centers for Health*
6 *(Kern County Superior Court, Case No. BCV-19-101577); George Zamudio v. AmeriPride*
7 *Service, Inc.* (Alameda County Superior Court, Case No. RG1809666); *Richard Hendricks v.*
8 *Antonini Freight Express, Inc.* (San Joaquin County Superior Court, Case No. STK-CV-UOE-
9 2016-6999); *Alton Davis v. Apria Healthcare Group, Inc.* (San Diego County Superior Court,
10 Case No. 37-2014-00004724-CU-OE-CTL); *Alan Atchison v. Ashley Furniture Industries, Inc.,*
11 *et al.* (Central District of California, Case No. 17-cv-00528-JAK-SP); *Bernard Payton v. Atech*
12 *Logistics, Inc.* (Sonoma County Superior Court, Case No. SCV 258595); *Ramon Jenkins v.*
13 *Compass Group USA, Inc., et al.* (Yolo County Superior Court, Case No. CVCV-18-747);
14 *Timothy Spikes, et al. v. Bear Trucking, Inc., et al.* (San Bernardino County Superior Court,
15 Case No. CIVDS1715151); *Joshua Turpen v. Benjamin's Transfer Inc.* (Solano County
16 Superior Court, Case No. FCS048845); *Cesar Mendoza v. Bi-Rite Food Service, Inc.* (San
17 Mateo County Superior Court, Case No. 17CIV02044); *Terrance Bailey v. Blue Apron, LLC;*
18 *et al.* (Northern District of California, Case No. 18-cv-07000-VC); *Jeffrey Weast v. California*
19 *Aseptic Beverages, LLC* (San Bernardino County Superior Court, Case No. CIVDS1825256);
20 *Michael Valentich v. Hub Construction Specialties, Inc.* (San Bernardino County Superior
21 Court, Case No. JCCPDS4893); *Jose De Jesus Ortega Velazquez v. Hunter Landscape, Inc.; et*
22 *al.* (San Bernardino County Superior Court, Case No. CIVDS1928062); *Adrian Diaz v.*
23 *Keystone Automotive Operations, Inc.* (Riverside County Superior Court, Case No.
24 RIC1817450); *Arturo Gonzalez v. NCI Group, Inc. dba NCI Building Systems* (Eastern District
25 of California, Case No. 18-cv-00948-AWI-SKO); *Larry Perez v. The Nielsen Company (US),*
26 *LLC* (Orange County Superior Court, Case No. 30-2021-01194324-CU-OE-CXC); *Erik*
27 *Martinez v. Patrick Industries, Inc.* (San Bernardino County Superior Court, Case No.
28 CIVDS2009663); *Randolph Fitch v. Shaw Industries, Inc.; et al.* (San Bernardino County

- 1 Superior Court, Case No. CIVSB2024674); *Joshua Rael v. Intercontinental Hotels Group*
2 *Resources, Inc.* (Los Angeles County Superior Court, Case No. 19STCV16010); and *Aaron*
3 *Romero v. Vitro Flat Glass, LLC* (Kern County Superior Court, Case No. BCV-21-101357).
- 4 11. On November 22, 2023, Plaintiff filed a class action complaint against WIS International,
5 Inc.¹ (Case No. 23CV012186). On January 10, 2024, Plaintiff filed a First Amended
6 Complaint that added CHI Management Group LP and Crossmark, Inc. as named
7 Defendants. On July 11, 2024, Plaintiff filed an Amendment to his First Amended Complaint
8 naming Retail Services WIS Corp. as Doe 1.
- 9 12. Plaintiff submitted a letter to the Labor and Workforce Development Agency (“LWDA”) in
10 accordance with the Private Attorneys General Act of 2004 (“PAGA”) on October 31, 2023.
11 On January 9, 2024, Plaintiff submitted a second letter to the LWDA. On January 10, 2024,
12 Plaintiff filed a PAGA complaint in this Court (Case No. 24CV00311). On July 11, 2024,
13 Plaintiff submitted an amended letter to the LWDA. As part of the settlement, Plaintiff is
14 submitting a second amended letter to the LWDA. Plaintiff’s second amended letter is
15 attached hereto as **Exhibit 2**.
- 16 13. The class and PAGA actions were consolidated by the Court on July 19, 2024. As part of the
17 settlement, Plaintiff is filing a Second Amended Complaint.
- 18 14. The Parties conducted significant investigation and discovery of the facts and law. Through
19 informal discovery, Defendants produced relevant policy documents that covered
20 employees’ employment with Defendants, such as employee handbooks and manuals.
21 Included within these documents were Defendants’ wage and hour policies, including its
22 meal and rest period policies. Defendants also produced a sampling of time and wage records
23 for Class Members, which Plaintiff had an expert analyze. Plaintiff also requested, and
24 Defendant produced, the number of current and former employees, as well as the number of
25 workweeks worked by Class Members during the relevant time period, to establish a
26 potential exposure model in preparation for mediation. In addition, Counsel for Plaintiff
27 conducted numerous interviews with Class Members on Defendant’s policies and

28 ¹ WIS International, Inc. was dismissed from the case on July 12, 2024.
Declaration of David Mara, Esq., in Support of
Plaintiff’s Motion for Preliminary Approval
Case No. 23CV012186

- 1 procedures. From this discovery and investigation, Plaintiff and his Counsel were able to
2 analyze Defendants' liability and prepare a realistic damage model.
- 3 15. The Parties attended an all-day mediation presided over by wage and hour mediator Brandon
4 McKelvey on April 1, 2025. The mediation ended with Mr. McKelvey issuing a mediator's
5 proposal that was ultimately accepted by all Parties. The Parties then met and conferred over
6 all the terms of the settlement and finalized their settlement in the Parties' Settlement
7 Agreement. The Parties' Settlement Agreement is attached hereto as **Exhibit 1**.
- 8 16. Defendants argue at the outset that they have enforceable arbitration agreements that cover
9 a vast majority of Class Members' employment.
- 10 17. Plaintiff asserts that Defendants' arbitration agreements are unenforceable. Specifically,
11 Plaintiff contends that Defendants' arbitration agreements are procedurally and substantively
12 unconscionable adhesion contracts that lack mutuality.
- 13 18. Defendants disagree and contend that the Court would uphold their agreements. Defendants
14 further assert that, to the extent the Court were to find any of the provisions in the agreements
15 to be unenforceable, the Court could sever those terms from the arbitration agreements and
16 enforce the remainder of the agreements. If Defendants were to prevail on the issue of
17 arbitration, the class mechanism would be unavailable to a vast number of Class Members
18 who would only be able to obtain relief by invoking their individual rights under the
19 respective arbitration agreements.
- 20 19. Plaintiff contends that Defendants do not pay employees for all time worked. Employees
21 must be paid for all "hours worked," as that phrase is defined in the Wage Order and
22 interpreted by California courts. Hours worked is defined in the Wage Order as "the time
23 during which an employee is subject to the control of an employer and includes all the time
24 the employee is suffered or permitted to work, whether or not required to do so." Wage Order
25 5-2001, Subd. 2(K); *see also Mendiola v. CPS Security Solutions, Inc.* (2015) 60 Cal.4th 833.
26 Under the control standard, "it is only necessary that the worker be subject to the control of
27 the employer in order to be entitled to compensation." *Morillion v. Royal Packing Co.*
28 (2000) 22 Cal. 4th 575, 584. The *Morillion* Court reasoned that an employee is under the

1 employer's control and entitled to compensation when the employer "directs, commands or
2 restrains' an employee." *Morillion*, 22 Cal. 4th at 583 (quoting *Bono Enterprises, Inc. v.*
3 *Bradshaw* (1995) 32 Cal. App. 4th 968, 975). Here, Plaintiff contends that Defendants do
4 not compensate employees for all time they are performing work duties and are under
5 Defendants' control. This time includes time commuting to and from work in their personal
6 vehicles, time employees are engaged in work related tasks prior to clock in and after
7 clocking out, and time employees have to assist customers and/or clients while off the clock.

8 20. Plaintiff contends that under *Morillion*, employees must be paid for all time they are
9 performing work duties and are subject to Defendants' control. As to the commute time,
10 Plaintiff argues that the case *Oliver v. Konica Minolta Business Solutions U.S.A.* ("*Oliver*")
11 (2020) 51 Cal.App.5th 1, supports his position. In *Oliver*, employees were required to drive
12 their personal vehicles for work and the employer did not have an express policy restricting
13 service technicians from using their vehicles for personal use during their commutes. There,
14 the Court of Appeal outlined three factors that must be shown in order for commute time to
15 be compensable: (1) were employees required to drive their own vehicles; (2) were
16 employees required to bring tools with them on the commute; and (3) if employees had to
17 bring tools with them on their commute, was there so many tools that the employee was
18 effectively prevented from using the commute time for his or her own purposes.

19 21. Defendants argue that they pay employees for all time worked. When Class Members are
20 clocked out, it "creates a presumption they are doing no work"² – a presumption Defendants
21 claim Plaintiff's cannot overcome from Defendants' policies and practices. Defendants assert
22 that they inform employees that they are not allowed to perform any work while off the clock
23 and that all work must be done while clocked in. Defendants contend that supervisors tell
24 employees they cannot perform any work if they are not clocked in. Accordingly, Defendants
25 conclude Plaintiff's should take nothing on this claim because they would not be able to
26 overcome the clocked-out presumption of no work and establish that Defendants knew or
27 should have known that the work was taking place.

28 ² *Brinker, supra*, 53 Cal.4th at 1051.

1 22. As to the commute time, Defendants point to the general rule that commute time is not
2 compensable. They also conclude that, under the standards of *Konica*, the time is not
3 compensable, because employees do not have to transport a large amount of materials and
4 supplies and they are free to use their commute time as they please to stop and get coffee,
5 breakfast, or drive children to and from school.

6 23. Plaintiff contends that Defendants do not provide employees with meal periods that conform
7 with California law. Employers have an obligation under California law to provide
8 employees with thirty (30) minute meal periods. Under California Labor Code § 512(a), “[a]n
9 employer may not employ an employee for a work period of more than five hours per day
10 without providing the employee with a meal period of not less than 30 minutes” Cal.
11 Lab. Code § 512(a). An employer “satisfies this obligation [to provide meal periods] if it
12 relieves its employees of all duty, relinquishes control over their activities and permits them
13 a reasonable opportunity to take an uninterrupted 30-minute break, and does not impede or
14 discourage them from doing so.” *Brinker Restaurant Corp. v. Superior Court* (2012) 53
15 Cal.4th 1004, 1040. Here, Plaintiff contends that Defendants’ time records show non-
16 compliant meal periods.

17 24. In *Donohue v. AMN Services, LLC*, the California Supreme Court issued a decision, wherein
18 it ruled that time records showing late, short, or missed meal periods raises a rebuttable
19 presumption that the meal periods were not provided: “If time records show missed, short,
20 or delayed meal periods with no indication of proper compensation, then a rebuttable
21 presumption arises” that the meal periods were not provided in accordance with California
22 law. *Donohue v. AMN Services, LLC* (2021) 11 Cal.5th 58, 74. Plaintiff contends that, here,
23 the time records show non-compliant meal periods. In these shifts, under *Donohue*, Plaintiff
24 contends that it is presumed that meal period violations occurred.

25 25. Defendants assert that their meal period policies are lawful and that they provide employees
26 with meal periods in compliance with California law. Defendants rely on their policies that
27 track the requirements of the Labor Code to establish they have met their burden of providing
28 employees with meal periods that California law requires of them. Defendants further rely

1 on *Brinker* to show that, after providing the right to take meal periods through its policies, it
2 is under no obligation to “police” employees who have otherwise been relieved of duty.
3 *Brinker, supra*, 53 Cal.4th at 1040-1041 (“...[T]he employer is not obligated to police meal
4 breaks and ensure no work thereafter is performed. Bonafide relief from duty and the
5 relinquishing of control satisfies the employer’s obligations, and work by a relieved
6 employee during a meal break does not thereby place the employer in violation of its
7 obligations and create liability for premium pay...”). As its policies lawfully “provide” meal
8 periods within the meaning of *Brinker*, Defendant concludes that any irregularities in the
9 records will be rebutted through Defendants’ policies and reflect employee choice or lawful
10 waiver, which do not constitute violations.

11 26. Plaintiff alleges that employees are not provided with lawful rest periods. Employers have
12 an obligation to provide employees with ten (10) minute rest periods. An employer’s
13 obligation to provide its employees with rest periods arises under the Industrial Welfare
14 Commission Wage Orders. Wage Order 4-2001, Section 12(A) states, “[e]very employer
15 shall authorize and permit all employees to take rest periods, which insofar as practicable
16 shall be in the middle of each work period. The authorized rest period time shall be based on
17 the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or
18 major fraction thereof.” Here, Plaintiff alleges that Defendant requires employees to remain
19 on the premises during rest periods.

20 27. In *Augustus v. ABM Security Services, Inc.* (2016) 2 Cal.5th 257, the California Supreme
21 Court ruled that the standards applicable to providing meal periods the Court articulated a
22 few years earlier in *Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004, were
23 equally applicable to the rest period context. Citing *Brinker*, the *Augustus* Court ruled that,
24 like meal periods, “[d]uring required rest periods, employers must relieve their employees of
25 all duties and relinquish any control over how employees spend their break time.” *Augustus*,
26 2 Cal.5th at 260. At a minimum, to relinquish employer control over how employees spend
27 their break time, the employee must be “free to leave the premises.” *Brinker*, 53 Cal.4th at
28 1036. As the *Augustus* Court reasoned, the employee must be free to travel five minutes away

1 from the work site so that they can get back within the allotted ten-minute time frame of the
2 break. *Augustus*, 2 Cal.5th at 270. Plaintiff contends that, here, Defendants do not permit
3 employees to leave the premises during rest periods.

4 28. Defendants contend that they do not require employees to remain on the premises during rest
5 periods. Defendants argue that to resolve this claim, the factfinder would have to ask whether
6 employees thought they could leave the premises during rest breaks. In addition, Defendants
7 contends that employees did, in fact, leave the premises during rest periods. Defendants
8 assert that should litigation continue, they would present declarations from employees stating
9 that they were free to leave the premises, and did leave the premises, during rest periods.

10 29. Defendants also counter that even if they did tell employees they are to remain on the
11 premises, a point that Defendants do not concede, the practical limitations the ten (10)
12 minutes allotted for rest periods imposes on an employee's movement are what prevent
13 employees from leaving the premises. In other words, the time limitation of only having ten
14 (10) minutes for rest periods prevents off-premises movement during rest periods, not
15 expressly or impliedly telling employees that rest periods are to be taken on the premises.
16 Based on the practical limitations associated with ten (10) minute rest periods, and not
17 Defendants' policies, Defendants contend that their policies are aligned with, and not
18 antagonistic to *Augustus*. Defendants find support for this in the following language from

19 *Augustus*:

20 Because rest periods are 10-minutes in length (Wage Order 4, subd. 12(A)), they
21 impose practical limitations on an employee's movement. That is, during a rest
22 period an employee generally can travel at most five minutes from a particular work
post before returning to make it back on time. Thus, one would expect that
employees will ordinarily have to remain on site or nearby.

23 *Augustus*, *supra*, 2 Cal.5th at 270.

24 30. Defendants further assert that employees are relieved of all work and employer control
25 during rest periods. And, to the extent there is any limitation placed on rest periods, it is
26 something that arises simply out of the fact that ten (10) minutes is a short amount of time.
27 Therefore, Defendants assert that the limitations placed on employees, if any, are merely
28 inherent to rest periods and not an exertion of employer control.

- 1 31. Plaintiff alleges that employees are not provided with accurate itemized wage statements.
- 2 Section 226(a) provides that employers must furnish an accurate itemized statement in
- 3 writing showing: (1) gross wages earned; (2) total hours worked by the employee; (3) the
- 4 number of piece rate units earned and applicable piece rate if the employee is paid on a piece
- 5 rate basis; (4) all deductions; (5) net wages earned; (6) the inclusive dates of the period for
- 6 which the employee is paid; (7) the name of the employee and only the last four digits of his
- 7 or her social security number or employee identification number other than a social security
- 8 number; (8) the name and address of the legal entity that is the employer; and (9) all
- 9 applicable hourly rates in effect during the pay period and corresponding number of hours
- 10 worked at each hourly rate by the employee. Plaintiff alleges that Defendants fail to provide
- 11 employees with accurate itemized wage statements because Defendants' wage statements do
- 12 not meet California Labor Code § 226(a)'s requirements because they fail to accurately
- 13 provide the employee with their total hours worked and the applicable hourly rates in effect
- 14 during the pay period and corresponding number of hours worked at each rate.
- 15 32. Defendants dispute this claim. Defendants argue that employees can ascertain the required
- 16 information, such as the total hours worked and the applicable hourly rates in effect, using
- 17 simple math. Defendants rely on cases which hold that "[w]age statements comply with §
- 18 226(a) when a plaintiff employee can ascertain the required information by performing
- 19 simple math, using figures on the face of the wage statement." *Hernandez v. BCI Coca-Cola*
- 20 *Bottling Co.* (9th Cir. 2014) 554 Fed. Appx. 661, 662 (citing *Morgan v. United Retail Inc.*
- 21 (2010) 186 Cal.App.4th 1136).
- 22 33. Further, Defendants also assert that any violation of California Labor Code § 226 was not
- 23 "knowing and intentional." See Cal. Lab. Code § 226(e) ("An employee suffering injury as
- 24 a result of a knowing and intentional failure by an employer" may recover damages");
- 25 *Amaral v. Cintas Corp. No. 2* (2008) 163 Cal.App.4th 1157, 1195 ("Some statutory penalties
- 26 are imposed only if an employers' violation was 'willful' or 'knowing.' . . . [S]ection 226,
- 27 *subdivision (e)* penalizes an employer's 'knowing and intentional' failure to provide itemized
- 28 wage statements under *section 226, subdivision (a)[.]*"); *Naranjo v. Spectrum Security*

1 *Services, Inc.* (2024) 15 Cal.5th 1056. Defendants maintain that they reasonably, and in good
2 faith believe that they were providing a complete and accurate wage statement in compliance
3 with California law. Defendants further contend that employees cannot show that they have
4 suffered an injury because of any potential violation of California Labor Code § 226.
5 Defendants contend that employees knew to talk to their manager or the Human Resources
6 department if they had any questions or concerns with their wage statements. As such,
7 disputes exist as to whether Defendants' wage statements violated California Labor Code §
8 226(a)(8), whether any such violation was knowing and intentional, and whether employees
9 suffered an injury.

10 34. Plaintiff alleges that employees are not reimbursed for all business expenses. Under Labor
11 Code § 2802, the employer must "indemnify its employees for expenses they necessarily
12 incur in the discharge of their duties..." Plaintiff contends that Defendants fail to reimburse
13 Plaintiff and the Class Members for all miles driven in their personal vehicles. Plaintiff
14 asserts that Defendants do not reimburse Plaintiff and the Class Members for the miles they
15 drive to their first work location and from their last work location. Plaintiff also asserts that
16 Defendants do not reimburse employees for purchasing footwear, tools, and other supplies
17 and equipment.

18 35. Defendants contend that, as outlined above, commute time is not compensable time and,
19 therefore, Defendants are not required to reimburse employees for these miles driven.
20 Defendants contend that they reimburse employees for the miles they drive during their
21 workday outside of commute time. Defendants assert that they have reimbursed employees
22 for all necessary business expenses and that employees are informed of how they can submit
23 reimbursements for any necessary expenses. Defendants further assert that they did not have
24 a policy of requiring employees to wear specific footwear and that if an employee did so, it
25 was due to employee choice not an employer mandate. Further, Defendants assert that they
26 provided employees with all necessary tools, supplies, and equipment.

27 36. Plaintiff also pursued waiting time penalties. This claim is derivative of Plaintiff's unpaid
28 wages and meal and rest period claims. Should these claims fail, this claim would also fail.

1 In addition, Defendants contend that even if Plaintiff were successful in his unpaid wages
2 and meal and rest period claims, he would have to prove Defendants “willfully” failed to pay
3 employees the appropriate wages due upon separation of employment. “A willful failure to
4 pay wages within the meaning of Labor Code Section 203 occurs when an employer
5 intentionally fails to pay wages to an employee when those wages are due. However, a good
6 faith dispute that any wages are due will preclude imposition of waiting time penalties under
7 Section 203.” Cal. Code Regs. Tit. 8 § 13520. “A ‘good faith dispute’ that any wages are due
8 occurs when an employer presents a defense, based in law or fact, which would preclude any
9 recovery on the part of the employee. The fact that a defense is ultimately unsuccessful will
10 not preclude a finding that a good faith dispute did exist.” *Id.* Defendants contend that any
11 failure to pay wages due or meal and rest period premiums at the separation of employment
12 was not willful. Defendants argue that they would not be liable for waiting time penalties
13 because a “good faith dispute” exists over the payment of those wages. *See* Cal. Code Regs.
14 Tit. 8 § 13520; *Amaral v. Cintas Corp. No. 2* (2008) 163 Cal.App.4th 1157, 1201.

15 37. Plaintiff also seeks PAGA penalties for the claims outlined above as well as for failure to
16 pay employees twice per month, failure to provide a wage theft prevention notice, and failure
17 to provide one day’s rest in seven. PAGA allows the private enforcement of certain
18 California Labor Code sections relating to wage and hour violations. The statute of
19 limitations for PAGA violations goes back one year. Because many of Plaintiff’s PAGA
20 claims are based on the same alleged unlawful conduct as his class claims, these PAGA
21 claims are subject to the same risks on the merits as Plaintiff’s class claims. Defendants also
22 contend that, as outlined above, they have paid employees all wages owed and paid these
23 wages at least twice per month. Defendants further contend that they have provided
24 employees with all required wage theft prevention notices and have always provided
25 employees with one day’s rest in seven.

26 38. Further, Defendants maintain that Plaintiff’s PAGA claims face manageability concerns
27 consistent with the class certification challenges. Specifically, Defendants have due process
28 rights which would not permit Plaintiff to attempt to generalize violations from disparate

1 anecdotal evidence. *Duran v. U.S. Bank National Assn.*, 59 Cal.4th 1 (2014).

2 39. In addition, the Court may reduce any PAGA penalties awarded under Section 2699,
3 subdivision (e)(2). The likelihood of the Court reducing the PAGA penalties awarded to the
4 Aggrieved Employees – assuming liability is proven as to each of Plaintiff’s claims – is
5 higher in this case where these same individuals may also be receiving money for the same
6 unlawful conduct under the class claims. *See Avila v. Cold Spring Granite Co.* (E.D. Cal.
7 Jan. 12, 2018) Case No. 1:16-cv-001533-AWI-SKO, 2018 U.S. Dist. LEXIS 6142 *17
8 (“Because the PAGA penalties sought are at least partially duplicative of penalties granted
9 by the underlying Labor Code violations, *see, e.g.*, Cal. Lab. Code §§
10 203, 226, 558(a), 1194.2, and because a Court has discretion in whether and in what amount
11 to award PAGA penalties, *see* Cal. Lab. Code § 2699(e)(2), Plaintiff recognizes that the
12 potential PAGA penalties are highly uncertain.”). As such, the Court will likely reduce any
13 PAGA penalty amount awarded to the Aggrieved Employees.

14 40. Class Members worked approximately 1,549,148 shifts. Employees earned approximately
15 \$16.00 per hour on average.

16 41. In evaluating the potential exposure, Plaintiff also had to take into consideration Defendants’
17 arbitration agreements. Defendants’ arbitration agreements raised additional risks in
18 proceeding forward with litigation. Plaintiff had to take into consideration the fact that the
19 Court could find that Defendants’ arbitration agreements are enforceable. If the agreements
20 are enforced, a majority of class claims would be subject to individual, non-class arbitrations.
21 As Court’s have recognized, without the class mechanism, pursuit of individual relief of
22 relatively small claims would likely be rare and sporadic, which, here would create far less
23 value than presented by this class settlement. *See Sav-On Drug Stores, Inc. v. Superior Court*
24 (2004) 34 Cal.4th 319, 340 (“By establishing a technique whereby the claims of many
25 individuals can be resolved at the same time, the class suit both eliminates the possibility of
26 repetitious litigation and provides small claimants with a method of obtaining redress for
27 claims which would otherwise be too small to warrant individual litigation.”).

28 42. As discussed above, Plaintiff contends that Defendants do not compensate employees for all

1 time they are performing work duties and are under Defendants' control. This time includes
2 time commuting to and from work in their personal vehicles, time employees are engaged in
3 work related tasks prior to clock in and after clocking out, and time employees have to assist
4 customers and/or clients while off the clock. Plaintiff contends that under California law,
5 employees must be paid for this time. If Plaintiff were to prevail on this claim for the entire
6 class period, Plaintiff and the Class Members would be entitled to the following potential
7 damages: \$6,196,592 (1,549,148 shifts x \$16.00 x 0.25 = \$6,196,592).

8 43. Defendants contend that they pay employees for all time they are performing work duties
9 and are subject to Defendants' control. Defendants further assert that employees' commute
10 time is not compensable. Defendants assert that employees do not have to transport a large
11 amount of materials and supplies such that their commute time is transformed into
12 compensable time worked. Defendants contend that employees can use their commute time
13 for their own purposes and they are not limited in what they can do during this time. As such,
14 Defendants contend that they have properly compensated employees for all work time.

15 44. Accordingly, Defendants claim Plaintiff should take nothing on this claim and, if the
16 factfinder agreed, Plaintiff would take nothing. It's a zero-sum outcome. If the Court sides
17 with Defendants' position, Plaintiff and the Class would take nothing. Any responsible
18 negotiation of these claims for settlement purposes had to strongly factor in the take-nothing
19 risk these claims presented.

20 45. Although remaining confident in his position, Plaintiff had no way of knowing how the Court
21 and/or factfinder would rule on these issues and a discount had to be given to make settlement
22 possible. Based upon these arguments, Plaintiff evaluated the realistic exposure of this claim
23 at \$309,829.

24 46. Plaintiff alleges that Defendants failed to provide employees with meal periods in accordance
25 with California law because Defendants' time records show unlawful meal periods. The
26 sampling of records shows meal period violations in approximately 63% of shifts. If Plaintiff
27 were to prevail on this claim for the entire class period, Plaintiff and the Class Members
28 would be entitled to the damages in the amount of approximately \$11,773,984 (1,168,057

1 shifts over five hours x 0.63 x \$16.00 = \$11,773,984.30).

2 47. Defendants contend that this amount is too high as it has paid meal period premiums to
3 employees and/or employees waived their meal periods in these shifts. Defendants assert that
4 no damages would be attributable to shifts in which a premium has already been paid and
5 shifts in which a meal period waiver was signed. As such, Defendants contend that the
6 potential damages would be reduced.

7 48. *Donohue* does not establish liability. It establishes a presumption – a rebuttable presumption
8 that Defendants can rebut. Defendants contend that that this amount owed for alleged meal
9 period violations should be zero because it would be able to rebut the presumption under
10 *Donohue*, that the time records reflect meal periods were not provided. Defendant intended
11 to rebut the presumption through its policies it claims lawfully communicate meal period
12 rights. Once the legality of their policies is established, Defendants would have no duty to
13 police employees who decided to not take a meal period or waived it. If the Court sided with
14 Defendants, Plaintiff and the Class would take nothing, this significant hurdle.

15 49. In addition, Defendants contend that the fact finder would have to ask each employee what
16 their understanding of Defendants' meal period policies were. Defendants contend that this
17 would also defeat class certification as to this claim.

18 50. Plaintiff had to take Defendants' arguments into consideration, including that Defendants
19 may be able to rebut the presumption under *Donohue* and that his damages may be reduced
20 based upon waivers and, thus, had to discount this claim. Based upon these arguments,
21 Plaintiff evaluated the realistic exposure of this claim at \$2,354,796.

22 51. Plaintiff alleges that Defendants failed to provide employees with rest periods in accordance
23 with California law. Plaintiff contends that employees are required to remain on the premises
24 during rest periods. If Plaintiff were to prevail on this claim for the entire class period,
25 Plaintiff and the Class Members would be entitled to damages in the amount of
26 approximately \$23,076,112 (1,442,257 shifts over three and a half hours x \$16.00 =
27 \$23,076,112).

28 52. Defendants contend that this amount should be zero because it has a lawful rest period policy

1 and practice. Defendants contend that they do not require employees to remain on the
2 premises during rest periods and that employees do, in fact, leave the premises during rest
3 periods.

4 53. As to class certification, Defendants contend that there is no common policy or practice on
5 which Plaintiff can rely to support this claim because they contend their rest period policies
6 are facially compliant. Defendants assert that under Plaintiff's theory, liability will need to
7 be determined person-by-person and day-by-day and will depend on individualized facts.
8 Defendants contend that these individualized issues render Plaintiff's rest break claim wholly
9 unsuited to class treatment. Accordingly, Defendants claim Plaintiff should take nothing on
10 this claim.

11 54. If the factfinder agreed with Defendants' arguments, Plaintiff would take nothing on this
12 claim. Plaintiff had to take Defendants' arguments into consideration in assessing the
13 strength of his rest period claim given the all or nothing prospect of establishing liability.
14 Based upon these arguments, Plaintiff evaluated the realistic exposure of this claim at
15 \$2,307,611.

16 55. Plaintiff alleges that Defendants failed to provide accurate itemized wage statements. The
17 statute of limitations for Plaintiff's wage statement claim is one year. Under California Labor
18 Code § 226(e)(1), the damages for breach of this section are fifty dollars (\$50) for the initial
19 pay period in which a violation occurs and one hundred dollars (\$100) per employee for each
20 violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand
21 dollars (\$4,000). If Plaintiff were to prevail on this claim, the potential damages would be
22 approximately \$13,012,000 (3,253 employees within one year statute of limitations x \$4,000
23 maximum penalty = \$13,012,000).

24 56. Defendants argue that employees can ascertain the required information, such as the total
25 hours worked and the applicable hourly rates in effect, using simple math. Defendants also
26 assert that any violation of California Labor Code § 226 was not "knowing and intentional."
27 Defendants further contend that employees cannot show that they have suffered an injury as
28 a result of any potential violation of California Labor Code § 226.

1 57. Plaintiff had to take Defendants' arguments into consideration in evaluating this claim. Based
2 upon these arguments, Plaintiff evaluated the realistic exposure of this claim at \$1,040,960.

3 58. Plaintiff contends that employees are not reimbursed for business expenses because they are
4 not reimbursed for miles driven to their first job location and from their last job location. If
5 Plaintiff were to prevail on this claim, the potential damages would be approximately
6 \$14,325,746 (1,549,148 shifts x 15 miles x 0.6165 average IRS rate per mile =
7 \$14,325,746.10).

8 59. In addition, Plaintiff contends that employees are not reimbursed for purchasing footwear,
9 tools, and other supplies and equipment. If Plaintiff were to prevail on this claim, the
10 potential damages would be approximately \$2,589,800 (12,949 employees x \$200 =
11 \$2,589,800).

12 60. Defendants contend that commute time is not compensable time and, therefore, Defendants
13 are not required to reimburse employees for these miles driven. Defendants contend that they
14 reimburse employees for the miles they drive during their workday outside of commute time.
15 Defendants assert that they have reimbursed employees for all necessary business expenses.
16 Defendants further contend that the same individualized issues that predominate Plaintiff's
17 unpaid wages claim, also predominate this claim. For that reason, Defendants contend that
18 class certification of this claim is not proper.

19 61. In addition, Defendants contend that they reimburse employees for all necessary business
20 expenses. Defendants assert that they have reimbursed employees for all necessary business
21 expenses and that employees are informed of how they can submit reimbursements for any
22 necessary expenses. As to class certification, Defendants assert that the fact finder would
23 have to ask each employee whether they had to purchase footwear, tools, supplies, or
24 equipment. Defendants assert that this would defeat class certification because there would
25 be varying employee experiences that would raise individualized issues.

26 62. If the factfinder agreed with Defendants' arguments, Plaintiff would take nothing on this
27 claim. Plaintiff had to take Defendants' arguments into consideration in assessing the value
28 of this claim for settlement purposes. Based upon these arguments, Plaintiff evaluated the

1 realistic exposure of this claim at \$338,310.

2 63. If Plaintiff were to prevail on his unpaid wages and meal and rest period claims, he and the
3 Class Members may also be entitled to waiting time penalties. Plaintiff calculates the
4 potential exposure under his waiting time penalties cause of action as \$30,792,960 (8,019
5 former employees in wage statement statute of limitations x 30 days x 8 hours per shift x
6 \$16.00 = \$30,792,960).

7 64. If Plaintiff's unpaid wages and meal period and rest period claims fail, these claims also fail.
8 There is also a possibility that the factfinder could find that these violations are not willful
9 and knowing and intentional. If this were to occur, Plaintiff and the Class would receive
10 nothing under these claims. In addition, a good faith dispute that any wages are due will
11 preclude imposition of waiting time penalties. Defendants argue that Plaintiff will not be able
12 to show that any violations were knowing and intentional and willful. Defendants also
13 contend that there is a good faith dispute about whether any wages are due. Defendants
14 further argue that Plaintiff's unpaid wages, meal period, and rest period claims cannot form
15 the basis of his wage statement claim. Defendants rely on the case *Maldonado v. Epsilon*
16 *Plastics, Inc.* (2018) 22 Cal.App.5th 1308, for the position that employees do not suffer
17 injury under California Labor Code § 226(a) so long as the wage statements correctly
18 reflected the hours worked and the pay received even if the pay is later determined to be
19 inaccurate.

20 65. Plaintiff had to take Defendants' arguments into consideration in evaluating the value of this
21 claim for settlement purposes. Plaintiff had to take into consideration the fact that this claim
22 is derivative of Plaintiff's unpaid wages, meal period, and rest period claims. Plaintiff also
23 had to consider the fact that he would also have to establish that any violation was willful.
24 Moreover, Plaintiff had to consider that Defendants may be able to prove that a good faith
25 dispute as to the wages due would preclude imposition of waiting time penalties. Based upon
26 these arguments, Plaintiff evaluated the realistic exposure of this claim at \$615,859.

27 66. Plaintiff also seeks PAGA penalties. PAGA allows the private enforcement of certain
28 California Labor Code sections relating to wage and hour violations. PAGA Section

1 2699(f)(2) reads, in part, as follows:

2 [T]he civil penalty is one hundred dollars (\$100) for each aggrieved employee per
3 pay period for the initial violation and two hundred dollars (\$200) for each
4 aggrieved employee per pay period for each subsequent violation.

5 The statute of limitations for PAGA violations go back one year. The potential damages
6 under Plaintiff's PAGA claim is \$64,435,500.³ Defendant contends that Plaintiff would not
7 be allowed to "stack" PAGA penalties. If the Court were to agree with this and only award
8 one PAGA penalty per pay period, Defendant's exposure would be \$7,954,200.⁴

9 67. As Plaintiff's PAGA claims are based on the same alleged unlawful conduct as his class
10 claims, Plaintiff's PAGA claims are subject to the same risks on the merits as Plaintiff's class
11 claims. In addition, the Court may reduce any PAGA penalties awarded under Section 2699,
12 subdivision (e)(2). The likelihood of the Court reducing the PAGA penalties awarded to
13 Plaintiff and the PAGA Aggrieved Employees – assuming liability is proven as to each of
14 Plaintiff's claims – is higher in this case where these same individuals may also be receiving
15 money for the same unlawful conduct under the class claims. *See Avila v. Cold Spring*
16 *Granite Co.* (E.D. Cal. Jan. 12, 2018) Case No. 1:16-cv-001533-AWI-SKO, 2018 U.S. Dist.
17 LEXIS 6142 *17 ("Because the PAGA penalties sought are at least partially duplicative of
18 penalties granted by the underlying Labor Code violations, *see, e.g.,* Cal. Lab. Code §§
19 203, 226, 558(a), 1194.2, and because a Court has discretion in whether and in what amount
20 to award PAGA penalties, *see* Cal. Lab. Code § 2699(e)(2), Plaintiff recognizes that the
21 potential PAGA penalties are highly uncertain."). As such, the Court may reduce any PAGA
22 penalty amount awarded to Plaintiff and the PAGA Members. Based upon these arguments,
23 Plaintiff evaluated the realistic exposure of this claim at \$322,177.

24 68. As detailed herein, there are substantial risks with respect to each of Plaintiff's claims that
25 justify compromise, including the risk that class certification will not be granted. Based upon
26 the risks outlined above, Plaintiff evaluated the realistic exposure on his claims at

27 ³ (\$100 x 8 PAGA violations x 79,542 pay periods = \$63,633,600) + (\$100 x 1 PAGA violation for waiting time
28 penalties x 8,019 pay periods = \$801,900).

⁴ 79,542 pay periods x \$100 = \$7,954,200

1 \$7,289,542. All of the factors discussed above led Plaintiff to reduce the realistic potential
2 exposure in order to gain a definite monetary recovery for the class. The proposed settlement
3 is 87% of Plaintiff's realistic exposure.

4 69. In light of the risks Plaintiff's claims faced, Plaintiff and his Counsel believe that the
5 settlement amount of \$6,375,000 – with an average settlement share amount estimated at
6 \$288.22 – is a reasonable and fair settlement amount.

7 70. Pursuant to Local Rule 2.99.05(C), I have reviewed the "CHECKLIST FOR APPROVAL OF
8 CLASS ACTION AND/OR PRIVATE ATTORNEYS GENERAL ACT ("PAGA")
9 SETTLEMENTS." Plaintiff's Motion for Preliminary Approval and all supporting documents
10 were prepared as to be in compliance with the checklist.

11 71. A true and correct copy of the "Costs Summary" reflecting current and future litigation costs
12 incurred is attached hereto as **Exhibit 3**. These costs were all reasonable and necessary to the
13 prosecution of this case and the results achieved, and are fair and reasonable.

14 72. The preliminary approval motion and supporting documents were uploaded to the Labor
15 Workforce Development Agency. Attached hereto as **Exhibit 4** is a confirmation received
16 as a result of this upload.

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

19
20 Dated: March 11, 2026

MARA LAW FIRM, PC

21
22 

David Mara, Esq.

23 Attorneys for Plaintiff KENTON SAMUELS on
24 behalf of himself, all others similarly situated, and on
25 behalf of the general public
26
27
28

Exhibit 1

David Mara, Esq. (SBN 230498)
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RETAIL SERVICES WIS CORP.

Additional Counsel on Following Page

SUPERIOR COURT OF THE STATE OF CALIFORNIA
 COUNTY OF SACRAMENTO

KENTON SAMUELS on behalf of himself, all
 others similarly situated, and on behalf of the
 general public,

Plaintiff,

v.

WIS INTERNATIONAL, INC.; CHI
 MANAGEMENT GROUP LP; CROSSMARK,
 INC.; and DOES 1 through 100,

Defendants.

AND CONSOLIDATED CASE.

Case No. 23CV012186 (Lead)
 Consolidated with Case No. 24CV000311

ASSIGNED FOR ALL PURPOSES TO
 JUDGE JILL TALLEY, DEPT 23

**JOINT STIPULATION TO SETTLE
 CLASS AND PAGA CLAIMS**

Trial Date: TBD
 Complaint Filed: November 22, 2023

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13 Attorneys for Defendants
14 CHI MANAGEMENT GROUP, LP and CROSSMARK, INC.
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Subject to the approval of the Court, this Joint Stipulation of Class Action and Private Attorney General Act ("PAGA") Settlement and Release ("Settlement") is made and entered into by and between Plaintiff KENTON SAMUELS ("Plaintiff"), individually and as the representative of the Participating Class Members, as defined below, on the one hand, and Defendants RETAIL SERVICES WIS CORP. DBA WIS INTERNATIONAL ("RSW"), CROSSMARK, INC. ("CROSSMARK"), and CHI MANAGEMENT GROUP, LP ("CHI") (collectively, "Defendants"), on the other hand. The Class (as defined below) and Defendants are jointly referred to herein as the "Settling Parties" and individually referred to herein as a "Settling Party."

DEFINITIONS

In addition to the other terms defined elsewhere in this Settlement, the terms below have the following meanings in this Settlement:

I. DEFINITIONS

A. "Actions" means the consolidated lawsuits entitled *Kenton Samuels v. WIS International, Inc., Chi Management Group LP, Crossmark, Inc. and Retail Services WIS Corp (dba WIS International)*, Superior Court State of California, County of Sacramento, Case No. 23CV012186 (filed on November 22, 2023, and amended on January 10, 2024); and *Kenton Samuels v. WIS International, Inc., Chi Management Group LP, Crossmark, Inc. and Retail Services WIS Corp (dba WIS International)*, Superior Court State of California, County of Sacramento, Case No. 24CV000311 (filed on January 10, 2024).

B. "Class Counsel" means David Mara, Jill Vecchi, and Carter Cordura of Mara Law Firm, PC.

C. "Class Counsel Fees and Expenses" means the total amount of attorneys' fees, litigation costs, and expenses awarded to Class Counsel by the Court to compensate Class Counsel for their representation in the Actions and all work performed and to be performed in the Actions, and all fees and costs incurred by Class Counsel to date and to be incurred in connection with the Actions, including pre-filing investigation, filing of the Actions, all related litigation activities including discovery, mediation, the motion for class certification, this Settlement, and all post-Settlement compliance procedures, including, but not limited to, any counsel costs and fees association with any

objections or appeals regarding the Settlement.

D. “Class” or “Class Member(s)” means all current and former non-exempt California employees who worked for any of the Defendants in California during the Class Period.

E. “Class Period” means from November 22, 2019 through June 7, 2025, unless amended as provided in Section III (P)(3).

F. “Class Pay Periods” means the total number of pay periods actually worked by the Class Member during the Class Period in California as determined by Defendants’ records.

G. “Class Representative Service Award” means the amount awarded by the Court to the Class Representative pursuant to Section III (D).

H. “Class Representative” or “Plaintiff” means Kenton Samuels.

I. “Court” means the Superior Court of California for the County of Sacramento.

J. “Defendants’ Counsel” means Jody Landry and Sarah Boxer of Littler Mendelson, PC and Stephen Fox and Lauren Blaes of Sheppard, Mullin, Richter, & Hampton LLP.

K. “Effective Date” means the date by which all of the following have occurred: the Court has finally approved the Settlement and entered Judgment thereon pursuant to California Rules of Court 3.769(h); and the Judgment has become Final, as defined herein below.

L. “Final” means that the Settlement has been finally approved by the Court without material modification and either: (i) if there are no objections, appeals, or writs, or if an objection(s) is made and overruled, 61 days after notice of entry of the order granting final approval of the Settlement; or (ii) if an appeal, review, or writ is sought from the final approval order, the day after the Judgment is affirmed or the appeal, review or writ is dismissed or denied, and the Judgment is no longer subject to further judicial review.

M. “Final Approval Hearing” means the hearing to be conducted by the Court to determine whether to finally approve and implement the terms of this Settlement.

N. “Judgment” means the judgment entered by the Court after it grants final approval of this Settlement.

O. “LWDA Notices” means Plaintiff’s letters submitted to the Labor and Workforce Development Agency (“LWDA”) dated October 31, 2023, January 9, 2024, and July 11, 2024, and

1 any subsequent letter submitted to the LWDA on behalf of Plaintiff.

2 **P.** "Maximum Settlement Amount" means the maximum potential value of the
3 settlement is Six Million Three Hundred and Seventy-Five Thousand Dollars (\$6,375,000.00)
4 ("Maximum Settlement Amount"). The Maximum Settlement Amount is the maximum amount
5 Defendants can be required to pay under this Settlement, including: (1) Payments to the Participating
6 Class Members for their share of the Net Settlement Amount (defined below); (2) Payments to the
7 PAGA Employees of their share of the Net Settlement Amount; (3) Class Counsel Fees and Expenses;
8 (4) Settlement Administration Costs; (5) payment of a Class Representative Service Award to Plaintiff;
9 (6) the payment to the LWDA of its share of the Net Settlement Amount; and (7) employee side payroll
10 taxes. Defendants will pay the employer side of the payroll taxes separately. The maximum settlement
11 amount, and taxes, will be funded 60% by Crossmark and 40% by RSW.

12 **Q.** "Net Settlement Amount" means the Maximum Settlement Amount *minus* the sum
13 of: (1) Class Counsel Fees and Expenses (2) the Settlement Administration Costs; and (3) Plaintiff's
14 Class Representative Service Award for being the Class Representative. Out of the Net Settlement
15 Amount, \$400,000.00 is designated as the PAGA Payment. The LWDA will be paid 75% of the
16 PAGA Payment. The remaining 25% of the PAGA Payment ("PAGA Employee Fund") will be paid
17 to PAGA Employees as set forth below. The remainder of the Net Settlement Amount ("Class
18 Member Fund"), will be paid to the Participating Class Members as outlined below.

19 **R.** "Participating Class Member(s)" means Class Members who do not submit a timely
20 and valid request to opt-out of the Settlement.

21 **S.** "Parties" means the Plaintiff and Defendants.

22 **T.** "PAGA Employees" means all current and former non-exempt California employees
23 who worked for any of the Defendants in California during the PAGA Period.

24 **U.** "PAGA Period" is the time period November 6, 2022 through June 7, 2025, unless
25 amended as provided in Section III (P)(3).

26 **V.** "PAGA Pay Periods" means the total number of pay periods actually worked by the
27 PAGA Employee during the PAGA Period in California as determined by Defendants' records and
28 excluding the time period for RSW employees covered by the settlement in *Schlosser v. Retail Services*

1 *WIS Corp*, Sacramento Superior Court Case No. 23CV002756, and the pay periods for CROSSMARK
2 and CHI employees covered by the settlement in *Sgontz v. Crossmark, Inc.*, Orange County Superior
3 Court Case No. 30-2021-01204377-CU-OE-CXC.

4 W. “Preliminary Approval” means the Court’s order granting preliminary approval of the
5 Settlement.

6 X. “Released Parties” means Retail Services WIS Corp, dba WIS International,
7 Crossmark, Inc., CHI Management Group, LP, and each of their past, present, and future parents,
8 subsidiaries (direct or indirect), affiliates, related organizations, predecessors, successors, assigns,
9 owners, agents, officers, directors, partners, trustees, representatives, shareholders, stockholders,
10 fiduciaries attorneys, equity sponsors, related companies/corporations and/or partnerships, divisions,
11 consultants, joint venturers, joint employers, clients/customers, employees, insurers, alter-egos, and
12 affiliated organizations, and all of their respective past, present and future employees, directors,
13 officers, agents, attorneys, stockholders, fiduciaries, parents, subsidiaries, and assigns.

14 Y. “Settlement Administrator” means the third-party administrator appointed by the Court
15 to administer the settlement of the Actions under the terms of this Settlement. Simpluris or Apex shall
16 serve as the Settlement Administrator, subject to the Court’s approval.

17 Z. “Settlement Administration Costs” means all fees and costs owed to the Settlement
18 Administrator in connection with administering the settlement in the Actions under the terms of this
19 Settlement.

20 AA. “Individual Class Settlement Share” means each Class Member’s pro rata share of the
21 Class Member Fund which is determined by the process described in Section III (F).

22 **II. RECITALS**

23 A. On November 22, 2023 Plaintiff filed his class complaint in the Court, and submitted
24 a letter to the Labor and Workforce Development Agency (“LWDA”) on October 31, 2023. On
25 January 9, 2024, Plaintiff submitted a second letter to the LWDA. On January 10, 2024, Plaintiff filed
26 his First Amended Complaint in the class action. On January 10, 2024, Plaintiff filed a separate PAGA
27 complaint in this Court. On July 11, 2024, Plaintiff submitted an amended letter to the LWDA. The
28 Actions raise claims for failure to pay the minimum wage, failure to pay overtime, failure to provide

meal and rest periods or pay a premium in lieu thereof, inaccurate wage statements, waiting time penalties, failure to reimburse business expenses, unfair competition and penalties under PAGA for numerous alleged Labor Code violations.

B. On April 1, 2025 the Settling Parties attended mediation with Brandon McKelvey, an experienced wage and hour class action and PAGA mediator. After lengthy negotiations that occurred during and following the mediation, during which the Settling Parties, through their counsel, recognized the burdens and risk of continuing with the litigation, the Settling Parties reached an agreement to settle and resolve the Actions.

C. The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended, or may be construed, as an admission by Defendants that any of the claims alleged in the Actions have merit, or that Defendants bear any liability to the Class Members or PAGA Employees on those claims, nor as an admission by the Class Members or PAGA Employees that Defendants' defenses in the Actions have merit.

D. The Parties agree to stipulate to allow Plaintiff to file a Second Amended Complaint to add his PAGA cause of action into his class complaint as well as additional claims. The parties will further stipulate that Defendants are not required to file a responsive pleading to the Second Amended Complaint unless the Court fails to approve the settlement. Based on these Recitals, the Settling Parties hereby agree as follows.

III. SETTLEMENT TERMS AND CONDITIONS

A. **Maximum Settlement Amount.** Defendants agree to pay the Maximum Settlement Amount of \$6,375,000.00. This Maximum Settlement Amount is inclusive of all payments described in Section I (O). Under no circumstances shall Defendants be required to pay more than the Maximum Settlement Amount, other than the amount of employer-side payroll taxes owed on the wage portion of the Individual Class Settlement Shares ("Employer Taxes"), subject to Section III(P)(3). If Section III(P)(3) is triggered, then it will be Defendants' choice to increase the Maximum Settlement Amount as outlined, or to shorten the Class Period and PAGA Period. Defendants shall pay the Employer Taxes separately and in addition to the Maximum Settlement Amount.

B. **Class Counsel Fees And Expenses.** Defendants and their counsel shall not oppose the

1 application to the Court for an attorney's fees award of up to \$2,122,875.00, which is thirty-three and
2 1/3 percent (33.33%) of the Maximum Settlement Amount and reimbursement of litigation costs and
3 expenses of up to \$30,000.00. The Settlement Administrator shall issue an IRS Form 1099 to Class
4 Counsel with respect to the attorneys' fees and costs awarded to them. Class Counsel is solely
5 responsible for providing completed IRS W-9 forms to the Settlement Administrator prior to
6 distribution. Defendants' agreement not to oppose a motion for attorneys' fees or a bill of costs for
7 the aforementioned amounts should not be construed as approval or endorsement by Defendants of
8 the amount sought. Whatever amount of Class Counsel Fees and Expenses that the Court approves
9 shall be paid from the Maximum Settlement Amount. Should the Court approve and award less than
10 the amount provided for herein, the difference shall be included in the Net Settlement Amount. Class
11 Counsel will not be permitted to petition the Court for, or accept, any additional payments from
12 Defendants for attorneys' fees, costs, or expenses in connection with the Actions. Class Counsel shall
13 assume full responsibility and liability for the payment of taxes due on such awards. Defendants'
14 payment of the Class Counsel Fees and Expenses awarded to Class Counsel shall constitute full
15 satisfaction of the obligation to pay any amounts to any person, attorney, or law firm for attorneys'
16 fees, costs, or expenses in the Actions incurred by any attorney on behalf of the Plaintiff, the Class
17 Members, and the PAGA Employees, and shall relieve Defendants, the Settlement Administrator, and
18 Defendants' counsel of any other claims or liability to any other attorney or law firm for any attorneys'
19 fees, costs, and expenses to which any of them may claim to be entitled on behalf of Plaintiffs and/or
20 the Class Members and PAGA Employees.

21 **C. LWDA Payment.** Settling Parties agree that, out of the Net Settlement Amount, the
22 amount of \$400,000.00 is deemed payment for penalties under PAGA ("PAGA Payment"), of which
23 75% shall be paid to the Labor and Workforce Development Agency ("LWDA Payment") and the
24 remaining 25% shall be distributed to the PAGA Employees pursuant to the formula in Section III
25 (F)(3).

26 **D. Class Representative Service Award.**

27 1. Plaintiff shall request, and Defendants shall not oppose, an incentive payment
28 not to exceed \$15,000 for the Class Representative. The Class Representative Service Award is

1 intended as reasonable compensation for the time and effort expended by Plaintiff as Class
2 Representative and in connection with the initiation and maintenance of the Actions. The Class
3 Representative Service Award shall be paid from the Maximum Settlement Amount, and shall be paid
4 in addition to whatever payment Plaintiff is otherwise entitled to as a Participating Class Member
5 and/or PAGA Employee. The Class Representative Service Award shall be reported to the taxing
6 authorities by means of an IRS Form 1099. The amount of the Class Representative Service Award
7 is left to and within the Court's sole discretion. Should the Court approve and award less than the
8 amount provided for herein, or not at all, the difference shall be included in the Net Settlement
9 Amount. The Settling Parties agree that the approval, and amount, of any Class Representative Service
10 Award shall be in the Court's sole discretion and not subject to any appeal by Plaintiff who is the sole
11 recipient of any approved Class Representative Service Award. This Settlement is not contingent on
12 Plaintiff's receipt of any Service Award out of the Maximum Settlement Amount. Plaintiff agrees to
13 indemnify and hold harmless the Released Parties from any claim or liability for taxes, penalties or
14 interest arising as a result of the Class Representative Service Award.

15 2. Plaintiff acknowledges and agrees that Defendants and their attorneys have
16 made no representations or warranties regarding the tax consequences of payment of the Class
17 Representative Service Award, and Plaintiff has not relied on any such representations or warranties.
18 Plaintiff further agrees to pay and bear sole responsibility for all taxes, liens, levies, encumbrances,
19 interest, and penalties that may be due or payable to any taxing authority as a result of payment of any
20 Class Representative Service Award. Furthermore, Plaintiff agrees to defend and indemnify
21 Defendants and the other Released Parties in connection with any taxes, fines, interest or penalties
22 incurred as a result of any failure by Plaintiff to pay taxes due, if any, on the Class Representative
23 Service Award paid pursuant to this Agreement.

24 **E. Settlement Administration Costs.** Settling Parties selected Simpluris or Apex to act
25 as the Settlement Administrator and it is estimated that the fees, expenses, and costs for administration
26 of the terms of this Settlement shall not exceed \$75,000.00. All of the Settlement Administration
27 Costs shall be paid from the Maximum Settlement Amount upon completion of all duties required to
28 be performed by the Settlement Administrator under the terms of this Settlement, or as otherwise

required by the Court, subject to the “not to exceed” quote from the agreed upon Settlement Administrator. Should the Court approve and award less than the amount provided for herein, or not at all, the difference shall be included in the Net Settlement Amount.

F. Settlement Shares to Class Members.

1. Under the Settlement, each Participating Class Member shall be entitled to payment of a pro rata portion of the Class Member Fund (i.e., his or her Individual Class Settlement Share) based on their Class Pay Periods. After preliminary approval, the Class Pay Period value will be established by dividing the Class Member Fund by all Class Pay Periods actually worked by the Class Members during the Class Period. The Class Pay Periods actually worked by Class Members during the Class Period will be determined by Defendants’ payroll records. The estimated Individual Class Settlement Share for each Class Member will be determined by multiplying the Class Pay Period value by each Class Member’s individual Class Pay Periods. The Class Pay Period value will be recalculated after final approval to account for any opt-outs. After final approval, the Class Pay Period value will be established by dividing the Class Member Fund by all Class Pay Periods actually worked by the Participating Class Members during the Class Period. The Class Pay Periods actually worked by Participating Class Members during the Class Period will be determined by Defendants’ payroll records. The Individual Class Settlement Share for each Participating Class Member will be determined by multiplying the Class Pay Period value by each Participating Class Member’s individual Class Pay Periods.

If a Class Member was on a leave of absence, or otherwise did not work during a pay period, those pay periods will be deducted from that calculation to determine the actual pay periods worked during the Class Period. There shall be no reversion to Defendants. There shall be no claims process. Class Members will be provided with an estimate of their portion of the Class Member Fund as part of the class notice process. Class Members will be provided with notice of the settlement, its terms, and their right to opt out, object, appear at the fairness hearing, or challenge their number of Class Pay Periods worked as set out in the notice.

2. Each Individual Class Settlement Share of the Class Member Fund shall be apportioned as follows: 15% as wages (the “Wage Component”) and 85% for interest, penalties, and

1 other non-wage damages (the "Non-Wage Component"). Each Individual Class Settlement Share
2 shall be subject to reduction for all employee's share of taxes and withholdings on the Wage
3 Component and shall be reported on IRS W-2 forms, and the net payment will be referred to as
4 "Individual Settlement Payment(s)." No reductions will be made to Individual Class Settlement
5 Shares for any taxes or withholding in connection with the Non-Wage Component, and the Non-Wage
6 Component shall be reported on IRS 1099 forms. All Class Members covered by this Settlement agree
7 that they are not relying on any representations regarding the tax allocation or treatment of any
8 amounts paid to them under the terms of this Settlement and agree to hold Defendants and the other
9 Released Parties harmless for any and all tax consequences relating to the allocation of the payments
10 made under this Settlement.

11 3. Each PAGA Employees' pro rata share of the PAGA Employee Fund
12 ("Individual PAGA Settlement Share") will be determined by converting the PAGA Employee Fund
13 into a PAGA Pay Period value. The PAGA Pay Period value will be established by dividing the PAGA
14 Employee Fund by all PAGA Pay Periods as determined by Defendants' payroll records. The
15 Individual PAGA Settlement Share for each PAGA Employee will be determined by multiplying the
16 PAGA Pay Period value by each PAGA Employee's individual PAGA Pay Periods. All Individual
17 PAGA Settlement Share payments are for penalties and will be reported on IRS 1099 forms. PAGA
18 Employees will assume full responsibility and liability for the payment of taxes due on such awards,
19 if any.

20 **G. Distributions.**

21 1. Within ten business days of the Effective Date, the Settlement Administrator
22 shall provide Class Counsel and Defendants' Counsel with the account information so that Defendants
23 can wire the Maximum Settlement Amount and the Employer Taxes, and Defendants shall wire said
24 amounts within 30 business days of the Effective Date or by April 30, 2026, whichever is later.

25 2. The Settlement Administrator shall distribute Individual Settlement Payments
26 to Participating Class Members, Individual PAGA Settlement Shares to PAGA Employees, the
27 payment to the Labor and Workforce Development Agency, the Court-approved Class Representative
28

Service Award to Plaintiff and Court-approved Class Counsel Fees and Expenses to Class Counsel, within ten (10) business days of receipt of payment from Defendants pursuant to this Section.

3. Individual Settlement Payment checks issued to Participating Class Members and Individual PAGA Settlement Shares issued to PAGA Employees shall remain valid for a period of 180 calendar days after they issue, and shall be cancelled thereafter. Uncashed checks and/or checks that are not cashed, deposited, or otherwise negotiated, will be sent to the State Controller's Unclaimed Property Fund in the name of the intended recipient.

H. Payments To Class Do Not Trigger Additional or Derivative Payments. It is expressly understood and agreed that the receipt of payments under the Settlement shall not entitle Plaintiff, any Participating Class Member, or any PAGA Employee to additional or derivative compensation or benefits under any of Defendants' compensation or benefit plans or agreement in place during the period covered by the Settlement, nor shall it entitle Plaintiff, any Class Member, or any PAGA Employee to any increased retirement, 401k benefits or matching benefits, or deferred compensation benefits. It is the intent of this Settlement that the payments provided for in this Agreement are the sole payments to be made by Defendants to Plaintiff, Participating Class Members, and PAGA Employees, and that Plaintiff, Participating Class Members, and PAGA Employees are not entitled to any additional or derivative compensation or benefits as a result of having received said payments (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the period covered by this Settlement).

I. Release of Claims.

1. Release of Class Claims By Participating Class Members. Upon Defendants funding the Maximum Settlement Amount, Plaintiff and all other Participating Class Members on behalf of themselves and their respective past, present, and future representatives, agents, attorneys, heirs, administrators, successors, and assigns, and each and all of them, shall and will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties from the Released Class Claims. The "Released Class Claims" means all claims, debts, liabilities, demands, actions, or causes of action under state, federal or local law, whether statutory, common law or administrative, that were alleged in the Actions and/or LWDA Notices or

1 that reasonably could have been alleged based on the factual and/or legal allegations in the Actions
2 and/or LWDA Notices, including but not limited to failure to pay all wages owed, including minimum
3 wage, straight time compensation, overtime compensation, double-time compensation, reporting time
4 compensation, split shift premiums, and interest, whether due to alleged off the clock work, alleged
5 unpaid travel time, failure to correctly calculate the regular rate of pay or any other theory of liability
6 for the underpayment of wages; rounding and/or manipulation of time records; the calculation of the
7 regular rate of pay; failure to provide proper meal periods or pay premiums at the regular rate of pay
8 in lieu thereof; failure to provide proper rest breaks or failure to pay premiums at the regular rate of
9 pay in lieu thereof; failure to reimburse expenses; illegal deductions; failure to timely pay wages at
10 the time of separation of employment; failure to timely pay wages during employment; failure to
11 properly pay sick pay, including failure to pay at the regular rate of pay; failure to properly pay
12 vacation pay; failure to provide accurate wage statements; failure to maintain accurate records,
13 including payroll records and records of hours worked and meal periods; failure to provide notice
14 pursuant to Labor Code section 2810.5; failing to properly implement an alternative workweek
15 schedule; unfair business practices; penalties, including but not limited to recordkeeping penalties,
16 wage statement penalties, minimum wage penalties, and waiting-time penalties; all claims arising
17 under California Labor Code Sections 98, 200, 201-203, 204, 204(b), 210, 218, 218.5, 221, 222, 223,
18 224, 225.5, 226, 226.2, 226.3, 226.6, 226.7, 227.3, 233, 246, 248.2, 248.6, 256, 510, 511, 512, 515,
19 551, 552, 558, 558.1, 1174, 1174.5, 1175, 1182.12, 1194, 1194.2, 1194.3, 1197, 1197.1, 1198, 1199,
20 2800, 2802, 2810.5, 2698 et seq., and 2699 et seq.); claims for violations of the provisions of the
21 applicable Wage Orders of the California Industrial Welfare Commission that were alleged in the
22 Actions and/or LWDA Notices or that reasonably could have been alleged based on the factual and/or
23 legal allegations in the Actions and/or LWDA Notices, including, without limitation, Wage Orders 1-
24 2001, 4-2001; claims for violations of California Business and Professions Code Section 17200, et
25 seq. for the underlying claims that were alleged in the Actions and/or LWDA Notices or that
26 reasonably could have been alleged based on the factual and/or legal allegations in the Actions and/or
27 LWDA Notices; 8 CCR Sections 11040, 11110, and 3395; California Code of Civil Procedure Section
28 1021.5; and claims for violations of the Fair Labor Standards Act, 29 U.S.C. Section 201, et seq. that

reasonably could have been alleged based on the factual and/or legal allegations in the Actions and/or LWDA Notices; claims for the attorney's fees and costs incurred in the prosecution of the Actions on behalf of the Class Members; any other claims, remedies, penalties, or interest that could have been pled based on the facts alleged in the Actions; and all claims that Plaintiff and/or the Class Members may have against the Released Parties relating to: (i) the payment, taxation, and allocation of attorney's fees and costs to Class Counsel pursuant to this Settlement Agreement; and (ii) the payment, taxation, and allocation of Plaintiff's Service Award pursuant to this Settlement Agreement. The release of the Released Class Claims shall be effective as to the entire Class Period defined above.

Class Members may discover facts in addition to those they now know or believe to be true with respect to the subject matter of the Released Class Claims, but upon the Effective Date, Class Members shall be deemed to have, and by operation of the final settlement approval order shall have, fully, finally, and forever settled and released any and all of the Released Class Claims, without regard to the subsequent discovery or existence of such different or additional facts. Class Members agree not to sue or otherwise make a claim against any of the Released Parties that seeks recovery for any of the Released Class Claims. It is the intent of the Parties that the final settlement approval order entered by the Court shall have full res judicata effect and be final and binding upon Class Members regarding the Released Class Claims.

2. Complete And General Release Of Claims By Plaintiff/Class Representative.

Plaintiff understands that he may hereafter discover facts in addition to or different from those Plaintiff now knows or believes to be true with respect to the subject matter of the Released Class Claims and/or Released PAGA Claim or claims not raised in the Actions, but upon the Effective Date, shall be deemed to have, and by operation of the contemplated final judgment shall have, fully, finally, and forever settled and released any and all of the Released Class Claims and Released PAGA Claim, as well as any other known or unknown claims that were not raised in the Actions. Plaintiff understands and agrees that he is releasing all rights under section 1542 of the California Civil Code. Section 1542 provides as follows:

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

executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

3. Release of PAGA Claims By State of California and PAGA Employees. Upon

Defendants funding the Maximum Settlement Amount, Plaintiff, the LWDA, the State of California, and all PAGA Employees on behalf of themselves and their respective past, present, and future representatives, agents, attorneys, heirs, administrators, successors, and assigns, and each and all of them, shall and will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties from the "Released PAGA Claims." The "Released PAGA Claims" means all claims, actions, and causes of action for civil penalties, attorneys' fees, costs or interest arising under the Private Attorneys General Act, California Labor Code Section 2698, et seq. that were alleged or that reasonably could have been alleged in the Actions and/or the LWDA Notices based on the factual allegations and legal theories contained in the Actions and/or the LWDA Notices, including but not limited to, all claims for PAGA penalties concerning failure to pay all wages owed, including minimum wage, straight time compensation, overtime compensation, double-time compensation, reporting time compensation, split shift premiums, and interest, whether due to alleged off the clock work, alleged unpaid travel time, failure to correctly calculate the regular rate of pay or any other theory of liability for the underpayment of wages; rounding and/or manipulation of time records; the calculation of the regular rate of pay; failure to provide proper meal periods or pay premiums at the regular rate of pay in lieu thereof; failure to provide proper rest breaks or failure to pay premiums at the regular rate of pay in lieu thereof; failure to reimburse expenses; illegal deductions; failure to timely pay wages at the time of separation of employment; failure to timely pay wages during employment; failure to properly pay sick pay, including failure to pay at the regular rate of pay; failure to properly pay vacation pay; failure to provide accurate wage statements; failure to provide notice pursuant to Labor Code section 2810.5; failing to properly implement an alternative workweek schedule; failure to maintain accurate records, including payroll records and records of hours worked and meal periods; penalties, including but not limited to recordkeeping penalties, wage statement penalties, minimum wage penalties, and waiting-time penalties; and including without

limitation any and all potential claims for penalties recoverable under PAGA predicated upon Labor Code sections 98, 200, 201-203, 204, 204(b), 210, 218, 218.5, 221, 222, 223, 224, 225.5, 226, 226.2, 226.3, 226.6, 226.7, 227.3, 233, 246, 248.2, 248.6, 256, 510, 511, 512, 515, 551, 552, 558, 558.1, 1174, 1174.5, 1175, 1182.12, 1194-1197.1, 1198, 1199, 2800, 2802, 2810.5, and 2699 et. seq.; claims for violations of the provisions of the applicable Wage Order(s) that were alleged in the Actions and/or LWDA Notices or that reasonably could have been alleged based on the factual and/or legal allegations in the Actions and/or LWDA Notices, including, without limitation, Wage Orders 1-2001, 4-2001; 8 CCR Sections 11040, 11110, and 3395; California Code of Civil Procedure Section 1021.5; claims for the attorney's fees and costs incurred in the prosecution of the Actions on behalf of the PAGA Employees; all claims that Plaintiff, State of California and PAGA Employees may have against the Released Parties relating to the payment, and allocation of attorney's fees and costs to Plaintiff's Counsel pursuant to this Settlement Agreement; and any other PAGA penalty claims whatsoever alleged in the Actions or LWDA Notices, whether known or unknown, during the PAGA Period. The release of the Released PAGA Claims shall be effective as to the entire PAGA Period defined above.

PAGA Employees may discover facts in addition to those they now know or believe to be true with respect to the subject matter of the Released PAGA Claims, but upon the Effective Date, PAGA Employees shall be deemed to have, and by operation of the final settlement approval order shall have, fully, finally, and forever settled and released any and all of the Released PAGA Claims, without regard to the subsequent discovery or existence of such different or additional facts. PAGA Employees agree not to sue or otherwise make a claim against any of the Released Parties that seeks recovery for any of the Released PAGA Claims. It is the intent of the Parties that the final settlement approval order entered by the Court shall have full res judicata effect and be final and binding upon PAGA Employees regarding the Released PAGA Claims.

J. Motion For Preliminary Approval.

1. Class Counsel will file an unopposed motion with the Court (the "Preliminary Approval Motion") seeking an order approving the Settlement; setting a date for the Final Approval Hearing; approving the distribution of the Notice of Class Action Settlement (the "Class Notice") in substantively the form attached hereto as "Exhibit A"; and approving the procedures and deadlines

for disputing pay periods, opting-out of the Settlement, and objecting to the Settlement. Defendants' Counsel will either not respond or will file a notice of non-opposition to the motion.

2. At the hearing on the Preliminary Approval Motion, the Settling Parties will jointly appear, and support the granting of the motion, and submit a proposed order granting preliminary approval of the Settlement, approving the Class Notice, and setting a Final Approval Hearing (the "Proposed Order"). The Proposed Order to be submitted to the Court in substantially the form that is attached hereto as "**Exhibit B.**"

3. Should the Court, after a reasonable opportunity to cure and remedy any stated deficiencies, ultimately decline to grant preliminarily approval of the Settlement as proposed by the Settling Parties for any reason, the Settlement shall be considered void *ab initio* and shall be of no force or effect whatsoever, and shall not be referred to or utilized for any purpose whatsoever.

K. Mailing Of Class Notice To Class Members.

After the Court enters its order granting preliminary approval of the Settlement, all Class Members will be provided with the Class Notice by the Settlement Administrator as follows:

1. Within ten (10) business days after the Court grants preliminary approval of the Settlement, Defendants shall provide to the Settlement Administrator the last-known contact information that it has for the Class Members, including their full name, last known mailing address, Social Security numbers, and the number of Class Pay Periods during the Class Period and the number of PAGA Pay Periods during the PAGA Period ("Class Data List"). In no event will the Class Data List ever be shared with or provided to Class Counsel. All data and information provided to the Settlement Administrator by way of the Class Data List shall be treated as confidential and shall not be disclosed to anyone, except as may be required to applicable tax authorities, pursuant to Defendants' express written consent, by order of the Court, or to carry out the reasonable steps described in this Settlement to locate missing Class Members.

2. Within fourteen (14) calendar days after receiving the Class Data List from Defendants, the Settlement Administrator shall mail the Class Notice to all identified Class Members via first-class U.S. Mail, using the last known address information provided by Defendants, unless such address is modified by any updated address information that the Settlement Administrator obtains

in the course of administration of the Settlement. Prior to completing this mailing, the Settlement Administrator shall perform a National Change of Address ("NCOA") search to confirm the validity of and update Class Members' mailing addresses. Class Members will have sixty (60) calendar days from the mailing of the Class Notice ("Response Deadline") to submit an Opt-Out Notice, dispute, or objection.

3. If any Class Notice is returned as undeliverable with a forwarding address, the Settlement Administrator shall have five (5) calendar days to re-mail the Class Notice to the forwarding address. If any Class Notice is returned as undeliverable without a forwarding address, the Settlement Administrator shall have five (5) calendar days from receipt of the returned Class Notice to search for a more current address for the Class Member and to re-mail the Class Notice to the Class Member. This inquiry shall include a skip-trace search. The Settlement Administrator shall be responsible for taking all reasonable steps, consistent with its agreed upon job parameters, Court orders and fee, according to the deadlines set forth in this Settlement, to administer the Settlement, including, *inter alia*, to tracking all undelivered mail, performing an address search for all mail returned without a forwarding address, and promptly re-mailing the Class Notice to Class Members as set forth herein. If the Class Notice is re-mailed, the Claims Administrator shall note for its own records the date and address of each such re-mailing. The obligation to trace and resend returned Class Notices shall cease after two mailings or sixty (60) calendar days after the initial mailing, whichever occurs first. Those Class Members who receive a re-mailed Class Notice will have until (a) the Response Deadline or (b) fifteen (15) calendar days after the remailing of a Class Notice in accordance with the Agreement, whichever is later, to postmark an Opt-Out Notice, objection, or dispute "Extended Response Deadline".

4. In the event that the procedures in this Section are followed and the intended recipient of a Class Notice still does not receive the Class Notice, the intended recipient shall be bound by all terms of the Settlement and any final approval order and Judgment entered by the Court if the Settlement is approved by the Court. In the event the procedures in this Section are followed and a Class Member does not ultimately return an Opt-Out Notice and/or the Opt-Out Notice is rejected by the Settlement Administrator, the Class Member shall be deemed a Participating Class Member and

will be bound by all terms of the Settlement and any final approval order and Judgment entered by the Court if the Settlement is approved by the Court.

5. The Settlement Administrator shall provide weekly status reports to counsel for the Settling Parties, including: (a) the number of Class Notices that it has mailed; (b) the number of objections, if any are received; (c) the number of disputes of pay periods, if any are received; and (c) the number of requests to opt-out of the Settlement, if any are received.

6. No later than twenty (20) days after the Response Deadline, but in no event later than the filing date for the motion for final approval, the Settlement Administrator shall provide Class Counsel and Defendants' counsel, a declaration for filing with the Court in support of Plaintiff's motion for final approval of the Settlement, setting forth its due diligence and compliance with its obligations under this Settlement.

L. Opt-Outs and Objections To Settlement.

Class Members are not required to sign a claim form to participate in the Settlement. Class Members may opt out of the class portion of the Settlement or submit objections to the Settlement pursuant to the following procedures:

1. The Class Notice shall provide that Class Members who do not want to participate in the class portion of the Settlement may exclude themselves by submitting a timely and valid written request seeking to opt-out of the class portion of the Settlement ("Opt-Out Notice") to the Settlement Administrator by mail, postmarked on or before the Response Deadline or, in the instance of a re-mailed Class Notice, the Extended Response Deadline. An Opt-Out Notice must: (a) contain the full name, address, and last four digits of the Social Security number of the Class Member requesting to opt-out; (b) be signed and dated by the Class Member requesting to opt-out; (c) reference the Actions by name and case number; and (d) contain a statement clearly indicating that the Class Member submitting the request seeks to be excluded from the Settlement. If the Opt-Out Notice does not contain the information listed in (a)-(d) or is not returned to the Settlement Administrator postmarked by the Response Deadline, it shall not be deemed timely and valid. The date of the postmark on the return mailing envelope shall be the exclusive means used to determine whether the Opt-Out Notice has been timely submitted. The Parties agree that the Settlement Administrator shall

not disclose the last four digits of any Class Member's Social Security number to anyone but Defendants, that such information will be securely held, and that the disclosure of those last four digits shall not be used for any purpose except to ascertain the identity of the individual who wishes to exclude himself or herself from the Settlement for administration of this Settlement. The name and last four digits of the Social Security number provided by the Class Member on the Opt-Out Notice must match Defendants' records as provided to the Settlement Administrator, or match Defendants' records for that particular Class Member. The name and Social Security number provided by the Class Member will be deemed to match Defendants' records only if: (1) both the first name and the last name and the last four digits of the Social Security number provided by the Class Member match Defendants' records; (2) the first name and the last four digits of the Social Security number provided by the Class Member match Defendants' records and it appears the last name has been changed as a result of a change in marital status or is a shortened or lengthened version of the name that appears in Defendants' records; or (3) the last four digits of the Social Security number and last name match Defendants' records and the first name provided is either a nickname or a shortened or lengthened version of the name that appears in Defendants' records. Any Class Member who submits a timely and valid Opt-Out Notice will not be a Participating Class Member, will not be entitled to receive an Individual Class Settlement Share, and will not be bound by the class release in Section III(I)(1) of the Settlement or the final judgment (with the exception of claims arising under the PAGA), and shall not have any right to object, appeal, or comment thereon. The submission of an Opt-Out Notice shall not impact a PAGA Employee's entitlement to their Individual PAGA Settlement Share and the PAGA Employee shall still be bound by the release of the PAGA claims during the PAGA Period described in Section III(I)(3). Class Members who fail to submit a timely and valid Opt-Out Notice shall be Participating Class Members bound by all terms of the Settlement and the contemplated Judgment if the Settlement is granted final approval by the Court. No later than ten (10) business days after the Response Deadline and Extended Response Deadline, the Settlement Administrator shall provide the Parties' Counsel with a list of the names of Class Members who have submitted timely and valid Opt-Out Notices.

2. The Class Notice shall provide that Participating Class Members (i.e., Class

Members who do not timely opt out of the Settlement) who wish to object to the Settlement must submit an objection to the Settlement Administrator by first class U.S. mail at the address specified on the Class Notice, not later than the Response Deadline, or in the instance of a re-mailed Class Notice, the Extended Response Deadline. The date of the postmark will be the exclusive means for determining whether an objection has been timely submitted. All objections must be in writing, which includes: (1) the objector's full name, address, last four digits of his or her Social Security number, and signature; (2) the case name and number; (3) the factual and legal basis, with supporting documents, if any, on which the objection is based; (4) whether the objector is represented by an attorney and providing the contact information of any such attorney; and (5) whether the objector plans to appear at the Final Approval Hearing. The Parties agree that the Settlement Administrator shall not disclose the last four digits of any Class Member's Social Security number to anyone except Defendants, that such information will be securely held, and that those last four digits shall not be used for any purpose except to ascertain the identity of the objector for administration of this Settlement. Alternatively, or in addition to a written objection, Class Members may appear at the Final Approval Hearing to make an oral objection. If a Class Member opts out of the Settlement, they cannot object to the Settlement.

Within three (3) business days of receipt of an objection, the Settlement Administrator shall provide counsel for the Parties with a copy of the objection. No later than ten (10) business days after the Response Deadline and Extended Response Deadline, the Settlement Administrator shall provide counsel for the Parties with a complete list of Participating Class Members who have submitted an objection.

3. A Class Member who does not make an oral objection at the Final Approval Hearing or does not submit a written objection in the manner and by the Response Deadline specified above shall be deemed to have waived all objections and shall be foreclosed from making any objections to the Settlement, whether by appeal or otherwise. If a Participating Class Member objects to this Settlement, the Participating Class Member will remain a member of the Class, and if the Court grants final approval of the Settlement, he or she will be bound by the terms of the Settlement and any final approval order and Judgment.

1 4. If a Class Member who has timely filed an objection to the Settlement files a
2 Notice of Appeal of the contemplated Judgment within the time period prescribed by law, Defendants
3 shall not be required to fund any portion of the Maximum Settlement Amount, and the Settlement
4 Administrator shall not distribute or pay any monies until the appeal(s) are finally resolved in favor of
5 the Settlement or dismissed with prejudice.

6 5. The Parties agree that there is no statutory right for any PAGA Employee to
7 object, opt out or otherwise exclude himself or herself from the PAGA part of the Settlement. If a
8 Class Member submits an Opt-Out Notice, and is also a PAGA Employee, s/he is still covered by the
9 PAGA portion of the Settlement, will receive their Individual PAGA Settlement Share, and will be
10 bound by the release of the PAGA claims during the PAGA Period described in Section III(I)(3).
11 Except as otherwise stated, Plaintiff shall vigorously defend against any attempt by any PAGA
12 Employee or by any entity or agency to intervene in this matter or object to/opt-out of this settlement.
13 Further, there is no right or opportunity for any PAGA Employee to appeal the approval of the
14 Settlement by the Court. The Parties shall jointly defend against any appeal filed with respect to the
15 Final Order as it pertains to the PAGA part of the Settlement.

16 **M. Resolution of Class Member Disputes Over Pay Periods.**

17 1. If a Class Member disputes the number of pay periods credited to him or her,
18 which will be stated in the Class Notice, the Class Member must submit a written dispute to the
19 Settlement Administrator, postmarked no later than the Response Deadline, or in the instance of a re-
20 mailed Class Notice, the Extended Response Deadline. The dispute must: (a) contain the full name,
21 address, and last four digits of the Social Security number of the Class Member; (b) be signed and
22 dated by the Class Member; (c) reference the Actions by name and case number; (d) contain a
23 statement clearly indicating that the Class Member disputes the number of pay periods that are credited
24 to him or her and the number of pay periods that the Class Member claims should be credited to him
25 or her; and (e) attach supporting documentation, if any, that they may have. If such a dispute arises
26 with respect to a Class Member, the Settlement Administrator shall inform Class Counsel and
27 Defendants' Counsel. Defendants shall manually review their payroll and personnel records to verify
28 the correct number of pay periods for the disputing Class Member. Defendants' records shall have a

1 rebuttable presumption of correctness. Defendants shall have fourteen (14) days to provide a response
2 to the Settlement Administrator regarding the dispute. The Settlement Administrator will evaluate the
3 evidence submitted by the Class Member and make a determination as to which figures should be
4 applied. The Settlement Administrator's determination shall be binding subject to modification by the
5 Court. The decision on the dispute shall be non-appealable.

6 **N. No Solicitation of Objections or Opt-Outs.** Neither the Settling Parties nor their
7 respective counsel or management shall solicit or otherwise encourage any Class Member, directly or
8 indirectly, to seek to opt-out from the Settlement, object to the Settlement, and/or appeal from the
9 Judgment.

10 **O. Additional Briefing and Final Approval.**

11 1. The Parties agree that no later than ten (10) days after signing this Agreement,
12 Plaintiff will submit an amended PAGA letter to the LWDA to add any alleged Labor Code violations,
13 claims, and/or theories set forth in the Released PAGA Claims as defined herein in Section III,
14 Paragraph (I)(3), to the extent they were not already included in the LWDA Notices that have been
15 submitted, and Class Counsel thereafter will submit an amended complaint to the Court, which shall
16 include all claims set forth in the Released Class Claims and Released PAGA Claims as defined herein
17 in Section III, Paragraphs (I)(1) and (I)(3), to the extent they are not already included.

18 2. As soon as practicable following the Response Deadline, Plaintiff shall move
19 the Court for final approval of the Settlement. Defendants agree they shall not oppose so long as the
20 motion is in all respects consistent with the terms of this Settlement. Not later than five (5) court days
21 before the Final Approval Hearing, the Settling Parties may file, jointly or separately, a reply in support
22 of the motion or such other papers as may be necessary or helpful to the Court regarding the subject
23 matter of the motion.

24 3. Upon final approval of the Settlement by the Court at or after the Final Approval
25 Hearing, the Settling Parties shall present a Judgment for the Court's approval and entry, which shall
26 provide that the Court shall have continuing jurisdiction over the Actions and the Settlement solely
27 for purposes of: (i) enforcing this Settlement, (ii) addressing any claims administration matters that
28

may arise; and (iii) addressing such post-Judgment matters as may be appropriate under court rules or applicable law.

P. Options to Terminate Settlement/Revision to Maximum Settlement Amount or Class Period and PAGA Period.

1. Any reduction in the Class Counsel Fees and Expenses, and/or any reduction to the requested Class Representative Service Award, does not constitute grounds to terminate or void the Settlement.

2. Defendants shall have the right to cancel the Settlement if more than ten percent (10%) of the Class Members submit timely and valid Opt-Out Notices from the Settlement. This option to cancel the Settlement must be exercised by Defendants by providing written notice to Class Counsel within ten (10) business days of Defendants' Counsel receiving notification from the Settlement Administrator that more than ten percent (10%) of the Class Members have submitted timely and valid Opt-Out Notices from the Settlement. If Defendants exercise the option to terminate the Settlement, then Defendants shall be responsible for paying all Settlement Administration Costs accrued to that point.

3. As of the date of the April 1, 2025 mediation, Defendants estimated that there were approximately 451,470 Class Pay Periods for the period between November 22, 2019 and April 1, 2025. If the number of Class Pay Periods worked by the Class Members as of June 7, 2025 exceeds 451,470 by more than ten percent (10%) (i.e., exceeds 496,617 pay periods) then Defendants shall have the option of either: (1) ending the Class Period and PAGA Period on the date before the Class Pay Period count reaches 496,617 pay periods, or (b) increasing the Maximum Settlement Amount on a pro rata basis according to the number of Class Pay Periods over 496,617. This means, for example, that if the actual number of Class Pay Periods as of June 7, 2025 is 500,000, then Defendants would have the option to pay \$43,403.89 in additional consideration (\$6,375,000 divided by 496,617 pay periods equals \$12.83 multiplied by 3,383 excess pay periods) to have the Class Period and PAGA Period run through June 7, 2025. The funding of the escalator will depend on the breakdown of such workweeks by RSW and CROSSMARK, and will be paid on a proportional basis.

4. The Parties may terminate this Settlement by giving written notice to Counsel

1 for all other Settling Parties no later than twenty (20) calendar days after receiving notice that one of
2 the following has occurred: (i) the Court declines to enter the Preliminary Approval Order or the Final
3 Approval Order in substantially the form submitted by the Parties; (ii) the Settlement does not become
4 final because of any appellate court action; or (iii) the Court's final approval of the Settlement is
5 reversed or materially modified on appellate review.

6 5. In the event of termination of this Settlement as provided above, this Settlement
7 shall become and be considered null and void, and it shall have the following effects: (i) the Settling
8 Parties shall have no further obligations under the Settlement; (ii) Defendants shall have no obligation
9 to make any payments to any person, party, Class Member, PAGA Employee, or attorney that
10 otherwise would have been owed under this Settlement, except that in case of termination under
11 Section III (P)(2), Defendants shall pay the Settlement Administrator's reasonable fees and expenses
12 incurred as of the date that the Settlement is terminated; (iii) in case of termination under Section III
13 (P)(4), the Parties shall split the Settlement Administrator's reasonable fees and expenses incurred as
14 of the date that the Settlement is terminated; (iv) the Settlement and all negotiations, statements and
15 proceedings relating thereto shall be without prejudice to the rights of any of the Settling Parties, all
16 of whom shall be restored to their respective positions in the Actions prior to the Settlement; and (v)
17 neither this Settlement nor any ancillary documents, actions, statements or filings in furtherance of
18 settlement (including all matters associated with the mediation) shall be admissible or offered into
19 evidence in the Actions or any other case or proceeding for any purpose whatsoever.

20 6. Notice of the termination of the Settlement by a Settling Party must be provided
21 to counsel for all other Settling Parties in writing.

22 **Q. Dispute Resolution.** Any disputes not resolved by the Settlement Administrator or the
23 Settling Parties shall be resolved by the Court. Before any such resort to the Court, counsel for the
24 Settling Parties shall confer in good faith in an attempt to resolve the dispute.

25 **R. Waiver of Right To Appeal.** Plaintiff and Class Counsel waive all appeals from the
26 Court's Final Approval of this Settlement.

27 **S. Publicity.** Plaintiff and Class Counsel agree that they will not issue any press releases,
28 initiate any contact with the press, respond to any press inquiry or have any communication with the

1 press about the amount or terms of the Settlement. Class Counsel may respond to press inquiries by
2 stating the matter has been resolved and refer the press to court filings. In addition, Plaintiff and Class
3 Counsel agree that they will not engage in any advertising, distribute any marketing materials, or post
4 on any websites maintained by Class Counsel, on social media, or by any other public means,
5 specifying any material terms relating to the Settlement of this case, including but not limited to the
6 identity of Defendant and/or any information that identifies Defendant. The settlement administrator
7 shall not create nor maintain any website regarding this Settlement at any time, with the exception of
8 having the settlement administrator post the final approval order and entry of judgment on its website
9 for 60 days pursuant to Cal. Rules of Court, rule 3.771(b). Any communication about the Settlement
10 to Class Members prior to the Court-approved mailing will be limited to a statement that a settlement
11 has been reached and the details will be communicated in a forthcoming Court-approved notice.
12 Plaintiff is prohibited from discussing the terms or the fact of the settlement with third parties other
13 than (1) his immediate family members, and/or (2) his accountants or lawyers as necessary for tax
14 purposes.

15 **T. Fair, Adequate, And Reasonable Settlement.** This Settlement was reached after
16 extensive negotiations. The Settling Parties believe and agree that this Settlement is a fair, adequate,
17 and reasonable resolution of the Actions and have arrived at this Settlement in arms-length
18 negotiations, considering all relevant factors, present and potential, and shall so represent it to the
19 Court.

20 **U. No Admission Of Liability.** Defendants and the Released Parties deny any and all
21 alleged wrongdoing or the violation of any rights of the Plaintiff, Class Members, and/or PAGA
22 Employees. By entering into this Settlement, Defendants do not admit, and in fact specifically
23 disclaims, the violation of any law or regulation. This Settlement is entered into solely for the purpose
24 of compromising highly disputed claims. Nothing in this Settlement is intended or shall be construed
25 as an admission of any liability or wrongdoing by Defendants, or as an admission by the Class
26 Members or PAGA Employees that any of their claims were non-meritorious or that any defense
27 asserted by Defendants was meritorious. This Settlement and the fact that the Settling Parties are
28 willing to settle the Actions and have entered into this Settlement shall have no bearing on, and shall

1 not be admissible in connection with, any litigation, other than as is necessary to enforce the terms of
2 this Settlement.

3 **V. Miscellaneous Terms.**

4 1. Interest. The Maximum Settlement Amount includes any and all interest
5 accruals and no additional interest shall be due under any circumstances.

6 2. Taxation. Plaintiff, Participating Class Members, and PAGA Employees
7 represent and warrant that they understand that it is their sole obligation to pay appropriate federal,
8 state, and local income taxes on any amounts they receive under this Agreement that lawfully qualify
9 as taxable income.

10 3. No Effect on Regular Rate or Overtime Compensation. Participating Class
11 Members and PAGA Employees will receive payment under the Settlement, as determined by the
12 Settlement Administrator in accordance with this Agreement. The Parties agree that this payment is
13 not viewed as additional compensation for purposes of calculating a "regular rate" of pay under
14 California or federal law for the period during which it is received, and no additional overtime
15 compensation is required as a result of such payment; further, any claim to entitlement to any
16 additional overtime compensation is expressly waived under the terms of this Agreement. No person
17 or entity shall have any claim against Defendants, Defendants; Counsel, Plaintiff, any Class Members
18 or PAGA Employees, Class Counsel, or the Settlement Administrator based upon distributions and
19 payments made in accordance with this Agreement.

20 4. No Effect on Employee Benefits. The Individual Class Settlement Shares
21 and/or Individual PAGA Settlement Shares to be paid to Plaintiff, Participating Class Members, and
22 PAGA Employee, and the Class Representative Service Award to be paid to Plaintiff, shall be deemed
23 not to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of,
24 any of the employee benefits (e.g., vacations, holiday pay, retirement plans, 401k plans, sick leave
25 plans, PTO plans, etc.) of Plaintiff, any Participating Class Members or any PAGA Employees. Such
26 payments do not represent any modification of Plaintiff's, Participating Class Members', or PAGA
27 Employees' previously credited hours of service or other eligibility criteria under any employee
28 pension benefit plan or employee welfare benefit plan sponsored by any Defendant. Further, any

1 Individual Class Settlement Share, Individual PAGA Settlement Share, or Class Representative
2 Service Award shall not be considered "compensation" in any year for purposes of determining
3 eligibility for, or benefit accrual within, an employee pension benefit plan or employee welfare benefit
4 plan sponsored by any Defendant

5 5. Plaintiff's Waiver of Right to Be Excluded. By signing this Agreement,
6 Plaintiff is bound by the terms herein stated and further agrees not to submit a Opt-Out Notice from
7 the Settlement. Any such Opt-Out Notice shall therefore be void and of no force or effect. Plaintiff
8 also agrees to not disparage the Settlement to Class Members or PAGA Employees or encourage, in
9 any way, Class Members to submit or not to submit an Opt-Out Notice. In addition, neither Plaintiff
10 nor Class Counsel will initiate any contact with Class Members or PAGA Employees about the amount
11 or terms of the Settlement.

12 6. Integrated Agreement. After it is signed and delivered by all Settling Parties
13 and their counsel, this Settlement and its exhibits shall constitute the entire agreement between the
14 Settling Parties relating to the terms of Settlement, and shall supersede any prior or contemporaneous
15 oral representations, warranties, covenants, or inducements made to any Settling Party concerning this
16 Settlement or its exhibits, including the Settlement Terms.

17 7. Execution in Counterparts. This Settlement may be executed in one or more
18 counterparts and by facsimile or PDF version. The Settlement may be signed electronically by means
19 that are verifiable, for example through DocuSign. All executed counterparts, and each of them, shall
20 be deemed to be one and the same instrument, provided that counsel for the Settling Parties shall
21 exchange between themselves original signed counterparts. Any executed counterpart shall be
22 admissible in evidence to prove the existence and contents of this Settlement.

23 8. Modification of Settlement. This Settlement, and any and all parts of it, may
24 be amended, modified, changed, or waived only by an express written instrument signed by all Settling
25 Parties or their successors-in-interest, subject to approval by the Court.

26 9. Settlement Binding on Successors. This Settlement shall be binding upon, and
27 inure to the benefit of, the successors of each of the Settling Parties and Participating Class Members.

28 10. Applicable Law. All terms and conditions of this Settlement and its exhibits

1 shall be governed by and interpreted according to the laws of the State of California, without giving
2 effect to any conflict of law or choice of law principles.

3 11. Interim Stay of Proceedings. The Parties shall stay all proceedings in the
4 Actions, subject to necessary compliance with the Court's orders, except such proceedings necessary
5 to implement and complete the Settlement, pending the Final Approval Hearing to be conducted by
6 the Court.

7 12. Authorization to Enter Into Settlement Agreement. Counsel for all Settling
8 Parties warrant and represent they are expressly authorized by the Settling Parties whom they represent
9 to negotiate this Agreement and to take all appropriate actions required or permitted to be taken by
10 such Settling Parties pursuant to this Agreement to effectuate its terms, and to execute any other
11 documents required to effectuate the terms of this Agreement. The Settling Parties and their counsel
12 shall cooperate with each other and use their best effort to effectuate the implementation of the
13 Settlement. In the event the Settling Parties are unable to reach agreement on the form or content of
14 any document needed to implement the Settlement, or on any supplemental provisions that may
15 become necessary to effectuate the terms of this Settlement, the Settling Parties may seek the
16 assistance of the Court to resolve such disagreement. The persons signing this Agreement on behalf
17 of Defendants represent and warrant that they are authorized to sign this Agreement on behalf of
18 Defendants. The Class Representative represents and warrants that he is authorized to sign this
19 Agreement and that he has not assigned any claim, or part of a claim, covered by this Settlement to a
20 third-party.

21 13. Notices. Unless otherwise specifically provided herein, all notices, demands or
22 other communications given hereunder shall be in writing and shall be deemed to have been duly given
23 as of the third business day after mailing by United States registered or certified mail, return receipt
24 requested, addressed as follows:

25 ///

26
27 ///

To Class Counsel:

David Mara, Esq.
Jill Vecchi, Esq.
Carter Cordura, Esq.
MARA LAW FIRM, PC
3160 Camino Del Rio South Suite 207
San Diego, California 92108
Telephone: (619) 234-2833
Facsimile: (619) 234-4048

To Defendants:

Jody A. Landry
jlandry@littler.com
Christina H. Hayes
chayes@littler.com
Sarah R. Boxer
sboxer@littler.com
LITTLER MENDELSON, P.C.
501 W. Broadway, Suite 900
San Diego, California 92101.3577
Telephone: 619.232.0441
Fax No.: 619.232.4302

Attorneys for Defendant
RETAIL SERVICES WIS CORP.

Stephen E. Fox, Esq.
sfox@sheppardmullin.com
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Dallas, TX 75201
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Fax: (469) 391-7401

Lauren J. Blaes, Esq.
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SHEPPARD, MULLIN, RICHTER, & HAMPTON LLP
650 Town Center Dr., 10th Floor
Costa Mesa, CA 92626
Phone: (714) 513-5100
Fax: (714) 513-5130

Attorneys for Defendants
CHI MANAGEMENT GROUP LP and CROSSMARK, INC.

14. Cooperation in Drafting. The Settling Parties have cooperated in the drafting

and preparation of this Settlement. This Settlement shall not be construed against any Settling Party on the basis that the Settling Party was the drafter or participated in the drafting.

IT IS SO AGREED.

For Plaintiff:

Dated: 2/20/2026

DocuSigned by:

Kenton Samuels

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Kenton Samuels
Plaintiff

For Defendants:

RETAIL SERVICES WIS CORP.

Dated:

Richard Baxter, Chief Financial Officer

CROSSMARK, INC.,
CHI MANAGEMENT GROUP, LP

Dated:

Todd Johnson, Chief Legal Officer

Approved as to form:

Dated: 2/18/2026

DocuSigned by:

David Mara

4579A516EC19447...

David Mara
Attorneys for Plaintiff and the Settlement Class

Dated:

Jody A. Landry
Attorney for Defendant Retail Services WIS Corp.

Dated:

Stephen E. Fox
Attorney for Defendants CHI Management Group, LP
and CROSSMARK, Inc.

4886-5325-1011.1 / 094133-1058

and preparation of this Settlement. This Settlement shall not be construed against any Settling Party on the basis that the Settling Party was the drafter or participated in the drafting.

IT IS SO AGREED.

For Plaintiff:

Dated: _____

Kenton Samuels
Plaintiff

For Defendants:

RETAIL SERVICES WIS CORP.

Dated: 02/27/2026

Richard Baxter

78B424DCBF840B35F1B22C7FA01283D0 contractworks

Richard Baxter, Chief Financial Officer

CROSSMARK, INC.,
CHI MANAGEMENT GROUP, LP

Dated: 2/23/2026

DocuSigned by:

Todd C. Johnson

D61E557A86EB484

Todd Johnson, Chief Legal Officer

Approved as to form:

Dated: _____

David Mara
Attorneys for Plaintiff and the Settlement Class

Dated: February 27, 2026

Jody A. Landry

Jody A. Landry
Attorney for Defendant Retail Services WIS Corp.

Dated: February 26, 2026

Stephen E. Fox

Stephen E. Fox
Attorney for Defendants CHI Management Group, LP
and CROSSMARK, Inc.

4886-5325-1011.1 / 094133-1058

Exhibit A

CALIFORNIA SUPERIOR COURT, COUNTY OF SACRAMENTO

*Kenton Samuels, on behalf of himself, all others similarly situated, and on behalf of the general public, Plaintiff,
v. WIS International, Inc.; CHI Management Group LP; Crossmark, Inc., Defendants*
Case No. 23CV012186 (Consolidated with Case No. 24CV000311) ("Complaints" or "Actions")

NOTICE OF PROPOSED CLASS AND REPRESENTATIVE ACTION SETTLEMENT

*A court authorized this notice. This is not a solicitation.
This is not a lawsuit against you and you are not being sued.
However, your legal rights are affected by whether you act or don't act.*

TO: All current and former non-exempt California employees who worked for Retail Services WIS Corp, dba WIS International, Inc.; CHI Management Group LP; and/or Crossmark, Inc. ("Defendants") in California at any time from November 22, 2019 through June 7, 2025.

The California Superior Court, County of Sacramento has granted preliminary approval of a proposed settlement ("Settlement") of the above-captioned actions. Because your rights may be affected by this Settlement, it is important that you read this Notice of Proposed Class and Representative Action Settlement ("Notice") carefully.

The Court has certified the following class for settlement purposes ("Class" or "Class Members"):

All current and former non-exempt California employees who worked for any of the Defendants in California during the Class Period. The Class Period is November 22, 2019 through June 7, 2025.

The purpose of this Notice is to provide a brief description of the claims alleged in the Action, the key terms of the Settlement, and your rights and options with respect to the Settlement.

YOU MAY BE ENTITLED TO MONEY UNDER THE PROPOSED CLASS ACTION SETTLEMENT. PLEASE READ THIS NOTICE CAREFULLY; IT INFORMS YOU ABOUT YOUR LEGAL RIGHTS.

The proposed Settlement has two main parts: (1) a class settlement requiring Defendants to fund Individual Class Settlement Shares, and (2) a PAGA settlement requiring Defendants to fund Individual PAGA Settlement Shares and pay penalties to the California Labor and Workforce Development Agency ("LWDA").

Based on Defendants' records, and the Parties' current assumptions, **your Individual Class Settlement Share is estimated to be \$INSERT (less withholding) and your Individual PAGA Settlement Share is estimated to be \$INSERT.** The actual amount you may receive likely will be different and will depend on a number of factors. If no amount is stated for your Individual PAGA Settlement Share, then according to Defendants' records you are not eligible for an Individual PAGA Settlement Share under the Settlement because you didn't work any pay periods during the PAGA Period. The PAGA Period is November 6, 2022 through June 7, 2025.

The above estimates are based on Defendants' records showing that **you worked INSERT Class Pay Periods** during the Class Period (the Class Period is November 22, 2019 through June 7, 2025) and **you worked INSERT PAGA Pay Periods** during the PAGA Period (the PAGA Period is November 6, 2022 through June 7, 2025). If you believe that you worked more pay periods during either period, you can submit a dispute by the deadline date. See Section 10 of this Notice.

WHAT INFORMATION IS IN THIS NOTICE

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1. Why Have I Received This Notice?

Defendants' records indicate that you may be a Class Member. The settlement will resolve all Class Members' Released Claims, as described in Section No. 9 below, from November 22, 2019 through June 7, 2025 (this time period is referred to as the "Class Period"). If you worked for any of the Defendants in California at some time during the Class Period, you may be entitled to money under this settlement. This notice provides you with basic information about the case and advises you of your options with regard to the settlement.

A Preliminary Approval Hearing was held on February 6, 2026, at 9:00 a.m., in the California Superior Court, County of Sacramento. The Court conditionally certified the Class for settlement purposes only and directed that you receive this Notice.

2. What Is This Case About?

A class action complaint was filed by Plaintiff Kenton Samuels on November 22, 2023, in Sacramento County Superior Court (Case No. 23CV012186). On January 10, 2024, Plaintiff filed a First Amended Complaint in the class action.

On October 31, 2023, Plaintiff Kenton Samuels provided notice to the Labor and Workforce Development Agency ("LWDA") in accordance with the Private Attorneys General Act of 2004 ("PAGA"). On January 9, 2024, Plaintiff submitted a second letter to the LWDA. Thereafter, on January 10, 2024, Plaintiff filed a complaint against Defendants alleging violations of the PAGA in Sacramento County Superior Court (Case No. 24CV000311). On INSERT, Plaintiff Kenton Samuels submitted a third letter to the LWDA.

On INSERT, Plaintiff Kenton Samuels filed a Second Amended Complaint. Plaintiff's Second Amended Complaint alleges that Defendants failed to pay all regular and minimum wages, failed to pay all overtime wages, failed to provide lawful meal periods, failed to provide lawful rest periods, knowingly and intentionally failed to provide employees with accurate itemized wage statements, and failed to reimburse for all necessary business expenses. The complaint further alleges that Defendants violated the Unfair Competition Law and PAGA.

The Court has not made any determination as to whether the claims advanced by Plaintiff have any merit. In other words, the Court has not determined whether any laws have been violated, nor has it decided in favor of Plaintiff or Defendants; instead, both sides agreed to resolve the lawsuit with no decision or admission of who is right or wrong. By agreeing to resolve the lawsuit, all parties avoid the risks and cost of a trial.

3. *Am I a Class Member? Am I a PAGA Employee?*

You are a Class Member if you worked for any of the Defendants as a non-exempt employee in California at any time from November 22, 2019 through June 7, 2025.

You are a PAGA Employee if you worked for any of the Defendants as a non-exempt employee in California at any time from November 6, 2022 through June 7, 2025.

4. *How Does This Class and Representative Action Settlement Work?*

Plaintiff brought the Actions on behalf of himself and all other similarly situated individuals who worked for any of the Defendants as current and former non-exempt employees in California at any time from November 22, 2019 through June 7, 2025. Plaintiff and these other individuals comprise a "Class" and are "Class Members." Plaintiff also brought the Actions on behalf of himself and all other similarly situated individuals who worked for any of the Defendants as current and former non-exempt employees in California at any time from November 6, 2022 through June 7, 2025. Plaintiff and these other individuals comprise the "PAGA Employees." The settlement of the Actions resolves the Released Class Claims of all Class Members, as defined in the Settlement Agreement and Final Judgment, except for those who exclude themselves from the Class by requesting to be excluded in the manner set forth below. The settlement of the Actions also resolves the Released PAGA Claims of all PAGA Employees, as defined in the Settlement Agreement and Final Judgment.

The Court must also review the terms of the settlement and determine if it is fair and reasonable to the Class. On _____, 2026, the Court directed that you receive this notice.

The Court will hold a Final Fairness Hearing concerning the proposed settlement on [the date of final approval hearing], 2026 at 9:00 a.m., in Department 23 before Judge Jill Talley, located at 720 9th Street, Sacramento, California 95814. The date of the Final Approval Hearing may change without further notice to the Class. You are advised to check the Court's website (instructions on accessing this site are provided in Section 12 of this Notice) to confirm that the date has not been changed. You do not need to, but may, attend the Final Approval Hearing remotely by using the following Zoom link or telephone number:

To join by Zoom link: <https://saccourt-ca-gov.zoomgov.com/my/sscdept23>

To join by phone: (833) 568-8864 / ID: 16108301121

5. *Who Are the Attorneys Representing the Parties?*

Attorneys for Plaintiff and the Class ("Class Counsel")	Attorneys for Defendant Retail Services WIS Corp.
--	--

MARA LAW FIRM, PC David Mara dmara@maralawfirm.com Jill Vecchi jvecchi@maralawfirm.com Carter Cordura ccordura@maralawfirm.com 3160 Camino Del Rio South, Suite 207 San Diego, California 92108 Telephone: (619) 234-2833	LITTLER MENDELSON, P.C. Jody A. Landry Christina H. Hayes Sarah R. Boxer 501 W. Broadway, Suite 900 San Diego, California 92101.3577 Telephone (619) 232-0441
	Attorneys for Defendants CHI Management Group, LP and Crossmark, Inc.
	SHEPPARD, MULLIN, RICHTER, & HAMPTON LLP Stephen E. Fox 2200 Ross Ave., Suite 2400 Dallas, TX 75201 Phone: (469) 391-7400 Lauren J. Blaes 650 Town Center Dr., 10th Floor Costa Mesa, CA 92626 Phone: (714) 513-5100

The Court has decided that Mara Law Firm, PC, is qualified to represent you and all other Class Members simultaneously.

You do not need to hire your own attorney because Class Counsel is working on your behalf. But, if you want your own attorney, you may hire one at your own cost.

6. What Are My Options?

The purpose of this Notice is to inform you of the proposed settlement and of your options. Each option has its own consequences, which you should understand before making your decision. Your rights regarding each option, and the steps you must take to select each option, are summarized below and explained in more detail in this Notice.

Important Note: *Defendants will not retaliate against you in any way for either participating or not participating in this Settlement.*

- **DO NOTHING:** If you do nothing and the Court grants final approval of the Settlement, you may receive a payment from the Settlement. You will be bound to the release of claims as defined in the Settlement Agreement and the Final Judgment.
- **OPT OUT:** If you do not want to participate as a Class Member, you may "opt out," which will remove you from the Class. If the Court grants final approval of the Settlement, you will not receive an Individual Class Settlement Share and you will not release the Released Parties for the Released Class Claims. If you are a PAGA Employee, you will still receive a portion of the PAGA Payment, even if you opt-out of the class portion of the settlement, and will still remain bound by the Released PAGA Claims.

- **OBJECT:** You may assert a legal objection to the proposed settlement. If you would like to object, you may not opt out of this case.

7. *How Do I Opt Out Or Exclude Myself From This Settlement?*

If you do not want to take part in the class portion of the Settlement, you must mail a written Request for Exclusion to the Settlement Administrator. The written request for exclusion must: (a) contain your full name, address, and the last four digits of your Social Security number; (b) be signed and dated by you; (c) reference the Actions by name and case number (*Kenton Samuels v. WIS International, Inc., et al.*; Case Numbers 23CV012186 and 24CV000311); (d) contain a statement clearly indicating that you are submitting a request to be excluded from the Settlement; and (e) be postmarked on or before [the Response Deadline].

If the Court approves the Settlement at the Final Approval Hearing, the Court will enter a Judgment. If you do not opt out of the Settlement, the Judgment will bind you to the terms of the Settlement. If you are a PAGA Employee, you will receive a portion of the PAGA Payment, even if you opt out of the class portion of the settlement.

8. *How Do I Object To The Settlement?*

If you are a Class Member who does not opt out of the Settlement, you may object to the Settlement, personally or through an attorney, by submitting your objection in writing, signed, dated, and mailed to the Settlement Administrator postmarked no later than [the Response Deadline]. The objection must include: (1) your full name, address, the last four digits of your Social Security number, and your signature; (2) the case name and number (*Kenton Samuels v. WIS International, Inc., et al.*; Case Numbers 23CV012186 and 24CV000311); (3) the factual and legal basis, with supporting documents, if any, on which the objection is based; (4) whether you are represented by an attorney and must provide the contact information of any such attorney; and (5) whether you plan to appear at the Final Approval Hearing.

Class Members may alternatively appear at the Final Approval Hearing, either in person or through the objector's own counsel. Class Members may appear and object at the Final Approval Hearing as an alternative to submitting a written objection.

If the Court rejects the objection, the objector will receive an Individual Settlement Share payment and will be bound by the terms of the Settlement.

9. *How Does This Settlement Affect My Rights? What are the Released Claims?*

If the proposed settlement is approved by the Court, a Final Judgment will be entered by the Court. All Class Members who do not opt out of the Settlement will be bound by the Court's Final Judgment and will fully, finally, and forever release, settle, compromise, relinquish, and discharge on behalf of themselves and their respective past, present, and future representatives, agents, attorneys, heirs, administrators, successors, and assigns, and each and all of them Defendants and the Released Parties¹ from the Released Class Claims, which are: all claims, debts,

¹ "Released Parties" mean Retail Services WIS Corp, dba WIS International, Crossmark, Inc., CHI Management Group, LP, and each of their past, present, and future parents, subsidiaries (direct or indirect), affiliates, related organizations, predecessors, successors, assigns, owners, agents, officers, directors, partners, trustees, representatives, shareholders, stockholders, fiduciaries attorneys, equity sponsors, related

liabilities, demands, actions, or causes of action under state, federal or local law, whether statutory, common law or administrative, that were alleged in the Actions and/or LWDA Notices or that reasonably could have been alleged based on the factual and/or legal allegations in the Actions and/or LWDA Notices, including but not limited to failure to pay all wages owed, including minimum wage, straight time compensation, overtime compensation, double-time compensation, reporting time compensation, split shift premiums, and interest, whether due to alleged off the clock work, alleged unpaid travel time, failure to correctly calculate the regular rate of pay or any other theory of liability for the underpayment of wages; rounding and/or manipulation of time records; the calculation of the regular rate of pay; failure to provide proper meal periods or pay premiums at the regular rate of pay in lieu thereof; failure to provide proper rest breaks or failure to pay premiums at the regular rate of pay in lieu thereof; failure to reimburse expenses; illegal deductions; failure to timely pay wages at the time of separation of employment; failure to timely pay wages during employment; failure to properly pay sick pay, including failure to pay at the regular rate of pay; failure to properly pay vacation pay; failure to provide accurate wage statements; failure to maintain accurate records, including payroll records and records of hours worked and meal periods; failure to provide notice pursuant to Labor Code section 2810.5; failing to properly implement an alternative workweek schedule; unfair business practices; penalties, including but not limited to recordkeeping penalties, wage statement penalties, minimum wage penalties, and waiting-time penalties; all claims arising under California Labor Code Sections 98, 200, 201-203, 204, 204(b), 210, 218, 218.5, 221, 222, 223, 224, 225.5, 226, 226.2, 226.3, 226.6, 226.7, 227.3, 233, 246, 248.2, 248.6, 256, 510, 511, 512, 515, 551, 552, 558, 558.1, 1174, 1174.5, 1175, 1182.12, 1194, 1194.2, 1194.3, 1197, 1197.1, 1198, 1199, 2800, 2802, 2810.5, 2698 et seq., and 2699 et seq.); claims for violations of the provisions of the applicable Wage Orders of the California Industrial Welfare Commission that were alleged in the Actions and/or LWDA Notices or that reasonably could have been alleged based on the factual and/or legal allegations in the Actions and/or LWDA Notices, including, without limitation, Wage Orders 1-2001, 4-2001; claims for violations of California Business and Professions Code Section 17200, et seq. for the underlying claims that were alleged in the Actions and/or LWDA Notices or that reasonably could have been alleged based on the factual and/or legal allegations in the Actions and/or LWDA Notices; 8 CCR Sections 11040, 11110, and 3395; California Code of Civil Procedure Section 1021.5; and claims for violations of the Fair Labor Standards Act, 29 U.S.C. Section 201, et seq. that reasonably could have been alleged based on the factual and/or legal allegations in the Actions and/or LWDA Notices; claims for the attorney's fees and costs incurred in the prosecution of the Actions on behalf of the Class Members; any other claims, remedies, penalties, or interest that could have been pled based on the facts alleged in the Actions; and all claims that Plaintiff and/or the Class Members may have against the Released Parties relating to: (i) the payment, taxation, and allocation of attorney's fees and costs to Class Counsel pursuant to this Settlement Agreement; and (ii) the payment, taxation, and allocation of Plaintiff's Service Award pursuant to this Settlement Agreement.

Additionally, PAGA Employees will be bound by the Final Judgment and will fully, finally, and forever release, settle, compromise, relinquish, and discharge on behalf of themselves and their respective past, present, and future representatives, agents, attorneys, heirs, administrators, successors, and assigns, and each and all of them the Released Parties from the Released PAGA Claims. The Released PAGA Claims are: All claims, actions, and causes of action for civil penalties, attorneys' fees, costs or interest arising under the Private Attorneys General Act, California Labor Code Section 2698, et seq. that were alleged or that reasonably could have been alleged in the Actions and/or the LWDA Notices based on the factual allegations and legal theories contained in the Actions and/or the LWDA Notices, including but not limited to, all claims for PAGA penalties concerning failure to pay

companies/corporations and/or partnerships, divisions, consultants, joint venturers, joint employers, clients/customers, employees, insurers, alter-egos, and affiliated organizations, and all of their respective past, present and future employees, directors, officers, agents, attorneys, stockholders, fiduciaries, parents, subsidiaries, and assigns.

all wages owed, including minimum wage, straight time compensation, overtime compensation, double-time compensation, reporting time compensation, split shift premiums, and interest, whether due to alleged off the clock work, alleged unpaid travel time, failure to correctly calculate the regular rate of pay or any other theory of liability for the underpayment of wages; rounding and/or manipulation of time records; the calculation of the regular rate of pay; failure to provide proper meal periods or pay premiums at the regular rate of pay in lieu thereof; failure to provide proper rest breaks or failure to pay premiums at the regular rate of pay in lieu thereof; failure to reimburse expenses; illegal deductions; failure to timely pay wages at the time of separation of employment; failure to timely pay wages during employment; failure to properly pay sick pay, including failure to pay at the regular rate of pay; failure to properly pay vacation pay; failure to provide accurate wage statements; failure to provide notice pursuant to Labor Code section 2810.5; failing to properly implement an alternative workweek schedule; failure to maintain accurate records, including payroll records and records of hours worked and meal periods; penalties, including but not limited to recordkeeping penalties, wage statement penalties, minimum wage penalties, and waiting-time penalties; and including without limitation any and all potential claims for penalties recoverable under PAGA predicated upon Labor Code sections 98, 200, 201-203, 204, 204(b), 210, 218, 218.5, 221, 222, 223, 224, 225.5, 226, 226.2, 226.3, 226.6, 226.7, 227.3, 233, 246, 248.2, 248.6, 256, 510, 511, 512, 515, 551, 552, 558, 558.1, 1174, 1174.5, 1175, 1182.12, 1194-1197.1, 1198, 1199, 2800, 2802, 2810.5, and 2699 et. seq.; claims for violations of the provisions of the applicable Wage Order(s) that were alleged in the Actions and/or LWDA Notices or that reasonably could have been alleged based on the factual and/or legal allegations in the Actions and/or LWDA Notices, including, without limitation, Wage Orders 1-2001, 4-2001; 8 CCR Sections 11040, 11110, and 3395; California Code of Civil Procedure Section 1021.5; claims for the attorney's fees and costs incurred in the prosecution of the Actions on behalf of the PAGA Employees; all claims that Plaintiff, State of California and PAGA Employees may have against the Released Parties relating to the payment, and allocation of attorney's fees and costs to Plaintiff's Counsel pursuant to this Settlement Agreement; and any other PAGA penalty claims whatsoever alleged in the Actions or LWDA Notices, whether known or unknown, during the PAGA Period.

10. *How Much Can I Expect to Receive From This Settlement?*

The total maximum amount that Defendants could be required to pay under this Agreement shall be up to but no more than \$6,375,000 ("Maximum Settlement Amount").

A. Deductions from the Settlement

The "Net Settlement Amount" or "NSA" means the portion of the Maximum Settlement Amount minus the sum of (1) the Class Representative Service Award to the named Plaintiff in an amount not to exceed \$15,000 for prosecution of the Actions, risks undertaken for the payment of attorneys' fees and costs, and a broader release of claims; (2) the Settlement Administration Costs to the Settlement Administrator in an amount estimated to be \$75,000; and (3) payment to Class Counsel in an amount not to exceed 33.33% of the Maximum Settlement Amount (\$2,122,875) for attorneys' fees and an amount not to exceed \$30,000 for litigation costs. All of these payments are subject to Court approval. Out of the Net Settlement Amount, \$400,000.00 is designated as the PAGA Payment. The LWDA will be paid 75% of the PAGA Payment. The remaining 25% of the PAGA Payment ("PAGA Employee Fund") will be paid to PAGA Employees as set forth in the Settlement. The remainder of the Net Settlement Amount ("Class Member Fund"), will be paid to the Participating Class Members as outlined in the Settlement.

B. How Class Member Settlement Payments are Calculated

After deducting the above-referenced items, the remaining Net Settlement Amount will be proportionately distributed amongst all Class Members who have not opted out. These Class Members are referred to as "Participating Class Members." Participating Class Members will receive a pro-rated share of the Class Member Fund, less applicable withholdings, based on their Class Pay Periods. Class Pay Periods means the number of pay periods worked by the Class Member during the Class Period in California. After preliminary approval, the Class Pay Period value will be established by dividing the Class Member Fund by all Class Pay Periods actually worked by the Class Members during the Class Period. The Class Pay Periods actually worked by Class Members during the Class Period will be determined by Defendants' payroll records. The estimated Individual Class Settlement Share for each Class Member will be determined by multiplying the Class Pay Period value by each Class Member's individual Class Pay Periods. The Class Pay Period value will be recalculated after final approval to account for any opt-outs. After final approval, the Class Pay Period value will be established by dividing the Class Member Fund by all Class Pay Periods actually worked by the Participating Class Members during the Class Period. The Class Pay Periods actually worked by Participating Class Members during the Class Period will be determined by Defendants' payroll records. The Individual Class Settlement Share for each Participating Class Member will be determined by multiplying the Class Pay Period value by each Participating Class Member's individual Class Pay Periods.

C. How Individual PAGA Payments are Calculated

If you are a PAGA Employee under the settlement, you will also receive a portion of the PAGA Employee Fund. Pursuant to PAGA, the LWDA will receive a payment of \$300,000 (75% of the \$400,000 total PAGA Payment). The remaining \$100,000 is the "PAGA Employee Fund." PAGA Employees will receive a pro-rated share of the PAGA Employee Fund based on their PAGA Pay Periods. PAGA Pay Periods means the number of pay periods actually worked by the PAGA Employee during the PAGA Period in California and excluding the time period for RSW employees covered by the settlement in *Schlosser v. Retail Services WIS Corp*, Sacramento Superior Court Case No. 23CV002756, and the pay periods for CROSSMARK and CHI employees covered by the settlement in *Sgontz v. Crossmark, Inc.*, Orange County Superior Court Case No. 30-2021-01204377-CU-OE-CXC. Each PAGA Employees' pro rata share of the PAGA Employee Fund will be determined by converting the PAGA Employee Fund into a PAGA Pay Period value. The PAGA Pay Period value will be established by dividing the PAGA Employee Fund by all PAGA Pay Periods as determined by Defendants' payroll records. The Individual PAGA Settlement Share for each PAGA Employee will be determined by multiplying the PAGA Pay Period value by each PAGA Employee's individual PAGA Pay Periods. All Individual PAGA Settlement Share payments are for penalties and will be reported on IRS 1099 forms. PAGA Employees will assume full responsibility and liability for the payment of taxes due on such awards, if any.

D. Your Estimated Settlement Payment

Although your exact share of the Class Member Fund as a Class Member cannot be precisely calculated until after the time during which individuals may seek exclusion from the Settlement concludes, based upon the calculation above, your approximate share of the Class Member Fund, is as follows: \$, less taxes. This is based on the Class Data which shows you worked Class Pay Periods during the period of November 22, 2019 through June 7, 2025.

If you are also a PAGA Employee, you will receive a share of the PAGA Employee Fund. Based upon the calculation above, your approximate share of the PAGA Employee Fund, is as follows: \$. This is based on the Class Data which shows you worked PAGA Pay Periods during the period of November 6, 2022 through June 7, 2025.

If you believe the number of Class Pay Periods or PAGA Pay Periods attributed to you is incorrect, you must

submit a dispute to the Settlement Administrator no later than [RESPONSE DEADLINE]. The dispute must: (a) contain your full name, address, and the last four digits of your Social Security number; (b) be signed and dated by you; (c) reference the Actions by name and case number (*Kenton Samuels v. WIS International, Inc., et al.*; Case Numbers 23CV012186 and 24CV000311); (d) contain a statement clearly indicating that you dispute the number of pay periods that are credited to you and the number of pay periods that you claim should be credited to you; and (e) attach supporting documentation, if any, that you may have.

E. Tax Treatment of Your Settlement Payments

Fifteen percent (15%) of each Individual Class Settlement Share is intended to settle each Class Member's claims for unpaid wages (the "Wage Component"). The Wage Component will be reduced by applicable payroll tax withholdings and deductions. Defendants' share of legally required payroll taxes for the Wage Component will be calculated by the Settlement Administrator and paid by Defendants separately from the Maximum Settlement Amount. The Settlement Administrator will issue an IRS Form W-2 to each Participating Class Member with respect to the Wage Component of his/her Individual Class Settlement Share.

Eighty-five percent (85%) of the Individual Class Settlement Share is intended to settle each Class Member's claims for interest, penalties, and other non-wage damages. The Non-Wage Component will not be reduced by payroll tax withholding and deductions. The Settlement Administrator will issue to each Participating Class Member an IRS Form 1099 with respect to the Non-Wage Component of his/her Individual Class Settlement Share.

If you are a PAGA Employee, your Individual PAGA Settlement Share will be apportioned as 100% penalties. This will not be reduced by payroll tax withholding and deductions. The Settlement Administrator will issue to each PAGA Employee an IRS Form 1099 with respect to his/her Individual PAGA Settlement Share.

F. What Happens If You Don't Cash Your Check?

Please note that you must cash or deposit your settlement check within 180 calendar days after the check is mailed to you. If your check was lost or misplaced or you have changed your address, please contact the Settlement Administrator at [INSERT]. All funds associated with the Individual Settlement Share checks returned as undeliverable and funds associated with those checks remaining un-cashed, shall escheat to the California Controller's Unclaimed Property Fund in the name of the Class Member.

11. How Will the Attorneys for the Class and the Class Representatives Be Paid?

The attorneys for Plaintiff and the Class will be paid from the Maximum Settlement Amount. Subject to Court approval, the attorneys for Plaintiff and the Class shall be paid an amount not to exceed 33.33% of the Maximum Settlement Amount (\$2,122,875) for attorney fees and up to \$30,000 for litigation costs.

Defendants have paid all of their own attorneys' fees and costs.

Plaintiff will also be paid, subject to Court approval, an amount not to exceed \$15,000, as an enhancement for the initiation of and prosecution of this case, the risks undertaken for the payment of costs in the event this case had been lost, and a broader release of claims.

12. *What do I do if I Need More Information or Have Questions?*

This notice summarizes the proposed settlement. You can receive a copy of the settlement agreement by accessing the Court docket in this case through the Court's website at <https://www.saccourt.ca.gov/indexes/new-portal-info.aspx> and creating an account. Once you have created an account, access the Public Portal at <https://prod-portal-sacramento-ca.journaltech.com/public-portal/?q=Home>. Then, click "Searches." On the next page, select "Case Number Search." Enter the Case Number "23CV012186" on the next page. You can also obtain the Court docket or by visiting the office of the Court at 720 9th Street, Sacramento, California 95814 between 8:30 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.

You may also contact the Settlement Administrator at [] or write to [case name], Settlement Administrator, [address].

All inquiries by Class Members regarding this Notice of Class Action Settlement and/or the Settlement should be directed to Class Counsel or the Settlement Administrator.

PLEASE DO NOT TELEPHONE THE COURT OR COURT'S CLERK FOR INFORMATION ABOUT THIS SETTLEMENT.

Exhibit B

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

KENTON SAMUELS on behalf of
himself, all others similarly situated, and
on behalf of the general public,

Plaintiffs,

v.

WIS INTERNATIONAL, INC.; CHI
MANAGEMENT GROUP LP;
CROSSMARK, INC.; and DOES 1-100,

Defendants.

Case No. 23CV012186
(Consolidated with Case No. 24CV00311)

*[Assigned for all purposes to the
Honorable Jill Talley; Dept. 23]*

**[PROPOSED] ORDER GRANTING
PLAINTIFF KENTON SAMUELS'
MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION AND
PAGA SETTLEMENT, CONDITIONAL
CERTIFICATION, APPROVAL OF CLASS
NOTICE, SETTING OF FINAL APPROVAL
HEARING DATE**

Date: February 6, 2026
Time: 9:00 a.m.

Date Filed: November 22, 2023
Trial Date: None Set

I. RECITALS

This action is currently pending before this Court as a putative class action and representative action (the "Action"). Plaintiff Kenton Samuels has applied to this Court for an order preliminarily approving the settlement of the Action in accordance with the Joint Stipulation to Settle Class and PAGA Claims (the "Agreement"), which together with the exhibit annexed thereto, sets forth the terms and conditions for a proposed settlement and entry of judgment upon the terms and conditions set forth therein. The Court has read and considered the Memorandum of Points and Authorities in support of Plaintiff's Motion for Preliminary Approval of Class Action and PAGA Settlement, Conditional Certification, Approval of Class Notice, and Setting of Final Approval Hearing Date and the declarations submitted therewith. For purposes of this Order, the Court adopts all defined terms as set forth in the Agreement.

II. FINDINGS

After review and consideration of the Agreement and Plaintiff's motion for preliminary approval and the papers in support thereof, the Court hereby finds and orders as follows:

1. The Agreement falls within the range of reasonableness meriting possible final approval.

2. The certification of the Class solely for purposes of settlement is appropriate in that: (1) the Class Members are ascertainable and so numerous that joinder of all Class Members is impracticable; (2) there are questions of law and fact common to the Class which predominate over any individual questions; (3) Plaintiff's claims are typical of the claims of the Class; (4) Plaintiff and his Counsel have fairly and adequately represented and protected the interests of the Class; and (5) a class action, and class-wide resolution of the action via class settlement procedures is superior to other available methods for the fair and efficient adjudication of the controversy.

3. The Agreement, and the obligations of the Parties as set forth therein, is fair, reasonable, and is an adequate settlement of this case and is in the best interests of the Class in light of the factual, legal, practical, and procedural considerations raised by this case.

4. Plaintiff does not have any conflicts that would preclude him from serving as Class Representative, and his appointment comports with the requirements of due process.

5. Class Counsel does not have any conflicts that would preclude them from acting as Class Counsel, and they meet the requirements for appointment as Class Counsel and the requirements of due process.

6. The proposed Notice of Proposed Class and Representative Action Settlement ("Class Notice") attached as **Exhibit A** hereto complies with due process because the notice of proposed class action settlement is reasonably calculated to adequately apprise Class Members of: (i) the pending lawsuit; (ii) the terms of the proposed Agreement; and (iii) their rights, including the right to either participate in the settlement, exclude themselves from the settlement, or object to the settlement. Plaintiff's proposed plan for class notice and settlement administration is the best notice practicable under the circumstances.

7. Specifically, Class Members can respond to the Class Notice in the following ways:

a. Class Members can request to be excluded from the settlement by submitting a letter postmarked on or before the Response Deadline or, in the instance of a re-mailed Class Notice, the Extended Response Deadline indicating a request to be excluded from the class portion of the Settlement. The Opt-Out Notice must: (a) contain the full name, address, and last four digits of the Social Security number of the Class Member requesting to opt-out; (b) be signed and dated by the Class Member requesting to opt-out; (c) reference the Actions by name and case number; and (d) contain a statement clearly indicating that the Class Member submitting the request seeks to be excluded from the Settlement.

b. Participating Class Members can object to the settlement by submitting an objection. All written objections must include: (1) the objector's full name, address, last four digits of his or her Social Security number, and signature; (2) the case name and number; (3) the factual and legal basis, with supporting documents, if any, on which the objection is based; (4) whether the objector is represented by an attorney and providing the contact information of any such attorney; and (5) whether the objector plans to appear at the Final Approval Hearing. Written objections must be postmarked on or before the Response Deadline or, in the instance of a re-mailed Class Notice, the Extended Response Deadline. Alternatively, or in addition to a written objection, Class Members may appear at the Final Approval Hearing to make an oral objection.

c. Class Members will have an opportunity to dispute the information provided in their Class Notice. If a Class Member disputes the number of pay periods credited to him or her, the Class Member must submit a written dispute to the Settlement Administrator, postmarked no later than the Response Deadline or, in the instance of a re-mailed Class Notice, the, Extended Response Deadline. The dispute must: (a) contain the full name, address, and last four digits of the Social Security number of the Class Member; (b) be signed and dated by the Class Member; (c) reference the Actions by name and case number; (d) contain a statement clearly indicating that the Class Member disputes the number of pay periods that are credited to him or her and the number of pay periods that the Class Member claims should be credited to him or her; and (e) attach supporting documentation, if any, that they may have.

III. ORDER

The Court having considered the papers submitted in support of the motion for preliminary approval, HEREBY ORDERS THE FOLLOWING:

1. The Court finds on a preliminary basis that the provisions of the Agreement are fair, just, reasonable, and adequate and, therefore, meet the requirements for preliminary approval.

2. The following Class is conditionally certified for purposes of settlement only: All current and former non-exempt California employees who worked for any of the Defendants in California during the Class Period. The Class Period is November 22, 2019 through June 7, 2025, unless modified due to Section III(P)(3) of the Agreement.

3. The Agreement provides for the following release as to Participating Class Members,¹ which is hereby approved conditionally: Upon Defendants funding the Maximum Settlement Amount, Plaintiff and all other Participating Class Members on behalf of themselves and their respective past, present, and future representatives, agents, attorneys, heirs, administrators, successors, and assigns, and each and all of them, shall and will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties from the Released Class Claims. The "Released Class Claims" means all claims,

¹ Participating Class Members are Class Members who do not submit a timely and valid request to opt-out of the Settlement.

1 debts, liabilities, demands, actions, or causes of action under state, federal or local law, whether
2 statutory, common law or administrative, that were alleged in the Actions and/or LWDA Notices
3 or that reasonably could have been alleged based on the factual and/or legal allegations in the
4 Actions and/or LWDA Notices, including but not limited to failure to pay all wages owed,
5 including minimum wage, straight time compensation, overtime compensation, double-time
6 compensation, reporting time compensation, split shift premiums, and interest, whether due to
7 alleged off the clock work, alleged unpaid travel time, failure to correctly calculate the regular rate
8 of pay or any other theory of liability for the underpayment of wages; rounding and/or manipulation
9 of time records; the calculation of the regular rate of pay; failure to provide proper meal periods
10 or pay premiums at the regular rate of pay in lieu thereof; failure to provide proper rest breaks or
11 failure to pay premiums at the regular rate of pay in lieu thereof; failure to reimburse expenses;
12 illegal deductions; failure to timely pay wages at the time of separation of employment; failure to
13 timely pay wages during employment; failure to properly pay sick pay, including failure to pay at
14 the regular rate of pay; failure to properly pay vacation pay; failure to provide accurate wage
15 statements; failure to maintain accurate records, including payroll records and records of hours
16 worked and meal periods; failure to provide notice pursuant to Labor Code section 2810.5; failing
17 to properly implement an alternative workweek schedule; unfair business practices; penalties,
18 including but not limited to recordkeeping penalties, wage statement penalties, minimum wage
19 penalties, and waiting-time penalties; all claims arising under California Labor Code Sections 98,
20 200, 201-203, 204, 204(b), 210, 218, 218.5, 221, 222, 223, 224, 225.5, 226, 226.2, 226.3, 226.6,
21 226.7, 227.3, 233, 246, 248.2, 248.6, 256, 510, 511, 512, 515, 551, 552, 558, 558.1, 1174, 1174.5,
22 1175, 1182.12, 1194, 1194.2, 1194.3, 1197, 1197.1, 1198, 1199, 2800, 2802, 2810.5, 2698 et seq.,
23 and 2699 et seq.); claims for violations of the provisions of the applicable Wage Orders of the
24 California Industrial Welfare Commission that were alleged in the Actions and/or LWDA Notices
25 or that reasonably could have been alleged based on the factual and/or legal allegations in the
26 Actions and/or LWDA Notices, including, without limitation, Wage Orders 1-2001, 4-2001;
27 claims for violations of California Business and Professions Code Section 17200, et seq. for the
28 underlying claims that were alleged in the Actions and/or LWDA Notices or that reasonably could

1 have been alleged based on the factual and/or legal allegations in the Actions and/or LWDA
2 Notices; 8 CCR Sections 11040, 11110, and 3395; California Code of Civil Procedure Section
3 1021.5; and claims for violations of the Fair Labor Standards Act, 29 U.S.C. Section 201, et seq.
4 that reasonably could have been alleged based on the factual and/or legal allegations in the Actions
5 and/or LWDA Notices; claims for the attorney's fees and costs incurred in the prosecution of the
6 Actions on behalf of the Class Members; any other claims, remedies, penalties, or interest that
7 could have been pled based on the facts alleged in the Actions; and all claims that Plaintiff and/or
8 the Class Members may have against the Released Parties relating to: (i) the payment, taxation,
9 and allocation of attorney's fees and costs to Class Counsel pursuant to this Settlement Agreement;
10 and (ii) the payment, taxation, and allocation of Plaintiff's Service Award pursuant to this
11 Settlement Agreement. The release of the Released Class Claims shall be effective as to the entire
12 Class Period.

13 1. This settlement also releases claims under the Private Attorneys General Act of
14 2004 ("PAGA"). These claims are asserted on behalf of PAGA Employees defined as: All current
15 and former non-exempt California employees who worked for any of the Defendants in California
16 during the PAGA Period. The PAGA Period is November 6, 2022 through June 7, 2025, unless
17 modified due to Section III(P)(3) of the Agreement. PAGA Employees may not request to be
18 excluded from the PAGA portion of the Settlement, including the Released PAGA Claims. All
19 PAGA Employees will receive a portion of the PAGA Employee Fund.

20 2. The Agreement provides for the following release as to PAGA Employees, which
21 is hereby approved conditionally: Upon Defendants funding the Maximum Settlement Amount,
22 Plaintiff, the LWDA, the State of California, and all PAGA Employees on behalf of themselves
23 and their respective past, present, and future representatives, agents, attorneys, heirs,
24 administrators, successors, and assigns, and each and all of them, shall and will be deemed to have
25 fully, finally, and forever released, settled, compromised, relinquished, and discharged the
26 Released Parties from the "Released PAGA Claims." The "Released PAGA Claims" means all
27 claims, actions, and causes of action for civil penalties, attorneys' fees, costs or interest arising
28 under the Private Attorneys General Act, California Labor Code Section 2698, et seq. that were

1 alleged or that reasonably could have been alleged in the Actions and/or the LWDA Notices based
2 on the factual allegations and legal theories contained in the Actions and/or the LWDA Notices,
3 including but not limited to, all claims for PAGA penalties concerning failure to pay all wages
4 owed, including minimum wage, straight time compensation, overtime compensation, double-time
5 compensation, reporting time compensation, split shift premiums, and interest, whether due to
6 alleged off the clock work, alleged unpaid travel time, failure to correctly calculate the regular rate
7 of pay or any other theory of liability for the underpayment of wages; rounding and/or manipulation
8 of time records; the calculation of the regular rate of pay; failure to provide proper meal periods
9 or pay premiums at the regular rate of pay in lieu thereof; failure to provide proper rest breaks or
10 failure to pay premiums at the regular rate of pay in lieu thereof; failure to reimburse expenses;
11 illegal deductions; failure to timely pay wages at the time of separation of employment; failure to
12 timely pay wages during employment; failure to properly pay sick pay, including failure to pay at
13 the regular rate of pay; failure to properly pay vacation pay; failure to provide accurate wage
14 statements; failure to provide notice pursuant to Labor Code section 2810.5; failing to properly
15 implement an alternative workweek schedule; failure to maintain accurate records, including
16 payroll records and records of hours worked and meal periods; penalties, including but not limited
17 to recordkeeping penalties, wage statement penalties, minimum wage penalties, and waiting-time
18 penalties; and including without limitation any and all potential claims for penalties recoverable
19 under PAGA predicated upon Labor Code sections 98, 200, 201-203, 204, 204(b), 210, 218, 218.5,
20 221, 222, 223, 224, 225.5, 226, 226.2, 226.3, 226.6, 226.7, 227.3, 233, 246, 248.2, 248.6, 256,
21 510, 511, 512, 515, 551, 552, 558, 558.1, 1174, 1174.5, 1175, 1182.12, 1194-1197.1, 1198, 1199,
22 2800, 2802, 2810.5, and 2699 et. seq.; claims for violations of the provisions of the applicable
23 Wage Order(s) that were alleged in the Actions and/or LWDA Notices or that reasonably could
24 have been alleged based on the factual and/or legal allegations in the Actions and/or LWDA
25 Notices, including, without limitation, Wage Orders 1-2001, 4-2001; 8 CCR Sections 11040,
26 11110, and 3395; California Code of Civil Procedure Section 1021.5; claims for the attorney's
27 fees and costs incurred in the prosecution of the Actions on behalf of the PAGA Employees; all
28 claims that Plaintiff, State of California and PAGA Employees may have against the Released

Parties relating to the payment, and allocation of attorney's fees and costs to Plaintiff's Counsel pursuant to this Settlement Agreement; and any other PAGA penalty claims whatsoever alleged in the Actions or LWDA Notices, whether known or unknown, during the PAGA Period. The release of the Released PAGA Claims shall be effective as to the entire PAGA Period.

1. The settlement appears to be fair, adequate and reasonable to the Class. The settlement falls within the range of reasonableness and appears to be presumptively valid, subject only to any objections that may be raised at the final approval hearing and final approval by this Court.

2. Plaintiff Kenton Samuels is conditionally approved as the Class Representative for the Class.

3. The Court acknowledges the request for a Class Representative Service Award of \$15,000.00 to Plaintiff Kenton Samuels for his service as class representative which will be decided at the time of Final Approval.

4. Mara Law Firm, PC, is conditionally approved as Class Counsel for the Class.

5. The Court acknowledges the request for awards of up to \$2,122,875.00 in attorneys' fees and up to \$30,000 in actual costs payable to Class Counsel which will be decided at the time of Final Approval.

6. A final approval hearing on the question of whether the settlement, attorneys' fees and costs to Class Counsel, and the Class Representative Service Award should be finally approved as fair, reasonable and adequate as to Class Members is scheduled in Department 23 on the date and time set forth in the Implementation Schedule below.

7. The Court confirms Apex as the Settlement Administrator.

8. The proposed payment of \$75,000.00 in costs to Apex for its services as the Settlement Administrator is conditionally approved.

9. The Agreement provides from the Maximum Settlement Amount a PAGA Payment of \$400,000 (75% of which shall be paid to the Labor and Workforce Development Agency, and 25% of which shall be distributable to PAGA Employees).

10. The Court approves, as to form and content, the Class Notice in substantially the

form attached as **Exhibit A** hereto. The Court approves the procedure for Class Members to participate in, to opt out of, and to object to, the Settlement as set forth in the Class Notice.

11. The Court directs the mailing of the Class Notice by first class U.S. mail to Class Members in English and Spanish in accordance with the Implementation Schedule below. The Court finds the dates selected for the mailing and distribution of the Class Notice, as set forth in the Implementation Schedule, meet the requirements of due process and provide the best notice practicable under the circumstances and shall constitute due and sufficient notice to all persons entitled thereto.

IV. IMPLEMENTATION SCHEDULE

The Court orders the following Implementation Schedule for further proceedings:

Deadline for Defendants to submit Class Data List to Settlement Administrator	10 business days after the date of this signed Order
Deadline for Settlement Administrator to Mail Class Notices to Class Members	14 calendar days after receiving the Class Data List
Deadline for Class Members to Postmark Opt-Out Notices, Objections, or Disputes ("Response Deadline")	60 calendar days after the mailing of the Class Notice
Deadline for Class Members with Re-Mailed Class Notices to Postmark Opt-Out Notices, Objections, or Disputes	The Response Deadline or 15 calendar days after remailing of the Class Notice, whichever is later
Deadline for Class Counsel to file a Motion for Final Approval	16 court days prior to the final approval hearing
Deadline to Provide the Court with the Settlement Administrator's Declaration Outlining Opt-Out Notices, Objections, and Disputes	16 court days prior to the final approval hearing
Deadline for the Parties to Respond to Objections, if Any	16 court days prior to the final approval hearing
Final Approval Hearing	

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IT IS SO ORDERED.

Dated: _____, 2026

By _____
Honorable Jill Talley
Judge of the Superior Court

Exhibit 2

David Mara
Jill Vecchi
Taylor Hanks
Carter Cordura

MARA LAW FIRM

PC

3160 Camino Del Rio South
Suite 207, San Diego, CA 92108
Phone: (619) 234-2833
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MaraLawFirm.com

March 11, 2026

Via Upload to the LWDA Website and U.S. Certified Mail

SECOND AMENDED NOTICE OF LABOR CODE VIOLATIONS PURSUANT TO LABOR CODE SECTION 2699.3

TO: California Labor and Workforce Development Agency; Retail Services WIS Corporation, dba "WIS International", CHI Management Group LP, and CROSSMARK, Inc.

Kenton Samuels, on behalf of himself, others similarly situated, and the general public v. Retail Services WIS Corporation, dba "WIS International", CHI Management Group LP, and CROSSMARK, Inc.

Factual Statement and Theories of Labor Code Violations

Kenton Samuels was employed by Retail Services WIS Corporation, dba "WIS International", CHI Management Group LP, and CROSSMARK, Inc. (collectively referred to herein as "Employer") as a non-exempt hourly employee based in Sacramento, California, with the job title of merchandiser.

Mr. Samuels gives this amended notice of his intent to file a lawsuit for violations of the Private Attorneys General Act of 2004 ("PAGA") for WIS' failure to comply with California's wage and hour requirements on behalf of himself and similarly aggrieved employees. Based on the following facts and theories, Employer has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 96, 98, 98.6, 200, 201-203, 204, 204(b), 210, 218, 218.5, 221, 222, 223, 224, 225.5, 226, 226.2, 226.3, 226.6, 226.7, 227.3, 232, 232.5, 233, 246, 248.2, 248.6, 256, 510, 511, 512, 515, 551, 552, 558, 558.1, 1174, 1174.5, 1175, 1182.12, 1194-1197.1, 1197.5, 1198, 1199, 2800, 2802, 2810.5, and 2698 et. seq., and IWC Wage Orders including *inter alia*, Wage Orders 1-2001, 4-2001, 5-2001, 7-2001, 8 CCR Sections 11010, 11040, 11050, 11070, 11110, and 3395, and California Code of Civil Procedure section 1021.5.

I. Employer Fails to Pay All Straight, Regular, and Minimum Wages Owed

It is fundamental that an employer must pay its employees for all time worked. *California Labor Code* sections 218 and 218.5 provide a right of action for nonpayment of wages. *California Labor Code* section 222 prohibits the withholding of part of a wage. *California Labor Code* section 223

prohibits the payment of less than a statutory or contractual wage scale. *California Labor Code* section 1197 prohibits the payment of less than the minimum wage. *California Labor Code* section 1194 states that an employee receiving less than the legal minimum wage is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage. *California Labor Code* section 1194.2 states that an employee receiving less than the legal minimum wage is entitled to recover liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon. *California Labor Code* section 224 only permits deductions from wages when the employer is required or empowered to do so by state or federal law or when the deduction is expressly authorized in writing by the employee for specified purposes that do not have the effect of reducing the agreed upon wage.

Employer was required to timely compensate Mr. Samuels and the aggrieved employees for all hours worked and was prohibited from making deductions that had the effect of reducing the agreed upon wage.

Employer has a continuous policy of not paying Mr. Samuels and the aggrieved employees for all hours worked. Specifically, Employer has a continuous and consistent policy of requiring employees to work before clocking in, after clocking out, and during meal and rest periods. For example, Employer requires Mr. Samuels and the aggrieved employees to engage in work related tasks prior to clocking in and after clocking out for their shifts. Employer also subjects Mr. Samuels and the aggrieved employees to work duties and/or employer controls prior to clocking in and after clocking out for their shifts, including requiring employees to come early to work and leave work late without being able to clock in for all that time, to wait in long lines for clocking in, to don and doff uniforms and/or safety equipment while not clocked in, to attend company meetings while off the clock, to drive while off the clock, and to go through security screening and temperature checks while off the clock. Employer also requires Mr. Samuels and the aggrieved employees to assist their customers and clients while off the clock, to make and/or answer phone calls and/or text messages while off the clock, or otherwise respond to work communications while off the clock, and keep Mr. Samuels and the aggrieved employees under their control by preventing them from performing lawful activities while off the clock. Employer also requires Mr. Samuels and the aggrieved employees to prepare their workstations, cook food, clean, put away supplies, and complete other work duties while off the clock. Employer also requires Mr. Samuels and the aggrieved employees to clock out for rest periods and continue working. Mr. Samuels and the aggrieved employees are not paid for this time.

Employer has a continuous policy or practice that instructs Mr. Samuels and the aggrieved employees to start recording their time worked for the day when they arrive at their first work location, and to stop recording their time when they leave their last work location. However, Mr. Samuels and the aggrieved employees start their workday by logging into applications on their personal cell phones to determine where they are going and what they are doing that day. Mr. Samuels and the aggrieved employees are not compensated for this time. Further, Mr. Samuels and the aggrieved employees are not paid for the time it takes them to drive both to the first work location of the day and after finishing their tasks at the last work location of the day. Additionally, Employer requires Mr. Samuels and the aggrieved employees to take surveys and note expenses at the end of the week, but fails to compensate them for this time.

Furthermore, when Mr. Samuels and the aggrieved employees are able to take meal periods, Mr. Samuels and the aggrieved employees are not relieved of all duties and/or employer control during their meal periods. Specifically, Mr. Samuels and the aggrieved employees worked through their meal periods to satisfy their demanding work duties imposed by Employer, thereby denying them the right to be completely free from employer control under California law. Mr. Samuels and the aggrieved employees are informed and believe and thereon allege that Employer breached the legal duty to pay for all hours worked by failing to pay Mr. Samuels and similarly aggrieved employees for meal period time when Mr. Samuels and the aggrieved employees were not relieved of all duties and/or employer control.

Employer failed to keep accurate time records for Mr. Samuels and the aggrieved employees showing all hours worked. Employer also fails to keep accurate time records of Mr. Samuels' and the aggrieved employees' time as a result of its continuous policies or practices of not paying them for all hours worked. Employer fails to track all minutes worked by Mr. Samuels and the aggrieved employees. For example, Employer rounds and/or otherwise manipulates Mr. Samuels' and the aggrieved employees' time records such that Mr. Samuels and the aggrieved employees' time records do not show all hours actually worked and Mr. Samuels and the aggrieved employees are not paid for all time worked. Such rounding and/or manipulation was not even-handed and to the detriment of employees. As noted above, these policies or practices instruct Mr. Samuels and the aggrieved employees to start recording their time worked for the day when they arrive at their first work location, and to stop recording their time when they leave their last work location, as well as fail to relieve Mr. Samuels and the aggrieved employees of all Mr. Samuels and the aggrieved employees. As a result, Employer's time records do not contain any record of the time Mr. Samuels and the aggrieved employees spent working before clocking in, after clocking out, and during meal periods.

California Labor Code section 1198 provides that "The employment of any employee ... under conditions of labor prohibited by the [Industrial Wage Orders] is unlawful." The applicable IWC Wage Orders require that for each workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work, the employee shall be paid for half the usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee's regular rate of pay. Further, if an employee is required to report for work a second time in any one workday and is furnished less than two (2) hours of work on the second reporting, said employee shall be paid for two (2) hours at the employee's regular rate of pay. During the relevant time period, Employer failed to pay Mr. Samuels and the aggrieved employees half the usual or scheduled day's work in an amount no less than two (2) hours nor more than four (4) hours at the employee's regular rate of pay for workdays in which Mr. Samuels and the aggrieved employees reported to work and were furnished less than half the usual or scheduled day's work. During the relevant time period, Employer failed to pay Mr. Samuels and the aggrieved employees for two (2) hours at the employee's regular rate of pay on days in which Mr. Samuels and the aggrieved employees were required to report for work a second time in one workday and were furnished less than two (2) hours of work upon the second reporting. Moreover, Employer failed to accurately calculate the regular rate of pay for reporting time pay by failing to include all remuneration for employment paid to, or on behalf of, the employee, including but not limited to non-discretionary bonuses, incentive pay, shift differential pay, and commissions.

California Labor Code section 1198 provides that no employer may employ an employee under conditions of labor that are prohibited by the applicable IWC Wage Order and requires that "the standard conditions of labor fixed by the commission shall be the ... standard conditions of labor for employees. The employment of any employee ... under conditions of labor prohibited by the order is unlawful." The applicable IWC Wage Orders and the equivalent regulation sections provide that "When an employee works a split shift, one (1) hour's pay at the minimum wage shall be paid in addition to the minimum wage for that workday, except when the employee resides at the place of employment." A split shift is defined as "a work schedule, which is interrupted by non-paid non-working periods established by the employer, other than bona fide rest or meal periods." Employer violated California Labor Code section 1198, the Wage Orders, and the equivalent regulations because Employer failed to pay Mr. Samuels and the aggrieved employees all applicable split shift premiums, including when employees returned to work for an additional shift in the same day. Employer required Mr. Samuels and the aggrieved employees to work split shifts but failed to pay them an additional hour at the minimum wage.

Mr. Samuels and the aggrieved employees are informed and believe and thereon allege that Employer breached the legal duty to pay full wages to Mr. Samuels by failing to pay Mr. Samuels and similarly aggrieved employees for meal period time when Mr. Samuels and the aggrieved employees were not relieved of all duties and/or employer control.

Employer committed the acts alleged herein knowingly and willfully, with the wrongful and deliberate intention of injuring Mr. Samuels and the aggrieved employees. Employer acted with malice or in conscious disregard of Mr. Samuels' and the aggrieved employees' rights.

These claims are for Mr. Samuels and all similarly situated non-exempt employees who worked for Employer in California.

Based on the foregoing, Employer violated California law, including Labor Code sections 200, 218, 218.5, 221, 222, 223, 224, 558, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and the applicable IWC Wage Orders and equivalent regulation sections. Mr. Samuels, as a representative of the people of the State of California, will seek any and all penalties otherwise capable of being collected by the Labor Commission and/or the Department of Labor Standards Enforcement (DLSE). This includes all civil penalties applicable pursuant to California Labor Code sections 200, 218, 218.5, 221, 222, 223, 224, 558, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2699 et seq. and the applicable IWC Wage Orders.

II. Employer Fails to Pay All Overtime Wages Owed

It is fundamental that an employer must pay its employees for all time worked. *California Labor Code* section 510 states that eight (8) hours of labor constitutes a day's work. Any work in excess of eight (8) hours in one workday and any work in excess of forty (40) hours in any one workweek and the first eight (8) hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half (1.5) times the regular rate of pay for an employee.

California Labor Code section 510 dictates that any work in excess of twelve (12) hours in one (1) day shall be compensated at the rate of no less than two (2) times the regular rate of pay for an employee. In addition, any work in excess of eight (8) hours on any seventh day of a workweek shall be compensated at the rate of no less than two (2) times the regular rate of pay of an employee.

Employer failed to pay overtime when Mr. Samuels and the aggrieved employees worked over eight (8) hours per day and when employees worked over forty (40) hours per week.

Employer fails to keep accurate time records for Mr. Samuels and the aggrieved employees showing all overtime hours worked whether that be due to Employer failing to accurately record all overtime hours worked and/or adopting an unlawful Alternative Workweek Schedule ("AWS") that has the effect of reducing the overtime hours worked and overtime pay owed to employees. Employer attempted but failed to properly implement an AWS, including by its failure to implement a written agreement designating the regularly scheduled alternative workweek in which the specified number of work days and work hours are regularly recurring; failing to adopt the AWS in a secret ballot election, before the performance of work, by at least a two-thirds (2/3) vote of the affected employees in the work unit; failing to follow the notice/disclosures procedures prior to any AWS election; and/or failing to register an AWS election with the State of California, as required by Labor Code section 511 and applicable Wage Orders. Employer also has a continuous policy of altering, changing, and/or failing to record all of Mr. Samuels' and the aggrieved employees' time worked to eliminate and/or reduce the number of overtime hours worked and/or to only pay employees their straight time rate of pay for these hours.

Mr. Samuels and the aggrieved employees were deprived of wages for overtime hours worked because Employer failed to pay them overtime wages for all overtime hours worked. This resulted in Mr. Samuels and the aggrieved employees not being paid all overtime wages owed to them.

Employer also failed to pay Mr. Samuels and the aggrieved employees for all hours worked, including hours worked over eight (8) hours in a day and forty (40) hours in a week, thus depriving Mr. Samuels and the aggrieved employees of overtime wages.

Employer has a continuous policy of not paying Mr. Samuels and the aggrieved employees for all hours worked. Specifically, Employer has a continuous and consistent policy of requiring employees to work before clocking in, after clocking out, and during meal and rest periods. For example, Employer requires Mr. Samuels and the aggrieved employees to engage in work related tasks prior to clocking in and after clocking out for their shifts. Employer also subjects Mr. Samuels and the aggrieved employees to work duties and/or employer controls prior to clocking in and after clocking out for their shifts, including requiring employees to come early to work and leave work late without being able to clock in for all that time, to wait in long lines for clocking in, to don and doff uniforms and/or safety equipment while not clocked in, to attend company meetings while off the clock, to drive while off the clock, and to go through security screening and temperature checks while off the clock. Employer also requires Mr. Samuels and the aggrieved employees to assist their customers and clients while off the clock, to make and/or answer phone calls and/or text messages while off the clock, or otherwise respond to work communications while off the clock, and keep Mr. Samuels and the aggrieved employees under their control by preventing them from performing lawful activities while off the clock. Employer also requires Mr. Samuels and the

aggrieved employees to prepare their workstations, cook food, clean, put away supplies, and complete other work duties while off the clock. Employer also requires Mr. Samuels and the aggrieved employees to clock out for rest periods and continue working. Mr. Samuels and the aggrieved employees are not paid for this time, and when Mr. Samuels and the aggrieved employees work over eight (8) hours in a shift, these unpaid hours must be compensated at an overtime rate.

Employer has a continuous policy or practice that instructs Mr. Samuels and the aggrieved employees to start recording their time worked for the day when they arrive at their first work location, and to stop recording their time when they leave their last work location. However, Mr. Samuels and the aggrieved employees start their workday by logging into applications on their personal cell phones to determine where they are going and what they are doing that day. Mr. Samuels and the aggrieved employees are not compensated for this time. Further, Mr. Samuels and the aggrieved employees are not paid for the time it takes them to drive both to the first work location of the day and after finishing their tasks at the last work location of the day. Additionally, Employer requires Mr. Samuels and the aggrieved employees to take surveys and note expenses at the end of the week, but fails to compensate them for this time. When Mr. Samuels and the aggrieved employees work over eight (8) hours in a shift, these unpaid hours must be compensated at an overtime rate.

Furthermore, when Mr. Samuels and the aggrieved employees are able to take meal periods, Mr. Samuels and the aggrieved employees are not relieved of all duties and/or employer control during their meal periods. Specifically, Mr. Samuels and the aggrieved employees worked through their meal periods to satisfy their demanding work duties imposed by Employer, thereby denying them the right to be completely free from employer control under California law. Mr. Samuels and the aggrieved employees are informed and believe and thereon allege that Employer breached the legal duty to pay for all hours worked by failing to pay Mr. Samuels and similarly aggrieved employees for meal period time when Mr. Samuels and the aggrieved employees were not relieved of all duties and/or employer control. When Mr. Samuels and the aggrieved employees work over eight (8) hours in a shift, these unpaid hours must be compensated at an overtime rate.

Employer also fails to keep accurate time records of Mr. Samuels' and the aggrieved employees' time as a result of its continuous policies or practices of not paying them for all hours worked. Employer fails to track all minutes worked by Mr. Samuels and the aggrieved employees. For example, Employer rounds and/or otherwise manipulates Mr. Samuels' and the aggrieved employees' time records such that Mr. Samuels and the aggrieved employees' time records do not show all hours actually worked and Mr. Samuels and the aggrieved employees are not paid for all time worked. Such rounding and/or manipulation was not even-handed and to the detriment of employees. Furthermore, Employer modified time cards as a result of a practice of backdating whereby Employer instructed Mr. Samuels and the aggrieved employee to spread out their hours worked to different days to avoid incurring overtime. As noted above, these policies or practices instruct Mr. Samuels and the aggrieved employees to start recording their time worked for the day when they arrive at their first work location, and to stop recording their time when they leave their last work location, as well as fail to relieve Mr. Samuels and the aggrieved employees of all Mr. Samuels and the aggrieved employees. As a result, Employer's time records do not contain any record of the time Mr. Samuels and the aggrieved employees spent working before clocking in,

after clocking out, and during meal periods. As such, Mr. Samuels' and the aggrieved employees' overtime hours were regularly recorded as being less than what was actually worked.

In addition, Employer fails to pay Mr. Samuels and the aggrieved employees at the appropriate regular rate of pay for all overtime hours worked. Specifically, Employer failed to incorporate all remuneration for employment paid to, or on behalf of, the employee, including but not limited to all non-discretionary pay and bonuses, incentive pay, shift differential pay, and commissions. Employer thus compensated employees for overtime at below the regular rate of pay.

Mr. Samuels and the aggrieved employees have suffered, and continue to suffer, substantial unpaid wages, and lost interest on such wages, and expenses.

These claims are for Mr. Samuels and all similarly situated non-exempt employees who worked for Employer in California.

Based on the foregoing, Employer violated California law, including Labor Code sections 200, 218, 218.5, 221, 222, 223, 224, 225.5, 510, 511, 1194, 1194.2, 1194.3, 1197, 1197.1, 1198, and the applicable IWC Wage Orders and equivalent regulation sections. Mr. Samuels, as a representative of the people of the State of California, will seek any and all penalties otherwise capable of being collected by the Labor Commission and/or the Department of Labor Standards Enforcement (DLSE). This includes all civil penalties applicable pursuant to California Labor Code sections 200, 218, 218.5, 221, 222, 223, 224, 225.5, 510, 511, 1194, 1194.2, 1194.3, 1197, 1197.1, 1198, 2699 et seq., and the applicable IWC Wage Orders.

III. Employer Failed to Provide Lawful Meal Periods

Under *California Labor Code* section 512, no employer shall employ any person for a work period of more than five (5) hours without providing a meal period of not less than thirty (30) minutes. During this meal period of not less than thirty (30) minutes, the employee is to be completely free of the employer's control and must not perform any work for the employer. If the employee does perform work for the employer during the thirty (30) minute meal period, the employee has not been provided a meal period in accordance with the law. Also, the employee is to be compensated for any work performed during the thirty (30) minute meal period.

In addition, an employer may not employ an employee for a work period of more than ten (10) hours per day without providing the employee with another meal period of not less than thirty (30) minutes.

Employer fails to provide Mr. Samuels and the aggrieved employees with at least thirty-minute uninterrupted, duty-free meal periods within the timeframes outlined by California law, thus resulting in short, late, interrupted and missed meal periods. Specifically, Employer fails to provide Mr. Samuels and the aggrieved employees with meal periods within the first five (5) continuous hours of work.

Employer breached the legal duty to provide meal periods to employees by imposing a continuous and consistent policy requiring Mr. Samuels and the aggrieved employees to work through their

meal periods to satisfy the demanding workload duties imposed by Employer, thereby denying Mr. Samuels and the aggrieved employees of the right to be completely free from employer control under California law.

When Mr. Samuels and the aggrieved employees are able to take a meal period, Mr. Samuels and the aggrieved employees are not relieved of all duties and/or employer control during their meal periods and are not able to leave the work premises during meal periods.

Further, Employer instituted a consistent policy/practice of not providing second meal periods to Mr. Samuels and all aggrieved employees and/or providing compensation in lieu thereof. Specifically, Mr. Samuels and the aggrieved employees are required to work shifts greater than ten (10) hours long but never received a second, uninterrupted meal period of at least thirty minutes in shifts over ten (10) hours long.

In addition, Employer fails to keep accurate records of meal periods for Mr. Samuels and the aggrieved employees.

Employer rounded and/or otherwise manipulated Mr. Samuels' and the aggrieved employees' time records to show lawful meal periods when lawful meal periods were not actually provided.

Employer also failed to compensate employees one additional hour of pay at the employee's regular rate of pay for each non-compliant meal period, including for short, late, interrupted, and missed meal periods. In addition, when Employer paid meal period premiums to Mr. Samuels and the aggrieved employees, Employer failed to pay Mr. Samuels and the aggrieved employees these premiums at the appropriate regular rate of pay. Specifically, Employer failed to incorporate all remuneration for employment paid to, or on behalf of, the employee, including but not limited to all non-discretionary pay and bonuses, incentive pay, shift differential pay, and commissions. Employer thus compensated employees for meal period premiums at below the regular rate of pay.

By failing to provide statutory first and/or second meal periods, and by failing to provide compensation for unprovided meal periods, as alleged above, Employer willfully violated the provisions of *Labor Code* sections 226.7 and 512.

These claims are for Mr. Samuels and all similarly situated non-exempt employees who worked for Employer in California.

Based on the foregoing, Employer violated California law, including Labor Code sections 218.5, 226.7, 510, 512, 558, 1194, 1197 and the applicable IWC Wage Orders and equivalent regulation sections. Mr. Samuels, as a representative of the people of the State of California, will seek any and all penalties otherwise capable of being collected by the Labor Commission and/or the Department of Labor Standards Enforcement (DLSE). This includes all civil penalties applicable pursuant to California Labor Code sections 210, 218.5, 225.5, 226.7, 510, 512, 558, 1194, 1197, 1199, 2699 et seq., and the applicable IWC Wage Orders.

IV. Employer Failed to Provide Lawful Rest Periods

Employer has had a consistent policy and/or practice of not providing duty free paid ten (10) minute paid rest periods for every four (4) hours worked, or a major fraction thereof, to Mr. Samuels and the aggrieved employees.

The Industrial Welfare Commission Orders state "[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work week period....The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time for every four (4) hours worked, or major fraction thereof."

Employer failed to provide Mr. Samuels and the aggrieved employees with net ten-minute uninterrupted rest periods within the timeframes outlined by California law, thus resulting in short, late, interrupted and missed rest periods.

Employer breached the legal duty to provide rest periods to employees by imposing a continuous and consistent policy of requiring Mr. Samuels and the aggrieved employees to work through their rest periods to satisfy the demanding workload duties imposed by WIS, thereby denying Mr. Samuels and the aggrieved employees of the right to be completely free from employer control under California law.

Additionally, Employer has a continuous policy and practice that fails to provide Mr. Samuels and the aggrieved employees with rest periods "at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof." Specifically, Employer does not provide Mr. Samuels and the aggrieved employees with rest periods consisting of ten (10) minutes net rest time, nor do they provide them with a rest period per four (4) hours worked or major fraction thereof.

When Mr. Samuels and the aggrieved employees are able to take a rest period, Mr. Samuels and the aggrieved employees are not relieved of all duties and/or employer control during their rest periods and are not able to leave the work premises during rest periods.

Employer also failed to compensate employees one additional hour of pay at the employee's regular rate of pay for each non-compliant rest period, including for short, late, interrupted, and missed rest periods. In addition, when Employer paid rest period premiums to Mr. Samuels and the aggrieved employees, Employer failed to pay Mr. Samuels and the aggrieved employees these premiums at the appropriate regular rate of pay. Specifically, Employer failed to incorporate all remuneration for employment paid to, or on behalf of, the employee, including but not limited to all non-discretionary pay and bonuses, incentive pay, shift differential pay, and commissions. Employer thus compensated employees for rest period premiums at below the regular rate of pay.

By failing to provide rest periods for every four hours or major fraction thereof worked per day by non-exempt employees, and by failing to provide compensation for these unprovided rest periods, as alleged above, Employer willfully violated the provisions of *Labor Code* section 226.7 and the applicable Industrial Welfare Commission Order.

These claims are for Mr. Samuels and all similarly situated non-exempt employees who worked for Employer in California.

Based on the foregoing, Employer violated California law, including Labor Code sections 218.5, 226.7, 512, 558, 1194, 1197 and the applicable IWC Wage Orders and equivalent regulation sections. Mr. Samuels, as a representative of the people of the State of California, will seek any and all penalties otherwise capable of being collected by the Labor Commission and/or the Department of Labor Standards Enforcement (DLSE). This includes all civil penalties applicable pursuant to California Labor Code sections 210, 218.5, 225.5, 226.7, 512, 558, 1194, 1197, 1199, 2699 et seq., and the applicable IWC Wage Orders.

V. Employer Failed to Pay All Wages Due at Termination and During Employment

Employer willfully failed to pay, in a timely manner, wages owed to Mr. Samuels and the aggrieved employees who left WIS' employ or who were terminated.

Mr. Samuels and the aggrieved employees who ended their employment with Employer during the last year were entitled to be promptly paid all lawful compensation, and other premiums, as required by *California Labor Code* sections 201 through 203.

At all relevant times, *California Labor Code* sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable no later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. *Labor Code* section 256 states that "[t]he Labor Commissioner shall impose a civil penalty in an amount not exceeding 30 days pay as waiting time under the terms of Section 203."

During the relevant time period, Employer intentionally and willfully failed to pay Mr. Samuels and the aggrieved employees who are no longer employed by Employer their wages, that were earned and unpaid, within seventy-two (72) hours of their leaving Employer's employ. As explained above and herein, these unpaid wages include, but are not limited to, minimum, straight, regular, overtime, and double-time wages, meal and rest period premium wages, reporting time pay, split shift premiums, sick time wages, and vacation wages.

Employer has a continuous policy of not providing final wages to employees who are fired at the time of termination or who quit within seventy-two (72) hours of their leaving Employer's employ.

As outlined above, Employer has a continuous policy of not paying Mr. Samuels and the aggrieved employees for all hours worked and at the correct rates of pay (including the regular rate of pay). Specifically, Employer has a continuous and consistent policy of requiring employees to work before clocking in, after clocking out, and during meal periods. For example, Employer requires Mr. Samuels and the aggrieved employees to engage in work related tasks prior to clocking in and after clocking out for their shifts. Employer also subjects Mr. Samuels and the aggrieved employees to work duties and/or employer controls prior to clocking in and after clocking out for

their shifts, including requiring employees to come early to work and leave work late without being able to clock in for all that time, to wait in long lines for clocking in, to don and doff uniforms and/or safety equipment while not clocked in, to attend company meetings while off the clock, to drive while off the clock, and to go through security screening and temperature checks while off the clock. Employer also requires Mr. Samuels and the aggrieved employees to assist their customers and clients while off the clock, to make and/or answer phone calls and/or text messages while off the clock, or otherwise respond to work communications while off the clock, and keep Mr. Samuels and the aggrieved employees under their control by preventing them from performing lawful activities while off the clock. Employer also requires Mr. Samuels and the aggrieved employees to prepare their workstations, cook food, clean, put away supplies, and complete other work duties while off the clock. Employer also requires Mr. Samuels and the aggrieved employees to clock out for rest periods and continue working. Aggrieved employees are not paid for this time.

For example, Employer has a continuous policy or practice that instructs aggrieved employees to start recording their time worked for the day when they arrive at their first work location, and to stop recording their time when they leave their last work location. However, aggrieved employees start their workday by logging into applications on their personal cell phones to determine where they are going and what they are doing that day. Aggrieved employees are not compensated for this time. Further, aggrieved employees are not paid for the time it takes them to drive both to the first work location of the day and after finishing their tasks at the last work location of the day. Additionally, Employer requires aggrieved employees to take surveys and note expenses at the end of the week, but fails to compensate them for this time.

Furthermore, when Mr. Samuels and the aggrieved employees are able to take meal periods, aggrieved employees are not relieved of all duties and/or employer control during their meal periods. Specifically aggrieved employees worked through their meal periods to satisfy their demanding work duties imposed by WIS, thereby denying them the right to be completely free from employer control under California law. Aggrieved employees are informed and believe and thereon allege that Employer breached the legal duty to pay for all hours worked by failing to pay aggrieved employees for meal period time when aggrieved employees were not relieved of all duties and/or employer control.

In addition, through its failure to provide Mr. Samuels and the aggrieved employees with lawful meal and rest periods, Employer does not pay all meal and rest period premiums owed to aggrieved employees at the time of termination, including at the correct regular rate of pay. Employer also did not pay overtime wages and reporting time pay at the correct regular rate of pay.

Employer also fail to pay Mr. Samuels and the aggrieved employees all sick time pay at the regular rate of pay and, therefore, are owed additional wages at the time of termination of employment. Employer also fails to pay all accrued vacation wages at termination. Labor Code section 227.3 requires employers to pay employees for all accrued, unused, vested vacation time at their final rate of pay upon termination. Employer maintained a policy and practice of failing to pay the correct amount of vacation pay at termination, including failing to pay at the employee's final wage rate.

Employer's failure to pay Mr. Samuels and the aggrieved employees who are no longer employed by Employer their wages, that were earned and unpaid, at the time of termination or within seventy-two (72) hours of their leaving Employer employ, is in violation of *California Labor Code* sections 201 and 202.

California Labor Code section 203 provides that when an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until action is commenced; but the wages shall not continue for more than thirty (30) days.

These claims are for Mr. Samuels and all similarly situated non-exempt employees who worked for Employer in California.

Based on the foregoing, Employer violated California law, including Labor Code sections 200, 201-203, 218.5, 227.3, 256 and the applicable IWC Wage Orders and equivalent regulation sections. Mr. Samuels, as a representative of the people of the State of California, will seek any and all penalties otherwise capable of being collected by the Labor Commission and/or the Department of Labor Standards Enforcement (DLSE). This includes all civil penalties applicable pursuant to California Labor Code sections 200, 201-203, 210, 218.5, 227.3, 256, 1199, 2699 et seq., and the applicable IWC Wage Orders.

VI. Employer's Knowing and Intentional Failure to Comply with Itemized Employee Wage Statement Provisions and Maintain Accurate Records

Section 226(a) of the *California Labor Code* requires Employer to itemize in wage statements all deductions from payment of wages and to accurately report total hours worked by Mr. Samuels and the aggrieved employees.

California Labor Code section 226 subdivision (a) requires that Employer, at the time of each payment of wages, "furnish each of his or her employees, either as a detachable part of the check, draft, or voucher paying the employee's wages, or separately when 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, (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 the social security number, (8) the name and address of the legal entity that is the employer...(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..."

California Labor Code section 226, subdivision (a) also requires that "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" to itemize in wage statements and to accurately report the total

hours worked and total wages earned.

In addition, *California Labor Code* section 204(b) requires that "all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period." An employer complies with *California Labor Code* section 226(a) "if hours worked in excess of the normal work period during the current pay period are itemized as corrections on the paystub for the next regular pay period. Any corrections set out in a subsequently issued paystub shall state the inclusive dates of the pay period for which the employer is correcting its initial report of hours worked."

Employer has knowingly and intentionally failed to comply with *California Labor Code* section 226(a) by failing to include all of the information required by *California Labor Code* section 226(a)(1) through (9) on each and every wage statement provided to Mr. Samuels and the other aggrieved employees and by failing to include an accurate accounting of all deductions made. The deficiencies include failure to include all applicable hourly rates in effect during the pay period and the number of hours worked at each hourly rate, the total number of hours worked, all gross wages earned and all net wages earned, the inclusive dates of the pay period, the number of piece-rate units paid and any applicable piece rate, all deductions, the name of the employee and their social security number, and the name and address of the legal entity of the employer.

Additionally, by virtue of its failure to pay for all time worked and to pay for any such hours worked at the correct rates of pay (including at the regular rate), Employer knowingly and intentionally did not correctly itemize the gross wages earned, total hours worked, net wages earned, and number of hours worked at each hourly rate on wage statements provided to Mr. Samuels and the aggrieved employees as *California Labor Code* section 226, subsection (a), requires in every pay period during the period of the relevant statute of limitations.

For example, Employer requires Mr. Samuels and the aggrieved employees to engage in work related tasks prior to clocking in and after clocking out for their shifts. Employer also subjects Mr. Samuels and the aggrieved employees to work duties and/or employer controls prior to clocking in and after clocking out for their shifts, including requiring employees to come early to work and leave work late without being able to clock in for all that time, to wait in long lines for clocking in, to don and doff uniforms and/or safety equipment while not clocked in, to attend company meetings while off the clock, to drive while off the clock, and to go through security screening and temperature checks while off the clock. Employer also requires Mr. Samuels and the aggrieved employees to assist their customers and clients while off the clock, to make and/or answer phone calls and/or text messages while off the clock, or otherwise respond to work communications while off the clock, and keep Mr. Samuels and the aggrieved employees under their control by preventing them from performing lawful activities while off the clock. Employer also requires Mr. Samuels and the aggrieved employees to prepare their workstations, cook food, clean, put away supplies, and complete other work duties while off the clock. Employer also requires Mr. Samuels and the aggrieved employees to clock out for rest periods and continue working. . In addition, Employer has a continuous policy or practice that instructs Mr. Samuels and the aggrieved employees to start recording their time worked for the day when they arrive at their first work location, and to stop recording their time when they leave their last work location. However, Mr. Samuels and the aggrieved employees start their workday by logging into applications on their personal cell phones

to determine where they are going and what they are doing that day. Mr. Samuels and the aggrieved employees are not compensated for this time. Further, Mr. Samuels and the aggrieved employees are not paid for the time it takes them to drive both to the first work location of the day and after finishing their tasks at the last work location of the day. Additionally, Employer requires Mr. Samuels and the aggrieved employees to take surveys and note expenses at the end of the week, but fails to compensate them for this time.

Furthermore, when Mr. Samuels and the aggrieved employees are able to take meal periods, Mr. Samuels and the aggrieved employees are not relieved of all duties and/or employer control during their meal periods. Specifically, Mr. Samuels and the aggrieved employees worked through their meal periods to satisfy their demanding work duties imposed by Employer, thereby denying them the right to be completely free from employer control under California law. Mr. Samuels and the aggrieved employees are informed and believe and thereon allege that Employer breached the legal duty to pay for all hours worked by failing to pay Mr. Samuels and similarly aggrieved employees for meal period time when Mr. Samuels and the aggrieved employees were not relieved of all duties and/or employer control.

In addition, Employer failed to pay all meal and rest period premiums owed to Mr. Samuels and the aggrieved employees for WIS' failure to provide lawful meal and rest periods.

Employer also failed to itemize the amount of sick leave available for use on Mr. Samuels' and the aggrieved employees' wage statements in violation of *California Labor Code* section 246(i).

Throughout the statutory period, as a result of the knowing and intentional failure by Employer to comply with itemized employee wage statement provisions, Mr. Samuels and the aggrieved employees have been able to reconstruct only a reasonable estimate of the hours worked and have, therefore, not received full compensation.

Further, in addition to any penalties levied upon Employer for its failure to comply with *California Labor Code* section 226 subdivision (a)'s requirement to provide Mr. Samuels and the aggrieved employees accurate, itemized wage statements, *California Labor Code* section 226.3 assesses additional penalties for the failure to keep the records required in subdivision (a) of Section 226. *California Labor Code* section 226 subdivision (a) requires Employer to maintain records that "accurately shows all of the information required by this subdivision." Employer has violated its statutory duty to maintain records for Mr. Samuels and the aggrieved employees that contain all of the information under *California Labor Code* section 226(a)(1) through (9).

In addition, Labor Code section 1174 provides that "[e]very employer employing labor in this state shall ... (c) [k]eep a record showing the names and addresses of all employees employed and the ages of all minors [and] (d) [k]eep at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept in accordance with rules established for this purpose by the commission, but in any case shall be kept on file for not less than two years." Further, Labor Code section 1174.5 states that, "[a]ny person employing labor who willfully fails to maintain the records required by subdivision (c) of Section

1174 or accurate and complete records required by subdivision (d) of Section 1174, or to allow any member of the commission or employees of the division to inspect records pursuant to subdivision (b) of Section 1174, shall be subject to a civil penalty of five hundred dollars (\$500).” Pursuant to the applicable Wage Orders, every employer shall keep time records showing when the employee begins and ends each work period.

Employer failed to maintain accurate records, including payroll records and records of all hours worked and of meal periods, in accordance with Labor Code section 1174. For example, Employer failed to maintain accurate records reflecting all wages earned and the proper rates of pay for overtime, meal and rest period premiums, reporting time pay, and sick pay. Employer’s failure to provide and maintain accurate records deprived Mr. Samuels and the aggrieved employees with the ability to understand the accuracy and frequency of their hours worked and meal periods, and thus rendered them unable to dispute their wages. Mr. Samuels and the aggrieved employees have suffered substantial losses related to the use and enjoyment of such wages.

These claims are for Mr. Samuels and all similarly situated non-exempt employees who worked for Employer in California.

Based on the foregoing, Employer violated California law, including Labor Code sections 226, 226.2, 226.3, 226.6, 246, 558.1, 1174, 1174.5, 1175, 1199 and the applicable IWC Wage Orders and equivalent regulation sections. Mr. Samuels, as a representative of the people of the State of California, will seek any and all penalties otherwise capable of being collected by the Labor Commission and/or the Department of Labor Standards Enforcement (DLSE). This includes all civil penalties applicable pursuant to California Labor Code sections 226, 226.2, 226.3, 226.6, 246, 558.1, 1174, 1174.5, 1175, 1199, 2699, *et seq.* and the applicable IWC Wage Orders.

VII. Employer Failed to Reimburse Employees for Business Expenses

Sections 2800 and 2802(a) of the *California Labor Code* requires “[a]n employer [to] 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.”

Mr. Samuels and the aggrieved employees incurred expenses necessary for the discharge of their duties without receiving reimbursement from Employer. These expenses include, but are not limited to, the use of employees’ personal cell phones and vehicles; the purchase and/or maintenance/laundrying of uniforms and/or footwear; providing uniforms and other deposits, and/or the purchase of tools, supplies, and/or equipment.

Employer required employees to use their personal cell phones for business purposes, but failed to reimburse this expense. Mr. Samuels and the aggrieved employees were required to use various applications on their personal cell phones to adequately perform their job duties, such as determining what work tasks and locations they were assigned for the day. These phones were also the primary method of communication between Employer and the aggrieved employees through the workday. Employer fails to reimburse Mr. Samuels and the aggrieved employees for the use of their personal cell phones, including paying a portion of their cell phone plans and/or

reimbursing Mr. Samuels and the aggrieved employees for maintenance of their personal cell phones.

Employer also requires Mr. Samuels and the aggrieved employees to travel to customer work locations in their personal vehicles, but fails to provide adequate reimbursement for the costs, mileage, gas, and/or expenses Mr. Samuels and the aggrieved employees incur for the use of these vehicles.

California Labor Code section 2802(a) entitles Mr. Samuels and the aggrieved employees to reimbursement for said necessary expenditures, plus interest and expenses.

These claims are for Mr. Samuels and all similarly situated non-exempt employees who worked for Employer in California.

Based on the foregoing, Employer violated California law, including Labor Code sections 98, 2800, 2802 and the applicable IWC Wage Orders and equivalent regulation sections. Mr. Samuels, as a representative of the people of the State of California, will seek any and all penalties otherwise capable of being collected by the Labor Commission and/or the Department of Labor Standards Enforcement (DLSE). This includes all civil penalties applicable pursuant to Labor Code sections 98, 2800, 2802, 2699, *et seq.* and the applicable IWC Wage Orders

VIII. Employer Failed to Pay Employees Twice Per Month

Section 204(a) of the *California Labor Code* required Employer to pay Mr. Samuels and the aggrieved employees twice during each calendar month.

California Labor Code section 204 subdivision (a) provides "[a]ll wages . . . earned by any person in any employment are due and payable twice during each calendar month, on days designated in advance by the employer as the regular paydays. Labor performed between the 1st and 15th days, inclusive, of any calendar month shall be paid for between the 16th and 26th day of the month during which the labor was performed, and labor performed between the 16th and the last day, inclusive, of any calendar month shall be paid for between the 1st and 10th day of the following month."

Employer failed to pay all wages owed to Mr. Samuels and the aggrieved employees within the timeframes mandated by California law.

During the relevant time period, Employer intentionally and willfully failed to pay Mr. Samuels and the aggrieved employees their wages, that were earned and unpaid, twice during each calendar month, including, but not limited to, as explained above, all minimum, straight, regular, overtime, and double-time wages, meal and rest period premiums, reporting time pay, split shift premiums, and sick time wages, including payment for such wages at the correct rates of pay.

For example, Employer has a continuous policy or practice that instructs Mr. Samuels and the aggrieved employees to start recording their time worked for the day when they arrive at their first work location, and to stop recording their time when they leave their last work location. However,

Mr. Samuels and the aggrieved employees start their workday by logging into applications on their personal cell phones to determine where they are going and what they are doing that day. Mr. Samuels and the aggrieved employees are not compensated for this time. Further, Mr. Samuels and the aggrieved employees are not paid for the time it takes them to drive both to the first work location of the day and after finishing their tasks at the last work location of the day. Additionally, Employer requires Mr. Samuels and the aggrieved employees to take surveys and note expenses at the end of the week, but fails to compensate them for this time.

Furthermore, when Mr. Samuels and the aggrieved employees are able to take meal periods, Mr. Samuels and the aggrieved employees are not relieved of all duties and/or employer control during their meal periods. Specifically, Mr. Samuels and the aggrieved employees worked through their meal periods to satisfy their demanding work duties imposed by Employer, thereby denying them the right to be completely free from employer control under California law. Mr. Samuels and the aggrieved employees are informed and believe and thereon allege that Employer breached the legal duty to pay for all hours worked by failing to pay Mr. Samuels and similarly aggrieved employees for meal period time when Mr. Samuels and the aggrieved employees were not relieved of all duties and/or employer control.

In addition, Employer failed to pay all meal and rest period premiums owed to Mr. Samuels and the aggrieved employees for Employer's failure to provide lawful meal and rest periods, including at the correct regular rate of pay. Employer also did not pay overtime wages and reporting time pay at the correct regular rate of pay. Employer also failed to pay Mr. Samuels and the aggrieved employees all sick time pay at the regular rate of pay.

Employer's failure to pay Mr. Samuels and the aggrieved employees their wages, that were earned and unpaid, twice during each calendar month, is in violation of *California Labor Code* section 204.

During the relevant time period, Employer intentionally and willfully failed to pay Mr. Samuels and the aggrieved employees their wages, that were earned and unpaid, within the timeframes as required by *California Labor Code* section 204.

Employer further failed to provide all temporary workers with owed wages weekly by not later than the regular payday of the following week. As a result, Employer violated *California Labor Code* section 201.3.

These claims are for Mr. Samuels and all similarly situated non-exempt employees who worked for Employer in California.

Based on the foregoing, Employer violated California law, including Labor Code sections 200, 201.3, 204, 210, 218.5, 558, 1194, 1197.1 and the applicable IWC Wage Orders and equivalent regulation sections. Mr. Samuels, as a representative of the people of the State of California, will seek any and all penalties otherwise capable of being collected by the Labor Commission and/or the Department of Labor Standards Enforcement (DLSE). This includes all civil penalties applicable pursuant to Labor Code section 200, 201.3, 204, 210, 218.5, 558, 1194, 1197.1, 2699, *et seq.* and the applicable IWC Wage Orders.

IX. Employer Failed to Provide All Paid Sick Leave

Employer failed to provide Mr. Samuels and the aggrieved employees with all proper paid sick leave. Labor Code section 246, subdivision (a), states in relevant part “[a]n employee who...works in California for the same employer for 30 or more days within a year from the commencement of employment is entitled to paid sick days.” Additionally, an employee accrues paid sick days at the rate of no less than one (1) hour per every thirty (30) hours worked, beginning at the commencement of employment. Labor Code section 246(b). Labor Code section 246, subdivision (l), provides that an employer shall calculate the paid sick time for non-exempt employees in the same manner as the regular rate of pay for the workweek in which the employee elected to use paid sick time. “The regular rate at which an employee is employed shall be deemed to include all remuneration for employment paid to, or on behalf, of the employee.” See Division of Labor Standards Enforcement – Enforcement Policies and Interpretations Manual, Section 49.1.2. Pursuant to Labor Code section 233, an employer must “permit an employee to use in any calendar year the employee’s accrued and available sick leave entitlement.” Labor Code sections 248.2 and 248.6 provide that all employers with 26 or more employees are required to provide up to 80 hours for covered employees to take 2021 COVID-19 Supplemental Paid Sick Leave to care for themselves, to care for a family member or if it is vaccine-related.

Employer failed to provide the aggrieved employees with all proper paid sick leave as required under California law. Further, when Mr. Samuels and the aggrieved employees elected to use paid sick time, Employer failed to pay them sick time wages at the proper sick time rate of pay due to Employer’s failure to include all remuneration when calculating the sick time rate of pay. Specifically, Employer maintained a policy, practice, and/or procedure of failing to include all remuneration including, but not limited to, all non-discretionary pay and bonuses, incentive pay, shift differential pay, and commissions, when calculating Mr. Samuels’ and other aggrieved employees’ regular rate of pay for the purpose of paying sick time.

Based on the foregoing, Employer violated California law, including Labor Code sections 218.5, 233, 246, 248.2, 248.6, and the applicable IWC Wage Orders and equivalent regulation sections. Mr. Samuels, as a representative of the people of the State of California, will seek any and all penalties otherwise capable of being collected by the Labor Commission and/or the Department of Labor Standards Enforcement (DLSE). This includes all civil penalties applicable pursuant to Labor Code sections 218.5, 233, 246, 248.2, 248.6, 2699, *et seq.* and the applicable IWC Wage Orders.

X. Employer Failed to Provide Wage Theft Prevention Notices

California's Wage Theft Prevention Act was enacted to ensure that employers provide employees with basic information material to their employment relationship at the time of hiring, and to ensure that employees are given written and timely notice of any changes to basic information material to their employment. Codified at California Labor Code section 2810.5, the Wage Theft Prevention Act provides that at the time of hiring, an employer must provide written notice to employees of the rate(s) of pay and basis thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for overtime, the regular payday designated by the employer, and any allowances claims as pay of the minimum wage, including meal or lodging

allowances. An employer's written notice pursuant to section 2810.5 must also include a statement that the employee may accrue and use sick leave; has a right to request and use accrued paid sick leave; may not be terminated or retaliated against for using or requesting the use of accrued paid sick leave; and has the right to file a complaint against an employer who retaliates.

Employer failed to provide Mr. Samuels and the aggrieved employees with written notice that lists all the requisite information set forth in Labor Code section 2810.5, including failing to provide the rates of pay and overtime rates of pay applicable to their employment, allowances claimed as part of the minimum wage, the regular payday designated by Employer, the name of the employer, including any "doing business as" names used, the name, address and telephone number of the workers' compensation insurance carrier, information regarding paid sick leave, and other information required to be disclosed by Employer under Labor Code section 2810.5. This failure has permitted Employer to pay employees at rates not agreed upon and to violate wage laws. Employer's failure to provide Mr. Samuels and the aggrieved employees with written notice of basic information regarding their employment with Employer is in violation of Labor Code section 2810.5.

Based on the foregoing, Employer violated California law, including Labor Code sections 2810.5 and 558 and the applicable IWC Wage Orders and equivalent regulation sections. Mr. Samuels, as a representative of the people of the State of California, will seek any and all penalties otherwise capable of being collected by the Labor Commission and/or the Department of Labor Standards Enforcement (DLSE). This includes all civil penalties applicable pursuant to Labor Code sections 558, 2810.5, 2699, *et seq.* and the applicable IWC Wage Orders.

XI. Employer Failed to Provide One Day's Rest In Seven

California law requires an employer to provide every person employed in any occupation of labor at least one day's rest in a seven day workweek. Labor Code section 551. Additionally, "[n]o employer of labor shall cause his employees to work more than six days in seven." Labor Code section 552. Labor Code section 553 provides that a violation of the foregoing is a misdemeanor. Employer failed to authorize or permit at least one day of rest every seven days consecutively in a workweek. Mr. Samuels and the aggrieved employees were required to work in excess of six days in a workweek without being provided the opportunity to take one day of rest. When Mr. Samuels and the aggrieved employees accumulated days of rest, they were not actually provided the opportunity to take the equivalent of one (1) day's rest in seven during each calendar month.

Based on the foregoing, Employer violated California law, including Labor Code sections 551 and 552 and the applicable IWC Wage Orders and equivalent regulation sections. Mr. Samuels, as a representative of the people of the State of California, will seek any and all penalties otherwise capable of being collected by the Labor Commission and/or the Department of Labor Standards Enforcement (DLSE). This includes all civil penalties applicable pursuant to Labor Code sections 551, 552, 2699, *et seq.* and the applicable IWC Wage Orders.

XII. Employer Unlawfully Deducted Wages

Labor Code §221 states, "It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee." Under Labor

Code § 222, it is unlawful to “willfully or unlawfully or with intent to defraud an employee . . . to withhold from said employee any part of the wage agreed upon. Here, Employer improperly withheld compensation and unlawfully deducted wages from Mr. Samuels and the aggrieved employees.

Labor Code § 223 states, “[w]here any statute or contract requires an employer to maintain the designated wage scale, it shall be unlawful to secretly pay a lower wage while purporting to pay the wage designated by statute or by contract.” Employer denied Mr. Samuels and the aggrieved employees all wages owed for all hours worked, which resulted in the payment of less than statutorily required wages.

Labor Code § 225.5 provides that “every person who unlawfully withholds wages 6 due to any employee in violation of Section 212, 216, 221, 222, or 223 shall be subject to a civil penalty as follows: (a) For any initial violation, one hundred dollars (\$100) for each failure to pay each employee. (b) For each subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus twenty-five percent (25%) of the amount unlawfully withheld.” Further, pursuant to Labor Code § 225, violation of any provision of sections 221, 222, 222.5 or 223 is a misdemeanor.

Based on the foregoing, Employer violated California law, including Labor Code sections 221, 222, 223, 225.5, 225, and the applicable IWC Wage Orders and equivalent regulation sections. Mr. Samuels, as a representative of the people of the State of California, will seek any and all penalties otherwise capable of being collected by the Labor Commission and/or the Department of Labor Standards Enforcement (DLSE). This includes all civil penalties applicable pursuant to Labor Code sections 221, 22, 223, 225.5, 2699, et seq. and the applicable IWC Wage Orders.

XIII. Employer Prohibited Lawful Conduct During Non-Work Hours

Employer had and has a policy or practice of preventing Mr. Samuels and the aggrieved employees from engaging in lawful conduct during non-work hours, thus violating state statutes entitling employees to disclose wages, working conditions, and illegal conduct, including, without limitation, Labor Code sections 96, subdivision (k), 98.6, 232, 232.5, 1197.5, subdivision (k), and 1198. Mr. Samuels and the aggrieved employees personally suffered these violations. Mr. Samuels is informed and believes that this lawful conduct includes, without limitation, the exercise of Mr. Samuels and the aggrieved employees’ constitutional rights of freedom of speech and economic liberty and would thus expose Employer to liability for civil penalties pursuant to Labor Code sections 1198 and 2699, or injunctive relief under sections 2699(e)(1) and 2699(k). Mr. Samuels is further informed and believes, and based thereon alleges, that Employer’s conduct above gave rise to such violations was malicious, fraudulent, or oppressive.

Based on the foregoing, Employer violated California law, including Labor Code 96, 98.6, 232, 232.5, 1197.5, 1198, and the applicable IWC Wage Orders and equivalent regulation sections. Mr. Samuels, as a representative of the people of the State of California, will seek any and all penalties otherwise capable of being collected by the Labor Commission and/or the Department of Labor Standards Enforcement (DLSE). This includes all civil penalties applicable pursuant to Labor Code sections 96, 98.6, 232, 232.5, 1197.5, 1198, 2699, et seq. and the applicable IWC Wage

Orders.

XIV. Conclusion

If after 65 days from the date of this letter, the LWDA does not take action or declines to intervene, Mr. Samuels will file a complaint alleging PAGA violations, as described above.

Respectfully submitted,
MARA LAW FIRM, PC



David Mara, Esq.

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Exhibit 3

Kenton Samuels v. WIS International, Inc.
Sacramento Superior Court
Case No. 23CV012186

Costs Summary

Attorney Service:	\$	7.71
Court Fees:	\$	4,821.02
Mediation:	\$	12,500.00
Postage:	\$	84.07
Experts:	\$	5,385.00
TOTAL COSTS	\$	<u>22,797.80</u>

*Plaintiff also anticipates incurring \$190.00 in further costs not included in the above total: \$85.00 for the filing of the Preliminary Approval Motion; \$85.00 for the filing of the Final Approval Motion; and \$20.00 for the filing of a post distribution report following the close of

Exhibit 4