

**D.LAW, INC.**  
Emil Davtyan (SBN 299363)  
[Emil@d.law](mailto:Emil@d.law)  
David Yeremian (SBN 226337)  
[d.yeremian@d.law](mailto:d.yeremian@d.law)  
Enoch J. Kim (261146)  
[e.kim@d.law](mailto:e.kim@d.law)  
Marta Manus (260132)  
[m.manus@d.law](mailto:m.manus@d.law)  
450 N. Brand Blvd. Suite 840  
Glendale, CA 91203  
Telephone: (818) 962-6465  
Facsimile: (818) 962-6469  
Attorneys for Plaintiff LANISHA ELDER,  
on behalf of herself and all others similarly situated

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

LANISHA ELDER, on behalf of herself and all  
others similarly situated,

Plaintiffs,

v.

REX AND MARGARET FORTUNE  
SCHOOL OF EDUCATION d/b/a "Fortune  
School," "William Lee College Prep," "Alan  
Rowe College Prep," "Ephraim Williams  
College Prep Middle School," "Hazel Mahone  
College Prep," "Fortune Middle School,"  
"Rex and Margaret Fortune Early College  
High School," "Tecoy Porter College Prep,"  
"Stephon A. Clark College Prep Middle  
School," and/or "Hardy Grown College Prep,"  
a California non-profit corporation; and DOES  
1 to 10, inclusive,

Defendants.

Case No. 23CV013990

CLASS ACTION

Assigned for all purposes to:

Hon. Lauri A. Damrell

Dept.: 22

**DECLARATION OF MARTA MANUS IN  
SUPPORT OF PLAINTIFF'S MOTION  
FOR PRELIMINARY APPROVAL OF  
CLASS ACTION AND PAGA  
SETTLEMENT**

Date: October 31, 2025

Time: 9:00 a.m.

Dept.: 22

Original Complaint: December 22, 2023

First Amended Complaint: February 26, 2024

Trial Date: None Set

1        **DECLARATION OF MARTA MANUS IN SUPPORT OF PLAINTIFF’S MOTION**  
2        **FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT**

3        I, Marta Manus, declare:

4        1.        I am an attorney licensed to practice before all courts of the State of California. I  
5 am counsel for the Plaintiff Lanisha Elder and have personal knowledge of the facts herein. If  
6 called as a witness, I could and would competently testify thereto. I have reviewed the  
7 Sacramento County Superior Court Complex Litigation Department Checklist for Approval of  
8 Class Action and/or PAGA Settlements and Plaintiff’s brief in support of the Motion for  
9 Preliminary Approval complies with the checklist.

10       **I.        PROCEDURAL HISTORY**

11       2.        On December 22, 2023, Plaintiff commenced this Action by filing a Complaint  
12 alleging causes of action against Defendant for: (1) Failure to Pay All Wages; (2) Failure to Pay  
13 All Wages Due to Illegal Rounding; (3) Failure to Pay All Overtime Wages at the Legal Overtime  
14 Pay Rate; (4) Failure To Provide All Meal Periods; (5) Failure to Authorize and Permit All Rest  
15 Periods; (6) Failure to Fully Reimburse Work Expenses; (7) Independent Failure To Timely Furnish  
16 Accurate Itemized Wage Statements; (8) Derivative Failure To Timely Furnish Accurate Itemized  
17 Wage Statements; (9) Violations of Labor Code §§ 201-202; and (10) Unfair Business Practices. On  
18 the same date, Plaintiff sent a letter to the Defendant and the Labor and Workforce Development  
19 Agency (LWDA) to exhaust her remedies under PAGA, Labor Code §2698, *et seq.* Attached  
20 hereto as **Exhibit 5** is Plaintiff’s PAGA letter. On February 26, 2024, Plaintiff filed a First  
21 Amended Complaint adding a claim under PAGA. The First Amended Complaint is the  
22 operative complaint in the Action (the “Operative Complaint”).

23       3.        Plaintiff contends in this Action that Defendant violated California’s wage and  
24 hour laws by failing to pay all wages, failing to pay all overtime wages at the correct, legal  
25 overtime pay rate, failing to provide all compliant meal periods and rest periods, failing to pay  
26 meal period premiums at the correct rate, failing to reimburse all work-related expenses, failing  
27 to provide compliant and accurate itemized wage statements, failure to timely pay final wages  
28 due, and thereby also violating California Business & Professions Code sections 17200, *et seq.*,

and incurring penalties under PAGA.

4. On April 1, 2025, the Parties participated in a mediation presided over by respected wage and hour mediator Steve Pearl, Esq., an experienced mediator.

5. Recognizing the burdens and risk of continuing with the litigation, accepted the mediator's proposal to resolve the Action.

## **II. THE SETTLEMENT**

6. To settle the action, Defendant agrees to pay the Gross Settlement Amount of \$1,400,000.00, exclusive of the employer's portion of payroll taxes and fees. It will be an opt-out class. There is no claim form requirement, and no residual will revert to Defendant. The Gross Settlement Amount represents approximately 47% of the total realistic exposure, which demonstrates that the settlement is fair and reasonable. The Settlement represents a fair and reasonable recovery.

7. There are approximately 37,000 workweeks in the Class Period, resulting in a recovery of an estimated \$22.47 per workweek. Each Class Member will receive an average Individual Settlement Award of approximately **\$1,461.11** (estimated NSA of \$831,375.00 divided by 569 Class Members), with the highest estimated Individual Settlement Award of approximately **\$6,381.48** (total weeks in the Class Period (284) multiplied by \$22.47).

Additional proposed disbursements are as follows:

|                                                                                                 |                                                                          |
|-------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|
| Class Counsel Fees Payment                                                                      | \$466,666.00 (1/3 of Gross Settlement Amount), subject to Court approval |
| Class Counsel Litigation Expenses Payment for actual expenses incurred in litigating the Action | Up to \$23,000.00, verified by Class Counsel and approved by the Court   |
| Administration Expenses Payment                                                                 | Not to exceed \$13,959.00                                                |
| Class Representative Service Payment                                                            | \$15,000.00 to Plaintiff                                                 |
| PAGA Penalties                                                                                  | \$50,000.00 (\$37,500.00 to LWDA; \$12,500.00 to Aggrieved Employees)    |

8. As detailed in the Settlement Agreement, the Parties have selected Rust

1 Consulting, Inc. (the “Administrator”), an experienced class action settlement administrator,  
2 to administer this Settlement. Following preliminary approval, the Administrator will mail  
3 the Class Notice per the Settlement Agreement. The Parties respectfully request that this  
4 Court approve the Class Notice to be disseminated to the Class consistent with the manner  
5 and timing as set forth in this Memorandum and the Settlement Agreement.

6 9. The Parties have agreed on Rust Consulting, Inc. (“Rust”) as the Administrator  
7 and respectfully request that this Court appoint Rust to handle the Class Notice and claims  
8 administration procedures, including posting the Judgment on its website. To my knowledge,  
9 none of the parties or attorneys involved in this action has ever had any financial interest in or  
10 affiliation with the proposed Administrator.

11 10. As such, the Parties respectfully request that this Court appoint the proposed  
12 Administrator to handle the notice and claims administration procedures, including posting the  
13 Judgment on its website.

### 14 **III. SETTLEMENT DOCUMENTS**

15 11. The Parties have finalized the terms of the following documents, true and correct  
16 copies of which are attached hereto:

17 a. Class Action And PAGA Settlement Agreement attached hereto as

18 **Exhibit 1;**

19 b. Notice of Class Action Settlement attached to the Class Action and PAGA  
20 Settlement Agreement attached to the Class Action and PAGA Settlement  
21 Agreement (Exhibit 1 herein) as Exhibit A (which will be translated into  
22 Spanish once approved by the Court); and

23 c. [Proposed] Order Granting Plaintiff’s Motion for Preliminary Approval of  
24 Class Action and PAGA Settlement filed concurrently with this motion.

25 12. Attached hereto as **Exhibit 2** is true and correct copy of the Declaration of Eric  
26 Bishop on behalf of Rust Consulting, Inc. Attached hereto as **Exhibit 3** is a true and correct copy  
27 of the confirmation of submission of the PAGA settlement to the LWDA.

28 ///

**IV. CONDITIONAL CERTIFICATION OF THE CLASS FOR SETTLEMENT PURPOSES**

13. The Class definition is sufficiently specific to enable potential Class Members and the Court to identify the Class Members, all of whom have indeed been identified by Defendant's employment and payroll records. There are approximately 569 Class Members, which is sufficient to satisfy numerosity requirements. The evidence to support the claims as to the Class consists of Defendant's policies, payroll records, time records and the forms of wage statements given to Defendant's non-exempt employees.

14. The proposed Class Representative worked for Defendant as a non-exempt employee under Defendant's uniform employment policies applicable all persons employed by Defendant in California as non-exempt employees at any point from December 22, 2019, through May 31, 2025 (the "Class Period"). Plaintiff asserts that these are all policy questions that are uniform and can be proven by common objective evidence. The evidence to support these claims on a class wide basis consists of Defendant's policies, payroll records, time records and the forms of wage statements given to Defendant's non-exempt employees. The Class Representative was subject to the same policies as other Class Members.

15. Plaintiff's claims are typical of those of other Class Members. The Class Representative has agreed to act as such and understands her responsibilities. The Class Representative has no claims or other interests that are antagonistic to the Class.

**V. PRELIMINARY APPROVAL OF THE SETTLEMENT**

16. The Settlement for each participating Class Member is fair, reasonable, and adequate given the inherent risk of litigation, the risk relative to trial, and the costs of litigation. The Settlement represents a fair and reasonable value of all claims. There is no claim form required so all Class Members will be paid unless they opt out, and there is no reversion to Defendant. Finally, the only governmental involvement in this case is the existence of a PAGA claim, and Plaintiff has notified the LWDA of this Settlement. (Ex. 3.) The Settlement Amount balanced against the merits of the Plaintiff's case is reasonable.

17. Here, the Settlement was reached through arm's-length negotiation with an

1 experienced, highly regarded neutral mediator, Steve Pearl. Before mediation, the Parties  
2 engaged in informal discovery. To prepare for the mediation, Defendant provided extensive  
3 documentation of its policies and practices and data related to the claims asserted in this case,  
4 including pay and time data for approximately 554 Class Members and other information  
5 necessary for Plaintiff to create a damages exposure analysis. Plaintiff hired an expert, Berger  
6 Consulting Group – Economic Data Analysts, to prepare damage calculations and an exposure  
7 analysis for the mediation. Attached hereto as **Exhibit 4** is the Declaration of Jarrett Gorlick of  
8 Berger Consulting Group, at ¶ 6. The Parties agreed on the proposed Settlement after extensive  
9 negotiations that resulted in a mediator’s proposal.

10         18.     The Settlement here provides pro rata distribution to Class Members based upon  
11 the number of workweeks. Accordingly, the Settlement treats the Class Members equitably, and  
12 the proposed distribution plan supports preliminary approval.

13         19.     The Settlement that has been reached, subject to this Court’s approval, is the  
14 product of tremendous effort and a great deal of expense by the Parties and their Counsel. Class  
15 Counsel are knowledgeable about and have done extensive research with respect to the  
16 applicable law and potential defenses to the claims of the Class Members. The Parties  
17 investigated relevant law as applied to the facts of the case, potential defenses, and damages  
18 claimed by Plaintiff on behalf of themselves, the Class, and the Aggrieved Employees. Although  
19 the Parties did not settle at the mediation, after post-mediation negotiations, the Parties accepted  
20 a mediator’s proposal.

21         20.     Based on the documents and information provided by Defendant and their own  
22 independent investigation and evaluation, Class Counsel and Plaintiff are of the opinion that the  
23 Settlement with Defendant for the consideration and on the terms set forth in this Settlement is  
24 fair, reasonable, and adequate, and is in the best interest of the Class Members in light of all  
25 known facts and circumstances, including the risk of significant delay and uncertainty associated  
26 with litigation, various defenses asserted by Defendant, and numerous potential appellate issues.

27         21.     The Gross Settlement Amount is, of course, a compromise figure. Plaintiff  
28 considered the risks of decertification, the risks related to proof of Plaintiff’s claims, and the

1 strengths and weaknesses of Defendant's defenses. Plaintiff also considered the possibility that if  
2 a settlement were reached after additional years of litigation, the great expenses of litigation  
3 would reduce the amount of funds available to class members for settlement. Furthermore,  
4 Plaintiff took into consideration the time delay and financial repercussions of liability trials,  
5 numerous damages trials, and the possibility of an appeal by Defendant. The details for the  
6 reasonably expected recovery per claim are detailed below in the following paragraphs.

7       **22. Failure to Pay All Wages Due to Off-the-Clock Work:**

8               *a. Facts*

9       Plaintiff alleged that she and Class Members were required to perform work while under  
10 Defendant's control for which they were not compensated. For example, Plaintiff frequently  
11 arrived to work before the start of her shift to receive food deliveries, clean the kitchen, and  
12 prepare her workstation for the day. All other Class Members interviewed reported that they  
13 performed work prior to clocking in and after clocking out. Defendant also required Plaintiff and  
14 other Class Members to complete Covid screenings before the start of a shift. Additionally,  
15 Plaintiff alleged that although Defendant used an electronic time sheet to track work times,  
16 Defendant required Plaintiff and Class Members to record their scheduled shift times instead of  
17 their actual start and stop time. When Plaintiff tried to record her actual hours worked, she was  
18 told by personnel in the payroll department that Defendant will not pay for time worked before  
19 her scheduled shift.

20               *b. Law*

21       Labor Code §§ 510 and 1194 require employers to pay applicable wages for all hours  
22 worked. "Hours worked" means the time during which an employee is subject to the control of  
23 an employer and includes all the time during which the employee is suffered or permitted to  
24 work, whether or not required to do so." (8 C.C.R. §11040(2)(K); *Morillion v. Royal Packing*  
25 *Co.* (2000) 22 Cal.4<sup>th</sup> 575, 582.)

26               *c. Expected Recovery*

27       Plaintiff estimated ten (10) minutes of unpaid time per shift (67.4% attributed to overtime  
28 hours). Plaintiff's expert multiplied the average hourly rate of pay for each year by the number of

1 shifts worked during each year in the liability period. The estimated total amount of unpaid  
2 wages for other off-the-clock work performed totaled \$781,682, excluding interest. The  
3 probability of prevailing on this claim is approximately 10% because Defendant contended that  
4 Plaintiff's off-the-clock theory applied only to some Class Members. Additionally, proof of this  
5 claim would depend largely on anecdotal evidence as there are not records of time worked off-  
6 the-clock, and ultimately this claim may be determined to be too individualized for purposes of  
7 class certification. As such, the real exposure for this claim was approximately \$78,168.20 based  
8 on these risks.

9       **23. Failure to Pay Overtime at the Legal Rate:**

10           *a. Facts*

11       Plaintiff alleged that Defendant provided Class Members with nondiscretionary  
12 payments, including but not limited to retention bonuses; however, Defendant failed to correctly  
13 consider these additional payments in the computation of the regular rate of pay to determine the  
14 legal overtime pay for the Class Members. For example, Plaintiff earned a \$2,000 bonus in  
15 September 2022 but was paid overtime at the rate of exactly 1.5 times the base rate. Thus,  
16 Defendant did not include the bonus in the calculation of the regular rate of pay for purposes of  
17 calculating overtime compensation.

18           *b. Law*

19       "[A]n employee's 'regular rate of pay' for purposes of Labor Code section 510 and the  
20 IWC wage orders is not the same as the employee's straight time rate (i.e., his or her normal  
21 hourly wage rate)." (*Alvarado v. Dart Container Corp. of California* (2018) 4 Cal.5th 542, 554.)  
22 Instead, the regular rate of pay must include "adjustments to the straight time rate, reflecting,  
23 among other things, shift differentials and the per-hour value of any non-hourly compensation  
24 the employee has earned," such as incentive pay. (*Ibid.*) Earned bonuses must be included in the  
25 calculation of the regular rate of pay. (*Marin v. Costco Wholesale Corp.* (2008) 169 Cal.App.4th  
26 804, 807 [holding that bonus must be included in overtime rate calculation]; 29 U.S.C. § 207(e)  
27 [regular rate includes "all remuneration for employment paid to, or on behalf of, the  
28 employee"].)

1                   c.       *Expected Recovery*

2           The data provided by Defendant showed underpaid overtime wages equal to  
3 approximately \$22,645, excluding interest. Plaintiff did not apply any discount to this claim  
4 because proof of this violation is based purely on the pay records.

5           24.     **Failure to Provide All Meal Periods:**

6                   a.       *Facts*

7           Plaintiff failed to always provide legally compliant meal breaks to Ms. Elder and other  
8 Class Members. Defendant instructed Class Members to enter their scheduled meal breaks  
9 instead of their actual break times. As a result, almost 98% of meal periods were recorded as  
10 exactly 30 or 60 minutes. Even so, Defendant's records show an 11.8% violation rate net of meal  
11 period premiums.

12           Plaintiff and all interviewed Class Members report that they were required to carry  
13 walkie talkies and/or their cell phones and respond to calls during their meal periods. In addition,  
14 although Class Members generally manually recorded compliant meal periods, a majority of  
15 Class Members contacted frequently suffered meal period violations because of interruptions and  
16 an inability to take timely breaks because of a lack of coverage. For example, Plaintiff often  
17 continued working through her meal periods, and several Class Members reported missing meal  
18 breaks at least once a week.

19                   b.       *Law*

20           Employers must generally provide "a first meal period [of at least 30 minutes] no later  
21 than the end of an employee's fifth hour of work, and a second meal period [of at least 30  
22 minutes] no later than the end of an employee's 10th hour of work." (*Brinker v. Superior Court*  
23 (2012) 53 Cal.4th 1004, 1041.)

24                   c.       *Expected Recovery*

25           Plaintiff's damages analysis determined that Class Members' maximum recovery was  
26 approximately \$3,011,959 assuming a 100% violation rate on shifts of five or more hours.  
27 However, the mediation data showed unique meal break violations of 11.75%, yielding a  
28 maximum recovery of approximately \$353,929. Defendant, paid meal premiums equal to \$2,461,

offsetting the maximum recovery and resulting in a total of \$351,468 owed for alleged meal break violations.

Defendant contended that employees were provided with the opportunity to take all meal periods, and if they did not do so, it was purely voluntary. Defendant argued that under California law, employers do not have a duty to ensure that employees take all meal periods, so long as they provide meal periods and do not inhibit employees from taking all compliant meal periods. Further, Defendant paid meal period premiums for some facial violations. Accordingly, the realistic recovery for the meal period is approximately 50%. As a result, the reasonable, realistic value is estimated to be approximately \$175,734.

**25. Failure to Authorize and Permit All Rest Periods:**

*a. Facts*

Plaintiff alleged that Defendant failed to authorize and permit all paid rest periods for Ms. Elder and other Class Members. In fact, Ms. Elder recalls that Defendant never permitted her to take rest breaks because of a lack of coverage. Over 70% of interviewed Class Members report missing their rest break at least five days a week. Even so, Defendant did not pay any rest period premiums.

Until November 2021, Defendant's rest period policy was facially deficient. It provided that a 10-minute rest period was permitted only if an employee worked over four hours but not "a major fraction thereof."

*b. Law*

"Employees are entitled to 10 minutes' rest for shifts from three and one-half to six hours in length, 20 minutes for shifts of more than six hours up to 10 hours, 30 minutes for shifts of more than 10 hours up to 14 hours, and so on." (*Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004, 1029.) The applicable wage order imposes a similar obligation, and states that rest breaks must occur in the middle of each work period, insofar as is practicable. (8 C.C.R. § 11040(12).)

*c. Expected Recovery*

Plaintiff's damages analysis assumed a 100% violation rate on shifts of 3.5 or more hours

for an estimated maximum recovery is approximately \$3,471,124 in unpaid rest period premiums. Defendant contended that Class Members were permitted all required breaks and were not discouraged or prevented from taking their rest breaks. Because no records reflect whether the Class Members took rest breaks, the probability of prevailing on this claim was approximately 10%. As such, the realistic exposure for this claim is approximately **\$347,112.40**.

**26. Failure to Pay Meal Premium at the Legal Pay Rate:**

*a. Facts*

Defendants failed to properly compensate Class Members' meal /or rest period premiums at their regular rate of pay based on the bonuses as addressed above.

*b. Law*

Labor Code § 226.7 and the wage order require employers to pay non-exempt employees an additional hour of premium wages at the employee's regular rate of compensation on each workday that the employee is not provided with a meal break. The regular rate must include all remuneration in its calculation, including nondiscretionary bonuses. (*Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858, 863.)

*c. Expected Recovery*

Based on the data provided by Defendant, Plaintiff's expert calculated the total exposure for this claim at **\$129**, with interest.

**27. Failure to Fully Reimburse All Work-Related Business Expenses:**

*a. Facts*

Plaintiff and other Class Members incurred expenses while performing reasonable and necessary work-related duties. Because there was no central telephone system at Defendant's workplace, Defendant required Ms. Elder and Class Members to rely on their personal cell phones for day-to-day communication. For example, Plaintiff used her personal cell phone to coordinate food delivery with vendors. All Class Members interviewed reported using their personal cell phones for work-related purposes. Defendant did not reimburse Class Members for the work-related use of their phones.

*b. Law*

1 Labor Code § 2802 states that “[a]n employer shall indemnify his or her employee for all  
2 necessary expenditures or losses incurred by the employee in direct consequence of the discharge  
3 of his or her duties.” This section “is designed to prevent employers from passing their operating  
4 expenses on to their employees.” (*Gattuso v. Harte-Hanks Shoppers, Inc.* (2007) 42 Cal.4th 554,  
5 562.)

6 *c. Expected Recovery*

7 Plaintiff’s expert assumed a conservative \$10.00 per workweek for unreimbursed  
8 business expenses for a total exposure of \$365,270, excluding interest. Plaintiff considered risks  
9 associated with this claim, such as the need to rely on anecdotal evidence from Class Members  
10 and the potential for individualized issues arising at the class certification stage. As such, the  
11 probability of prevailing on this claim is approximately 40% for a realistic exposure for this  
12 claim equal to **\$146,108** based on these risks.

13 **28. Failure To Provide Compliant Wage Statements:**

14 *a. Facts*

15 Plaintiff alleged that Defendant issued improper wage statements to Plaintiff and Class  
16 Members because Defendant’s wage statements did not always contain all requisite information,  
17 including but not limited to all applicable hourly rates in effect during the pay period and the  
18 corresponding number of hours worked at each hourly rate by the employee.

19 In addition to the independent violations, if Plaintiff prevails on any of the underlying  
20 claims, she will prevail on the derivative Labor Code § 226 claim. Because of Defendant’s  
21 illegal wage and hour policies as set forth above, all wages earned, and all hours worked were  
22 not accurately reflected on Class Members’ wage statements.

23 *b. Law*

24 Labor Code § 226(a) requires every employer, semimonthly or at the time of each  
25 payment of wages, to furnish each of its employees an accurate itemized statement in writing  
26 showing, among other things, total hours worked by the employee, all applicable hourly rates in  
27 effect during each pay period and the corresponding number of hours worked at each hourly rate.

28 *c. Expected Recovery*

1 Plaintiff's damages analysis estimated that the maximum recovery for this claim was  
2 approximately \$1,100,150 for the one-year statutory period, which included approximately 403  
3 Class Members. However, Plaintiff must prove intentional violations to prevail. Further, this is a  
4 penalty and not a wage loss, and courts rarely grant the full amount of the penalty. Based on  
5 these risks, the realistic exposure for this claim is approximately 20% of the maximum, for a  
6 total expected recovery of **\$220,030**.

7 **29. Failure to Pay all Wages Due Upon Separation – Labor Code § 203:**

8 *a. Facts*

9 If Plaintiff prevails on any of the underlying wage claims, he will prevail on the  
10 derivative Labor Code § 203 claim, because Defendant has not paid all wages and penalties  
11 because of these alleged violations. A total of 40 Class Members separated employment during  
12 the statutory three-year period applicable to this claim.

13 *b. Law*

14 Under Labor Code § 203, the approximately 40 Class Members who are no longer  
15 employed by Defendant are entitled to 30 days of waiting time penalties because Defendant did  
16 not pay them all wages due and/or related penalties upon separation.

17 *c. Expected Recovery*

18 During the statutory period, approximately 317 employees left Defendant's employ.  
19 Based on average hourly rates, the 30-day maximum waiting time penalties for those Class  
20 Members is \$1,494,574. Plaintiff has around a 20% chance of prevailing at the time of trial on  
21 this claim as it is simply derivative of the underlying claims, and Plaintiff must prove this is a  
22 "willful" violation to prevail. Furthermore, trial judges rarely if ever grant the full amount of the  
23 penalty on top of wages owed. Finally, there are the general risks of trial. As such, the realistic  
24 maximum exposure for this claim was approximately **\$298,914.80**.

25 **30.** Regarding the claim for violations of Business & Professions Code section 17200,  
26 *et. seq.*, the forgoing analysis assumes the longer four-year statute of limitations that is available  
27 under the UCL for the unpaid wage and break violations. This cause of action is derivative of the  
28 other claims that have already been analyzed. Accordingly, the damages available under this

1 cause of action have already been analyzed or are duplicative of damages discussed above.

2 31. Regarding the claim for violations of the Private Attorneys General Act (PAGA),  
3 the maximum potential exposure is \$6,732,400 using the initial violation rate of \$100 per pay  
4 period per alleged violation. The strength of the PAGA claim would be impacted by the factors  
5 discussed above for the non-PAGA claims. Based on recent PAGA decisions, even if Plaintiff  
6 was successful on this claim through trial, the Court would likely exercise its discretion under  
7 PAGA and significantly reduce the penalties and would also not impose PAGA penalties on top  
8 or Cal. Labor Code § 226 and 203 penalties. Thus, the PAGA penalties were reduced by 75% for  
9 a realistic exposure of a total of \$1,683,100 in PAGA penalties. Given the discretionary nature  
10 of PAGA penalties and the need to prove each underlying violation, the \$50,000 that the parties  
11 allocated to PAGA Penalties is a reasonable settlement of that claim. Of this amount, 25%, or  
12 \$12,500.00, will be distributed to Aggrieved Employees.

13 32. The proposed PAGA Penalties portion of the Settlement is both just and in the  
14 public's interest. The Parties believe and agree that the Settlement provides for a fair, adequate,  
15 and reasonable resolution of the representative PAGA claim. The Parties also believe that the  
16 proposed Settlement is to the advantage of the State of California and the Aggrieved Employees  
17 when considering the time and expense necessary to complete protracted litigation which,  
18 regardless of the verdict, would undoubtedly be subject to further significant delay and expense  
19 pending possible appeals. Moreover, the Settlement provides a substantial sum to the State. It  
20 also provides a small sum to each Aggrieved Employee on a pro-rata basis based on the number  
21 of PAGA Pay Periods they worked during the PAGA Period (defined as the period from  
22 December 22, 2022, through May 31, 2025.) There are approximately 403 Aggrieved Employees  
23 who worked a total of approximately 11,203 PAGA Pay Periods. (Ex. 1, pp. 7-8.)

24 33. Based upon the foregoing, this case had a reasonable value of approximately  
25 \$1,288,841.40 for the underlying Labor Code claims. After considering the sharply disputed  
26 factual and legal issues involved in the lawsuit, the risks attending further prosecution, and the  
27 substantial benefits to be received under the compromise and settlement of the action, Class  
28 Counsel are of the opinion that settlement is in the best interests of the Class and is fair and

1 reasonable. Accordingly, the Gross Settlement Amount of \$1,400,000.00 represents  
2 approximately 108% of the maximum potential value of the underlying Labor Code claims  
3 (valued at \$1,288,841.40) and approximately 47% of the overall value including PAGA penalties  
4 (total case value of \$2,971,941.40 (\$1,288,841.40 + \$1,683,100), which is an exceptional result.

5 34. After analyzing and weighing the evidence discussed above as well as the legal  
6 issues, Class Counsel and Plaintiff concluded that the settlement of \$1,400,000 represents a fair  
7 and reasonable discount from the realistic recovery. The Settlement will allow the parties to  
8 avoid the expense and time commitments of continued litigation and provides a significant  
9 benefit for the Class which would not otherwise have been available. The Gross Settlement  
10 Amount of \$1,400,000 is a fair, reasonable, and adequate settlement for the claims at issue.

11 **VI. THE NOTICE PROCEDURE SHOULD BE APPROVED.**

12 35. The Class Notice provides proper notice to the Class of the terms of the  
13 Settlement Agreement and the options available to the Class, including the ability of the  
14 Class Members to Opt-Out or submit a Request for Exclusion from the non-PAGA portion  
15 of the Settlement and not be bound by the non-PAGA portion of the Settlement Agreement  
16 or receive any Individual Class Payment under it; to object to the terms of the Settlement; or  
17 to do nothing and receive a Settlement Payment and be bound by the terms of the  
18 Settlement; the date of the Final Approval Hearing, and how to obtain further information  
19 through Class Counsel, the Administrator's website, or the Court's docket. The Class Notice  
20 will be sent via first-class mail to each of the 569 Class Members at their addresses from  
21 Defendant's records.

22 36. Class Members will receive separate checks for the class portion and PAGA  
23 portion, respectively.

24 37. The Class Notice should be approved as the best and most practicable way to  
25 ensure the greatest possible number of Class Members will receive notice. Plaintiff  
26 respectfully requests that this Court approve the Class Notice to be disseminated to the Class  
27 consistent with the manner and timing as set forth in this Memorandum and the Parties'  
28 Settlement Agreement.

## VII. ATTORNEYS' EXPERIENCE

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

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

40. D.Law has litigated and successfully resolved many wage and hour class action cases involving failure to pay wages and derivative Labor Code claims and penalties. See e.g. *De La Rosa v. The Coca Cola Company et al.* (Superior Court of California in Napa, 17CV000787), *Harvey v. Bed Bath & Beyond of California Limited Liability Company* (Superior Court of California in Alameda, RG17885153), *Paredes v. Bottling Group LLC et. al.* (Superior Court of California in Kern), *Ramirez v. Harris Ranch Beef Company* (Superior Court of California in Fresno, 16CECG04103), *Gates v. Gate Gourmet, Inc. et. al.* (Southern District of California, 16-cv-01084-L-AGS), *Hargrave v. Antelope Valley Hospital* (Superior Court of California in Los Angeles, BC663252), *Ramirez v. Milton Roy et. al.* (Superior Court of California in Los Angeles, BC 632 276), *Hawkins v. AvalonBay Communities* (Superior Court of California in Santa Clara, 17CV316492), *Jones Tharpe et al. v. Sprint Corporation et al.* (Superior Court of California in Los Angeles, BC644645), *Ortega et al. v. Nestle Waters North America, Inc. et al.* (Superior Court of California in Los Angeles, BC623610), *Schultz v. Jimbo's Natural Family, Inc.* (Superior Court of California in San Diego, 37-2017-00022348-CUE-OE-CTL), *Ambrose v. Victor Valley Global et al.* (Superior Court of California in San Bernardino, CIVDS1709289), *Puerta-Gildardo v. Real Time Staffing Services LLC et. al.* (Superior Court of California in Los Angeles, BC565445), *Vargo v. Pregis Innovative Packaging LLC* (Superior Court of California in Tulare, 270836),

1 Conlin v. Aegis Senior Communities LLC (Northern District of California, 17-cv-05534-LHK),  
2 Galarza v. Kloeckner Metals Corporation (Central District of California, 2:17-cv-04910-FMO),  
3 Estes v. L3 Technologies, Inc. et al. (Southern District of California, 3:17-cv-02356-H-JMA),  
4 Rowser v. Trunk Club, Inc. (Central District of California, 2:17-cv-05064-DSF-RAO), Leach v.  
5 The Claremont Colleges, Inc. (Superior Court of California in Los Angeles, BC686451), Vaesau v.  
6 PCT Enterprises, Inc. dba Precision Cabinets (Superior Court of California, County of Contra  
7 Costa MSC18-02404), Terry v. TF Louderback, Inc. dba Bay Area Beverage Company (Superior  
8 Court of the State of California, County of Contra Costa, MSC18-00859), Roach v. Westcare  
9 California, Inc. (Superior Court of California in Kern County, BCV-17-102367-SDS), Patton v.  
10 Church & Dwight Co., Inc. (Central District of California, EDCV 18-903-MWF (KKx)), Juarez v.  
11 ISL Employees, Inc. (Superior Court of California in Madera, MCV074787), Ferraro v. USC  
12 Verdugo Hill s Hospital, et al. (Superior Court of California in Los Angeles, 18STCV09463), Ford  
13 v. Account Control Technology, Inc., et al. (Superior Court of California in Los Angeles,  
14 19STCV09369), Ornelas v. iStorage, et al. (Superior Court of California in San Francisco, CGC-  
15 18-571421), Martinez v. Ronpak, Inc. (Superior Court of California in Riverside, RIC1901307),  
16 Barrera et al. v. Exclusive Wireless, Inc. (Superior Court of California in Stanislaus, 9000687),  
17 Barajas v. Mancha Development Company LLC (Superior Court of California in Orange County,  
18 30-2018-00974707-CU-OE-CXC), Prado v. IMAX Corporation dba IMAC Worldwide Home  
19 (Superior Court of California in San Bernardino, CIVDS1820265), Rodriguez v. ND Industries,  
20 Inc. (Superior Court of California in Los Angeles, 19STCV38096), Singletary v. Motel 6  
21 Operating LP, et al. (Southern District of California, 3:20-cv-0270-LAB-AHG), Quizon v. CF  
22 Watsonville East, LLC, et al. (Superior Court of California in Santa Cruz, 20CV01868),  
23 Stephenson v. Bakersfield Dodge, Inc. (Superior Court of California in Kern, BCV-20-102693),  
24 Bacerra v. Hugo Boss Retail, Inc. (Superior Court of California in San Diego, 37-2021-00002933-  
25 CU-OE-CTL), Walker v. Ariat International, Inc. (Superior Court of California in Alameda,  
26 HG19026439), Orr v. Petvet Care Centers (California) Inc. (Superior Court of California in Santa  
27 Clara, 19CV354063), Jimenez v. OEC Distribution Services, Inc. (Superior Court of California in  
28 San Bernardino, CIVDS1915743), Viridi v. Absolute Security International (Superior Court of

1 California in San Bernardino, CIVDS 1909589), Raj v. First Transit, Inc (Superior Court of  
2 California in Sacramento, 34-2021-00295895-CU-OE-GDS), Marchbanks v. Torrid  
3 Administration, Inc. (Superior Court of California in San Diego, 37-2020-00008179-CU-OE-NC),  
4 among others.

5 41. Gregg Lander is the Litigation Manager for D.Law, Inc.'s West Los Angeles  
6 office and worked on this matter. Mr. Lander graduated from Texas A&M University in 1989  
7 with a Bachelor of Business Administration degree in Marketing. In 1997, Mr. Lander graduated  
8 from California Western School of Law in San Diego and was admitted to the California Bar the  
9 same year. In October 2001, Mr. Lander joined the Law Offices of Kevin T. Barnes. In or about  
10 2004, Mr. Barnes transitioned our firm completely to class and representative action cases and  
11 since then, Mr. Lander has worked almost exclusively on complex wage and hour matters.  
12 Thereafter, until 2023, Mr. Barnes and Mr. Lander litigated hundreds of wage and hour cases,  
13 usually to settlement, sometimes after class certification, and occasionally including appellate  
14 review.

15 42. I am a 2008 California Western School of Law graduate and was admitted to the  
16 California State Bar in December 2008. Since graduating from law school, I have dedicated my  
17 entire career to litigating employment class and PAGA actions. I have litigated and settled  
18 hundreds of wage and hour class actions and have obtained numerous six and seven figure  
19 settlements. As such, I have significant experience specifically working on wage and hour class  
20 actions from the plaintiff's side.

21 43. The collective experience of the D.Law attorneys in litigating employment wage  
22 and hour matters has been integral in identifying legal issues, evaluating the strengths and  
23 weaknesses of a case, and generally negotiating fair and reasonable class and representative action  
24 settlements. Practice in the narrow field of wage and hour litigation requires skill and knowledge  
25 concerning the constantly evolving substantive law (state and federal), as well as the procedural  
26 law of class and representative action litigation. In this action, the attorneys at D.Law are fully  
27 equipped to use the skills and knowledge developed over decades of prosecuting and defending  
28 wage and hour class actions to fairly and adequately represent the interests of the Class Members

1 and aggrieved employees. Therefore, based on our resources, experience, and knowledge, the  
2 attorneys at D.Law are well-qualified to act as class counsel and represent the Plaintiff and the  
3 putative Class Members and aggrieved employees in this action.

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

### 13 **VIII. THE STIPULATED AWARD OF ATTORNEYS' FEES AND COSTS**

14 45. Under the Settlement, Class Counsel will request, without opposition from  
15 Defendants, an award of Attorneys' Fees and Costs consisting of: Ninety-Eight Thousand Three  
16 Hundred Thirty-Three Dollars and Thirty-Three Cents (\$466,666.00), one-third of the Gross  
17 Settlement Amount, and actual reasonable litigation costs incurred for reimbursement of actual  
18 reasonable litigation costs. This request is fair, reasonable, and adequate to compensate Class  
19 Counsel for the substantial work they have put into this case and, moreover, the risk they assumed  
20 by taking it in the first place. The attorneys' fees award is intended to reimburse Class Counsel for  
21 all uncompensated work that they have already done and for all the work they will continue to do  
22 in carrying out and overseeing the notification to Class Members, communicating with Class  
23 Members regarding their claims, and assisting in the administration of the settlement if it is  
24 preliminarily approved. At the time of filing the Motion for Final Approval of Settlement and  
25 Attorneys' Fees and Costs, Plaintiff will submit detailed time records and invoices supporting the  
26 request for attorneys' fees and litigation costs. Defendant will not oppose Class Counsel's fees and  
27 cost request.

### 28 **IX. THE CLASS REPRESENTATIVE SERVICE AWARD**

46. The Settlement provides for a Class Representative Service Payment of \$15,000.00 for Plaintiff's service in litigating the action. Plaintiff has devoted a substantial amount of time to helping Class Counsel effectively develop and prosecute this action at every stage of the litigation. Plaintiff has provided Class Counsel with information about Defendant, reviewed documents, consulted Class Counsel throughout the litigation, participated in the mediation process, and reviewed and signed the settlement agreement. Plaintiff has spent a significant amount of time with Class Counsel detailing her knowledge of Defendant's practices. Plaintiff has diligently, adequately, and fairly represented the Class Members, and has not placed his interests above any member of the putative Class. This sort of payment to a Class representative has been a common feature of settlements negotiated by Class Counsel and routinely approved by courts. The Class Representative Service Payment of \$15,000.00 to Plaintiff is fair and reasonable.

## X. THE PRESENCE OF A GOVERNMENTAL PARTICIPANT

47. Class Counsel will be submitting the Settlement Agreement to the LWDA concurrently with the filing of this motion pursuant to Labor Code § 2699(1)(2). On the date of the date of filing the Motion for Preliminary Approval, Plaintiff submitted the Motion to the LWDA. Attached hereto as **Exhibit 3** is the LWDA confirmation.

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

Executed on October 8, 2025, at San Diego, California.



---

Marta Manus, Esq.

# EXHIBIT 1

## CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Lanisha Elder (“Plaintiff”) and Defendant Rex and Margaret Fortune School of Education dba “Fortune School” (hereafter “Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

### 1. DEFINITIONS.

- 1.1 “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against Rex and Margaret Fortune School of Education dba “Fortune School” captioned *Lanisha Elder v. Rex and Margaret Fortune School of Education dba “Fortune School,” et al.* initiated on December 22, 2023, and pending in Superior Court of the State of California, County of Sacramento, case no. 23CV013990.
- 1.2 “Administrator” means Rust Consulting, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3 “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4 “Aggrieved Employee” means a person employed by Defendant in California and classified as a non-exempt employee, who worked for Defendant as a non-exempt employee during the PAGA Period.
- 1.5 “Class” means all persons employed by Defendant in California as non-exempt employees during the Class Period (defined as December 22, 2019, through the earlier of May 31, 2025, or preliminary approval). It shall be an opt-out class.
- 1.6 “Class Counsel” means Gregg Lander, Esq., and Vanessa M. Ruggles, Esq., of D.Law, Inc.
- 1.7 “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees (not to exceed one-third of the Gross Settlement Amount) and expenses (not to exceed \$23,000), respectively, incurred to prosecute the Action.
- 1.8 “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.
- 1.9 “Class Member” or “Settlement Class Member” means a member of the Class, as

either a Participating Class Member or Non-Participating Class Member (including a Non- Participating Class Member who qualifies as an Aggrieved Employee).

- 1.10 “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.11 “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English with a Spanish translation in the form, without material variation, attached as **Exhibit A** and incorporated by reference into this Agreement.
- 1.12 “Class Period” means the period from December 22, 2019, through the earlier of May 31, 2025, or preliminary approval.
- 1.13 “Class Representative” means the named Plaintiff Lanisha Elder in the operative complaint in the Action seeking Court approval to serve as a Class Representative.
- 1.14 “Class Representative Service Payment” means the payment to the Class Representative Lanisha Elder, in the amount of \$15,000 and in addition to Plaintiff’s Individual Settlement Award, for initiating the Action and providing services in support of the Action.
- 1.15 “Court” means the Superior Court of California, County of Sacramento.
- 1.16 “Defendant” means named Defendant Rex and Margaret Fortune School of Education dba “Fortune School.”
- 1.17 “Defense Counsel” means William J. Trinkle, Esq., and Wendy A. Walker, Esq., of Young, Minney & Corr, LLP.
- 1.18 “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.19 “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.20 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

- 1.21 “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
- 1.22 “Gross Settlement Amount” means \$1,400,000 which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator’s Expenses.
- 1.23 “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
- 1.24 “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.
- 1.25 “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.26 “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subdivision (i).
- 1.27 “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA (\$37,500) under Labor Code section 2699, subdivision (i).
- 1.28 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.29 “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.30 “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant as a non-exempt employee for at least one day during the PAGA Period.
- 1.31 “PAGA Period” means the period from December 22, 2022, to the earlier of May 31, 2025, or preliminary approval.
- 1.32 “PAGA” means the Private Attorneys General Act (Lab. Code, § 2698 et seq.).
- 1.33 “PAGA Notice” means Plaintiff Elder’s letter to Defendant and the LWDA providing

notice pursuant to Labor Code section 2699.3, subdivision (a).

- 1.34 “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount (\$50,000), allocated 25% to the Aggrieved Employees (\$12,500) and the 75% to LWDA (\$37,500) in settlement of PAGA claims.
- 1.35 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.36 “Plaintiff” means Lanisha Elder, the named plaintiff in the Action.
- 1.37 “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.38 “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.39 “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.
- 1.40 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.41 “Released Parties” means Defendant and its parents, predecessors, successors, affiliates, subsidiaries, officers, directors, members, agents, employees, insurers, and stockholders.
- 1.42 “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.43 “Response Deadline” means 45 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email or mail Requests for Exclusion from the Settlement, or (b) fax, email or mail his, her, or their Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
- 1.44 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.45 “Workweek” means any regular workweek in which the Class Member worked as a non-exempt employee on three or more calendar days during the Class Period.

## **2. RECITALS.**

- 2.1 On December 22, 2023, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendant for: (1) Failure to Pay All Wages; (2) Failure to Pay All Wages Due to Illegal Rounding; (3) Failure to Pay All Overtime Wages at the Legal Overtime Pay Rate; (4) Failure To Provide All Meal Periods; (5) Failure to Authorize and Permit All Rest Periods; (6) Failure to Fully Reimburse Work Expenses; (7) Independent Failure To Timely Furnish Accurate Itemized Wage Statements; (8) Derivative Failure To Timely Furnish Accurate Itemized Wage Statements; (9) Violations of Labor Code §§ 201-202; and (10) Unfair Business Practices. On February 26, 2024, Plaintiff filed a First Amended Complaint adding a claim under PAGA. The First Amended Complaint is the operative complaint in the Action (the “Operative Complaint”). Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint and denies any and all liability for the causes of action alleged. Pursuant to Labor Code section 2699.3, subdivision (a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.
- 2.2 On April 1, 2025, the Parties participated in an all-day mediation presided over by Steve Pearl which led to this Agreement after the Parties accepted a mediator’s proposal to settle the Action.
- 2.3 Prior to mediation, the Parties engaged in formal and informal discovery. Plaintiff propounded two sets of Request for Production of Documents, two sets of Special Interrogatories, and scheduled deposition of Defendant’s Person Most Qualified, which was put on hold when the Parties agreed to mediate. To prepare for the mediation, Defendant provided extensive documentation of their policies and practices and data related to the claims asserted in this case, including all pay and time data for 507 Class Members and other information necessary for Plaintiff to create a damages exposure analysis. Plaintiff hired an expert, Berger Consulting Group – Economic Data Analysts, to prepare damage calculations and an exposure analysis for the mediation. Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).
- 2.4 The Court has not granted class certification. Solely for purposes of settling the Action, and not for purposes of class certification should the Settlement not be approved, or for any other reason, the Parties stipulate and agree that the requisites for establishing class certification with respect to the Settlement Class have been met and are met.
- 2.5 The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

### 3. MONETARY TERMS.

- 3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$1,400,000 and no more as the Gross Settlement Amount

and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

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

3.2.1 To Plaintiff: Class Representative Service Payment to the Class Representative of not more than \$15,000 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third, which is currently estimated to be \$466,666, and a Class Counsel Litigation Expenses Payment of not more than \$23,000. Defendant will not oppose requests for these payments provided that do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment in conjunction with the Final Approval Motion. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3 To the Administrator: An Administrator Expenses Payment not to exceed \$13,959 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less

than \$13,959, the Administrator will retain the remainder in the Net Settlement Amount.

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

3.2.4.1 Tax Allocation of Individual Class Payments. 10% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The 90% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for [e.g., interest and penalties] (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

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

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$50,000 to be paid from the Gross Settlement Amount, with 75% (\$37,500) allocated to the LWDA PAGA Payment and 25% (\$12,500) allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$12,500) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

#### **4. SETTLEMENT FUNDING AND PAYMENTS.**

4.1 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendant estimates there are 569 Class Members who collectively worked a total of 37,000 Workweeks, and 403 Aggrieved Employees who worked a

total 11,203 of PAGA Pay Periods.

- 4.2 Class Data. Not later than 15 days after the Court grants Preliminary Approval of the Settlement Defendant will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.
- 4.3 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than 30 days after the Effective Date.
- 4.4 Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.
  - 4.4.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
  - 4.4.2 The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without United States

Postal Service (“USPS”) forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller’s Unclaimed Property Fund in the name of the Class Member thereby leaving no “unpaid residue” subject to the requirements of Code of Civil Procedure section 384, subdivision (b). The Parties, Class Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient.

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

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

5.1 Plaintiff’s Release. In addition to the releases set forth in Paragraphs 5.2 and 5.3, below, Plaintiff and her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors and assigns generally, release and discharge Released Parties from all claims arising from her employment with Defendant, separation of employment from Defendant, and any acts that have or could have been asserted in any legal action or proceeding against Defendant, whether known or unknown, arising under any federal, state, or local law, or statute, including, inter alia, those arising under the California Labor Code, Fair Labor Standards Act, Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, Employee Retirement Income Security Act, National Labor Relations Act, California Corporations Code, California Business and Professions Code, California Fair Employment and Housing Act, California Constitution (all as amended), and law of contract and tort, as well as for discrimination, harassment, retaliation, wrongful termination, lost wages, benefits, other employment compensation, emotional distress, medical expenses, other economic and non-economic damages, attorney fees, and costs, arising on or before the date of execution of the Settlement Agreement. (“Plaintiff’s Release”). Plaintiff’s Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers’ compensation benefits that arose at any time. Plaintiff acknowledges that Plaintiff may discover facts or law

different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

- 5.1.1 Plaintiff's Waiver of Rights Under Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the Civil Code, which reads:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

- 5.2 Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and all claims involving any alleged: (1) Failure to Pay All Wages; (2) Failure to Pay All Wages Due to Illegal Rounding; (3) Failure to Pay All Overtime Wages at the Legal Overtime Pay Rate; (4) Failure To Provide All Meal Periods; (5) Failure to Authorize and Permit All Rest Periods; (6) Failure to Fully Reimburse Work Expenses; (7) Independent Failure To Timely Furnish Accurate Itemized Wage Statements; (8) Derivative Failure To Timely Furnish Accurate Itemized Wage Statements; (9) Violations of Labor Code §§ 201-202; and (10) Unfair Business Practices. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation or claims based on facts occurring outside the Class Period.

- 5.3 Release by Aggrieved Employees: All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notice including any and all claims involving any alleged: (1) Failure to Pay All Wages; (2) Failure to Pay All Wages Due to Illegal Rounding; (3) Failure to Pay All Overtime Wages at the Legal Overtime Pay Rate; (4) Failure To Provide All Meal Periods; (5) Failure to Authorize and Permit All Rest Periods; (6) Failure to Fully Reimburse Work Expenses; (7) Independent Failure To Timely Furnish Accurate Itemized Wage Statements; (8) Derivative Failure To Timely Furnish Accurate Itemized Wage Statements; (9) Violations of Labor Code §§ 201-202; (10) Violations of Labor Code § 204; (11) Failure to Pay Sick Pay Rate at the Legal Pay Rate; (12) Failure to Maintain Compliant Records.

## 6. MOTION FOR PRELIMINARY APPROVAL.

Plaintiff will prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that includes a request for approval of the Class and PAGA settlement under Labor Code section 2699, subdivision (l).

- 6.1 If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court’s concerns.

## 7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected Rust Consulting, Inc. to serve as the Administrator and verified that, as a condition of appointment, Rust Consulting, Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.
- 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1.
- 7.4 Notice to Class Members.
  - 7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks and Pay Periods in the Class Data.
  - 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 15 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class USPS mail, the Class Notice with Spanish translation, if applicable substantially in the form attached to this Agreement as **Exhibit A**. The Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
  - 7.4.3 Not later than three (3) business days after the Administrator’s receipt of

any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

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

7.4.5 If the Administrator, Defendant or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever ever are later.

## 7.5 Requests for Exclusion (Opt-Outs).

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

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

appealable or otherwise susceptible to challenge.

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

7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

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

7.7 Objections to Settlement.

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

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

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

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

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

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

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

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

7.8.5 Administrator’s Declaration. Not later than 14 days before the date by

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

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

## **8. CLASS SIZE ESTIMATES and ESCALATOR CLAUSE.**

Based on its records, Defendant estimates that, as of the date of this Settlement Agreement, (1) there are 569 Class Members and 37,000 Total Workweeks from December 22, 2019, to April 1, 2025 ("Workweek Amount) and (2) there were 403 Aggrieved Employees who worked 11,203 Pay Periods during the PAGA Period. If the actual number of workweeks for all Class Members for the Class Period exceeds the Workweek Amount by more than ten percent (10%) of the amount estimated by Defendant (40,700), the Gross Settlement Amount shall either be increased proportionately for each additional Workweek above the 10% buffer, or, Defendant may elect to cap the Class Period end date so that the Workweeks do not exceed 40,700 without increasing the Gross Settlement Amount.

## **9. DEFENDANT'S RIGHT TO WITHDRAW.**

If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Class Members, Defendant may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than seven days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

## **10. MOTION FOR FINAL APPROVAL.**

Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court a motion for final approval of the Settlement, a Proposed Final Approval Order and a proposed Judgment (collectively “Motion for Final Approval”). Defendant shall not oppose such motion so long as the motion and supporting papers are consistent with the terms of this MOU and the Settlement Agreement.

- 10.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
- 10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court’s concerns by revising the Agreement as necessary to obtain Final Approval. The Court’s decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.
- 10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters and (iii) addressing such post-Judgment matters as are permitted by law.
- 10.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment set forth in this Settlement, the Parties, their respective counsel and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties’ obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.
- 10.5 Appellate Court Orders to Vacate, Reverse or Materially Modify Judgment. If the reviewing Court vacates, reverses or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court’s concerns and to obtain Final Approval and entry of Judgment, sharing,

on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

## **11. AMENDED JUDGMENT.**

If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

## **12. ADDITIONAL PROVISIONS.**

- 12.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).
- 12.2 Confidentiality. Plaintiff and Plaintiff's counsel shall make no public statement or release, and agree not to post the settlement terms, amount, or that they obtained a settlement from Defendant on their website. Plaintiff's counsel may disclose the terms of settlement as required to obtain approval, communicate with class members, and in support of any future motion for attorneys' fees. Defendant may disclose settlement to its employees and as required under its legal obligations.
- 12.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members. Nothing in this paragraph shall be construed to restrict Defendant from communicating with its current employees, so long as Defendant does not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment.

- 12.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants or inducements made to or by any Party.
- 12.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 12.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 12.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered or purported to assign, transfer or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action or right released and discharged by the Party in this Settlement.
- 12.8 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 12.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed or waived only by an express written instrument signed by all Parties or their representatives and approved by the Court.
- 12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the State of California, without regard to conflict of law principles.
- 12.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 12.13 Confidentiality. To the extent permitted by law, all agreements made and orders

entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

- 12.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute or California Rules of Court rule. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destruction, of Class Data.
- 12.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 12.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 12.17 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Emil Davtyan, Esq.  
Gregg Lander, Esq.  
Vanessa M. Ruggles, Esq.  
D.LAW, INC.  
1635 Pontius Avenue, Floor 2  
Los Angeles, CA 90025-3361  
Tel.: (424) 320-6420  
Email: Gregg@d.law

To Defendant:

William J. Trinkle, Esq.  
Wendy A. Walker, Esq.  
YOUNG, MINNEY & CORR, LLP

655 University Avenue, Suite 150  
Sacramento, CA 95825  
Tel.: (916) 646-1400  
Email: WWalker@ymclegal.com;

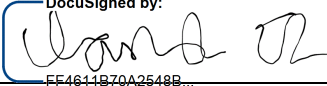
12.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument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

12.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement, Code of Civil Procedure section 583.330 extends the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

12.20 Non-Monetary Relief. Defendant has reviewed its wage and hour policies and practices and seeks to comply in good faith with the Labor Code.

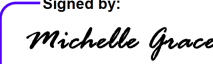
IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Class Action and PAGA Settlement Agreement between Plaintiff, on the one hand, and Defendant, on the other hand, as of the date(s) set forth below:

Dated: 7/3/2025

DocuSigned by:  
  
FF4614B70A2548B...

Plaintiff Lanisha Elder

Dated: 7/8/2025

Signed by:  
  
6A22B7EE4CCA41D...

Defendant Rex and Margaret Fortune School of Education

Michelle Grace  
[Print Name of Authorized Signatory]

**APPROVED AS TO FORM**

**D. LAW, INC.**

Dated: 7/7/25

/s/ Vanessa M. Ruggles, Esq.  
Emil Davtyan, Esq.  
Gregg Lander, Esq.  
Vanessa M. Ruggles, Esq

Attorneys for Plaintiff Lanisha Elder

**YOUNG, MINNEY & CORR, LLP**

Dated: July 7, 2025

A handwritten signature in blue ink, appearing to read "W. J. Trinkle", is written over a horizontal line.

William J. Trinkle, Esq.  
Wendy A. Walker, Esq.  
Attorneys for Defendant

# EXHIBIT A

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

***Lanisha Elder v. Rex and Margaret Fortune School of Education dba “Fortune School,” et al.***  
**Sacramento County Superior Court of California – Case No. 23CV013990**

---

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

**You may be eligible to receive money** from an employee class action lawsuit (“Action”) against Defendant Rex and Margaret Fortune School of Education dba “Fortune School” (“Defendant” or “Fortune School” is used herein as a placeholder) for alleged wage and hour violations. The Action was filed by a former Fortune School employee Lanisha Elder (“Plaintiff”) and seeks payment of (1) back wages and other relief for a class of non-exempt employees (“Class Members”) who worked for Fortune School during the Class Period (December 22, 2019, to May 31, 2025 (“Class Members”)); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all non-exempt employees who worked for Defendant during the PAGA Period (December 22, 2022, to May 31, 2025 (“Aggrieved Employees”).

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendant to fund Individual Class Payments, and (2) a PAGA Settlement requiring Defendant to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on Defendant’s records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$ [REDACTED] (less withholding) and your Individual PAGA Payment is estimated to be \$ [REDACTED]**. 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 Payment, then according to Defendant’s records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on Defendant’s records showing that **you worked [REDACTED] workweeks as a non-exempt employee** during the Class Period and **you worked [REDACTED] pay periods as a non-exempt employee** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendant.

If you worked for Defendant during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

- (1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendant.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Defendant, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

**Defendant will not retaliate against you for any actions you take with respect to the proposed Settlement.**

#### **SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT**

|                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>You Don't Have to Do Anything to Participate in the Settlement</b>                                                                                                  | If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendant that are covered by this Settlement (Released Claims).                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>You Can Opt-out of the Class Settlement but not the PAGA Settlement<br/>The Opt-out Deadline is <span style="background-color: yellow;">          </span>, 2025</b> | <p>If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice.</p> <p>You cannot opt-out of the PAGA portion of the proposed Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).</p> |

|                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement</b></p> <p><b>Written Objections Must be Submitted by _____, 2025</b></p> | <p>All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the proposed Settlement. The Court’s decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.</p> |
| <p><b>You Can Participate in the _____, 2025, Final Approval Hearing</b></p>                                                                                               | <p>The Court’s Final Approval Hearing is scheduled to take place on _____, 2025. You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.</p>                                                                                                                                                                                                                                                      |
| <p><b>You Can Challenge the Calculation of Your Workweeks</b></p> <p><b>Written Challenges Must be Submitted by _____, 2025</b></p>                                        | <p>The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked as a non-exempt employee three or more calendar days during the Class Period and how many PAGA Periods you worked as a non-exempt employee at least one day during the PAGA Period. The number Class Period Workweeks and number of PAGA Period Pay Periods you worked according to Defendant’s records is stated on the first page of this Notice. If you disagree with this number, you must challenge it by _____, 2025. See Section 4 of this Notice.</p>                                                                                                      |

## WHAT IS THE ACTION ABOUT?

Plaintiff is a former Fortune School employee. The Action accuses Defendant of violating California labor laws by: (1) Failing to Pay All Wages; (2) Failing to Pay All Wages Due to Illegal Rounding; (3) Failing to Pay All Overtime Wages at the Legal Overtime Pay Rate; (4) Failing To Provide All Meal Periods; (5) Failing to Authorize and Permit All Rest Periods; (6) Failing to Fully Reimburse Work Expenses; (7) Independently Failing To Timely Furnish Accurate Itemized Wage Statements; (8) Derivatively Failing To Timely Furnish Accurate Itemized Wage Statements; (9) Violations of Labor Code Sections 201-202; and (10) Unfair Business Practices. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code sections 2698, et seq.). Plaintiff is represented by attorneys in the Action: Emil Davtyan, Esq., Gregg Lander,

Esq., and Vanessa M. Ruggles, Esq. of D.Law, Inc. (“Class Counsel”).

Defendant strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

### **WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?**

So far, the Court has made no determination whether Defendant or Plaintiff is correct on the merits.

In the meantime, Plaintiff and Defendant hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendant have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendant has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

### **WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?**

1. Defendant Will Pay \$1,400,000 as the Gross Settlement Amount (Gross Settlement). Defendant has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel’s attorney’s fees and expenses, the Administrator’s expenses, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement not more than 14 days after the Judgment entered by the Court become final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
  - A. Up to one-third of the Gross Settlement to Class Counsel for attorneys’ fees

currently estimated at \$466,666) and up to \$23,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

- B. Up to \$15,000 as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
- C. Up to \$13,959 to the Administrator for services administering the Settlement.
- D. Up to \$50,000 or PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

- 3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.
- 4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of 10% of each Individual Class Payment to taxable wages ("Wage Portion") and 90% to interest and penalties ("Non-Wage Portion."). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and Defendant have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

- 5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name. If the monies represented by your check is sent to the Controller's Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.
- 6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a

Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than \_\_\_\_\_, 2025, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the \_\_\_\_\_, 2025, Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member's name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Defendant.

You cannot opt-out of the PAGA Portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendant based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Class Members will not release any claims against Defendant.
8. Administrator. The Court has appointed a neutral company, Rust Consulting, Inc. (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement.

The Administrator's contact information is contained in **Section 9** of this Notice.

9. Participating Class Members' Release. After the Judgment is final and Defendant has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint and ascertained in the course of the Action including any and all claims involving any alleged: (1) Failure to Pay All Wages;

(2) Failure to Pay All Wages Due to Illegal Rounding; (3) Failure to Pay All Overtime Wages at the Legal Overtime Pay Rate; (4) Failure To Provide All Meal Periods; (5) Failure to Authorize and Permit All Rest Periods; (6) Failure to Fully Reimburse Work Expenses; (7) Independent Failure To Timely Furnish Accurate Itemized Wage Statements; (8) Derivative Failure To Timely Furnish Accurate Itemized Wage Statements; (9) Violations of Labor Code §§ 201-202; and (10) Unfair Business Practices. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation or claims based on facts occurring outside the Class Period.

10. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and Defendant has paid the Gross Settlement (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against Defendant, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendant or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees' Releases for Participating and Non-Participating Class Members are as follows:

All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notice and ascertained in the course of the Action including any and all claims involving any alleged: (1) Failure to Pay All Wages; (2) Failure to Pay All Wages Due to Illegal Rounding; (3) Failure to Pay All Overtime Wages at the Legal Overtime Pay Rate; (4) Failure To Provide All Meal Periods; (5) Failure to Authorize and Permit All Rest Periods; (6) Failure to Fully Reimburse Work Expenses; (7) Independent Failure To Timely Furnish Accurate Itemized Wage Statements; (8) Derivative Failure To Timely Furnish Accurate Itemized Wage Statements; (9) Violations of Labor Code §§ 201-202; (10) Violations of Labor Code § 204; (11) Failure to Pay Sick Pay Rate at the Legal Pay Rate; (12) Failure to Maintain Complaint Records.

## **HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?**

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA

Payments by (a) dividing \$12,500 (25%) by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.

3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendant's records, are stated in the first page of this Notice. You have until \_\_\_\_\_, 2025, to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail or fax. **Section 9** of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of Workweeks and/or Pay Periods based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

## **HOW WILL I GET PAID?**

1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.
2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

**Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.**

## **HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?**

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Lanisha Elder v. Rex and Margaret Fortune School of Education dba "Fortune School"* and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by \_\_\_\_\_, 2025, or it will be invalid.**

Section 9 of the Notice has the Administrator's contact information.

## HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to approve. At least 16 court days before the \_\_\_\_\_ Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website \_\_\_\_\_ (url) or the Court's website <https://www.saccourt.ca.gov/default.aspx>.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is \_\_\_\_\_, 2025.** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action *Lanisha Elder v. Rex and Margaret Fortune School of Education dba "Fortune School"* and include your name, current address, telephone number, and approximate dates of employment for Defendant Fortune School and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

## CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on \_\_\_\_\_, 2025, at \_\_\_\_\_ a.m./p.m. in Department 22 of the Sacramento Superior Court, located at 720 9<sup>th</sup> Street, Sacramento, CA 95814. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel, and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally. Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website (url) \_\_\_\_\_ beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

## HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to the Administrator's website at (url)\_\_\_\_\_.

You can also contact Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to <https://www.saccourt.ca.gov/default.aspx> and entering the Case Number for the Action, Case No. 23CV013990.

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

### Class Counsel:

Emil Davtyan, Esq.  
Gregg Lander, Esq.  
Vanessa M. Ruggles, Esq.  
Enoch J. Kim, Esq.  
Marta Manus, Esq.  
D.LAW, INC.  
450 N Brand Blvd., Suite 840  
Glendale, CA 91203  
Telephone: (818) 962-6465  
Email: [m.manus@d.law](mailto:m.manus@d.law)

### Settlement Administrator:

Rust Consulting, Inc.

[Mailing Address]

[Telephone]

[Fax Number]

## WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund at <https://ucpi.sco.ca.gov/> or (916) 445-5361 for instructions on how to retrieve the funds.

## WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.

# EXHIBIT 2

**D.LAW, INC.**

Emil Davtyan (SBN 299363)

Emil@d.law

Gregg Lander, Esq. (#194018)

g.lander@d.law

Vanessa M. Ruggles (SBN 254031)

v.ruggles@d.law

Enoch J. Kim (SBN 261146)

e.kim@d.law

Marta Manus (SBN 260132)

m.manus@d.law

450 N Brand Blvd., Suite 840

Glendale, CA 91203

Telephone: (818) 962-6465

Facsimile: (818) 962-6469

Attorneys for Plaintiff LANISHA ELDER,  
on behalf of herself and all others similarly situated

**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**FOR THE COUNTY OF SACRAMENTO**

LANISHA ELDER, on behalf of herself and  
all others similarly situated,

Plaintiffs,

v.

REX AND MARGARET FORTUNE  
SCHOOL OF EDUCATION d/b/a "Fortune  
School," "William Lee College Prep," "Alan  
Rowe College Prep," "Ephraim Williams  
College Prep Middle School," "Hazel Mahone  
College Prep," "Fortune Middle School," "Rex  
and Margaret Fortune Early College High  
School," "Tecoy Porter College Prep,"  
"Stephon A. Clark College Prep Middle  
School," and/or "Hardy Grown College Prep,"  
a California non-profit corporation; and DOES  
1 to 10, inclusive,

Defendants.

**CLASS ACTION**

Case No.: 23CV013990

Honorable Lauri A. Damrell  
Department 22

**DECLARATION OF ERIC BISHOP IN  
SUPPORT OF PLAINTIFF'S MOTION  
FOR PRELIMINARY APPROVAL**

Action filed: December 22, 2023  
First Amended Complaint: February 26,  
2024 Trial date: None Set

**DECLARATION OF ERIC BISHOP FOR RUST CONSULTING, INC., IN SUPPORT OF**  
**PLAINTIFF’S MOTION FOR PRELIMINARY APPROVAL**

I, Eric Bishop, declare as follows:

1. I am a Senior Vice President for Rust Consulting, Inc. (“Rust”). My business address is 920 2<sup>nd</sup> Ave S, Suite 400, Minneapolis, MN 55402. My telephone number is (612) 968-1752. I am over twenty-one years of age and am authorized to make this declaration on behalf of Rust and myself. I have firsthand knowledge of the facts set forth in this declaration and, if called to do so, could testify competently to them.

2. Rust has extensive experience in class action matters, having provided services in class action settlements involving antitrust, securities fraud, property damage, employment discrimination, employment wage and hour, product liability, insurance and consumer issues. We have provided notification and/or claims administration services in more than 7,500 projects. Of these, approximately 4,000 were Labor & Employment cases.

3. Rust’s internal data security practices meet or exceed today’s exacting industry standards. Our enterprise-class data security measures are founded on standard business processes including a vigorous employee screening program, ongoing employee security training and a hardened production data center hosted at a Tier 1 network carrier, all designed for ensuring data integrity and security.

4. Rust is being engaged by Counsel to provide settlement administration services in the case Elder v Rex and Margaret Fortune School (“Settlement”). Duties will include: a) preparing, printing, and mailing of the Notice of Class Action Settlement (“Class Notice”); b) tracking of requests for exclusion; c) drafting, mailing, and tax reporting for Settlement Award checks to Class Members; and for such other tasks as the Parties mutually agree or the Court orders Rust to perform.

5. Rust will establish a mailing address to receive requests for exclusion, undeliverable Class Notices, and other communications from Class Members.

6. Rust will set up a phone number and will staff with live Customer Service Representatives to be available for Class Members to call with questions regarding the

1 Settlement and to provide address updates. Spanish speaking agents will be available.

2 7. Rust expects to receive text for the Class Notice from Counsel shortly after  
3 preliminary approval of the Settlement is granted.

4 8. Rust expects that Counsel for Defendant will provide Rust with a mailing list (  
5 “Class List”) containing the Class Members’ names, last known addresses, Social Security  
6 Numbers, and any other pertinent information necessary to carry out Rust’s duties.

7 9. Rust will mail the Class Notice prepared by the parties and approved by the  
8 Court. Rust will translate the notice into a Spanish version as well.

9 10. The mailing addresses contained in the Class List will be processed and updated  
10 utilizing the National Change of Address Database (“NCOA”) maintained by the U.S. Postal  
11 Service. The NCOA contains requested changes of address filed with the U.S. Postal Service.  
12 In the event that any individual has filed a U.S. Postal Service change of address request, the  
13 address listed with the NCOA will be utilized in connection with the mailing of the Class Notice.

14 11. For any Class Notices that are returned to Rust as undeliverable, Rust will  
15 perform address traces in an attempt to find an updated address. The address trace will utilize  
16 the Class Member’s name, previous address and Social Security Number. In the event an  
17 updated address is obtained, the Class Notice documents will be promptly re-mailed to those  
18 Class Members via First Class mail. For Class Notice documents that are returned by the Post  
19 Office with forwarding addresses attached, these Class Notice documents will be promptly re-  
20 mailed to those Class Members at the forwarding address via First Class mail.

21 12. Rust will be responsible for receiving and validating all requests for exclusions  
22 and objections to the Settlement.

23 13. Rust will be responsible for calculating award amounts and tax withholdings,  
24 printing and mailing payments including tax documents, establishing a Qualified Settlement  
25 Fund (“QSF”), setting up a bank account, and preparing annual tax filings on behalf of the QSF.  
26 Rust will establish and set up a QSF in this case based upon applicable laws and requirements.

27 14. Rust will be the fiduciary of the QSF and responsible for all payments and tax  
28 reporting from the QSF. The QSF will obtain its own tax ID and report taxes under that tax ID.

15. Rust will provide Project Management and Technical Consulting staff to manage all aspects of the administration and be available to Counsel.

16. Rust will post final judgment and the new date of the Final Approval Hearing, if continued by the Court, on its website, [www.rustconsulting.com](http://www.rustconsulting.com).

17. The total cost for the administration of this Settlement is capped at \$13,959 unless the actual class size (approx. 605) provided by counsel is materially different as that is the basis on which much of the estimate is provided. The costs are comprised of the combination of the transactional costs for print, postage, banking activities, etc., as well as the hourly fees to carry out the administrative duties.

18. None of the parties or attorneys in this matter have a relationship (financial or otherwise) with Rust.

I declare under penalty of perjury under the laws of the State of California and the United States that the above is true and correct to the best of my knowledge and that this Declaration was executed this 25th day of August 2025, at Minneapolis, MN.

  
Eric Bishop

# EXHIBIT 3

# EXHIBIT 4

**D.LAW, INC.**

Emil Davtyan (SBN 299363)

Emil@d.law

Gregg Lander, Esq. (#194018)

g.lander@d.law

Vanessa M. Ruggles (SBN 254031)

v.ruggles@d.law

Enoch J. Kim (SBN 261146)

e.kim@d.law

Marta Manus (SBN 260132)

m.manus@d.law

450 N Brand Blvd., Suite 840

Glendale, CA 91203

Telephone: (818) 962-6465

Facsimile: (818) 962-6469

Attorneys for Plaintiff LANISHA ELDER,  
on behalf of herself and all others similarly situated

**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**FOR THE COUNTY OF SACRAMENTO**

LANISHA ELDER, on behalf of herself and  
all others similarly situated,

Plaintiffs,

v.

REX AND MARGARET FORTUNE  
SCHOOL OF EDUCATION d/b/a "Fortune  
School," "William Lee College Prep," "Alan  
Rowe College Prep," "Ephraim Williams  
College Prep Middle School," "Hazel Mahone  
College Prep," "Fortune Middle School," "Rex  
and Margaret Fortune Early College High  
School," "Tecoy Porter College Prep,"  
"Stephon A. Clark College Prep Middle  
School," and/or "Hardy Grown College Prep,"  
a California non-profit corporation; and DOES  
1 to 10, inclusive,

Defendants.

**CLASS ACTION**

Case No.: 23CV013990

Honorable Lauri A. Damrell  
Department 22

**DECLARATION OF JARRETT  
GORLICK IN SUPPORT OF MOTION  
FOR PRELIMINARY APPROVAL OF  
THE CLASS ACTION SETTLEMENT**

Action filed: December 22, 2023  
First Amended Complaint: February 26, 2024  
Trial date: None Set

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

I, Jarrett Gorlick, declare:

1. I am over the age of 18 and am not a party to this action. All the facts set forth in this declaration are within my personal knowledge, true and correct, and, if called upon to testify, I could and would competently and truthfully testify to the following:

2. I am a partner at Berger Consulting Group, LLC (“BCG”) and have provided data analysis and damage exposure for over 3,000 cases. I have reviewed and analyzed data provided in numerous formats for multiple business types, including but not limited to retail, hospitals, logistics, finance, hospitality, technology, and manufacturing. My curriculum vitae is attached hereto as **Exhibit 1**. BCG was founded in 2013 and has been hired to provide expert analysis for more than 6,000 cases. BCG provides data and statistical analysis based on timekeeping records and other types of employee data.

3. I obtained a Bachelor of Arts degree in Economics and Psychology from the University of California, Santa Barbara in 2013. I received the Outstanding Scholastic Achievement in Economics award for graduating with the highest GPA in the department, graduated with High Honors, and completed the College of Letters and Sciences Honors Program. I hold the Certified Financial Planner designation, which required coursework in financial and data analysis, as well as accounting.

4. I testified as an expert witness in the following:

1. *Rodriguez v. Dynamic Auto Images*, Orange County Superior Court Case No. 30-2019-01092692-CU-OE-CXC, Deposition 9/26/2022
2. *Cruz v. Talent Scale*, Riverside County Superior Court Case No. RIC1821842, Deposition 5/26/2022
3. *Liggins v. GMRI*, Los Angeles Superior Court Case No. BC717321, Deposition 3/31/2022
4. *Ortega v. Carson Wild Wings*, Los Angeles Superior Court Case No. BC677389, Deposition 1/6/2022
5. *Cruz v. Dignity Health*, Sacramento County Superior Court Case No. 34-2018-

- 00245506, Deposition 11/23/2021
6. *Larson v. Mark Twain Medical Center*, Calaveras County Superior Court Case No. 19CV44062, Deposition 11/18/2021
7. *Powell v. St Joseph's Medical Center*, San Joaquin County Superior Court Case No. STK-CV-UOE-2019-00111555, Deposition 11/4/2021
8. *Johnson v. Bakersfield*, Kern Superior Case No. BCV-19-102016, Deposition 10/25/2021
9. *Dawson v. GoHealth*, San Francisco Superior Case No. CGC-19-577790, Deposition 10/21/2021
10. *Torrez v. Del Taco*, Alameda Superior Court Judicial Counsel Coordination Proceeding No. 4904, Deposition 10/5/2021
11. *Ortega v. Carson Wild Wings*, Los Angeles Superior Case No. BC677389, Deposition 9/9/2021
12. *Haaverson v. Tavistock Freebirds*, Alameda Superior Court Case No. RG19030716, Trial 8/19/2021
13. *Escamilla v. Ono Hawaiian BBQ*, Los Angeles Superior Court Case No. BC651992, Deposition 8/16/2021
14. *Nash v. Horizon Freight Services*, Northern District Court Case No. 3:19-cv-01883-VC, Deposition 8/11/2021
15. *Harris v. Villa Del Rio*, Los Angeles Superior Court Case No. 19STCV28198, Deposition 6/18/2021
16. *Morgan v. Rohr*, Southern District Court Case No. 3:20-CV-00574-GPC-AHG, Deposition 5/24/2021
17. *Fortson v. COMPASS*, Alameda Superior Court Case No. RG16818319, Trial 5/17/2021
18. *Anderson v. Safe Streets*, Eastern District Case No. 2:18-CV-00323-KJM-GGH, Deposition 5/13/2021
19. *Christensen v. Carter's Retail*, Central District of California Case No. 8:20-cv-00776 JLS (KESx), Deposition 4/15/2021
20. *Fortson v. COMPASS*, Alameda Superior Court Case No. RG16818319, Deposition 3/26/2021

- 1 21. *Torrez v. Del Taco*, Alameda Superior Court Judicial Counsel Coordination  
2 Proceeding No. 4904, Deposition 3/3/2021
- 3 22. *McCarty v. SMG*, Northern District of California Case No. 3:17-cv-06232-JD,  
4 Deposition 2/4/2021
- 5 23. *Chaney v. Select Education Group*, Stanislaus Superior Court Case No. CV-19-  
6 002224, Arbitration 12/4/2020
- 7 24. *Chaney v. Select Education Group*, Stanislaus Superior Court Case No. CV-19-  
8 002224, Deposition 11/24/2020
- 9 25. *Zarate v. La Pizza Loca*, Los Angeles Superior Court Case No. BC642655,  
10 Deposition 10/2/2020
- 11 26. *Cassiano Falero v. Southern California Pizza*, Orange County Superior Court  
12 Judicial Counsel Coordination Proceeding No. 4725, Deposition 9/17/2020
- 13 27. *Hernandez v. Terminix International*, AAA Case No. 01-18-0000-4288,  
14 Arbitration 9/8/2020
- 15 28. *Hernandez v. Terminix International*, AAA Case No. 01-18-0000-4288,  
16 Deposition 8/12/2020
- 17 29. *Martinez v. AA Meat Products*, Los Angeles Superior Court Case No. BC650944,  
18 Deposition 6/25/2020
- 19 30. *Shi v. J. Filippi Vintage Company*, San Bernardino Superior Court Case No.  
20 CIVDS1806156, Trial 3/9/2020
- 21 31. *Rosales v. Staples Contract and Commercial*, Los Angeles Superior Court  
22 Judicial Counsel Coordination Proceeding No. 4854, Deposition 2/4/2020
- 23 32. *Anderson v. Safe Streets*, AAA Case No. 01-18-0004-3136, Arbitration  
24 11/19/2019
- 25 33. *Anderson v. Safe Streets*, AAA Case No. 01-18-0004-3136, Deposition  
26 10/30/2019
- 27 34. *Kelly v. High Desert Support Services*, San Bernardino Superior Court Case No.  
28 CIVDS1616463, Trial 10/1/2019
35. *Kelly v. High Desert Support Services*, San Bernardino Superior Court Case No.  
CIVDS1616463, Deposition 9/9/2019

1 36. *Reed & Moore v. Aramark Uniform Services*, Alameda Superior Court Case No.  
2 RG168322314, Deposition 8/9/2019

3 37. *Gamboa v. Nelson Miller*, Los Angeles Superior Court Case No. BC658201,  
4 Deposition 4/2/2019

5 38. *Leyva v. SCPMG*, Los Angeles Superior Court Case No. BC621718, Deposition  
6 7/26/2018

7 39. *Emard et al. v. Twin Cities Community Hospital*, AAA Case No. 01-17-0000-  
8 1313, Arbitration 7/19/2018

9 40. *McConville v. Renzenberger*, Central District of California Western Division Case  
10 No. 17-cv-02972-FMO-JC, Deposition 2/1/2018

11 41. *Galeano v. Royal Laundry*, San Mateo Superior Court Case No. CIV534888,  
12 Deposition 10/12/2017

13 5. I was retained by Counsel for Plaintiff in the matter *Lanisha Elder v. Rex and*  
14 *Margaret Fortune School of Education*, Sacramento County Superior Court Case No.  
15 23CV013990, to assist in evaluating the alleged wage and hour claims based upon putative class  
16 member data in preparation for a mediation that occurred in April 2025.

#### 17 ***Sample Size and Extrapolation***

18 6. Based on information from Counsel for Plaintiff and the data provided to me, I  
19 understand that nearly complete data was provided for the putative class of approximately 554  
20 individuals (at the time of the data production). I also understand that the putative class size  
21 increased to around 569 individuals by the end of the putative class period. Receiving and  
22 analyzing complete data for all individuals as of a particular date, as was done in this matter, is  
23 typical in my experience considering the size of the total population.

24 7. When we consider the complete population of putative class members, we were  
25 provided with data for approximately 94% of employees. The margin of error of this sample  
26 based on a 95% confidence level is approximately 1.2%, which is significantly lower than the  
27 5% typically sought after in sampling. In addition, the margin of error of this sample based on a  
28 99% confidence level is only 1.6%, which again is lower than the typical 5% sought after,  
though there is no predetermined sample size or margin of error that unequivocally determines

1 validity. As stated by professor and statistician David Freedman regarding sample size: “There is  
2 no definitive statistical answer to this familiar question. Bigger samples have less sampling error.  
3 On the other hand, smaller samples may be easier to manage, and have less non-sampling error.  
4 Bigger samples are more expensive than smaller ones: generally, resource constraints will  
5 determine the sample size.”<sup>1</sup>

6 8. I may be asked to develop additional analyses, observations, and queries in  
7 connection with any data Counsel for Plaintiff provide after the date this declaration is signed. At  
8 that time, if appropriate, I will prepare a supplement to this declaration.

9 I declare under penalty of perjury under the laws of the State of California that the  
10 foregoing is true and correct this 4th day of August 2025 at Los Angeles, California.

11 

12 \_\_\_\_\_  
13 Jarrett Gorlick  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

26 <sup>1</sup> D.A. Freedman. “Sampling” In the *Encyclopedia of Social Science Research Methods*. Sage  
27 Publications (2004) Vol. 3 pp. 986-990, M. Lewis-Beck, A. Bryman, and T.F. Liao, eds.  
28

# EXHIBIT 1



## Professional Experience

### Berger Consulting Group

2016-PRESENT

#### *Partner*

- Create quantitative models and conduct quantitative analyses to assist attorneys prepare for various stages of litigation on more than 3,000 wage and hour lawsuits since 2016
- Analyze data from various industries including retail, healthcare, logistics, finance, hospitality, technology, and manufacturing for both single plaintiff cases and classes with more than 40,000 employees
- Perform data conversion using multiple commercial Optical Character Recognition (OCR) software to transform small to large volumes of documents and image files into Excel or other data formats like Microsoft Access databases
- Recognize patterns within data and automate calculations in order to objectively extract results from datasets
- Produce detailed reports, write case analysis summaries explaining results, and provide expert testimony of my findings

### LPL Financial

2013-2017

#### *Operations Manager*

- Analyzed revenue data and created models to segment client base by revenue, Asset Under Management (AUM), and growth potential, facilitating annual AUM growth
- Developed the processes of repeatable, systematic investment research, securities trading, cash and client account management
- Implemented robust financial software, advancing data analysis and enhancing client recommendations via comprehensive financial plans

### UCSB Extension

2016-2018

#### *Instructor of Investment Analysis and Strategic Business Development*

- Designed course curricula and materials to facilitate business development and corporate finance education commensurate with the University of California
- Utilized group projects, exams, and both academic and professional experience-based learning to ensure students with varying levels of professional and academic experience attained valuable skills and knowledge

## Professional Credentials

- CERTIFIED FINANCIAL PLANNER™

## Education

### UCSB

2013

#### *Bachelor of Arts (Honors Program; Double Major; Cumulative GPA: 3.83)*

- *Economics (Major GPA: 3.95), Psychology (Major GPA: 3.69)*
- *Honors: Outstanding Scholastic Achievement in Economics for highest GPA in department, High Honors in College of Letters and Sciences, Dean's Honors List (8 quarters), United States Bowling Congress Scholarship*

## Additional

- *Computer Skills:* Excel/VBA/Pivot, Python/R, STATA/SPSS, SQL, Access, Omnipage PDF Converter, ABBYY FineReader, Adobe Acrobat Pro
- *Volunteer Work:* Support Partners In Education, Santa Barbara Community Environmental Council, Casa Esperanza homeless shelter, UCSB Alumni Association, various UCSB Research Colloquia

## Testimony

### Berger Consulting Group

---

1. Rodriguez v Dynamic Auto Images, Orange County Superior Court Case No. 30-2019-01092692-CU-OE-CXC, Deposition 9/26/2022
2. Cruz v Talent Scale, Riverside County Superior Court Case No. RIC1821842, Deposition 5/26/2022
3. Liggins v GMRI, Los Angeles County Superior Court Case No. BC717321, Deposition 3/31/2022
4. Ortega v Carson Wild Wings, Los Angeles County Superior Court Case No. BC677389, Deposition 1/6/2022
5. Cruz v Dignity Health, Sacramento County Superior Court Case No. 34-2018-00245506, Deposition 11/23/2021
6. Larson v Mark Twain Medical Center, Calaveras County Superior Court Case No. 19CV44062, Deposition 11/18/2021
7. Powell v St Joseph's Medical Center, San Joaquin County Superior Court Case No. STK-CV-UOE-2019-00111555, Deposition 11/4/2021
8. Johnson v Bakersfield Memorial Hospital, Kern County Superior Court Case No. BCV-19-102016, Deposition 10/25/2021
9. Dawson v GoHealth, San Francisco County Superior Court Case No. CGC-19-577790, Deposition 10/21/2021
10. Torrez v Del Taco, Alameda County Superior Court Judicial Counsel Coordination Proceeding No. 4904, Deposition 10/5/2021
11. Ortega v Carson Wild Wings, Los Angeles County Superior Court Case No. BC677389, Deposition 9/9/2021
12. Haaverson v Tavistock Freebirds, Alameda County Superior Court Case No. RG19030716, Trial 8/19/2021
13. Escamilla v Ono Hawaiian BBQ, Los Angeles County Superior Court Case No. BC651992, Deposition 8/16/2021
14. Nash v Horizon Freight Systems, United States Northern District of California Case No. 3:19-cv-01883-VC, Deposition 8/11/2021
15. Harris v Villa Del Rio, Los Angeles County Superior Court Case No. 19STCV28198, Deposition 6/18/2021
16. Morgan v Rohr, United States Southern District of California Case No. 3:20-CV-00574-GPC-AHG, Deposition 5/24/2021
17. Fortson v Care Options Management Plans and Support Services, Alameda County Superior Court Case No. RG16818319, Trial 5/17/2021
18. Anderson v Safe Streets, United States Eastern District of California Case No. 2:18-CV-00323-KJM-GGH, Deposition 5/13/2021
19. Christensen v Carter's Retail, United States Central District of California Case No. 8:20-cv-00776 JLS (KESx), Deposition 4/15/2021
20. Fortson v Care Options Management Plans and Support Services, Alameda County Superior Court Case No. RG16818319, Deposition 3/26/2021
21. Torrez v Del Taco, Alameda County Superior Court Judicial Counsel Coordination Proceeding No. 4904, Deposition 3/3/2021
22. McCarty v SMG, United States Northern District of California Case No. 3:17-cv-06232-JD, Deposition 2/4/2021
23. Chaney v Select Education Group, Stanislaus County Superior Court Case No. CV-19-002224, Arbitration 12/4/2020
24. Chaney v Select Education Group, Stanislaus County Superior Court Case No. CV-19-002224, Deposition 11/24/2020
25. Zarate v La Pizza Loca, Los Angeles County Superior Court Case No. BC642655, Deposition 10/2/2020
26. Southern California Pizza Wage and Hour Cases, Orange County Superior Court Judicial Counsel Coordination Proceeding No. 4725, Deposition 9/17/2020
27. Hernandez v Terminix International, AAA Case No. 01-18-0000-4288, Arbitration 9/8/2020
28. Hernandez v Terminix International, AAA Case No. 01-18-0000-4288, Deposition 8/12/2020
29. Martinez v AA Meat Products, Los Angeles County Superior Court Case No. BC650944, Deposition 6/25/2020
30. Shi v J Filippi Vintage Company, San Bernardino County Superior Court Case No. CIVDS1806156, Trial 3/9/2020
31. Rosales v Staples Contract and Commercial, Los Angeles County Superior Court Judicial Counsel Coordination Proceeding No. 4854, Deposition 2/4/2020
32. Anderson v Safe Streets, AAA Case No. 01-18-0004-3136, Arbitration, 11/19/2019
33. Anderson v Safe Streets, AAA Case No. 01-18-0004-3136, Deposition 10/30/2019

34. Kelly v High Desert Support Services, San Bernardino County Superior Court Case No. CIVDS1616463, Trial 10/1/2019
35. Kelly v High Desert Support Services, San Bernardino County Superior Court Case No. CIVDS1616463, Deposition 9/9/2019
36. Reed & Moore v Aramark Uniform Services, Alameda County Superior Court Case No. RG16832314, Deposition 8/9/2019
37. Gamboa v Nelson Miller, Los Angeles County Superior Court Case No. BC658201, Deposition 4/2/2019
38. Leyva v SCPMG, Los Angeles County Superior Court Case No. BC621718, Deposition 7/26/2018
39. Emard v Twin Cities Community Hospital, AAA Case No. 01-17-0000-1313, Arbitration 7/19/2018
40. McConville v Renzenberger, United States Central District of California Case No. 17-cv-02972-FMO-JC, Deposition 2/1/2018
41. Galeano v Royal Laundry, San Mateo County Superior Court Case No. CIV534888, Deposition 10/12/2017

# EXHIBIT 5

December 22, 2023

**Submitted at <https://www.dir.ca.gov> with \$75 filing fee**

PAGA Administrator  
California Labor and Workforce Development Agency  
PAGAfiling@dir.ca.gov

Re: Rex and Margaret Fortune School of Education d/b/a "Fortune School," "William Lee College Prep," "Alan Rowe College Prep," "Ephraim Williams College Prep Middle School," "Hazel Mahone College Prep," "Fortune Middle School," "Rex and Margaret Fortune Early College High School," "Tecoy Porter College Prep," "Stephon A. Clark College Prep Middle School," and/or "Hardy Grown College Prep" (the "Employer")

## **NOTICE OF LABOR CODE VIOLATIONS UNDER LABOR CODE § 2699.3**

To: PAGA Administrator, California Labor and Workforce Development Agency, and the Employer

From: Lanisha Elder (the "Employee"), who was subjected to the wage and hour practices set forth below

The Employee, by way of the above-named counsel, submits this Notice, under and in compliance with the requirements of California Labor Code §§ 2699.3(a)/(c), and alleges the facts and theories to support the alleged violations as follows:

During the applicable time period, the Employer employed the Employee and all other similarly situated aggrieved employees as non-exempt employees and utilized consistent policies and procedures regarding the Employee and all such other aggrieved employees, as follows:

First, the Employee and other aggrieved employees spent time under the Employer's control but were not paid therefore. For example, the Employer required the Employee and other aggrieved employees to perform work-related tasks at the beginning of their shifts before clocking in and/or at the end of their shifts after clocking out. The Employee and other aggrieved employees were also required, when off the clock, to use their personal mobile devices for work-related tasks, including before and/or after their shifts, and/or in the evenings and/or on weekends. In addition, the Employee and other aggrieved were required to go through COVID screenings and take COVID tests while off the clock. In these circumstances, the Employer failed to pay all straight time, minimum, and/or overtime wages due for the time the Employee and other aggrieved employees were subject to the Employer's control, in violation of Labor Code §§ 510, 1194, 1197, and 1198 and the applicable Industrial Wage Order, and owes penalties under Labor Code §§ 2699(f), 1197.1, and/or 558.

Second, the Employer failed to pay all wages to the Employee and other aggrieved employees due to the Employer's time rounding policy. The Employer could capture actual time worked but instructed employees to enter scheduled shift start and end times instead of their actual work times. This time-rounding policy (combined with the fact that employees often arrived early and/or worked late) resulted in a disproportionate impact that does not average out over a period of time. This policy results in the failure to compensate for all time actually worked by the Employee and other aggrieved employees. In these circumstances, the Employer failed to pay all straight time, minimum, and/or overtime wages due for the time the Employee and other



aggrieved employees were subject to the Employer's control, in violation of Labor Code §§ 510, 1194, 1197, and 1198 and the applicable Industrial Wage Order, and owes penalties under Labor Code §§ 2699(f), 1197.1, and/or 558.

Third, the Employer paid Employee and other aggrieved employees certain forms of non-discretionary pay, including but not limited to bonuses, commissions, and/or incentive pay. However, the Employer did not include all forms of remuneration in the overtime pay rate when the Employee and other aggrieved employees worked overtime. As such, the Employer violated Labor Code §§ 510, 1194, 1197, 1198 and the applicable Industrial Wage Order and owes penalties under Labor Code §§ 2699(f), 1197.1, and/or 558.

Fourth, the Employer failed to timely provide all legally compliant meal breaks (including second meal breaks) to the Employee and other aggrieved employees, because the Employer failed to relinquish all control and/or because meal breaks were missed, interrupted, short and/or late. The Employee and other aggrieved employees routinely worked over five hours but did not always get lawful full thirty-minute uninterrupted meal breaks within the first five hours of their shift. Further, they sometimes worked over ten and/or twelve hours but were not timely provided a legally compliant second meal break. The Employer did not always pay a meal period penalty for these violations. As such, the Employer violated Labor Code §§ 226.7, 512 and 516 and the applicable Industrial Wage Order ¶ 11 and owes penalties under Labor Code §§ 2699(f) and/or 558.

Fifth, the Employer failed to always authorize and permit paid rest breaks to the Employee and other aggrieved employees. The Employee and other aggrieved employees did not always get full ten-minute uninterrupted rest breaks within the first four hours of their shift or major fraction thereof, and each subsequent four hours worked thereafter or major fraction thereof. As such, the Employee and other aggrieved employees were not always authorized and permitted legally compliant rest breaks and were not always provided legally complaint rest breaks. The Employer did not pay a rest period penalty for these violations. As such, the Employer violated Labor Code §§ 226.7 and 516, and the applicable Industrial Wage Order ¶ 12(A)/(B) and owes rest period wages and penalties under Labor Code §§ 2699(f) and/or 558.

Sixth, the Employee and other aggrieved employees incurred expenses while performing reasonable and necessary work-related duties, including but not limited to the use of their personal vehicles (including but not limited to mileage) and personal mobile devices. The Employer failed to reimburse for any expenses. As such, the Employer violated Labor Code § 2802 by failing to reimburse the Employee and other aggrieved employees for all business expenses reasonably incurred in the course of their required work duties and owes penalties under Labor Code § 2699(f).

Seventh, regarding wage statements, under Labor Code § 226(a) and the applicable Industrial Wage Order, the Employer is required to include certain information on an employee's wage statement. Here, the Employer issued improper wage statements to the Employee and other aggrieved employees because the Employer's wage statements did not always contain all requisite information, including but not limited to total hours worked by the employee, the name and address of the legal entity that is the employer, and all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. As such, the Employer independently violated Labor Code § 226 and owes penalties under Labor Code §§ 2699(f) and/or 226.3.



Eighth, also regarding wage statements, and in addition to the alleged independent violations of Labor Code § 226 above, as stated, because the Employer failed to pay all wages as set forth above, the Employer issued improper wage statements to the Employee and other aggrieved employees, and the Employer has derivatively violated Labor Code § 226 and owes penalties under Labor Code §§ 2699(f) and/or 226.3.

Ninth, because the Employer failed to pay all wages as set forth above, the Employee and other aggrieved employees are entitled to thirty days of wages at their regular rate of pay for the Employer's failure to pay all wages due upon separation of employment. Therefore, because the Employer failed to pay all wages as set forth above, the Employer violated Labor Code §§ 201-202 and owes penalties under Labor Code §§ 2699(f) and/or 201-203.

Tenth, the Employer paid wages on an untimely basis. The wages of the Employee and other aggrieved employees are earned and calculable in every pay period, yet the Employer failed to always timely pay all earned and calculable wages to the Employee and other aggrieved employees within the time periods required by Labor Code § 204. As such, the Employer violated Labor Code § 204 and owes penalties under Labor Code §§ 210 and/or 2699(f).

Twelfth, the Employer failed to always provide the Employee and other aggrieved employees with paid sick days paid at the regular rate of pay. The Employer paid the Employee and other aggrieved employees certain forms of non-discretionary pay, including but not limited to bonuses, commissions, and/or incentive pay. However, the Employer did not include all forms of remuneration in the sick pay rate in violation of Labor Code § 246(l) and owes penalties under Labor Code §§ 2699(a)/(f), 248.5, and/or 558.

Thirteenth, and finally, Labor Code § 1174(d) states that the Employer must "[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 ... employees employed at the respective plants or establishments...." Here, the Employer did not comply with Labor Code § 1174 with regard to the Employee and other aggrieved employees. The Employer did not have a policy regarding the Employee and other aggrieved employees recording the hours when they actually took meal periods nor did the Employer accurately record such hours. Therefore, because of the Employer's violations of Labor Code § 1174(d) the Employer owes penalties under Labor Code §§ 2699(f) and/or 1174.5.

Under Labor Code § 2699.3(a)(2)(A), please advise within 65 calendar days of the postmark date of this notice whether the LWDA intends to investigate these alleged violations.

Further, under Labor Code § 2699.3©(2)(A), the Employer may cure the alleged violations within 33 calendar days of the postmark date of this notice and within that period, give notice by certified mail if the alleged violation is cured, including a description of actions taken.

In addition, this letter clearly sets forth the Employee's grievances and proposed remedies, under the Labor Code, PAGA, and otherwise, as set forth above. The Employee would like to engage in reasonable efforts to settle this dispute before filing a civil action against the Employer. The Employee gives the Employer the opportunity, prior to the expiration of the deadline for the LWDA to investigate, to meet the Employee's demands and settle this dispute.

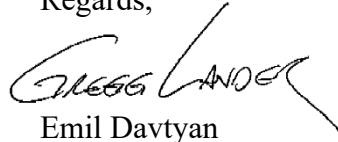


PAGA Administrator  
Re: Rex and Margaret Fortune School of Education  
December 22, 2023  
Page 4

We understand that if we do not receive a response within 65 calendar days of the postmark and filing date of this notice that the LWDA intends to investigate these allegations and/or a notice from the Employer that the alleged violations are cured, and/or if the alleged violations are not cured, then the Employee may immediately thereafter commence a civil action against the Employer under Labor Code § 2699.

Thank you for your consideration.

Regards,



Emil Davtyan  
Gregg Lander  
Vanessa M. Ruggles

cc: (via Certified Mail)

Rex and Margaret Fortune School of Education  
2890 Gateway Oaks Drive, Suite 100  
Sacramento, CA 95833