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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

MONET L. STERLING, on behalf of herself
and current and former aggrieved employees

Plaintiff,

vs.

DOTHAN SECURITY, INC.; and DOES 1
to 100, inclusive,

Defendants.

Case No.: 23STCV08293

Assigned for All Purposes to:
Hon. Bruce G. Iwasaki
Dept. 58

**DECLARATION OF SEPIDEH ARDESTANI
IN SUPPORT OF MOTION FOR APPROVAL
OF SETTLEMENT UNDER PRIVATE
ATTORNEY'S GENERAL ACT**

Date: January 22, 2025
Time: 9:00 am
Dept.: 58

Reservation ID: 142991704662

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Executive Officer/Clerk of Court,
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12 Attorneys for Plaintiffs CARLTON McGEE and RICARDO WENDELL
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1 **DECLARATION OF SEPIDEH ARDESTANI**

2 I, SEPIDEH ARDESTANI, declare:

3 1. I am an attorney duly licensed to practice in California and before this Court, and I am
4 associated with Crosner Legal, PC, counsel of record for plaintiff Miguel Ruiz. I make this declaration
5 in support of Plaintiffs' Motion for Approval of Settlement under the Private Attorneys General Act.
6 If called to testify as to the within facts, I would and could competently do so.

7 2. Attached hereto as Exhibit 1 is a true and correct, fully-executed copy of the Parties'
8 PAGA Settlement Agreement (the "Settlement Agreement"). Attached hereto as Exhibit 2 is a redline
9 of the Settlement Agreement showing the changes made from the Court's model PAGA settlement
10 agreement. Attached hereto as Exhibit 3 is a true and correct copy of Plaintiff Ruiz's PAGA Notice
11 letter and proof of submission to the Labor & Workforce Development Agency ("LWDA"). Attached
12 hereto as Exhibit 4 is a true and correct copy of proof of submission of the complaint to the LWDA.
13 Attached hereto as Exhibit 5 is a true and correct copy of the LWDA's acknowledgment of receipt of
14 the proposed settlement via its online portal.

15 3. I am unaware of any other pending cases that would overlap with the claims alleged
16 in this case or that would impact the claims of the class members in this case.

17 **BACKGROUND**

18 4. Defendant is a comprehensive security service provider and operates, in part, in
19 California, providing armed and unarmed uniformed security guards, surveillance systems, and
20 consulting services.

21 5. Plaintiff Sterling worked for Defendant from October 12, 2021 to August 10, 2022 as
22 a non-exempt security officer. In this matter, she contends that she worked at a single-guard post and
23 accordingly she had to punch in earlier and punch out later for her shifts if another security guard was
24 not present. However, she alleges her hours were "rounded" down to the time of her scheduled shifts,
25 to the benefit of Defendant, she was required to remain on duty at all times during her meal and rest
26 breaks, and she was never relieved of her duties until another security guard clocked in.

27 6. Plaintiff Ruiz worked for Defendant from June 27, 2022 through January 11, 2023 as
28 a non-exempt Field Supervisor and security officer. Ruiz alleges he was assigned 4-5 positions at any

1 given time, and he was required to wash patrol cars. He contends he was required to keep his cell
2 phone on him at all times and frequently would be contacted by his supervisor about work-related
3 matters while off the clock, or be asked to come back to work to fill in for other security guards

4 7. Plaintiff Tarigan worked for Defendant from June 17, 2022 through June 30, 2023 as
5 a non-exempt security officer. He contends that he would oftentimes have to work off-the-clock
6 completing reports, responding to dispatch, and waiting for another security guard to relieve him. He
7 also alleges in this matter that he worked through meal and rest breaks as a result of Defendant's
8 alleged failure to adequately staff locations where he was assigned. Further, he contends he used his
9 personal cell phone to communicate with his supervisor and dispatch as well as purchase and maintain
10 Defendant's uniform, all without reimbursement.

11 8. Plaintiff McGee worked for Dothan from November 18, 2022 to June 6, 2023 as a security
12 guard at the Tracy, California location. He was not provided meal or rest periods, or otherwise leave his
13 work station. He also signed an on-duty meal period agreement as part of his new hire packet, and required
14 to purchase his work uniform consisting of pants, shirts, bomber jacket, blazer, windbreaker, blazer,
15 sweater, a cap, and a vest. Plaintiff Wendell worked for Dothan from October 30, 2022 to July 27, 2023
16 as a security guard out of the Diamond Bar location, and like Plaintiff McGee he did not receive all meal
17 and rest breaks and was required to purchase many different uniforms.

18 9. On February 7, 2023, Plaintiff Sterling filed her notice of claims under PAGA with
19 the Labor & Workforce Development Agency ("LWDA") and, after exhausting administrative
20 remedies, on April 14, 2023 filed a representative complaint seeking civil penalties under to PAGA
21 for Dothan's alleged Labor Code violations. On August 3, 2023, the Court granted Defendant's
22 motion to compel arbitration in part as to Plaintiff's individual claims, but stayed the remaining
23 representative/non-individual PAGA claims pending the outcome of arbitration.

24 10. On March 2, 2023, Plaintiff Ruiz filed his notice of claims under PAGA with the
25 LWDA. On June 6, 2023, and after exhausting his administrative remedies with the LWDA, he filed
26 a separate PAGA-only complaint seeking civil penalties for substantially the same Labor Code
27 violations as alleged by Plaintiff Sterling. On or about October 12, 2023, Plaintiff Ruiz and Defendant
28 stipulated to arbitrate his individual PAGA claims.

1 11. On May 23, 2023, Plaintiff Tarigan filed his notice of claims under PAGA with the
2 LWDA. On July 28, 2023, and after exhausting his administrative remedies with the LWDA, Plaintiff
3 Tarigan filed a representative complaint seeking penalties pursuant to PAGA for the same underlying
4 Labor Code violations as alleged by the co-plaintiffs.

5 12. After subsequently ascertaining the correct name for the defendant, on January 16, 2024,
6 Plaintiffs Carlton McGee and Ricardo Wendell submitted a PAGA notice to the LWDA, DSIS, and
7 Defendant, regarding Defendant's alleged Labor Code violations.

8 13. Based on the allegations described above, Plaintiffs' respective complaints alleged a
9 number of Labor Code violations by Defendant. In short, they collectively alleged, among other
10 things, that Defendant failed to pay wages for all hours worked at the legal minimum wage; to pay
11 wages for overtime hours worked at the overtime rate of pay; to pay wages to hourly non-exempt
12 employees for workdays that Defendant failed to provide legally required and compliant meal
13 periods; to pay wages to hourly non-exempt employees for workdays that Defendant failed to provide
14 legally required and compliant rest periods; to indemnify for necessary expenses; to provide
15 supplemental paid sick leave; to pay vested vacation/paid time off; to timely pay earned wages during
16 employment; to provide complete and accurate wage statements; and to pay employees all wages due
17 at time of termination/resignation. Plaintiffs' complaints sought relief on behalf of all non-exempt
18 current and former employees employed by Defendant in California during the relevant time frame
19 (February 7, 2022 (the start of the earliest PAGA Period established by the earliest filed LWDA
20 notice letter, e.g., by Sterling) through June 11, 2024 (date established in the Parties' longform
21 settlement agreement)). Dothan has at all times denied Plaintiffs' allegations and maintained it
22 complied with all California wage and hour laws with respect to the alleged "aggrieved employees,"
23 as defined in this matter.

24 14. After Plaintiffs filed their respective PAGA complaints, and upon engaging in several
25 meet and confer sessions regarding the merits of the asserted claims, ongoing arbitrations with
26 respect to the Plaintiffs' individual wage and hour and individual PAGA claims, prospective law and
27 motion and discovery issues, the Parties agreed to attempt a global mediation. The Parties further
28 agreed to a protocol for informally exchanging additional documents and information before the

1 mediation. Through this informal discovery, Defendant provided Plaintiffs with information related
2 to the alleged aggrieved employees, including the number of alleged aggrieved employees, the
3 number of aggregate pay periods, payroll information and time records for a sampling of alleged
4 aggrieved employees, employee handbooks and manuals, and other policy documents regarding
5 Defendant's timekeeping and reporting policies. Plaintiffs then reviewed and analyzed this
6 information with the assistance of consulting experts from Berger Consulting Group to determine
7 potential violation rates for meal and rest breaks, construct a damages, model, etc.

8 15. The Parties then mediated the case in April 2024 with Gig Kyriacou, Esq., a respected
9 mediator with extensive class action/wage and hour experience. Before and during the mediation,
10 Plaintiffs and counsel analyzed, researched, and investigated the potential issues, including matters
11 related to the calculation of damages, trial, and appellate issues and risks. During mediation, the
12 Parties vigorously debated the likelihood of Plaintiffs' ability to proceed on a representative basis as
13 to the PAGA claims, the legal grounds for Plaintiffs' claims and Defendant's defenses, and the parties'
14 data analyses and conclusions based on data provided by Defendant. After a contentious full day of
15 negotiations and a mediator's proposal being issued, the Parties reached agreement on all major issues
16 and subsequently formalized their tentative (pending Court approval) settlement in the settlement
17 agreement now before the Court for approval.

18 16. Finally, in order to effectuate the proposed global settlement, Plaintiff Sterling filed a
19 First Amended Complaint in this matter adding Ruiz, Tarigan, McGee and Wendell as party-plaintiffs
20 and to otherwise incorporate all the allegations and claims asserted in Plaintiffs' respective
21 complaints and PAGA notice letters.

22 **SUMMARY OF SETTLEMENT TERMS**

23 17. Under the terms of the Settlement Agreement, Defendant will pay a non-reversionary
24 settlement amount of \$830,000 (the "Gross Settlement Amount" or "GSA"). The GSA is inclusive of
25 payments to the LWDA and Aggrieved Employees, costs of settlement administration (no more than
26 \$4,000), reasonable service awards to the Plaintiffs of \$2,500 each (\$12,500 total), and reasonable
27 attorney's fees (for all respective Plaintiffs' counsel) of 1/3 of the GSA, or \$276,666.67, and actual
28 litigation costs of \$27,653.56. After all deductions from the GSA, Plaintiffs presently estimate about

1 \$509,179.77 will remain (the “Net Settlement Amount” or “NSA”). Seventy-five percent of the NSA
2 (about \$381,884.83) will go to the LWDA, and the remaining 25% (about \$127,294.94) will be
3 distributed to the Aggrieved Employees in proportion to the total number of Pay Periods each
4 individual worked during the PAGA Period, with an average award currently estimated at about
5 \$137.17 per Aggrieved Employee, and awards will range from about \$4.31 to \$262. Finally, each of
6 the named Plaintiffs is entering into a separate individual settlement with Dothan to resolve their
7 respective, individual claims.

8 18. The Parties propose and agree to using Simpluris, Inc. as the Settlement Administrator.
9 Simpluris has extensive experience administering PAGA settlements and has agreed to cap its fees at
10 \$4,000. Dothan will fund the settlement within 30 days of the Effective Date (as defined in the
11 Settlement Agreement) and, within 14 days of receipt of the GSA, Simpluris will mail a Notice and
12 settlement check to all Aggrieved Employees via regular First-Class U.S. Mail, using the most
13 current, known mailing addresses identified in Defendant’s records. Aggrieved Employees need not
14 submit claim forms and will automatically receive a Notice and settlement check. After 180 days
15 from issuance, any unclaimed residual funds will be forwarded to the California State Controller’s
16 Unclaimed Property Fund.

17 19. The California Supreme Court has explained that a judgment in “a representative
18 action brought by an aggrieved employee under the Labor Code Private Attorneys General Act of
19 2004 ... is binding not only on the named employee plaintiff but also on government agencies and
20 any aggrieved employee not a party to the proceeding.” Arias v. Superior Court (2009) 46 Cal.4th
21 969, 985-86. Accordingly, the release in the Settlement Agreement narrowly releases only civil
22 penalty claims brought under PAGA. Under Arias, the order the Parties request the Court enter is
23 intended to be “binding not only on the named employee plaintiff but also on government agencies
24 and any aggrieved employee not a party to the proceeding.” The Settlement Agreement protects the
25 rights of the Aggrieved Employees to bring their own individual claims should they wish. For these
26 reasons, the Parties contend the release narrowly applies only to the PAGA claims alleged, and the
27 Settlement Agreement specifically provides the Release is inapplicable to any claims other than those
28 brought under PAGA.

1 **THE SETTLEMENT MEETS THE KULLAR FACTORS, INCLUDING THE STRENGTH**
2 **OF PLAINTIFFS' CASE, THE DISCOVERY PERFORMED, AND AMOUNT OFFERED**
3 **IN SETTLEMENT**

4 20. First, Plaintiffs alleged, among other things, Defendant failed to pay for all hours
5 worked by requiring "off the clock" work and by requiring many employees to work "on call" time
6 such that the employees effectively remained subject to employer control. On the "off the clock"
7 claims, Plaintiffs alleged, for example, that if they were working at a single guard post they had to
8 remain on duty until their replacement arrived and, if the next guard was late they were not paid for
9 that extra time. They further alleged they regularly had to work through meal periods without pay for
10 a number of reasons, including understaffing and dealing with the press of business, or had to prepare
11 reports and respond to calls/texts at home.

12 21. Next, Plaintiffs claimed they did not receive legally compliant meal periods, and
13 alleged numerous "de facto" violations where Aggrieved Employees were consistently unable to take
14 timely, off duty, thirty-minute, uninterrupted meal periods. Plaintiffs also alleged that the "on duty"
15 meal waivers required by Dothan failed to meet narrow "nature of the work" exception to meal period
16 requirements, which permits on-duty meal period agreements "only when the nature of the work
17 prevents an employee from being relieved of all duty..." under the Wage Orders. Plaintiffs
18 emphasized that under this narrow exception to the general rule that employers must provide off-duty
19 meal periods, an employer who opts to implement on-duty meal periods carries the burden of
20 establishing that the facts justify an on-duty meal period, and that Defendant would be unable to meet
21 this burden and show it was impossible to relieve employees from duty for a meal break. Plaintiffs
22 further alleged the Aggrieved Employees did not receive compliant rest periods for the same reasons
23 in that understaffing and other factors, such as monitoring radios/phones at all times, resulted in
24 employees not being entirely free from employer control while on a rest period.

25 22. Plaintiffs next alleged Defendant failed to reimburse necessary business expenses for
26 use of personal cell phones, as supervisors would contact Plaintiffs and other employees on their
27 personal phones both at and away from work regarding a host of issues. Plaintiffs also alleged they
28 were required to purchase multiple uniform items in order to perform their jobs, and likewise received
no reimbursement for such mandatory purchases. Lastly, Plaintiffs also brought claims derivative of

1 the foregoing claims, including a derivative wage statement claim based on the failure to pay all
2 wages due, and failure to pay all wages due and owing upon separation of employment under Labor
3 Code §§ 201-203.

4 23. For mediation, Dothan indicated it employed approximately 928 non-exempt
5 employees in California during the applicable PAGA period, and these individuals worked
6 approximately 30,000 pay periods during that time. Based on the data and information provided,
7 Plaintiffs estimated Defendant's maximum PAGA exposure at approximately \$15,069,500.

8 24. We calculated these amounts as follows:

9 **Unpaid Wages**

10 30,000 pay periods * 100% violation rate * \$100/violation = \$3,000,000

11 **Meal Period Violations**

12 30,000 pay periods * 100% violation rate * \$100/violation = \$3,000,000

13 **Rest Period Violations**

14 30,000 pay periods * 100% violation rate * \$100/violation = \$3,000,000

15 **Expense Reimbursement**

16 30,000 pay periods * 100% violation rate * \$100/violation = \$3,000,000

17 **Wage Statement Violations**

18 30,000 pay periods * 100% violation rate * \$100/violation = \$3,000,000

19 **Untimely Final Wages**

20 695 former employees * 1 violation/employee * \$100/violation = \$69,500

21 25. In response to Plaintiffs' unpaid wage claims, Defendant argued Plaintiff and the
22 alleged Aggrieved Employees were security guards, a position that is generally exempted from off-
23 duty meal periods. On the off the clock issue, Defendant argued its policies strictly prohibited any off
24 the clock work, and it accurately tracked all employee hours worked and paid for such time at the
25 correct rates. Thus, any off the clock work would have been against company policy and done without
26 the company's knowledge. any off the clock work would have been intermittent, against company
27 policy, and done without the company's knowledge.

1 26. For the meal and rest break claims, Defendant offered multiple defenses. First, it
2 emphasized its written meal and rest break policy was compliant, it authorized and permitted all
3 necessary breaks, and employees received full uninterrupted meal periods free from employer control.
4 It further noted its time records generally showed employees took compliant meal periods, and it
5 compensated employees with the required extra hour of pay for any documented violations.
6 Defendant also asserted that even to the extent any late or short meal periods occurred, such were
7 outliers, merely the result of human error and/or the employee's choice, and in violation of company
8 policy. Defendant also argued that employees entered into valid "on duty" meal waivers where
9 appropriate, and it paid for "on duty" meal periods and otherwise fully complied with all requirements
10 for on duty meals.

11 27. As with meal breaks, Defendant argued the applicable rest break policies complied
12 with California law, and that it authorized and permitted employees to take all required breaks.
13 Defendant further contended that, in light of the fact that it is not required to maintain a record of rest
14 breaks, any evidence of non-compliant rest periods would be purely anecdotal and the result human
15 error and/or the employee's choice.

16 28. For the expense reimbursement claim, Defendant countered there typically would be
17 no need for employees to communicate via phone or text while performing their job duties or for any
18 reason. Per Defendant, to the extent Plaintiffs or other Aggrieved Employees used their phones for
19 work purposes, it was done for personal convenience and was neither required nor necessary to
20 perform their job duties. Thus, per Defendant, no reimbursement was required. On the uniform issue,
21 Dothan argued it provided (without cost) employees with all necessary work clothing, and, therefore,
22 resulted in no need for reimbursement.

23 29. Plaintiffs also alleged derivative violations of Labor Code § 226 (wage statement
24 violations) and §§ 201-203 (waiting time penalties), which claims will rise or fall along with the
25 primary claims addressed above, in addition to being subject to "good faith" and other defenses
26 available to Defendant. Accordingly, Plaintiffs had to discount the value of this claim significantly
27 in light of these multiple potential defenses. Defendant also contended any civil penalties should not
28 be stacked, must be proportional to the alleged misconduct (if any), and should not be constitutionally

1 excessive. Accordingly, Plaintiffs had to discount the value of this claim significantly in light of these
2 multiple potential defenses. Defendant also contended a substantial discount should be applied to the
3 civil penalties for these derivative (i.e., “stacked”) violations, as it would be unfair to penalize
4 Defendant multiple times for the same violation.

5 30. Defendant next emphasized PAGA gives the Court wide latitude to reduce the amount
6 of civil penalties “based on the facts and circumstances of a particular case” if “to do otherwise would
7 result in an award that is unjust, arbitrary and oppressive, or confiscatory.” Several state and federal
8 courts in California have applied significant reductions to PAGA civil penalties even after plaintiff
9 prevailed on the merits. Finally, Dothan argued most of the Aggrieved Employees, including
10 Plaintiffs, signed valid and enforceable arbitration agreements and Plaintiffs are participating in
11 individual arbitrations presently. Certainly, resolving the pending arbitrations first will further delay
12 and potentially derail resolution of the PAGA representative claims.

13 31. Thus, Defendant raised various and multi-layered defenses to each of Plaintiffs’
14 claims, anyone of which, if successful, could have decimated Plaintiffs’ case. And Defendant vowed
15 to raise all these defenses at trial. Accordingly, Plaintiffs faced risky issues going forward with this
16 litigation, and it could have taken years to realize any recovery in this action along with the possibility
17 of post-trial appeals. In addition to its merits defenses and arguing trial would be unmanageable,
18 Defendant also intended to raise additional defenses on damages, including the proper measure of
19 civil penalties and the appropriate discount to place on any assessment of such penalties.

20 32. Although Plaintiffs and counsel believe they could have prevailed, there was no such
21 guarantee. When the risks of overcoming a potential motion to compel arbitration, a manageability
22 defense, prevailing at trial on the merits on all claims, securing 100% of the theoretical civil penalties,
23 and the Court’s significant discretion to reduce any penalty award, all are factored into the equation,
24 the settlement value is reasonable and supported. Of course, to recover anywhere near the maximum
25 penalties Plaintiffs would have to shoot the moon and win both liability and maximum penalties on
26 all claims as to every pay period at issue, which outcome, for the reasons discussed, is unlikely. Given
27 Defendant’s various procedural and merits defenses, as well as the substantial penalty reductions
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1 ordered in the cases above – which occurred after trial – the proposed settlement is eminently
2 reasonable.

3 **SUBMISSION TO THE LWDA**

4 33. My office timely served the LWDA with the Settlement Agreement and this Motion,
5 and notified the LWDA of this approval hearing. Accordingly, the LWDA will be able to weigh in
6 as necessary and, importantly, many courts find it persuasive of approval if the LWDA ultimately
7 declines to offer any comment or objection to a proposed PAGA settlement.

8 **THE REQUESTED FEES AND COSTS ARE FAIR AND REASONABLE**

9 34. Under the terms of the Settlement Agreement, Plaintiffs’ counsel respectfully request
10 an award of attorney’s fees equal to 1/3 Gross Settlement Amount, or \$276,666.67. A one-third
11 common fund attorney fee award is consistent with what courts have awarded Plaintiffs’ counsel in
12 other representative actions. Awarding attorney’s fees of one-third of a gross settlement amount is
13 favored by California courts when a fund established for the common benefit of others is involved,
14 such as here.

15 35. There are several additional factors why I believe that the Court should award one-
16 third of the common fund as a reasonable attorney’s fee. First, counsels’ efforts resulted in a common
17 fund settlement amount of \$830,000.00, which for the reasons explained, is fair and reasonable in
18 light of the risks/defenses Defendant raised in litigation and threatened to raise at trial and in post-
19 trial appeals. Further, this is a significant sum that furthers the purposes underlying PAGA such as
20 augmenting the state's enforcement capabilities, encouraging compliance with Labor Code
21 provisions, and deterring future non-compliance. Moreover, this result was achieved by the work
22 and success of this office and our co-counsel, who negotiated the settlement after extensive
23 preparation, informal discovery, and an adversarial mediation.

24 36. Second, Plaintiffs faced significant risks going forward with the litigation. As
25 discussed above, Defendant raised various defenses to their claims, anyone of which, if successful,
26 could have decimated Plaintiffs’ case. Plaintiffs faced risky legal issues going forward with this
27 litigation, and it would have taken several more years to realize any recovery in this action along with
28 the possibility of post-trial appeals.

1 37. Third, all of Plaintiffs' respective counsel are experienced class and representative
2 action litigators, and have achieved several approved PAGA settlements. This experience and
3 expertise, combined with the high quality of work performed, resulted in the settlement achieved in
4 this case.

5 38. I obtained a Bachelors in Science Degree in Anthropology from the University of
6 California, Los Angeles. Prior to law school, I moved to Paris, France and worked as a translator
7 for a prestigious translation company where I translated business and legal documents from French
8 to English. After returning to the United States, I attended Whittier Law School and earned a Juris
9 Doctor in 2009 followed by an L.L.M. in 2010 from the Santa Clara University School of Law. I
10 have some fifteen years of experience as a practicing attorney, most of which have focused on
11 litigation of employment, labor law, consumer, and class action claims. Prior to joining Crosner
12 Legal in 2021, I worked as an associate attorney at Gaines & Gaines, APLC for ten years where I
13 gained extensive experience in wage and hour litigation and assisted in obtaining millions of dollars
14 for employees. Currently, over ninety percent (95%) of my practice is dedicated exclusively to the
15 prosecution of wage and hour class actions.

16 39. Zach Crosner is a 2010 graduate of University San Diego School of Law, and has
17 some 13 years of experience as a practicing attorney, all of which have focused on litigation of
18 employment, labor law, consumer, and class action claims. Following graduation, he immediately
19 began working for a nationally recognized plaintiff's complex litigation firm, CaseyGerry, where
20 he had the fortune of working directly with past presidents of the consumer attorneys and recipients
21 of trial attorneys of the year awards. He also worked for former CAALA and CLAY trial attorney
22 of the year recipient, attorney Conal Doyle, as his sole associate attorney. During his tenure at these
23 firms, he focused on advocating for the rights of consumers and employees in class action litigation,
24 civil rights and employment litigation, catastrophic injuries, insurance bad faith and appellate
25 litigation.

26 40. In 2013, Mr. Crosner founded the law firm of Crosner Legal, P.C. which since its
27 inception has focused almost exclusively on wage and hour class actions and other labor and
28 employment law cases representing plaintiffs. Currently, over ninety percent (90%) of his practice

1 is dedicated exclusively to the prosecution of wage and hour class actions, and Crosner Legal is
2 currently responsible as lead counsel or co-lead counsel for prosecuting well over fifty (50) wage
3 and hour class actions and/or PAGA representative actions in both federal and state courts
4 throughout California.

5 41. Mr. Crosner currently is an executive board member of the Wage and Hour
6 Committee and the Legislative Committee for the California Employment Lawyers Association; a
7 member of the Grassroots Advocacy Team for the National Employment Lawyers Association;
8 Wage and Hour Committee member and Class Action Committee member for the National Trial
9 Lawyers; a member of the American Association for Justice; and member of the Pound Civil Justice
10 Institute. He was selected for 2018-20 by Super Lawyers as a “Southern California Rising Star” for
11 employment and labor law.

12 42. Jamie Serb is a partner with Crosner Legal and head of the firm’s Wage and Hour
13 practice group. She graduated from the University of California, San Diego in 2004, graduated from
14 California Western School of Law in 2013, and has been a member of the California Bar since 2013.
15 She gained extensive experience in wage and hour litigation, beginning work as a class action attorney
16 in 2015 at the Mara Law Firm, PC (previously Turley & Mara Law Firm, APLC; Turley Law Firm,
17 APLC). She has handled wage and hour class actions and PAGA lawsuits for nearly ten years and
18 has assisted in obtaining millions of dollars for employees during her years of practice.

19 43. Kiara Bramasco received her undergraduate degree, magna cum laude, from Loyola
20 Marymount University in Political Science, and then received her JD from Loyola Law School in
21 2018. She then spent several years with well-known plaintiff’s firm Moss Bollinger, first as a law
22 clerk and then as an associate, where her practice focused on employment law, particularly wage
23 and hour class action and PAGA litigation. She joined Crosner Legal in 2021.

24 44. Branden Hamilton obtained her undergraduate degree from UCLA in 2004, and her
25 law degree from George Washington University in 2007. She has been affiliated with my firm since
26 2017 and became Of Counsel with Crosner Legal in 2019, and her practice focuses almost exclusively
27 on wage and hour class and representative actions. She has spent her entire career representing
28

1 plaintiffs in employment litigation, including several years as an associate at well-known plaintiff's
2 firm Carlin & Buchsbaum.

3 45. Crosner Legal, P.C. has obtained several multi-million dollar wage and hour class
4 action settlements while serving as lead class counsel in recent years, including but not limited to a
5 \$1.9 million wage and hour class action settlement in 2015 (*Smith v. Lux Retail North America, Inc.*,
6 Case No. 3:13-cv-01579-WHA (N.D. Cal.)); a \$4.1 million wage and hour class action settlement in
7 2016 (*Aguirre v. Mariani Nut Company, Inc. et al.*, Case No. 34- 2016-00190252 (Sacramento Cty.
8 Super Ct.)); a \$1.35 million wage and hour class action settlement in 2017 (*Montelone v. Ocean Cities*
9 *Pizza, Inc.*, Case No. 56-2014-00458249 (Ventura Cty. Super. Ct.)), a \$1.8 million wage and hour
10 class action settlement in 2018 (*Latham v. K.W.P.H. Enterprises, Inc. dba American Ambulance*,
11 Case No. 17C-0162 (Kings Cty. Super Ct.)), a \$1.3 million wage and hour class action settlement in
12 2019 (*Means, et al. v. AirGas USA, LLC*, Case No. 17-CV-2160 JGB (C.D. Cal.)), a \$1.5 million
13 wage and hour settlement in 2020 (*Babouchian, et al. v. Wyndham Vacation Ownership, et al.*, Case
14 No. CV18-14601 (San Diego Cty. Super. Ct.)), a \$1.15 million wage and hour class action settlement
15 in 2020 (*Buford v. Medical Solutions LLC*, Case No. 4:18-CV-04864-YGR (N.D.Cal.)); a \$7.25
16 million wage and hour class action settlement in 2020 in *Avina, et al. v. First Alarm Security & Patrol*,
17 *Inc.*, Case No. 18CV323753 (Santa Clara Cty. Super Ct.); a \$2.2 million wage and hour class action
18 settlement in 2021 (*Ghorchian, et al. v. West Hills Hospital, et al.*, Case No. LS029737 (Los Angeles
19 Cty. Super. Ct.)); a \$2.85 million dollar wage and hour settlement in 2021 (*Valencia v. The Original*
20 *Mowbray's Tree Service, Inc.*, Case No. CIVDS1825518 (San Bernardino Cty. Super. Ct.)); a \$1
21 million wage and hour class action settlement in 2022 (*Duong v. Loan Factory, Inc.*, Case No.
22 21CV382467 (Santa Clara Cty. Super. Ct.)), a \$1.4 million wage and hour class action settlement in
23 2023 in *Correa, et al. v. FedEx Supply Chain, Inc.*, Case No. CIVDS2023369 (San Bernardino Cty.
24 Super. Ct.)), a \$2.38 million wage and hour class action settlement in 2023 in *Michel, et al. v. Valley*
25 *Thrift Store, Inc.*, Case No. 21STCV00925 (Los Angeles Cty. Super. Ct.); a \$2.5 million wage and
26 hour class action settlement in 2023 in *Jajuga v. Pilot Travel Centers*, Case No. CIVDS1931464 (San
27 Bernardino Cty. Super. Ct.); \$1.015 million wage and hour class action settlement in 2023 in
28 *Gotishan v. Kyo Autism Therapy*, Case No. CGC-21-596378 (San Francisco Cty. Super. Ct.); and a

1 \$1.15 million wage and hour PAGA settlement in 2023 in *Vaughn v. Public Health Foundation*
2 *Enters., Inc.*, Case No. 21STCV18512 (Los Angeles Cty. Super. Ct.); a \$1.5 million wage and hour
3 class action settlement in *McKinnie v. Iron Mountain*, Case No. 21STCV05707 (Los Angeles Cty.
4 Super. Court); a \$1.3 million wage and hour class action settlement in *Ellsworth, et al. v. Hallcon*,
5 Case No. 20STCV06618 (Los Angeles Cty. Super. Court); a \$1.925 million wage and hour class
6 settlement in 224 in *Lo v. Cyberpower, Inc.*, Case No. 21STCV31479 (Los Angeles Cty. Super. Ct);
7 and a \$1.19 million dollar wage and hour class action settlement in 2024 in *Herrera v. Signature*
8 *Flight Support LLC*, Case No. 22STCV18367 (Los Angeles Cty. Super. Ct.).

9 46. Based upon the qualifications and experience set forth above, I believe the following
10 hourly rates are reasonable: Zach Crosner \$800/hr, Jamie Serb \$750/hr, Sepideh Ardestani \$700/hour,
11 Brenden Hamilton \$600/hr; Kiara Bramasco, \$650/hr.

12 47. I request the Court apply the above hourly billing rates in this case, as it reasonable in
13 the California legal market for attorneys handling wage and hour class and PAGA actions. I have
14 personal knowledge of the hourly rates charged by a number of plaintiff-side wage and hour class
15 action firms in major California legal markets for partner-level attorneys with experience comparable
16 to mine. These rates have ranged from \$650 to \$900 per hour for calendar years 2018-2023. Some
17 examples include attorney Ron Makarem of Makarem & Associates in Los Angeles, with 28 years of
18 experience, \$900/hour (2023), Matthew Matern of Matern Law Group in Los Angeles, with
19 approximately 26 years of experience \$850/hour (2018); Craig Ackermann of Ackermann & Tilajef,
20 PC in Los Angeles with approximately 25 years of experience \$850/hour (2021), Michael Singer and
21 Isam Khoury of Cohelan Khoury & Singer in San Diego, 35 years and 45 years of experience
22 respectively, both \$825/hour (2018), Zachary Crosner of Crosner Legal PC in Los Angeles, 13 years
23 of experience \$750/hour (2022), and James Kawahito of Kawahito Law Group in Los Angeles, with
24 approximately 16 years of experience \$750/hour (2020).

25 48. The requested rates also comport with the adjusted Laffey Matrix, which provides that
26 reasonable hourly rates for attorneys with 10+ years of experience, such as myself, Mr. Crosner, and
27 Ms. Serb, are over \$800/hour. The adjusted Laffey Matrix may be found at
28 <http://www.laffeymatrix.com/sec.html>.

1 49. Fourth, Crosner Legal has been representing Plaintiff Ruiz (and the State of
2 California) in this matter on a strictly contingent basis and as such, had to forego other financial
3 opportunities to litigate other cases, incurred the risk of non-recovery after a substantial investment
4 of time, money, and resources, and have done so since the inception of this case without any payment
5 or compensation. This is not an easy burden for a small firm. If, despite these hardships and risks, the
6 best this office could hope for is merely to be paid our customary hourly rate multiplied by the number
7 of hours worked on the case, then we would not be compensated for the hardships and serious risks
8 it faced litigating this contingency case, and would not be incentivized to take on similar private
9 attorney general cases in the future.

10 50. Fifth, the request for attorney's fees in the amount of one-third of the common fund
11 falls well within the norms accepted by state and federal courts in California in comparable wage and
12 hour actions actually handled by this office. Moreover, the award of a one-third fee recovery under
13 the common fund doctrine was recently approved by the California Supreme Court in Laffitte v.
14 Robert Half Int'l, Inc. (2016) 1 Ca1.5th 480. For all of the above reasons, a common fund fee award
15 here in the amount of one-third of the \$830,000 common fund, or \$276,666.67, is fair and reasonable.

16 51. Crosner Legal expended a total of 164.9 attorney hours on this matter, and accordingly
17 the firm's lodestar totals approximately \$120,340, excluding time to be incurred at the hearing on this
18 motion and thereafter to implement and administer the settlement. Crosner Legal's lodestar is
19 summarized in Exhibit 6 hereto. After accounting for our co-counsel's respective lodestars, the total
20 combined lodestar for all counsel is \$271,493.40. Accordingly, on a lodestar basis, the requested fees
21 represent the base lodestar with a very reasonable 1.02 enhancement, which is entirely in line with
22 California precedent, and represents a fair return on the contingency assumed in this matter.

23 52. As noted, Plaintiffs' counsel has represented Plaintiffs for over two years with respect
24 to this matter and has expended a significant amount of time and resources in that representation. We
25 agreed to litigate this case on a purely contingent basis and in so doing assumed considerable risk of
26 non-payment for its fees and costs, as discussed above, and as is the case with these matters in general.
27 Under all relevant factors (as outlined herein and in the accompanying memorandum), we respectfully
28 request the Court award the requested fees of \$276,666.67 based on the common fund theory with a

1 corresponding lodestar cross-check and a reasonable 1.02 lodestar enhancement. Counsel will split
2 any fees awarded as follows: Lavi & Ebrahimian 37%; Crosner Legal 32%; Mahoney Law Group
3 21%; and Wilshire Law Firm 10%. All clients have been informed of and consented to the fee split
4 in writing.

5 53. We also request reimbursement of Crosner Legal's actual out-of-pocket expenses
6 incurred to prosecute this action. These expenses were incidental and necessary to the effective
7 representation of the employees.

8 54. Crosner Legal's costs are \$11,690.05, including court filing/service of process fees,
9 mediation fees, expert fees, and postage. Notably, the requested costs do not include any and all
10 printing and research charges. A true and correct itemization of the costs and expenses incurred is set
11 forth below:

Expense Category	Amount
Court Filing Fees/Service of Process/Attorney Service	\$2,737.88
Mediation Fees	\$4,100.00
Expert Fees	\$3,880.00
PAGA Filing Fee	\$75.00
Case AnyWhere Charges	\$757.60
Postage	\$139.57
Total Costs and Expenses	\$11,690.05

22 . After accounting for our co-counsels' respective costs, the total is \$27,653.56 in costs for all firms.
23 The requested costs are reasonable and uncontested and should be approved in full.

24 55. Here, pursuant to the Settlement Agreement, Plaintiffs seek incentive awards of
25 \$2,500 each. These requests are reasonable given the much broader release that Plaintiffs are agreeing
26 to, as well as their respective efforts in this case and the risks they undertook on behalf of the
27 Aggrieved Employees. Additionally, by contacting and retaining counsel to pursue these claims,
28

1 Plaintiffs made this settlement possible for the other Aggrieved Employees and the LWDA, while
2 shouldering the risk of being liable for Defendant's litigation costs. Plaintiffs also exposed themselves
3 to unwanted notoriety related to filing a public lawsuit (discoverable even through a simple google
4 search) for the benefit of other employees, placing them at risk of discrimination by future prospective
5 employers. Among taking many other actions assisting in the successful litigation of this case, both
6 Plaintiffs provided substantial factual information to their counsel, attended numerous meetings with
7 my office to discuss the case, and generally participated in all phases of the litigation. Accordingly,
8 the requested enhancement payments to Plaintiffs are appropriate and justified as part of the
9 Settlement.

10 56. For the foregoing reasons, it is respectfully requested that the Court approve the
11 settlement in its entirety.

12 I declare under penalty of perjury under the laws of the State of California that the foregoing
13 is true and correct. Executed on November 4, 2024, at Los Angeles, California.

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16 Declarant SEPIDEH ARDESTANI
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EXHIBIT

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PAGA SETTLEMENT AGREEMENTⁱ

This PAGA Settlement Agreement (“Agreement”) is made by and between plaintiffs Monet Sterling, Miguel Ruiz, Andrew Tarigan, Carlton McGee, and Ricardo Wendell (collectively “Plaintiffs”) and defendant Dothan Security, Inc. (“DSI”). The Agreement refers to Plaintiffs and DSI collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiffs’ respective PAGA lawsuits filed against DSI alleging wage and hour and PAGA violations captioned:
 - 1.1.1. *Monet Sterling v. Dothan Security, Inc., et al.* (Los Angeles County Superior Court (“LASC”) Case No. 23STCV08293) (herein referred to as the “*Sterling Action*”);
 - 1.1.2. *Miguel Ruiz v. Dothan Security, Inc., et al.* (LASC Case No. 23STCV12886);
 - 1.1.3. *Andrew Tarigan, et al. v. Dothan Security, Inc., et al.* (LASC Case No. 23STCV17788); and
 - 1.1.4. *Carlton McGee and Ricardo Wendell v. Dothan Security, Inc.* (LASC Case No. 24PSCV01630).
- 1.2. “Administrator” means Simpluris, 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 approval of this Settlement.
- 1.4. “Aggrieved Employee” means all current and former nonexempt employees employed by DSI in California during the PAGA Period.
- 1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in DSI’s possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods, as applicable.
- 1.6. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee 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 Aggrieved Employees.
- 1.7. “Court” means the Superior Court of California, County of Los Angeles.
- 1.8. “Defense Counsel” means Roger M. Mansukhani and Emma R Horner of Gordon Rees

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Scully Mansukhani, LLP.

- 1.9. "Effective Date" the date upon which the later of the following has occurred: (i) the date each of the respective Courts have entered an order approving of a joint stipulation of settlement or motion seeking approval of the settlements in the various underlying matters in the Action, as identified by case numbers herein, or (ii) the date the time to appeal or seek permission to appeal or seek other judicial review of the entry of a final judgment approving the settlements has expired with no appeal or other judicial review having been taken or sought.
- 1.10. "Gross Settlement Amount" means Eight Hundred Thirty Thousand Dollars and Zero Cents (\$830,000.00) which is the total amount DSI agrees to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay the PAGA Representative Service Payments, Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administrator's Expenses Payment.
- 1.11. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.
- 1.12. "Judgment" means the judgment entered by the Court based upon the Final Approval.
- 1.13. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.14. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.15. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Representative Service Payments, Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.
- 1.16. "PAGA Counsel" means Joseph Lavi, Vincent C. Granberry and William Tran of Lavi & Ebrahimian, LLP (counsel for Monet Sterling), Zachary Crosner and Sepideh Ardestani of Crosner Legal, PC (counsel for Miguel Ruiz), Kevin Mahoney and John Young of Mahoney Law Group, APC (counsel for Andrew Tarigan), and Justin Marquez and Arsine Grigoryan of Wilshire Law Firm (counsel for Carlton McGee and Ricardo Wendell), the attorneys representing the Plaintiffs in the Action.
- 1.17. "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.
- 1.18. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee

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worked for DSI for at least one day during the PAGA Period.

- 1.19. "PAGA Period" means the period from February 7, 2022 through June 11, 2024 (or 8 weeks after the date of the mediation on April 16, 2024).
- 1.20. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.21. "PAGA Notice" means Plaintiffs' respective February 7, 2023 (Monet Sterling), March 2, 2023 (Miguel Ruiz), May 23, 2023 (Andrew Tarigan), and January 16, 2024 (Carlton McGee and Ricardo Wendell) letters to DSI and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.22. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees and the 75% to LWDA in settlement of PAGA claims.
- 1.23. "Plaintiffs" means Monet Sterling, Miguel Ruiz, Andrew Tarigan, Carlton McGee and Ricardo Wendell, the named plaintiffs in the Action.
- 1.24. "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.
- 1.25. "Released PAGA Claims" means the claims being released by the Plaintiffs and PAGA Counsel and as described in Paragraph 5 below.
- 1.26. "Released Parties" means: DSI and each of parents, subsidiaries, directors, owners, shareholders, officers, agents, attorneys, insurers (including, but not limited to, insurers and reinsurers), servants, joint employers, employees, owners, attorneys, predecessors, successors, assigns, subsidiaries, and affiliates, past and present, and each of them and anyone acting in concert with the foregoing.
- 1.27. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.
- 1.28. "DSI" means named Defendant Dothan Security, Inc.

2. RECITALS.

- 2.1. On April 14, 2023 (Monet Sterling), June 6, 2023 (Miguel Ruiz), July 28, 2023 (Andrew Tarigan), and November 27, 2023 (Carlton McGee and Ricardo Wendell), Plaintiffs respectively commenced this Action by filing their respective PAGA complaints, which collectively allege causes of action against DSI under the Private Attorneys General Act of 2004. On May 20, 2024, Plaintiffs Carlton McGee and Ricardo Wendell filed a PAGA-only action against DSI, properly naming the DSI entity after already providing LWDA notice. Plaintiffs Carlton McGee and Ricardo Wendell will be dismissing their action filed on November 27, 2023 no later than June 21, 2024.

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- 2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiffs gave timely written notice to DSI and the LWDA by sending their respective PAGA Notices.
- 2.3. The *Sterling* Action will serve as the lead case. As such, Plaintiff Monet Sterling will file a First Amended Complaint to add Plaintiffs Miguel Ruiz, Andrew Tarigan, Carlton McGee and Ricardo Wendell. The First Amended Complaint is the operative complaint in the Action and will include any and all alleged PAGA violations put at-issue in each Plaintiff's respective PAGA complaints and LWDA Notices (the "Operative Complaint."). DSI will not be required to file a response to the Operative Complaint, as same is only being filed for settlement purposes. DSI denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint and denies any and all liability for the causes of action alleged.
- 2.4. On April 16, 2024, the Parties participated in an all-day mediation presided over by Gig Kyriacou, which led to this Agreement to settle the Action.
- 2.5. Prior to mediation, Plaintiffs obtained, through informal discovery, relevant information, data, and documents, including a 20% sampling of wage statements and timecards for non-exempt DSI employees during the PAGA Period, written policies and procedures, employee handbooks, Plaintiffs' personnel files, data related to the number of current and former non-exempt DSI employees during the PAGA Period, number of pay periods worked by current and former non-exempt DSI employees during the PAGA period, and additional information agreed by the parties during meet and confer efforts on same prior to the mediation.
- 2.6. Outside the underlying matters at-issue in this Agreement, the Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, DSI promises to pay Eight Hundred Thirty Thousand Dollars and Zero Cents (\$830,000.00) and no more as the Gross Settlement Amount. DSI has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 6.1 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to DSI.
- 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 PAGA Counsel: A PAGA Counsel Fees Payment of not more than 33.33% which is currently estimated to be Two Hundred Seventy-Six Thousand Six Hundred Sixty-Six Dollars and Zero Cents (\$276,666.67) and PAGA Counsel Litigation Expenses Payment of not more than \$32,000. DSI will not oppose

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requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiffs and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA 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 PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds DSI harmless, and indemnifies DSI, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.2. To the Administrator: An Administrator Expenses Payment not to exceed Four Thousand Five Hundred Dollars and Zero Cents (\$4,500) 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 Four Thousand Five Hundred Dollars and Zero Cents (\$4,500), the Administrator will retain the remainder in the Net Settlement Amount.

3.2.3. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of Dollars and Zero Cents Five Hundred Six Thousand Eight Hundred Thirty Three Dollars and Thirty Three Cents (\$506,833.33) to be paid from the Gross Settlement Amount, with 75% (\$380,124.00) allocated to the LWDA PAGA Payment and 25% (\$126,708.33) allocated to the Individual PAGA Payments.

3.2.3.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$126,708.33) 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 Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.3.2. 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.

3.2.4. To Plaintiffs: "PAGA Representative Service Payment" to each of the five named Plaintiffs of not more than Two Thousand Five Hundred Dollars and Zero Cents (\$2,500.00) (in addition to any Individual PAGA Payment that Plaintiffs may be otherwise entitled to receive as an Aggrieved Employee).

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DSI will not oppose Plaintiffs' request for a PAGA Representative Service Payment that does not exceed this amount. If the Court approves a PAGA Representative Service Payment less than the amount requested, the difference shall be added to the Net Settlement Amount.

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1. Aggrieved Employee Pay Periods. Based on a review of its records as of April 16, 2024, DSI estimates there are nine hundred twenty-eight (928) Aggrieved Employees who worked a total of thirty thousand (30,000) PAGA Pay Periods.
- 4.2. Aggrieved Employee Data. Within fifteen (15) days of the Effective Date, DSI will simultaneously deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. DSI has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which DSI must send the Aggrieved Employee 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 Aggrieved Employee Data.
- 4.3. Funding of Gross Settlement Amount. DSI shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator within thirty (30) days of the Effective Date.
- 4.4. Payments from the Gross Settlement Amount. Within fourteen (14) days after DSI funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Expenses Payment. Disbursement of the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.
 - 4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees 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. 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 an Aggrieved Employee Address Search for

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

4.4.3. For any Aggrieved Employee whose 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 Aggrieved Employee.

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

5. RELEASES OF CLAIMS. Effective on the date when DSI fully funds the entire Gross Settlement Amount Plaintiffs and PAGA Counsel will release claims against all Released Parties as follows:

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

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

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

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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 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 PAGA Period facts stated in the Operative Complaint and the PAGA Notice.
- 5.3. Release by PAGA Counsel: PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for PAGA Fees incurred in connection with the Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT. The Parties agree to jointly prepare and file a stipulation, application or motion for approval of this Settlement.

- 6.1. Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2)) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature(s) and extent(s) of any financial relationship(s) with Plaintiffs, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel attesting to their respective timely transmissions to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), respective complaint included as part of the defined Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); (iv) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (v) all facts relevant to any actual or potential conflict(s) of interest with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiffs and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.
- 6.2. Responsibilities of PAGA Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the stipulation, application or motion for approval of this Settlement no later than thirty (30) days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

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- 6.3. Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA 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 Simpluris to serve as the Administrator and verified that, as a condition of appointment, Simpluris agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.
- 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 7.4. 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.

8. **AGGRIEVED EMPLOYEE SIZE ESTIMATES and ESCALATOR CLAUSE**
Based on its records, DSI estimates that, as of April 16, 2024, there are 928 Aggrieved Employees who worked 30,000 Pay Periods during the PAGA Period. If the pay period number increases by more than 10% of the estimate stated herein by the end of the PAGA Period, DSI will either: a) increase the Adjusted Gross Settlement Amount proportionately for the percentage of workweeks in excess of the 10 threshold (i.e., a 11% increase in workweeks will result in a 1% increase of the Adjusted Gross Settlement Amount); or 2) adjust the end date of the PAGA Period so that the release covers no more than 33,000 workweeks. Under no circumstance shall the PAGA Period be adjusted prior to the date of mediation (April 16, 2024).
9. **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

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law.

- 9.1. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties, their respective counsel 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 another party 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. ADDITIONAL PROVISIONS.

- 10.1. No Admission of Liability 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 DSI that any of the allegations in the Operative Complaint have merit or that DSI has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that DSI's defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, DSI reserves all available defenses to the claims in the Action, and Plaintiffs reserve the right to contest DSI'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).
- 10.2. 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.
- 10.3. Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and DSI, 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.
- 10.4. 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

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to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

- 10.5. 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.
- 10.6. No Tax Advice. Neither Plaintiff, PAGA Counsel, DSI 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.
- 10.7. 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.
- 10.8. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.9. 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.
- 10.10. 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.
- 10.11. 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.
- 10.12. Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by DSI 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 rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiffs shall destroy all paper and electronic versions of Aggrieved Employee Data received from DSI unless, prior to the Administrator's payment of all Settlement Funds, DSI makes a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.
- 10.13. Headings. The descriptive heading of any section or paragraph of this Agreement is

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inserted for convenience of reference only and does not constitute a part of this Agreement.

10.14. 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.

10.15. 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 Sterling:

Joseph Lavi, Esq. (SBN 209776)
Vincent C. Granberry, Esq. (SBN 276483)
William Tran, Esq. (SBN 335908)
LAVI & EBRAHIMIAN, LLP
8889 W. Olympic Boulevard, Suite 200
Beverly Hills, California 90211
Telephone: (310) 432-0000
Facsimile: (310) 432-0001
Email: jlavi@lelawfirm.com
vgranberry@lelawfirm.com
wtran@lelawfirm.com

To DSI:

Roger M. Mansukhani
Emma R. Horner
rmansukhani@grsm.com
ehorner@grsm.com
Gordon Rees Scully Mansukhani, LLP
633 West Fifth Street, 52nd Floor
Los Angeles, CA 90071
Tel: (213) 576-5000 | Fax: (213) 680-4470
Cc: mxdiaz@grsm.com

10.16. 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.

10.17. 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 that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

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IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed.

Dated: 07/23/2024

Monet Sterling

Monet Sterling

Dated: 07 / 29 / 2024

Miguel Ruiz

Miguel Jonas Ruiz

Dated: 08 / 06 / 2024

Andrew

Andrew Tarigan

Dated: 7/15/2024

DocuSigned by:

Carlton McGee

F7AE13B58A2044B...

Carlton McGee

Dated: 7/12/2024

DocuSigned by:

Ricardo Wendell

92409EB26FCE433...

Ricardo Wendell

Dated: 8/7/2024

DocuSigned by:

Eddie Sorrells

E1702D32BD6844BA...

Dothan Security, Inc.

By: Eddie Sorrells

Its: President

APPROVED AS TO FORM:

Dated: 07/23/2024

LAVI & EBRAHIMIAN, LLC

Joseph Lavi

Joseph Lavi

Vincent C. Granberry

Counsel for Plaintiff Monet Sterling

Dated: 07/29/2024

CROSNER LEGAL, P.C.

J. Ardestani

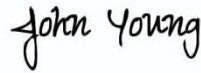
Sepideh Ardestani

Jamie Serb

Counsel for Plaintiff Miguel Jonas Ruiz

Dated: 08 / 06 / 2024

MAHONEY LAW GROUP, APC



Kevin Mahoney
John Young
Counsel for Plaintiff Andrew Tarigan

Dated: 7/15/24

WILSHIRE LAW FIRM



Justin F. Marquez
Arsiné Grigoryan
Counsel for Plaintiff Carlton McGee and
Ricardo Wendell

Dated: 8/7/2024

GORDON REES SCULLY MANSUKHANI, LLP



Roger M. Mansukhani
Emma R. Horner
Counsel for Defendant Dothan Security, Inc.

ⁱ This Form PAGA Settlement Agreement has been approved by the Court, the complex litigation judges and a 2022 Ad Hoc Wage and Hour Committee co-chaired by Judge David Cunningham and Judge Amy Hogue and comprised of 16 attorneys who regularly represent plaintiffs and defendants in wage and hour cases. It was drafted for settlements of single plaintiff PAGA claims against a single employer (XYZ). The parties will need to revise this form if there are multiple Plaintiffs or multiple Defendants. For settlements of wage and hour class actions that include PAGA claims, please use the Form Class Action and PAGA Settlement Agreement and Class Notice.

ⁱⁱ THE COURT ASKS ALL COUNSEL USING THIS MODEL AGREEMENT TO ATTACH A REDLINED VERSION TO THEIR MOTIONS OR APPLICATIONS FOR APPROVAL SO THAT THE COURT CAN EASILY SEE EXACTLY HOW THE PARTIES HAVE MODIFIED THIS MODEL AGREEMENT.

EXHIBIT

2

~~[MODEL]~~ PAGA SETTLEMENT AGREEMENTⁱ AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between ~~plaintiff~~
~~_____~~ (“~~Plaintiff~~plaintiffs Monet Sterling, Miguel Ruiz, Andrew Tarigan, Carlton McGee, and
Ricardo Wendell (collectively “Plaintiffs”) and defendant XYZ ~~_____~~ (“XYZ”). Dothan Security, Inc.
 (“DSI”). The Agreement refers to ~~Plaintiff~~Plaintiffs and XYZDSI collectively as “Parties,” or
individually as “Party.”

1. DEFINITIONS.

1.1. “Action” means the ~~Plaintiff’s~~Plaintiffs’ respective PAGA ~~lawsuit~~lawsuits filed against DSI
alleging wage and hour and PAGA violations ~~against XYZ~~ captioned ~~—initiated on — and~~
~~pending in:~~

~~1.1.1.1.1.~~ Monet Sterling v. Dothan Security, Inc., et al. (Los Angeles County Superior
Court of (“LASC”) Case No. 23STCV08293) (herein referred to as the State of
California, County of Los Angeles: “Sterling Action”);

1.1.2. Miguel Ruiz v. Dothan Security, Inc., et al. (LASC Case No. 23STCV12886);

1.1.3. Andrew Tarigan, et al. v. Dothan Security, Inc., et al. (LASC Case No.
23STCV17788); and

1.1.4. Carlton McGee and Ricardo Wendell v. Dothan Security, Inc. (LASC Case No.
24PSCV01630).

1.2. “Administrator” means ~~—~~Simpluris, 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
approval of this Settlement.

1.4. “Aggrieved Employee” means ~~[e.g., a person]~~all current and former nonexempt employees
employed by XYZDSI in California ~~and classified as a — who worked for XYZ~~ during the
PAGA Period~~].~~

1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in
XYZ’sDSI’s possession including the Aggrieved Employee’s name, last-known mailing

address, Social Security number, and number of PAGA Pay Periods, as applicable.

- 1.6. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee 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 Aggrieved Employees.
- 1.7. “Court” means the Superior Court of California, County of Los Angeles.
- 1.8. “Defense Counsel” means _____Roger M. Mansukhani and Emma R Horner of Gordon Rees Scully Mansukhani, LLP.
- 1.9. “Effective Date” ~~means the date~~ by when both upon which the later of the following ~~have~~has occurred: ~~(a) the Court enters a Judgment on its Order Approving~~i) the PAGA Settlement ~~and (b) the Judgment is final. The Judgment is final as date each~~ of the ~~latest~~respective ~~Courts have entered an order approving of a joint stipulation of settlement or motion seeking approval of the settlements in the following occurrences: (a) various underlying matters in the day~~Action, as identified by case numbers herein, or (ii) the Court enters Judgment, date the time to appeal or seek permission to appeal or seek other judicial review of the entry of a final judgment approving the settlements has expired with no appeal or other judicial review having been taken or sought.
- ~~1.10.~~ _____ “Gross Settlement Amount” means \$ _____Eight Hundred Thirty Thousand Dollars and Zero Cents (\$830,000.00) which is the total amount ~~XYZDSI~~ agrees to pay under the Settlement except as provided in Paragraph 9 below. The

- 1.10. Gross Settlement Amount will be used to pay the PAGA Representative Service Payments, Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administrator's Expenses Payment.
- 1.11. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.
- 1.12. "Judgment" means the judgment entered by the Court based upon the Final Approval.
- 1.13. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.14. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.15. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Representative Service Payments, Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.
- 1.16. ~~"PAGA Counsel" means _____, the attorneys representing the Plaintiff in the Action.~~
- 1.16. "PAGA Counsel" means Joseph Lavi, Vincent C. Granberry and William Tran of Lavi & Ebrahimian, LLP (counsel for Monet Sterling), Zachary Crosner and Sepideh Ardestani of Crosner Legal, PC (counsel for Miguel Ruiz), Kevin Mahoney and John Young of Mahoney Law Group, APC (counsel for Andrew Tarigan), and Justin Marquez and Arsine Grigoryan of Wilshire Law Firm (counsel for Carlton McGee and Ricardo Wendell), the attorneys representing the Plaintiffs in the Action.
- 1.17. "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.
- 1.18. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for XYZDSI for at least one day during the PAGA Period.
- 1.19. "PAGA Period" means the period from ~~to~~ February 7, 2022 through June 11, 2024

(or 8 weeks after the date of the mediation on April 16, 2024).

- 1.20. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.21. “PAGA Notice” means Plaintiff’s _____ letter~~Plaintiffs’ respective February 7, 2023 (Monet Sterling), March 2, 2023 (Miguel Ruiz), May 23, 2023 (Andrew Tarigan), and January 16, 2024 (Carlton McGee and Ricardo Wendell) letters~~ to XYZDSI and the LWDA ~~[and Plaintiff’s _____ letter to XYZ and the LWDA]~~ providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.22. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees and the 75% to LWDA in settlement of PAGA claims.
(\$_____) and the 75% to LWDA (\$_____) in settlement of PAGA claims.

- 1.23. ~~“Plaintiff”~~“Plaintiffs” means Monet Sterling, Miguel Ruiz, Andrew Tarigan, Carlton McGee and Ricardo Wendell, the named ~~plaintiff~~plaintiffs in the Action.
- 1.24. "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.
- 1.25. “Released PAGA Claims” means the claims being released by the ~~Plaintiff~~Plaintiffs and PAGA Counsel and as described in Paragraph 5 below.
- 1.26. “Released Parties” means: XYZDSI and each of ~~its former and present~~parents, subsidiaries, directors, officers~~owners~~, shareholders, ~~owners, [members]~~officers, agents, attorneys, insurers (including, but not limited to, insurers and reinsurers), servants, joint employers, employees, owners, attorneys, predecessors, successors, assigns ~~[, subsidiaries] [, and affiliates]~~, past and present, and each of them and anyone acting in concert with the foregoing.
- 1.27. ~~“Settlement”~~ means the disposition of the Action effected by this Agreement and the Judgment.
- 1.28. ~~XYZ~~“DSI” means named Defendant Dothan Security, Inc.

2. RECITALS.

- 2.1. On ~~Plaintiff~~ April 14, 2023 (Monet Sterling), June 6, 2023 (Miguel Ruiz), July 28, 2023 (Andrew Tarigan), and November 27, 2023 (Carlton McGee and Ricardo Wendell), Plaintiffs respectively commenced this Action by filing a Complaint alleging their respective PAGA complaints, which collectively allege causes of action against XYZ for _____. ~~[The Complaint is DSI under the operative complaint in the Action (the “Operative Complaint.”)]~~ [On _____, Plaintiff Private Attorneys General Act of 2004. On May 20, 2024, Plaintiffs Carlton McGee and Ricardo Wendell filed a PAGA-only action against DSI, properly naming the DSI entity after already providing LWDA notice. Plaintiffs Carlton McGee and Ricardo Wendell will be dismissing their action filed on November 27, 2023 no later than June 21, 2024.
- 2.2. Pursuant to Labor Code section 2699.3, subd. (e.g., a), Plaintiffs gave timely written notice to DSI and the LWDA by sending their respective PAGA Notices.
- 2.1.2.3. The Sterling Action will serve as the lead case. As such, Plaintiff Monet Sterling will file a First Amended Complaint] alleging causes of action against XYZ for, to add Plaintiffs Miguel Ruiz, Andrew Tarigan, Carlton McGee and Ricardo Wendell. The [e.g., First Amended] Complaint is the operative complaint in the Action (the “and will include any and all alleged PAGA violations put at-issue in each Plaintiff’s respective PAGA

complaints and LWDA Notices (the “Operative Complaint.”). DSI will not be required to file a response to the Operative Complaint.”]. XYZ, as same is only being filed for settlement purposes. DSI 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.

~~2.2. Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave timely written notice to XYZ and the LWDA by sending the PAGA Notice.~~

2.3. On _____ (type in additional dates) _____;

☐ 2.4. April 16, 2024, the Parties participated in an all-day mediation presided over by Gig Kyriacou, which led to this Agreement to settle the Action.

☐ _____ (describe alternative means of negotiation) _____.

~~2.4. Prior to ☐ mediation ☐ negotiating the Settlement, Plaintiff obtained, through~~

~~☐ formal ☐ informal discovery, _____.~~

2.5. ThePrior to mediation, Plaintiffs obtained, through informal discovery, relevant information, data, and documents, including a 20% sampling of wage statements and timecards for non-exempt DSI employees during the PAGA Period, written policies and procedures, employee handbooks, Plaintiffs’ personnel files, data related to the number of current and former non-exempt DSI employees during the PAGA Period, number of pay periods worked by current and former non-exempt DSI employees during the PAGA period, and additional information agreed by the parties during meet and confer efforts on same prior to the mediation.

~~2.5.2.6.~~Outside the underlying matters at-issue in this Agreement, the Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, XYZDSI promises to pay \$Eight Hundred Thirty Thousand Dollars and Zero Cents (\$830,000.00) and no more as the Gross Settlement Amount. XYZDSI has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 6.1 of this Agreement.ⁱⁱⁱ The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to XYZDSI.
- 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 PAGA Counsel: A PAGA Counsel Fees Payment of not more than -33.33% which is currently estimated to be \$Two Hundred Seventy-Six Thousand Six Hundred Sixty-Six Dollars and Zero Cents (\$276,666.67) and PAGA Counsel Litigation Expenses Payment of not more than \$XYZ32,000. DSI will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. PlaintiffPlaintiffs and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA 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 PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds XYZDSI harmless, and indemnifies XYZDSI, from any dispute or controversy regarding any division or sharing of any of these Payments.
- ~~3.2.2.—To the Administrator:~~ An Administrator Expenses Payment not to exceed
- ~~3.2.2. \$Four Thousand Five Hundred Dollars and Zero Cents (\$4,500)~~ 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 \$Four Thousand Five Hundred Dollars and Zero Cents (\$4,500), the Administrator will retain the remainder in the Net Settlement Amount.
- ~~3.2.3.—To the LWDA and Aggrieved Employees:~~ PAGA Penalties in the amount of
- ~~3.2.3. \$Dollars and Zero Cents Five Hundred Six Thousand Eight Hundred Thirty Three Dollars and Thirty Three Cents (\$506,833.33)~~ to be paid from the Gross Settlement Amount, with 75% (~~\$amount~~380,124.00) allocated to the LWDA PAGA Payment and 25% (\$126,708.33) allocated to the Individual PAGA Payments.

~~3.2.3.1.~~ The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$126,708.33) by the total number of PAGA Period Pay Periods worked

3.2.3.1. by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.3.2. 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.

3.2.4. To Plaintiffs: "PAGA Representative Service Payment" to each of the five named Plaintiffs of not more than Two Thousand Five Hundred Dollars and Zero Cents (\$2,500.00) (in addition to any Individual PAGA Payment that Plaintiffs may be otherwise entitled to receive as an Aggrieved Employee). DSI will not oppose Plaintiffs' request for a PAGA Representative Service Payment that does not exceed this amount. If the Court approves a PAGA Representative Service Payment less than the amount requested, the difference shall be added to the Net Settlement Amount.

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1. Aggrieved Employee Pay Periods. Based on a review of its records ~~to date, XYZ~~as of April 16, 2024, DSI estimates there are _____nine hundred twenty-eight (928) Aggrieved Employees who worked a total ~~_____of thirty thousand (30,000)~~ PAGA Pay Periods.
- 4.2. Aggrieved Employee Data. Within ~~[e.g., fifteen (15)]~~ days, ~~XYZ of the Effective Date,~~ DSI will simultaneously deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. ~~XYZ~~DSI has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which ~~XYZ~~DSI must send the Aggrieved Employee 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 Aggrieved Employee Data.
- 4.3. Funding of Gross Settlement Amount. ~~XYZ~~DSI shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator ~~no later than [14]~~within thirty (30) days ~~after~~ of the Effective Date.
- 4.4. Payments from the Gross Settlement Amount. Within ~~[e.g., fourteen (14)]~~ days after ~~XYZ~~DSI funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Expenses Payment. Disbursement of the PAGA Counsel

Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.

~~4.4.1.~~ The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees 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. Before mailing any checks, the Settlement

4.4.1. Administrator must update the recipients' mailing addresses using the National Change of Address Database.

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

4.4.3. For any Aggrieved Employee whose 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 Aggrieved Employee.

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

5. RELEASES OF CLAIMS. Effective on the date when XYZDSI fully funds the entire Gross Settlement Amount PlaintiffPlaintiffs and PAGA Counsel will release claims against all Released Parties as follows:

5.15.1. — Plaintiff's Release. PlaintiffPlaintiffs' Releases. Plaintiffs and his or her respective former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences [that occurred during the PAGA Period], including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint and the PAGA Notice ("Plaintiff'sPlaintiffs' Release"). Plaintiff'sPlaintiffs' Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the PAGA Period. Plaintiff acknowledgesPlaintiffs acknowledge that Plaintiff may discover facts or law different from, or in addition to, the facts or law that PlaintiffPlaintiffs now knowsknow or believesbelieve to be true but agreesagree, nonetheless, that Plaintiff'sPlaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff'sPlaintiffs' discovery of them.

5.15.1.1. — Plaintiff'sPlaintiffs' Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff'sPlaintiffs' Release, PlaintiffPlaintiffs expressly waiveswaive and relinquishesrelinquish the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

5.2. 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.

~~5.3~~ Release by PAGA Counsel:

5.3. PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for PAGA Fees incurred in connection with the Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT. ~~The Parties~~The Parties agree to jointly prepare and file a stipulation, application or motion for approval of this Settlement.
~~agree to jointly prepare and file an application or motion for approval of this Settlement.~~

Plaintiff's

6.16.1. Plaintiffs' Responsibilities. ~~Plaintiff~~Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2)) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature(s) and extent(s) of any financial relationship(s) with ~~Plaintiff~~Plaintiffs, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel ~~firm~~ attesting to ~~its~~their respective timely ~~transmission~~transmissions to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. ~~(a))~~(a)), respective complaint included as part of the defined Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); (iv) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (v) all facts relevant to any actual or potential conflict(s) of interest with Aggrieved Employees and/or

the Administrator. In their Declarations, ~~Plaintiff~~Plaintiffs and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

~~6.26.2.~~ Responsibilities of PAGA Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the stipulation, application or motion for approval of this Settlement no later than ~~{thirty (30)}~~ days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

~~6.36.3.~~ Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA 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

~~7.1.~~ _____ Simpluris to serve as the Administrator and verified that, as a condition of appointment, _____ Simpluris 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.

~~7.27.2.~~ Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

~~7.37.3.~~ 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.

~~7.47.4.~~ 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.

8.—AGGRIEVED EMPLOYEE SIZE ESTIMATES ~~{and ESCALATOR CLAUSE}~~

~~8.~~

Based on its records, XYZDSI estimates that, as of ~~the date of this Settlement Agreement, (1)~~ April 16,

2024, there are —928 Aggrieved Employees who worked —30,000 Pay Periods during the PAGA Period.^{iv} If the pay period number increases by more than 10% of the estimate stated herein by the end of the PAGA Period, DSI will either: a) increase the Adjusted Gross Settlement Amount proportionately for the percentage of workweeks in excess of the 10 threshold (i.e., a 11% increase in workweeks will result in a 1% increase of the Adjusted Gross Settlement Amount); or 2) adjust the end date of the PAGA Period so that the release covers no more than 33,000 workweeks. Under no circumstance shall the PAGA Period be adjusted prior to the date of mediation (April 16, 2024).

9. **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.

~~9.1.~~ **9.1—Waiver of Right to Appeal.** Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties, their respective counsel 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 another party 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. ADDITIONAL PROVISIONS.

~~10.1~~**10.1. No Admission of Liability 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 XYZDSI that any of the allegations in the Operative Complaint have merit or that XYZDSI has any liability for any claims asserted; nor should it be intended or construed as an admission by PlaintiffPlaintiffs that XYZ'sDSI's defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, XYZDSI reserves all available defenses to the claims in the Action, and PlaintiffreservesPlaintiffs reserve the right to contest XYZ'sDSI'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).

~~10.2~~**10.2. 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.

~~10.3~~**10.3. Attorney Authorization.** PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by PlaintiffPlaintiffs and XYZDSI, 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.

~~10.4~~**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,

10.4. 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.

~~10.5~~10.5. 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.

~~10.6~~10.6. No Tax Advice. Neither Plaintiff, PAGA Counsel, XYZDSI 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.

~~10.7~~10.7. 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.

~~10.8~~10.8. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

~~10.9~~10.9. 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.

~~10.10~~10.10. 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.

~~10.11~~10.11. 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.

~~10.12~~—Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by XYZDSI 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 rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, PlaintiffPlaintiffs shall destroy all paper and electronic versions of Aggrieved Employee Data received from XYZDSI unless, prior to the Administrator's payment of all

~~10.12.~~ Settlement Funds, XYZDSI makes a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.

~~10.13~~10.13.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.

~~10.14~~10.14.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.

~~10.15~~10.15.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: Sterling:

Joseph Lavi, Esq. (SBN 209776)
Vincent C. Granberry, Esq. (SBN 276483)
William Tran, Esq. (SBN 335908)
LAVI & EBRAHIMIAN, LLP
8889 W. Olympic Boulevard, Suite 200
Beverly Hills, California 90211
Telephone: (310) 432-0000
Facsimile: (310) 432-0001
Email: jlavi@lelawfirm.com
vgranberry@lelawfirm.com
wtran@lelawfirm.com

To XYZDSI:

Roger M. Mansukhani
Emma R. Horner
rmansukhani@grsm.com
ehorner@grsm.com
Gordon Rees Scully Mansukhani, LLP
633 West Fifth Street, 52nd Floor
Los Angeles, CA 90071
Tel: (213) 576-5000 | Fax: (213) 680-4470
Cc: mxdiaz@grsm.com

~~10.16~~10.16.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.

~~10.17~~10.17. 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 that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

ForIN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed.

Dated: _____
_____Monet Sterling

Dated: _____
_____Miguel Jonas Ruiz

Dated: _____
_____Andrew Tarigan

Dated: _____
_____Carlton McGee

Dated: _____
_____Ricardo Wendell

Dated: _____
_____Dothan Security, Inc.

By: _____

Its: _____

APPROVED AS TO FORM:

Dated: _____LAVI & EBRAHIMIAN, LLC

Joseph Lavi
Vincent C. Granberry

Counsel for Plaintiff _____ For XYZ Monet Sterling

Dated: _____ CROSNER LEGAL, P.C.

Sepideh Ardestani

Jamie Serb

Counsel Forfor Plaintiff _____ Counsel For XYZ

Miguel Jonas Ruiz

ⁱThis

Dated: _____ MAHONEY LAW GROUP, APC

Kevin Mahoney

John Young

Counsel for Plaintiff Andrew Tarigan

Dated: _____ WILSHIRE LAW FIRM

Justin F. Marquez

Arsiné Grigoryan

Counsel for Plaintiff Carlton McGee and

Ricardo Wendell

Dated: _____ GORDON REES SCULLY MANSUKHANI, LLP

Roger M. Mansukhani

Emma R. Horner

Counsel for Defendant Dothan Security, Inc.

ⁱThis Form PAGA Settlement Agreement has been approved by the Court, the complex litigation judges and a 2022 Ad Hoc Wage and Hour Committee co-chaired by Judge David Cunningham and Judge Amy Hogue and comprised of 16 attorneys who regularly represent plaintiffs and defendants in wage and hour cases. It was drafted for settlements of single plaintiff PAGA claims against a single employer (XYZ). The parties will need to revise this form if there are multiple

Plaintiffs or multiple Defendants. For settlements of wage and hour class actions that include PAGA claims, please use the Form Class Action and PAGA Settlement Agreement and Class Notice.

ⁱⁱ ~~See endnote ii above.~~ⁱⁱ THE COURT ASKS ALL COUNSEL USING THIS MODEL AGREEMENT TO ATTACH A REDLINED VERSION TO THEIR MOTIONS OR APPLICATIONS FOR APPROVAL SO THAT THE COURT CAN EASILY SEE EXACTLY HOW THE PARTIES HAVE MODIFIED THIS MODEL AGREEMENT.

ⁱⁱⁱ ~~The Parties are free to negotiate a payment plan structure, if appropriate, and payment deadlines may fall earlier as necessary thereto.~~

^{iv} ~~Insert negotiated terms, if any, addressing the possibility that XYZ's estimates of the number of Aggrieved Employees or Pay Periods turn out to be understated such as an ADR clause imposing a duty to engage in good faith negotiations or mediation or an "escalator" clause memorializing XYZ's promise to increase the Gross Settlement Amount in an agreed upon proportion to the percentage by which the calculated number of Aggrieved Employees or Pay Periods exceeds XYZ's estimates.~~

EXHIBIT

3



Los Angeles Office
9440 Santa Monica Blvd.
Beverly Hills, CA 90210

Kiara Bramasco, Esq.
kiara@crosnerlegal.com
direct: (424) 335-5236
office: (310) 496-5818
fax: (310) 510-6429

March 2, 2023

VIA PAGA ONLINE FILING ONLY:

California Labor & Workforce
Development Agency
ATTN: PAGA Administrator
455 Golden Gate Avenue, 9th Floor
San Francisco, CA 94102
PAGAFilings@dir.ca.gov

VIA U.S. CERTIFIED MAIL:

Dothan Security, Inc.

Attn: Human Resources/ Legal Department
600 W Adams St
Dothan, AL 36303

C T Corporation System
Agent for Service of Process for:

Dothan Security, Inc.

28 Liberty Street
New York, NY 10005

Dothan Security, Inc.

Attn: CA Registered Corporate (1505) Agent Authorized
Employee(s):

Amanda Garcia, Gabriela Sanchez, Daisy Montenegro,
Beatrice Casarez-Barrientez, Jessie Gastelum, John
Montijo, Diana Ruiz, Sarai Marin, Emanuel Jacobo ,
Gladys Aguilera, Vivian Imperial, Carlos Paz, Alberto
Damonte, Peter Cayetano, Elsa Montanez, Xenia Perez,
and Yesenia Carpenter
330 N Brand Blvd.
Glendale, CA 91203

NOTICE OF PRIVATE ATTORNEYS GENERAL ACT CLAIM

To: California Labor and Workforce Development Agency; Dothan Security, Inc.
Date: March 2, 2023
Subject: *Miguel Jonas Ruiz v. Dothan Security, Inc.*

Introduction

This office represents COMPLAINANT, Miguel Jonas Ruiz (hereinafter “COMPLAINANT”) in connection with COMPLAINANT’s claims under the California Labor Code. COMPLAINANT was, at all relevant times herein mentioned, an employee of the following entities and individual managing agents of said entities: Dothan Security, Inc. (hereinafter, this entity and its managing agents are collectively referred to as “EMPLOYER”). EMPLOYER may be contacted directly at the addresses listed above.

Pursuant to California Labor Code sections 2699.3 and 2699.5, COMPLAINANT, on behalf of COMPLAINANT, and on behalf of all current and former non-exempt employees employed by any one or more of the EMPLOYER entities at any location in California within one year of the date of this notice (“NON-EXEMPT AGGRIEVED EMPLOYEES”) and on behalf of all current and former exempt employees employed by any one or more of the EMPLOYER entities at any location in California within one year of the date of this notice (“EXEMPT AGGRIEVED EMPLOYEES”), hereby gives written notice (“NOTICE”) of COMPLAINANT’s claims against EMPLOYER. This NOTICE is being provided via online filing to the California Labor and Workforce Development Agency (“LWDA”) and EMPLOYER via certified mail to its Agent(s) for Service of Process and/or entity mailing address as provided to the California Secretary of State.

This NOTICE also serves to demonstrate COMPLAINANT’s reasonable attempt at settlement with EMPLOYER. If EMPLOYER is interested in settling this matter before a lawsuit is filed, EMPLOYER may contact Crosner Legal, P.C., at the address listed at the close of this NOTICE. This settlement attempt is in compliance with relevant California law. *Graham v. Daimler Chrysler Corp.* (2004) 24 Cal.4th 553, 561.

This NOTICE is sent in compliance with the reporting requirements of California Labor Code sections 2699.3 and 2699.5. This NOTICE further reserves any and all rights by COMPLAINANT to amend this notice to include, amend, or add further charges upon discovery of new violations of any of the provisions of the California Labor Code. In addition, to the extent that entities and/or other individuals are named and charged with violations of the Labor Code—making them liable on an individual basis as permitted by numerous Labor Code sections including, but not limited to sections 558.1 and 1197.1—COMPLAINANT reserves any and all rights to add, substitute, or change the name of employer entities and/or individuals responsible for the violations at issue. Any further amendments and changes to this notice shall relate back to the date of this NOTICE. Consequently, EMPLOYER is on notice that COMPLAINANT continues its investigation, with the full intent to amend and/or change this notice, to add any undiscovered violations of *any* of the

provisions of the California Labor Code—to the extent that are applicable to this case—and to change and/or add the identities of any entities and/or individuals responsible for the violations contained herein. For violations that are curable under § 2699.3(c) and that EMPLOYER intends to cure within the statutory time period set forth in §§ 2699 and 2699.3(c), the EMPLOYER shall provide notice including a description of the actions taken to cure. If the alleged violation is not cured within the statutory time period, COMPLAINANT will commence a civil action pursuant to section 2699. For all other violations that are not curable, an action pursuant to section 2699(a) and 2699(f) will commence after the requirements under 2699.3 are fulfilled.

Based on the following summary of facts and theories upon which COMPLAINANT will base COMPLAINANT's claims, COMPLAINANT requests that the LWDA regard this NOTICE as written notice of COMPLAINANT's intent to seek civil penalties against EMPLOYER. Under *Huff v. Securitas Security Services USA, Inc.* (2018) 23 Cal.App.5th 745, a PAGA representative has authority to seek penalties for all known violations committed by the employer – regardless of whether the representative experienced all violations personally. *Id.* at 760-761. Moreover, under *Johnson v. Maxim Healthcare Servs., Inc.*, (2021) 66 Cal. App. 5th 924, 929, an employee may pursue a claim under PAGA even when that employee's individual claim is time-barred.

COMPLAINANT, on behalf of COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES, and EXEMPT AGGRIEVED EMPLOYEES, alleges that the specific provisions of California law that EMPLOYER has violated, requiring this NOTICE, include but are not limited to: California Labor Code sections 201-203, 204, 216, 221-223, 226, 226.7, 245-248.6, 432, 432.5, 432.7, 510, 512, 558, 558.1, 1024.5, 1174, 1194, 1197, 1197.1, 1198, 1198.5, 1199, 2802, 2810.5, and all applicable Wage Orders.

The Named Entities Are Joint Employers of COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES

California courts have recognized that the definition of “employer” for purposes of enforcement of the California Labor Code goes beyond the concept of traditional employment to reach irregular working arrangements for the purpose of preventing evasion and subterfuge of California's labor laws. *Martinez v. Combs* (2010) 49 Cal.4th 35, 65. As such, anyone who directly or indirectly, or through an agent or any other person, engages, suffers, or permits any person to work or exercises control over the wages, hours, or working conditions of any person, may be liable for violations of the California Labor Code as to that person.

COMPLAINANT is informed and believes and thereon alleges that at all relevant times EMPLOYER and unknown entities operated as a single integrated enterprise with common ownership and centralized human resources as set forth herein. Under California law, in determining whether two defendant entities are liable as an integrated enterprise, courts consider four factors: (1) centralized control of labor relations; (2) interrelation of operations; (3) common management; and (4) common ownership or financial control. *Laird v. Capital Cities/ABC, Inc.* (1998) 68 Cal.App.4th 727, 737 (overruled on other grounds, *Reid v. Google, Inc.* (2010) 50 Cal. 4th 512 (2010).)

COMPLAINANT believes and hereon asserts that EMPLOYER and unknown entities must be classified as joint employers of COMPLAINANT for purposes of liability for civil penalties under PAGA, as the aforementioned entities engaged, suffered and permitted COMPLAINANT to perform services from which they benefited, and furthermore that the aforementioned entities had the right to exercise control over the wages, hours and/or working conditions of COMPLAINANT at all relevant times herein, so as to be considered the joint employers of COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES. By reason of their status as joint employers of COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES, they are each liable for civil penalties for violations of the California Labor Code and applicable Wage Orders as to COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES.

Individual Liability Under Labor Code § 558.1

Labor Code section 558.1 permits joint and several liability as to both an individual and employer for violations of Labor Code sections 203, 226, 226.7, 1194, and 2802. EMPLOYER, at all relevant times, was an employer or person acting on behalf of employer(s) who violated COMPLAINANT's and other NON-EXEMPT AGGRIEVED EMPLOYEES' and EXEMPT AGGRIEVED EMPLOYEES' rights by violating various sections of the California Labor Code. The California Legislature defines "other person acting on behalf of an employer" as "*a natural person* who is an owner, director, officer, or managing agent of the employer." The "managing agent" definition mirrors that found in California's punitive damages statute (subdivision (b) of section 3294 of the Civil Code). Under that statute and supporting case law, "managing agents" are all employees who exercise substantial independent authority and judgment in their corporate decision-making such that their decisions ultimately determine corporate policy. *White v. Ultramar, Inc.* (1999) 21 Cal. 4th 563, 566-67. For the reasons set forth above and others, at all relevant times, any above-listed individuals meet the criteria of managing agents under California law, and therefore, may be held liable under California Labor Code sections 558 and 558.1 for violations of Labor Code §§ 203, 226, 226.7, and 1194 as further described in detail below.

COMPLAINANT intends to further name any unknown individuals responsible for violations arising under Labor Code sections 558 and 558.1 after further discovery. COMPLAINANT will ask the Court to relate the amendment of the PAGA charge and the operative complaint to the date of filing of these charges. COMPLAINANT asks and demands that EMPLOYER put these individuals on notice immediately to provide them as much notice possible to mount in defense. In the alternative, COMPLAINANT also offers to EMPLOYER to place those individuals on notice if EMPLOYER voluntarily provides their contact information.

General Information

EMPLOYER owns, operates or otherwise manages a business that provides security services, including but not limited to, uniformed security services, electronic security and consulting

services.¹ EMPLOYER owns, operates and/or otherwise manages multiple offices, job sites, locations and/or facilities located in California, including but not limited to, offices, job sites, facilities located in Diamond Bar, California, Palm Desert, California, and Stockton, California.² Although EMPLOYER may operate successful companies or have a noble mission, EMPLOYER does not comply with California's labor laws.

COMPLAINANT worked for EMPLOYER as a security guard, field supervisor, and/or similar title(s) at various job sites/locations in California as assigned by EMPLOYER from in or around June 2022 through on or around January 11, 2023. EMPLOYER assigned COMPLAINANT to work primarily in Los Angeles County, including but not limited to, at job sites located in Long Beach, California and Los Angeles, California. COMPLAINANT regularly worked at least six (6) to twelve (12) hours per day, at least five (5) to six (6) days per week.

COMPLAINANT's job duties included but were not limited to, patrolling/providing security services at assigned locations, spending no more than approximately ten percent of his day overseeing the work of other guards, performing a variety of cleaning duties, such as, but not limited to washing company vehicles, and filling in for other guards as needed. Based on information and belief, at times, COMPLAINANT was compensated on an hourly basis but only for time counted by EMPLOYER as hours worked.

Among other things, EMPLOYER (1) failed and continues to fail to keep accurate and complete time records for COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES; (2) failed and continues to fail to pay COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES for all hours worked; (3) failed and continues to fail to pay COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES at least minimum wage for all hours worked and overtime/regular rates for corresponding work; (4) failed and continues to fail to pay proper overtime wages for failure to incorporate all non-discretionary compensation into the overtime premium pay calculations; (5) failed and continues to fail to provide COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES with proper meal and/or rest breaks, and/or compensate COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES an additional hour of premium pay at the regular rate of compensation for missed/improper meal and/or rest periods; (6) refused and continues to refuse to make and/or falsely denied the amount of payments due to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES, including but not limited to, owed sick pay; (7) failed and continues to fail to place COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES on proper notice of their workplace rights, including but not limited to owed sick pay; (8) failed and continues to fail to provide legally compliant wage statements to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES; (9) made unlawful deductions from COMPLAINANT's and other NON-EXEMPT AGGRIEVED EMPLOYEES' and EXEMPT AGGRIEVED EMPLOYEES' paychecks; (10) failed and continues to fail to timely pay wages to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES during employment and/or upon separation of employment; (11) failed and continues to fail to reimburse

¹ See <https://www.dssecurity.com/about/> (Last visited on March 1, 2023).

² See <https://www.dssecurity.com/dsi-locations/> (Last visited on March 1, 2023).

COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES for business expenses incurred on behalf of EMPLOYER; (12) conducted and continues to conduct illegal criminal and/or financial background checks as a condition of COMPLAINANT's, NON-EXEMPT AGGRIEVED EMPLOYEES' and EXEMPT AGGRIEVED EMPLOYEES' hire and continued employment; (13) required and continues to require COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to disclose arrests not resulting in convictions and/or to disclose convictions prior to extending an offer of employment and/or otherwise impermissibly inquired and continues to inquire into COMPLAINANT's, NON-EXEMPT AGGRIEVED EMPLOYEES', and/or EXPEMPT AGGRIEVED EMPLOYEES' criminal history on their employment applications and sign off on same as a condition of employment; (14) failed and continues to fail to provide suitable seating; and (15) required and continues to require COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES, and EXEMPT AGGRIEVED EMPLOYEES to agree in writing to a term or condition that violates the law as a condition of employment. Further descriptions of the above-mentioned violations and others are explained below.

Labor Code Violations

Recordkeeping Requirement Violations: California Labor Code section 1174 requires employers to keep "accurate and complete" payroll records showing, among other things, the hours worked daily by COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES. All applicable IWC Wage Orders, section 7 similarly requires employers to keep accurate time records reflecting the times during which all owed meal periods were provided each day.

Based on information and belief, EMPLOYER failed, and continues to fail, to keep accurate and complete payroll records as required by law, including but not limited to the following records: total daily hours worked, applicable rates of pay, time records showing when COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES began and ended each work period, time records of meal periods, and accurate itemized wage statements.

Based on information and belief, EMPLOYER failed and continues to fail to keep accurate and complete records showing total hours worked by COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES by virtue of EMPLOYER's time rounding and/or auto deduction policies and practices and/or other off-the-clock work policies and practices.

EMPLOYER failed and continues to fail to keep accurate and complete records showing total hours worked by virtue of EMPLOYER's failure to relieve COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES of all duties and EMPLOYER's control for unpaid meal periods, resulting in unpaid hours worked.

Based on information and belief, EMPLOYER further failed, and continues to fail, to record the true start and end times of COMPLAINANT's and NON-EXEMPT AGGRIEVED EMPLOYEES' meal periods.

Based on further information and belief, EMPLOYER further failed and continues to fail, to record the true start and end times of COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES' work shifts.

Additionally, EMPLOYER failed, and continues to fail to keep accurate records and issue accurate wage statements by not documenting accrued sick time for COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES.

EMPLOYER's failure to keep "accurate and complete" payroll records for COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES violates Labor Code sections 1174, 1198, 1199, and all applicable IWC Wage Orders, section 7. These violations subject EMPLOYER to civil penalties under Labor Code sections 558.1, 226.6, 1174.5 and 2699. Each violation of each Labor Code section and Wage Order provision, for each NON-EXEMPT AGGRIEVED EMPLOYEE, results in a separate civil penalty.³

Violations of Labor Code Sections 226(b)-(c), 1198.5, and 432:

Time and Pay Records

Labor Code section 226 and all applicable IWC Wage Orders, section 7 require that employers keep the following information on file for each employee for a minimum of three years: The employee's dates of employment; the employee's hourly rates and the corresponding number of hours worked by the employee at each hourly rate, when the employee begins and ends each work period (including meal periods) and split intervals; total hours worked by the employee; all deductions; gross wages earned; and net wages earned.

Section (b) of Labor Code section 226 further requires employers to "afford current and former employees the right to inspect or receive a copy of records pertaining to their employment upon reasonable request to the employer." Section (c) of Labor Code section 226 provides that, "an employer who receives a written or oral request to inspect or receive a copy of records pursuant to subdivision (b) pertaining to a current or former employee shall comply with the request as soon as practicable, but no later than 21 calendar days from the date of the request. A violation of this subdivision is an infraction." An employer's failure to comply within this timeframe entitles a current or former employee to recover a seven hundred fifty-dollar (\$750) penalty from the employer. Lab. Code section 226(f).

Personnel Records

In addition to their right to time and pay records, employees, and their representatives, have the right to inspect and receive a copy of their personnel files pursuant to Labor Code section 1198.5. This statute applies to both former and current employees. Labor Code section 432 further specifies that employers must furnish copies of all employment records bearing the employee's signature.

Labor Code section 1198.5 also requires that the file be made available for inspection or receipt within a "reasonable" amount of time, but "not later than 30 calendar days from the date the

³ See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period").

employer receives a written request.” An employer’s failure to comply within this timeframe likewise entitles a current or former employee to recover a seven hundred fifty-dollar (\$750) penalty from the employer. Lab. Code section 1198.5(k).

Based on information and belief, EMPLOYER fails to timely produce or make available a current or former employee’s personnel records and/or payroll records when requested pursuant to Labor Code sections 226, 1198.5, 432, and/or the applicable Wage Order. For example, COMPLAINANT sent a written request for payroll and personnel records to EMPLOYER. Yet, EMPLOYER failed to timely produce complete records within the time periods delineated by California labor law. Based on information and belief, EMPLOYER failed and continues to fail to timely produce complete payroll and personnel records when requested by other NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES.

These violations subject EMPLOYER to penalties under Labor Code sections 226, 1198.5, and 2699. Each violation of each Labor Code section and Wage Order provision, for each NON-EXEMPT AGGRIEVED EMPLOYEE and each EXEMPT AGGRIEVED EMPLOYEE, results in a separate civil penalty.

Meal Period Violations: California law requires employers to provide employees a duty-free, uninterrupted thirty (30) minute meal period when an employee works more than five (5) hours in a workday, and it must be provided within the first five (5) hours the employee works. Lab. Code section 512 (and all applicable IWC Wage Orders), section 11(A) and (C); *Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004. Employers must also provide employees with a second duty-free, uninterrupted thirty (30) minute meal period when an employee works more than (10) hours in a workday, and it must be provided before the end of the 10th hour of work. *Ibid.* Meal periods can be waived, but only under the following circumstances: (1) if an employee’s total work period in a day is over five (5) hours but no more than six (6) hours, the required meal period may be waived by mutual consent of the employer and employee, and (2) if an employee’s total work period in a day is over ten (10) hours but no more than twelve (12) hours, the required second meal period may be waived by mutual consent of the employer and employee, but only if the first meal period was not waived. *Ibid.* Upon information and belief, COMPLAINANT did not sign a valid meal period waiver throughout COMPLAINANT’s employment by EMPLOYER.

Employers covered by any and all applicable IWC Wage Orders have an obligation to both (1) relieve their employees for at least one meal period for shifts over five hours (see above), and (2) to record having done so. If the employer fails to properly record a valid meal period, it is presumed that no meal period was provided. All applicable IWC Wage Orders, section 7(A)(3) (“Meal periods . . . shall also be recorded”); *Brinker, supra*, 53 Cal.4th 1004, 1052-1053, citing section 7(A)(3) (“If an employer’s records show no meal period for a given shift over five hours, a rebuttable presumption arises that the employee was not relieved of duty and no meal period was provided”).

Employers must pay employees an additional hour of wages at the employees’ regular rate of pay for each missed or unlawful meal period (e.g., less than 30 minutes, interrupted meal period, first

meal period provided after five (5) hours, second meal period provided after 10 hours). Lab. Code § 226.7; all applicable IWC Wage Orders, §11(B) (“If an employer fails to provide an employee a meal period in accordance with the applicable provision of this Order, the employer shall pay the employee one (1) hour of pay at the employee’s regular rate of compensation for each workday that the meal period is not provided”); *Brinker, supra*, 53 Cal.4th 1004.

COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES consistently worked shifts of five and a one-half (5 ½) hours or more, entitling to at least one meal period.

COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES would not receive legally compliant thirty (30) minute first meal breaks. Based on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES were consistently unable to take timely, off duty, thirty-minute, uninterrupted meal periods, often being forced to take late meal periods, interrupted meal periods, and/or work through part or all their meal periods due to understaffing, the nature and constraints of their job duties and/or commentary from supervisors pressuring them to take non-compliant meal breaks or skip meal breaks completely. For example, COMPLAINANT was consistently required to work through his meal periods and/or had his meal periods interrupted/cut short due to the need to respond to work-related communications and/or return to work as needed to provide coverage and/or complete other work tasks. Any meal periods afforded COMPLAINANT were typically late (i.e. had to be taken after working more than five hours). At times, including but not limited to, during the approximately last three months of his employment, EMPLOYER placed COMPLAINANT at a post that was understaffed and/or failed to have sufficient guard coverage. Due to this, COMPLAINANT was rarely if ever afforded a full thirty-minute meal period during his shifts, including but not limited to, from approximately November 2022 through January 2023. Moreover, COMPLAINANT was required to remain under EMPLOYER’s control and/or otherwise on duty during any meal periods, including but not limited to, during the last three months of his employment, due to EMPLOYER’s policy of requiring COMPLAINANT to remain on the worksite premises and monitor his phone for work communications during purportedly off-duty, unpaid meal breaks.

Based on information and belief, other NON-EXEMPT AGGRIEVED EMPLOYEES were consistently suffered and permitted to take meal periods past the fifth hour of work and/or had their meal periods interrupted, cut short, restricted to EMPLOYER’s premises and/or otherwise on duty due to commentary from supervisors, understaffing, the nature and constraints of their job duties, and/or the need to meet EMPLOYER’s goals and expectations.

Based on information and belief, EMPLOYER implemented policies and/or practices that failed to relieve NON-EXEMPT AGGRIEVED EMPLOYEES of all duties and EMPLOYER’s control during unpaid meal periods. For example, from approximately November 2022 through January 2023, EMPLOYER placed COMPLAINANT at a post that was understaffed and/or did not have sufficient guard coverage. Due to this, COMPLAINANT had to remain on the worksite premises/could not leave his post at any time, including but not limited to, during purportedly off-duty, unpaid meal breaks. Moreover, COMPLAINANT had to monitor his phone for work-related communications during purportedly off-duty, unpaid meal breaks. Throughout their employment,

COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES regularly worked at locations that were understaffed.

Based on information and belief, EMPLOYER required NON-EXEMPT AGGRIEVED EMPLOYEES to complete off-the-clock work prior to their scheduled shift time which EMPLOYER failed to take into account when scheduling meal periods for NON-EXEMPT AGGRIEVED EMPLOYEES. Based on information and belief, meal periods were late, in part due to unaccounted pre-shift off-the-clock work.

Based on information and belief, EMPLOYER had actual and/or constructive knowledge that its policies and practices resulted in the denial of uninterrupted meal periods which were free of EMPLOYER's control owed to COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES, in violation of California's meal period laws.

Based on information and belief, per EMPLOYER's uniform policy and practice, NON-EXEMPT AGGRIEVED EMPLOYEES who worked shifts of more than ten hours did not receive a second legally compliant thirty (30) minute second meal break. For example, when COMPLAINANT worked shifts lasting longer than ten hours, he was not afforded any version of a second meal period.

Based on information and belief, despite EMPLOYER's failure to provide lawful meal periods, EMPLOYER implemented a policy and/or practice of rounding the start and end times of COMPLAINANT's and other NON-EXEMPT AGGRIEVED EMPLOYEES' meal periods and/or automatically deducting at least thirty minutes per shift for missed and/or otherwise unlawful meal periods (including meal periods restricted to EMPLOYER's premises), despite having actual and/or constructive knowledge that COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES did not receive lawful meal periods.

Moreover, based on information and belief, EMPLOYER failed to keep accurate records of the true start and end times of COMPLAINANT's and NON-EXEMPT AGGRIEVED EMPLOYEES' meal periods. Based on information and belief, to the extent meal period were recorded, EMPLOYER illegally rounded the start and end times of purported meal periods resulting in COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES not being paid for all time worked as well as late and/or shortened meal periods. *See Donohue v. AMN Services, LLC* (2021) 11 Cal.5th 58.

Based on information and belief, EMPLOYER failed to instruct COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES as to the timing and duty-free nature of meal periods. Based on further information and belief, EMPLOYER did not have a compliant written meal break policy, nor did EMPLOYER have any sort of compliant policy in practice. Liability for the NON-EXEMPT AGGRIEVED EMPLOYEES can be established by evidence that an employer adopted a uniform corporate break policy that failed to give full effect to California law and the applicable Wage Order requirements. The fact that employees may legally waive meal breaks does not affect this result. *Brinker, supra*, 53 Cal.4th 1004.

COMPLAINANT is further informed and believes and thereon alleges that EMPLOYER had actual and/or constructive knowledge that its time-rounding and/or auto-deduction policies and practices resulted in the denial of lawful meal periods owed to COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES, in violation of California's meal period laws.

EMPLOYER failed to pay COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES, an additional hour of wages at their respective regular rates of compensation for each workday a lawful meal period was not provided. EMPLOYER either failed to pay a meal period premium at all for each workday a lawful meal period was not provided and/or failed to pay the proper meal period premium for failure to incorporate all non-discretionary remuneration, including but not limited to, bonuses, shift differential pay and/or other non-discretionary compensation into the regular rate or compensation for purposes of calculating the owed meal period premium.

The aforementioned conduct results in violations of Labor Code sections 226.7, 512, and 1198-1199, and all applicable IWC Wage Orders, section 11(A) and (C) along with all applicable IWC Wage Orders. These violations subject EMPLOYER to civil penalties under Labor Code sections 558.1, 558 and 2699, and all applicable IWC Wage Orders, section 20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE for each pay period during which the referenced statutes and Wage Order provisions were violated.⁴ EMPLOYER's failure to provide valid meal periods, and the automatic deduction for meal periods that were not provided/valid, ultimately results in further violations, such as violations of Labor Code sections 1174, 1199, 226.6, discussed above, and other violations discussed below.

Rest Period Violations: California law requires employers to provide employees a paid, duty-free ten (10) minute rest period for each four (4) hours worked, or major fraction thereof. *See* applicable IWC Wage Order, §12(A). In *Brinker v. Restaurant Corp. v. Superior Court*, 53 Cal.4th 1004 (2012), the California Supreme Court held that employees are entitled to a 10-minute paid rest period for shifts from 3 ½ to 6 hours in length, two 10-minute rest periods for shifts more than 6 hours up to 10 hours, and three 10-minute rest periods for shifts of more than 10 hours up to 14 hours. (*Id.* at 1029). The rest period requirement obligates employers to permit and authorize employees to take off-duty rest periods, meaning employers must relieve employees of all duties and relinquish control over how employees spend their time. *Augustus v. ABM Security Services, Inc.*, (2016) 5 Cal.5th 257, 269. Employers must pay employees an additional hour of wages at the employee's regular rate of pay for each missed or improper rest period (e.g., less than 10 minutes, interrupted rest period, rest period(s) at improper time(s) during shift(s). Lab. Code §226.7;

⁴ See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period"); Lab. Code §558 (establishing that the civil penalty is "for each underpaid employee for each pay period for which the employee was underpaid"); All applicable IWC Wage Orders, §20 (establishing that "[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid").

applicable IWC Wage Order, §12(B) (“If an employer fails to provide an employee a rest period in accordance with the applicable provisions of this Order, the employer shall pay the employee one (1) hour of pay at the employee’s regular rate of compensation for each work day that the rest period is not provided”).

Moreover, under California law rest periods must be a “net” ten minutes in a suitable rest area. *Id.* at 268 (relying on January 3, 1986 and February 22, 2002 DLSE Letters wherein the DLSE ruled that the net ten-minute language for rest periods means ten minutes of time in a rest area and cannot include time it takes to get to and from the rest area). The employer must show that it clearly articulates the right to a net ten minutes, which means it must clearly communicate what “net” ten minutes means (i.e., regardless of what happens along the way to and from a rest area, employees are entitled to a full ten minutes of rest in the rest area). *Id.*; see also, *Bufile v. Dollar Fin. Grp., Inc.*, (2008) 162 Cal. App. 4th 1193, 1199 (the “onus is on the employer to clearly communicate the authorization and permission [to take rest periods] to its employees.”).

EMPLOYER did not properly authorize and provide COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES with legally compliant rest periods at a rate of every four (4) hours worked or major fraction thereof, that insofar as practicable, are provided in the middle of the work period, as required by law.

COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES were not adequately informed, authorized, instructed about, nor permitted an opportunity to take proper rest breaks per California law. Based on information and belief, EMPLOYER had no policy in place nor instruction as to the taking of duty-free rest periods. Based on information and belief, EMPLOYER did not have a compliant written rest period policy, nor did EMPLOYER have any sort of compliant rest period policy in practice. For example, due to the nature and constraints of his duties, understaffing and/or lack of coverage, COMPLAINANT was consistently required to work through his owed rest periods. Moreover, COMPLAINANT was rarely if ever relieved of all duties and employer control during any rest periods. For example, COMPLAINANT was required to monitor a work communication device and remain at his post/tethered to his worksite throughout the entirety of his shift, during most if not all shifts he worked, including but not limited to, for example, during all shifts worked from approximately November 2022 through January 2023.

Moreover, on information and belief, EMPLOYER failed to authorize and permit rest periods that were a “net” ten minutes in a suitable rest area and instead, to the extent rest periods were provided at all, limited NON-EXEMPT AGGRIEVED EMPLOYEES to only ten-minute rest periods, requiring them to be back at their workstations within ten minutes of leaving, in violation of California rest period law. EMPLOYER’s failure to communicate that the rest period is a net ten minutes deprived NON-EXEMPT AGGRIEVED EMPLOYEES of their rights to a full rest period, as such as policy only relieves NON-EXEMPT AGGRIEVED EMPLOYEES from their workstation for ten minutes to travel to and from a rest area and be back at the workstation by the end of that ten minutes.

Based on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES' rest periods were interrupted, cut short, on duty, restricted to premises and/or late due to understaffing, the nature and constraints of their job duties, and/or due to commentary from supervisors/ managers pressuring NON-EXEMPT AGGRIEVED EMPLOYEES to skip rest breaks completely or otherwise take non-compliant rest periods.

Moreover, based on information and belief, EMPLOYER failed to provide any form of a third rest period on shifts lasting longer than ten hours. For example, when COMPLAINANT worked shifts lasting longer than ten hours, he was not afforded any version of a third rest period.

Based on information and belief, EMPLOYER implemented policies and/or practices that failed to relieve COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES of all duties and EMPLOYER's control during rest periods.

Based on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES were pressured to complete their work duties according to a designated schedule such that rest breaks were only taken once tasks were completed, and/or as time permitted.

Furthermore, EMPLOYER failed to pay a rest period premium for each day in which NON-EXEMPT AGGRIEVED EMPLOYEES experienced a missed or otherwise unlawful rest period in violation of California law. *Bluford v. Safeway Stores, Inc.* (2013) 216 Cal. App. 4th 864, 872. EMPLOYER failed to pay COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES, an additional hour of wages at their respective regular rates of pay for each workday a proper rest period was not provided. EMPLOYER either failed to pay a rest period premium at all for each workday a lawful rest period was not provided and/or failed to pay the proper rest period premium for failure to incorporate all non-discretionary remuneration, including but not limited to, bonuses, shift differential pay, and/or other non-discretionary compensation into the regular rate of compensation for purposes of calculating the owed rest period premium.

The aforementioned conduct results in violations of Labor Code sections 226.7, and 1198-1199, and all applicable IWC Wage Orders, §12(A). These violations subject EMPLOYER to civil penalties under Labor Code sections 558, 2699, and all applicable IWC Wage Orders, §20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE for each pay period during which the referenced statutes and Wage Order provisions were violated.⁵

Minimum Wage Violations: “Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation

⁵ See Lab. Code §2699(f)(2) (establishing that the civil penalty is “for each aggrieved employee per pay period”); and All applicable IWC Wage Orders, §20 (establishing that “[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid”).

applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorneys' fees, and costs of suit." Labor Code section 1194.

It is fundamental that an employer must pay its employees for all time worked. California Labor Code sections 218 and 218.5 provide a right of action for nonpayment of wages. Labor Code section 222 prohibits the withholding of part of a wage. Labor Code section 223 prohibits the pay of less than a statutory or contractual wage scale. Payment to an employee of less than the applicable minimum wage for all hours worked in a payroll period is unlawful. Labor Code section 224 only permits deductions from wages when the employer is required or empowered to do so by state or federal law or when the deduction is expressly authorized in writing by the employee for specified purposes that do not have the effect of reducing the agreed upon wage. Labor Code section 1197 states the California requirement that employees must be paid at least the minimum wage fixed by the Commission, and any payment of less than the minimum wage is unlawful. The minimum wage standard applies to each hour employees worked for which they were not paid. Pursuant to section 4 of the applicable Wage Order, "Every employer shall pay to each employee not less than the applicable minimum wage for all hours worked in the payroll period..." The applicable Wage Order defines "hours worked" as "the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so." See §2 of all applicable Wage Orders. Therefore, employers are required to pay employees for all time spent subject to the control of the employer and all time the employee is suffered or permitted to work. An employer's failure to pay for any particular hour worked by an employee is unlawful even if averaging an employee's total pay over all hours worked, paid or not, results in an average hourly wage above minimum wage. *Armenta v. Osmose, Inc.* (2005) 135 Cal.App.4th 314, 324. Furthermore, "in any action under Section 98, 1193.6, 1194, or 1197.1 to recover wages because of the payment of a wage less than the minimum wage fixed by an order of the commission or by statute, an employee shall be entitled to recover liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon..." *Cal. Lab. Code* § 1194.2.

EMPLOYER failed to compensate COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES for all hours worked by virtue of EMPLOYER's automatic deduction and time rounding policies for shift start and shift end times and meal period start and end times, and failure to relieve employees of all duties/employer control during unpaid meal periods or otherwise unlawful practices for missed or improper meal periods as explained above.

Based on information and belief, EMPLOYER implemented a policy and/or practice of rounding meal period start and end times and/or automatically deducting at least thirty minutes per shift for meal periods, despite having actual and/or constructive knowledge that COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES were subject to EMPLOYER's control during purported meal periods and/or were otherwise not afforded with lawful meal periods, depriving COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES of all wages owed.

Based on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES were not paid for all hours worked due to EMPLOYER's policy and/or practice of paying according to scheduled hours worked instead of actual time worked, and/or mandated off-the clock work policies and/or practices. For example, EMPLOYER's pay records, payroll registers and/or wage statements issued to COMPLAINANT evidence rounding to at least the nearest quarter, half and/or whole hour. For example, EMPLOYER's payroll register for COMPLAINANT for workweek ending on July 13, 2022, shows an exact 36.00 regular hours worked and precisely .50 overtime hours worked; similarly, EMPLOYER's payroll register for COMPLAINANT for workweek ending on July 20, 2022, shows an exact 27.50 regular hours worked and precisely 9.00 overtime hours worked and precisely 2.75 double time hours worked; similarly, EMPLOYER's payroll register for COMPLAINANT for workweek ending on July 27, 2022, shows precisely 38.00 regular hours worked and precisely 2.25 overtime hours worked; likewise, EMPLOYER's payroll register for COMPLAINANT for workweek ending on August 3, 2022 shows precisely 27.25 regular hours worked and precisely 1.25 overtime hours worked. Based on information and belief, EMPLOYER rounded COMPLAINANT's hours worked to at least the nearest quarter, half and/or whole hour during most if not all pay periods during the relevant period. Based on further information, EMPLOYER also rounded other NON-EXEMPT AGGRIEVED EMPLOYEES total hours worked to at least the nearest quarter, half and/or whole hour, during most if not all pay periods during the relevant period, resulting in the substantial underpayment of minimum wages and overtime wages owed to NON-EXEMPT AGGRIEVED EMPLOYEES.

Based on information and belief, at times, EMPLOYER's electronic time-keeping system/app malfunctioned such that NON-EXEMPT AGGRIEVED EMPLOYEES were required to either reinitiate and/or otherwise troubleshoot the system/app and/or wait for the system/app to boot prior to being able to clock in and/or were unable to clock in at all for the start of their shifts and/or clock back in from meal periods, resulting in off-the-clock work and the underpayment of wages owed to NON-EXEMPT AGGRIEVED EMPLOYEES. Based on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES experienced the same issues when clocking out for shifts and/or back in for meal periods. This time spent under EMPLOYER's control was not recorded and not compensated and resulted in unpaid minimum wages owed to NON-EXEMPT AGGRIEVED EMPLOYEES.

Based on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES were also required to complete off-the-clock work outside of scheduled shifts due to, including but not limited to, work-related phone calls and/or messages they received to their phones and were required to respond to outside of their scheduled shift times, including but not limited to, communications from supervisors and/or other NON-EXEMPT AGGRIEVED EMPLOYEES regarding scheduling and/or other work tasks, resulting in the underpayment of wages owed to NON-EXEMPT AGGRIEVED EMPLOYEES.

Based on further information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES were not paid for additional pre-shift and/or post-shift off-the-clock work, work during unpaid meal periods and/or other work outside their scheduled shift times, including but not limited to, all time spent traveling between assigned job sites/work locations, all time spent bestowing personal items in

and/or retrieving personal items from employee lockers and/or storage areas, all time spent compiling, retrieving, maintaining and/or returning work equipment/tools and/or all time spent donning and doffing uniforms/work clothing/personal protective/safety gear (e.g., protective vests, hats, face masks, gloves, work boots and/or other mandated work clothing/gear) during meal periods, before the start of a scheduled shift, and after completing a scheduled shift resulting in the underpayment of wages owed to NON-EXEMPT AGGRIEVED EMPLOYEES.

Based on information and belief, EMPLOYER failed to pay NON-EXEMPT AGGRIEVED EMPLOYEES for time they were required to spend completing orientation, policy questionnaires, and/or time spent completing the onboarding process including but not limited to reviewing various documents and policies provided by EMPLOYER. Based on information and belief, this work time was completed off-the-clock and was not compensated.

Based on further information and belief, EMPLOYER implemented a time-rounding system that as applied systematically deprived COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES of compensable time because the time-rounding system implemented by EMPLOYER would almost always, if not always, result in understating actual compensable work time. For example, as explained above, EMPLOYER's pay records and/or wage statements for COMPLAINANT evidence rounding of COMPLAINANT's hours worked to at least the nearest quarter, half and/or whole hour, resulting in the consistent underpayment of minimum wages owed to COMPLAINANT. Based on information and belief, EMPLOYER systemically shaved time off other NON-EXEMPT AGGRIEVED EMPLOYEES workdays by rounding other NON-EXEMPT AGGRIEVED EMPLOYEES' hours worked to at least the nearest quarter, half and/or whole hour during most if not all pay periods, resulting in the consistent underpayment of minimum wages owed to those NON-EXEMPT AGGRIEVED EMPLOYEES. EMPLOYER's failure to pay for all time worked by virtue of its time-rounding practices resulted in the underpayment of minimum wages owed to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES as well as unpaid overtime wages for those NON-EXEMPT AGGRIEVED EMPLOYEES who worked more than eight (8) hours in a day and/or more than forty (40) hours in a week.

EMPLOYER's failure to pay for all time worked by virtue of its time rounding, auto-deduction policies and practices for unlawful meal periods, failure to provide lawful meal periods, and/or other off-the-clock work practices and policies, resulted in the underpayment of minimum wages owed to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES as well as unpaid overtime wages for those NON-EXEMPT AGGRIEVED EMPLOYEES who worked more than eight (8) hours in a day and/or more than forty (40) hours in a week.

Based on information and belief, EMPLOYER had actual and/or constructive knowledge that its time rounding policies/practices, auto-deduction policies and practices, failure to provide lawful meal periods and/or other off-the-clock work resulted in the underpayment of minimum wages owed to COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES, in violation of California's minimum wage laws.

These violations subject EMPLOYER, to civil penalties under Labor Code sections 558, 558.1, 1197.1 and all applicable IWC Wage Orders, §20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE, for each pay period during which the referenced statutes and Wage Order provisions were violated.⁶

Overtime Violations: California law requires employers to pay overtime equal to one and one-half times the regular hourly rate of pay for each hour worked beyond eight (8) hours per workday and each hour worked beyond forty (40) hours per work week. Lab. Code §510; IWC Wage Order All applicable IWC Wage Orders §3. Employers must pay overtime equal to double the regular hourly rate of pay for each hour worked beyond twelve (12) hours per workday and for all hours worked in excess of eight (8) hours on the seventh consecutive day of work in a work week. *Ibid.*

Based on information and belief, EMPLOYER violated California's overtime laws by, among other things, failing to correctly calculate, or record, the total number of hours worked by COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES and not paying proper overtime rates for overtime worked by virtue of same.

Namely, EMPLOYER's automatic deduction and time rounding policies and practices for meal periods and shift start times and shift end times, payment according to scheduled hours worked rather than actual time worked, off-the-clock/unpaid work completed during meal periods and/or time spent restricted to EMPLOYER's premises and/or subject to EMPLOYER's control during off-the-clock meal periods (described above), and/or other off-the-clock work resulted in the failure to account for all hours worked and thus the denial of minimum wages as well as overtime wages owed to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES who worked more than eight (8) hours in a day or more than forty (40) hours in a week.

Based on information and belief, EMPLOYER failed and continues to fail to pay premium wage rate for all hours worked beyond eight (8) hours in a day or beyond forty (40) hours in a week.

Based on information and belief, EMPLOYER failed and continues to fail to pay twice NON-EXEMPT AGGRIEVED EMPLOYEES' regular rate(s) of pay for time worked beyond twelve (12) hours per workday and for time worked beyond eight (8) hours on the seventh consecutive day of work in a work week, in violation of California's overtime laws.

Based on information and belief, EMPLOYER failed to incorporate all non-discretionary remuneration, including but not limited to, shift differential pay, bonus pay, multiple base rates of pay and/or other non-discretionary pay into the regular rate of pay used to calculate the owed

⁶ See Lab. Code §1197.1(a) (establishing that the civil penalty is "for each underpaid employee for each pay period for which the employee was underpaid"); All applicable IWC Wage Orders, §20 (establishing that "[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid").

overtime rate(s), resulting in the miscalculation and underpayment of overtime wages owed to COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES.

This conduct results in violations of Labor Code sections 218.5, 510, 558, 558.1, 1198-1199, and all applicable IWC Wage Orders, §3(A). These violations subject EMPLOYER to civil penalties under Labor Code sections 558, 558.1, 218.5, and 2699, and all applicable IWC Wage Orders, §20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE, for each pay period during which the referenced statutes and Wage Order provisions were violated.⁷

Violation of California Labor Code §§ 245-248.5: Throughout the relevant time period, EMPLOYER failed to provide proper paid sick leave to COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES. EMPLOYER either failed to provide paid sick leave at all or improperly calculated the sick leave accrual and the sick leave rate of pay owed to COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES by failing to base the accrued sick leave hours on the correct number of hours worked (as a result of the rounding/automatic deduction policies and practices for meal periods and/or shift start and end times/other required off-the-clock work including but not limited to work completed during unpaid meal periods and by failing to incorporate multiple rates of pay and/or all non-discretionary remuneration, including but not limited to, non-discretionary bonuses, shift differential pay, commission and/or piece-rate compensation and/or other non-discretionary compensation into the sick leave pay rate calculation.

Based on information and belief, EMPLOYER further failed to provide notice of the correct sick leave amount balance available to COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES on their wage statements or other written statement.

Based on information and belief, EMPLOYER failed to put NON-EXEMPT AGGRIEVED on notice of their paid sick leave rights—or thereby putting their entitlement to sick leave in a Labor Code section 2810.5 notice. In addition, EMPLOYER failed to maintain accurate records of used sick leave and the balance of paid sick leave left to the NON-EXEMPT AGGRIEVED EMPLOYEE throughout the relevant time period.

Based on information and belief, throughout the relevant period, EMPLOYER failed to provide notice of sick leave amount balance left for COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES, thus affecting their intelligent exercise of their paid sick leave. But for this failure, COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES would

⁷ See Lab. Code §2699(f)(2) (establishing that the civil penalty is “for each aggrieved employee per pay period”); Lab. Code §558 (establishing that the civil penalty is “for each underpaid employee for each pay period for which the employee was underpaid”); All applicable Wage Orders, §20 (establishing that “[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid”).

have used their paid sick leave at least prior to their respective separations, for as on several occasions thereafter, he or she would have been entitled to use the banked sick leave and earn appropriate compensation.

This illegal retention of paid sick leave is unlawful, and COMPLAINANT seeks all forms of injunctive relief, restitution, and declaratory relief as permitted by California law, on behalf of COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES.

In violation of Labor Code section 247.5, EMPLOYER failed to maintain records documenting the hours worked and paid sick days accrued and used by COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES, permitting the presumption that COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES were entitled to the maximum number of hours accruable under this article.

Upon information and belief, EMPLOYER further failed and continues to fail to comply with Labor Code section 246, by failing to provide COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES with a Labor Code section 226 wage statement, or separate writing containing the amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, at the time it pays wages.

EMPLOYER unlawfully retained and continues to retain paid sick leave that should have been paid but was not, as a result of EMPLOYER's failure to properly institute a paid sick leave program.

On information and belief, COMPLAINANT alleges that all of these practices were experienced and continue to be experienced by other NON-EXEMPT AGGRIEVED EMPLOYEES.

COMPLAINANT requests all appropriate relief under the PAGA and these statutes, including but not limited to the restitution of earned paid sick leave that could have been used, but was not due to EMPLOYER's sole failure to institute such a paid sick leave entitlement or paid sick leave bank as required by California law.

Accordingly, COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES are entitled to injunctive relief, attorney's fees, declaratory relief, restitution, and penalties as permitted by law. COMPLAINANT requests all relief pursuant to the aforementioned code provisions, including but not limited to Labor Code sections 233 and 234, which incorporates the paid sick leave requirements.

Failure To Provide Supplemental Paid Sick Leave: Labor Code section 248.2 provides that all employers with 26 or more employees are required to provide up to 80 hours for covered employees to take 2021 COVID-19 Supplemental Paid Sick Leave to care for themselves, to care for a family member or if it is vaccine-related. Based on information and belief, EMPLOYER violated Labor Code section 248.2 by not providing NON-EXEMPT AGGRIEVED EMPLOYEES with required 2021 COVID-19 Supplemental Paid Sick Leave. Based on

information and belief, EMPLOYER failed to provide Supplemental Paid Sick Leave in 2022 in violation of Labor Code section 248.6.

Refusal to Make Payment: Labor Code section 216 declares unlawful an employer's refusal to pay wages due and payable and/or denial of the validity of any claim to wages due.

EMPLOYER violated and continues to violate Labor Code section 216 by failing to pay COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES for all hours worked at the proper wage rate and by failing to pay COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES an additional hour of pay for each meal and/or rest period not provided or that was invalid. *Gould v. Maryland Sound Industries, Inc.* (1995) 31 Cal.App.4th 1137, 1154-1155.

These violations subject EMPLOYER to civil penalties under Labor Code section 225.5. Each violation results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE, for each pay period during which the statute's provisions were violated.⁸

Wage Statement Violations: California law requires every employer semi-monthly or at the time of each payment of wages to furnish each of his or her employees with an accurate itemized wage statement in writing that contains the following: (1) gross wages earned; (2) total hours worked by the employee; (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; (4) all deductions; (5) net wages earned; (6) the inclusive dates of the period for which the employee is paid; (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number; (8) the name and address of the legal entity that is the employer; and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. Cal. Lab. Code. section 226(a).

As EMPLOYER failed to provide COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES with meal and rest periods that complied with Labor Code section 226.7, the wage statements EMPLOYER issued to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES failed and continue to fail to correctly set forth (a) the gross wages earned, in violation of Labor Code section 226(a)(1); (b) the total hours worked by the employee in violation of Labor Code section 226(a)(2); (c) the net wages earned, in violation of Labor Code section 226(a)(5); and (d) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee, in violation of Labor Code section 226(a)(9).

EMPLOYER's wage statements that it provided to COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES also failed to indicate the earned gross and net wages earned during

⁸ Labor Code § 225.5 (establishing that “[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who unlawfully withholds wages due any employee in violation of sections 212, 216, 221, 222, or 223 shall be subject to a civil penalty...for each failure to pay each employee”) (emphasis added).

the pay period, the correct applicable rates of pay for all hours worked, and the “total hours worked” by COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES (by virtue of rounded time entries, automatic deduction for meal periods/failure to relieve NON-EXEMPT AGGRIEVED EMPLOYEES of all duties and employer control during unpaid meal periods, payment according to scheduled hours worked rather than actual hours worked, and/or other off-the-clock work policies and practices described above), which results in a violation of Labor Code section 226(a).

Separately, based on information and belief, EMPLOYER’s wage statements issued during the relevant period to NON-EXEMPT AGGRIEVED EMPLOYEES fail to indicate the total recorded hours worked.

Failure to list all hours worked on a wage statement, gives rise to an inference of injury under Labor Code Section 226 (*Maldonado v. Epsilon Plastics, Inc.*, (2018) 22 Cal.App.5th 1308, 1337).

Based on information and belief, wage statements issued by EMPLOYER failed to list the inclusive dates of the pay period for which the NON-EXEMPT AGGRIEVED EMPLOYEE or EXEMPT AGGRIEVED EMPLOYEE is being paid.

EMPLOYER’s failure to accurately list all hours worked on all wage statements caused confusion to COMPLAINANT and caused and continues to cause confusion to the NON-EXEMPT AGGRIEVED EMPLOYEES over whether they received all wages owed to them. COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES were injured by EMPLOYER’s failure to provide accurate wage statements.

In addition, because of the violations detailed above, including but not limited to, not paying regular and overtime wages for all hours worked, not paying all sick leave wages at the proper rates, and failing to provide meal and rest break premiums, EMPLOYER has violated California Labor Code § 226 by willfully failing to furnish COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES with accurate, itemized wage statements. As described herein, based on information and belief, EMPLOYER also failed to incorporate all forms of non-discretionary compensation earned during the pay period into the overtime pay rate calculation, and as such, failed to display the proper overtime rate(s) for each hour of overtime worked by COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES.

Based on information and belief, wage statements issued by EMPLOYER failed to list all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee, in violation of Labor Code section 226(a)(9).

Moreover, based on information and belief, EMPLOYER issued wage statements to COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES that further violate Labor Code section 226(a), by among other things, failing to list the correct name and/or address of the legal entity that is the employer. For example, based on information and belief, wage statements issued to NON-EXEMPT AGGRIEVED EMPLOYEES

and EXEMPT AGGRIEVED EMPLOYEES identify “DSI Security Services” and/or “DSI Security Services Inc.” and/or “DSI” as the name of the legal entity that is the employer. However, based on information and belief, there are no legal entity/entities named “DSI Security Services” and/or DSI Security Services Inc.” and/or “DSI” in existence. As such, EMPLOYER issued wage statements to NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES that failed to list the correct name and/or address of the legal entity that is the employer, in violation of Labor Code section 226(a)(8).

As a result, the wage statements provided to COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES were not accurate and did not include all of the statutorily required information.

These violations subject EMPLOYER to civil penalties under Labor Code section 226. Each violation results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE and each EXEMPT AGGRIEVED EMPLOYEE, for each pay period during which the statute provisions were violated.⁹

Semimonthly Payment Violations: Labor Code section 204 requires that all earned wages must be paid to employees twice during each calendar month. EMPLOYER violated this section by, including but not limited to, failing to pay COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES an additional hour of pay for meal and rest periods not provided and/or otherwise unlawful, by failing to compensate employees for all hours worked, and by failing to pay proper premium wage rates for all hours worked. These violations subject EMPLOYER to civil penalties under Labor Code section 210. Each violation results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE for each pay period during which the statute’s provisions were violated.

Seating Violations: Per section 14(A-B) of all applicable IWC Wage Orders, employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats and when they are not actively engaged in the work duties that would not permit them to be seated.

All applicable IWC Wage Orders, Section 14(A-B) provides:

(A) All working employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats.

(B) When employees are not engaged in the active duties of their employment and the nature of the work requires standing, an adequate number of suitable seats shall be placed in reasonable proximity to the work area and employees shall be permitted to use such seats when it does not interfere with the performance of their duties.

⁹ See Lab. Code §226.3 (establishing that the civil penalty is “per employee per violation”).

Suitable seating is one of the worker protections covered by California's Wage Orders, which have the same dignity as statutes, are remedial in nature and are to be broadly construed to effectuate the goal of protecting the comfort and welfare of employees. *Brinker Restaurant Corp. v. Superior Court*, 53 Cal.4th 1004, 1027 (2012).

Based on information and belief, EMPLOYER failed to provide NON-EXEMPT AGGRIEVED EMPLOYEES with suitable seating, and when such employees were not engaged in duties which required them to stand, no seating was placed in reasonable proximity to their workstations.

Moreover, based on information and belief, the nature of the work reasonably permitted the use of seats for at least part of the time that NON-EXEMPT AGGRIEVED EMPLOYEES were working. Lastly, based on information and belief, there were periods of time when NON-EXEMPT AGGRIEVED EMPLOYEES were not engaged in active duties of their employment, yet there were no suitable seats in reasonable proximity to the work area and use of seats would not interfere with the performance of their duties.

EMPLOYER's NON-EXEMPT AGGRIEVED EMPLOYEES worked in various positions. The nature of COMPLAINANT's and other NON-EXEMPT AGGRIEVED EMPLOYEES' work reasonably permitted the use of seats. However, EMPLOYER failed to provide suitable seating in reasonable proximity to NON-EXEMPT AGGRIEVED EMPLOYEES' work areas in violation of section 14(A-B) of all applicable Wage Orders, and Labor Code sections 1198 and 1199, subjecting EMPLOYER to civil penalties under Labor Code sections 1199 and 2699. Each violation of each Labor Code section and IWC Wage Order provision, for each NON-EXEMPT AGGRIEVED EMPLOYEE, results in a separate civil penalty.¹⁰

Standard Conditions of Labor Violations: Together, Labor Code sections 1198 and 1199 make unlawful any employment of any employee under conditions of labor prohibited by the Wage Orders, and any violation, refusal, or neglect to comply with any provision within Part 4, Chapter 1 of the Labor Code, including sections 1174, 1197, and 1198, or order or ruling of the commission.

Therefore, EMPLOYER's violations, including but not limited to, with respect to meal periods, rest periods, recordkeeping provisions, minimum wages and overtime wages, suitable seating, and business expenses, result in separate violations of sections 1198 and 1199, which subject EMPLOYER to civil penalties under Labor Code sections 1197.1 and 2699.

Statutory Wage Violations: Labor Code section 223 makes it unlawful for an employer to secretly pay wages lower than required by statute while purporting to pay legal wages.

As described above, EMPLOYER willfully and systematically denied COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES of minimum and overtime wage compensation for all hours worked which resulted in the payment of less than statutorily required wages owed to them. EMPLOYER acted with the intent to deprive them of statutory wages, including, but not

¹⁰ See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period").

limited to, overtime wages and minimum wages, to which they were entitled to under California law.

Thus, EMPLOYER paid COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES lower wages than those they were entitled to while purporting that COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES were properly paid. As such, COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES are entitled to recover penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code § 2699(f)-(g).

Failure to Pay Vested Vacation/Paid Time Off:

California Labor Code section 227.3 provides that when an employer policy provides for paid vacations and/or paid time off, and an employee is terminated without having taken off his, her, or their vested vacation time, all vested vacation shall be paid to the employee as wages at the employee's final rate in accordance with such contract of employment or employer policy respecting eligibility or time served and that there shall be no forfeiture of vested vacation time or paid time off upon termination. Based on information and belief, EMPLOYER had and continues to have a uniform policy and practice of failing to allow NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to use their earned vacation/paid time off during their employment and failing to pay all vested, accrued paid time off to NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES upon separation of employment, in violation of California law, including but not limited to, Labor Code section 227.3.

Final Pay Violations: Labor Code section 201 requires employers to pay all wages earned and unpaid at the time of discharge, immediately upon discharge. California Labor Code section 201(a) provides, in relevant part, that "[i]f an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately." California Labor Code section 202(a) provides, in relevant part, that "[i]f an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting." Pursuant to Labor Code section 203, an employer that willfully fails to pay wages due an employee who is terminated or resigns must pay (in addition to the unpaid wages) a penalty equal to the employee's daily wages for each day, not exceeding 30 days, that the wages are unpaid. This 30-day waiting time penalty is recoverable under the PAGA via Labor Code Section 256. See, *Iskanian v. CLS Transportation Los Angeles, LLC*, 59 Cal.4th 348 (2014); see also, *Caliber Bodyworks, Inc. v. Superior Court*, 134 Cal. App. 4th 365 (2005).

Based on information and belief, EMPLOYER failed to timely pay NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES all wages that were due and owing upon termination or resignation. Based on information and belief, EMPLOYER untimely provides final wages to NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES without regard to the timing requirements of Labor Code sections 201-202.

Upon separation of employment, NON-EXEMPT AGGRIEVED EMPLOYEES' and EXEMPT AGGRIEVED EMPLOYEES' final paychecks were not timely provided and/or were not timely provided with all owed vacation pay and/or paid time off. Moreover, NON-EXEMPT AGGRIEVED EMPLOYEES' final paychecks, once provided, did not include all wages owed as they were devoid of, including but not limited to, all owed minimum wages, overtime wages, premium wages, vacation pay, all owed sick leave and/or paid time off wages at the properly accrued rates.

Moreover, EMPLOYER failed to timely provide all owed wages immediately upon discharge of employment. For example, at times, COMPLAINANT experienced breaks in his employment caused by EMPLOYER whereby COMPLAINANT would not be called in for work for longer than a single pay period due to including but not limited to EMPLOYER's lack of work or lack of assignments. Such instances qualify as a discharge of employment. Yet, EMPLOYER failed to timely pay all owed wages at the end of such periods of employment, in violation of including but not limited to Labor Code section 201-202.

These violations subject EMPLOYER to civil penalties under Labor Code sections 203, 210, and/or 256. Each violation results in a *separate* civil penalty, for each EXEMPT AGGRIEVED EMPLOYEE and each NON-EXEMPT AGGRIEVED EMPLOYEE for each pay period during which the statute provisions were violated.¹¹

Business Expense Violations: California law requires employers to indemnify their employees for all necessary expenditures incurred by the employee in direct consequence of the discharge of their duties or of their obedience to the directions of the employer. *See* Cal. Lab. Code § 2802(a) and all applicable Wage Orders, § 9 (b). Furthermore, "for purposes of [section 2802], the term 'necessary expenditure or losses' shall include all reasonable costs, including, but not limited to, attorneys' fees incurred by the employee enforcing the rights granted by this section."

Among other things, under California law, when tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft. *See* applicable IWC Wage Order, § 9 (b).

Among other things, under California law, when employees must use their personal cellphones for work-related purposes, the employer must reimburse them for a reasonable percentage of their cell phone bills. *See Cochran v. Schwan's Home Services, Inc.* (2014) 228 Cal.App.4th 1137, 1140. To show liability, an employee will only need to show that he or she was required to use their personal cellphone for work-related purposes and not reimbursed for the use. *Id.* 1144-1145. California law also requires employers to reimburse employees for automobile expenses incurred for the business use of personal vehicles, such as for mileage, gas, and the wear and tear on the

¹¹ (establishing that "[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who fails to pay the wages of each employee as provided in Sections 201.3, 204, 204b, 204.1, 204.2, 205, 205.5, 1197.5, shall be subject to a civil penalty...for each failure to pay each employee").

vehicle. *See Gattuso v. Harte-Hanks Shoppers, Inc.* (2007) 42 Cal.4th 554. Further, “any contract or agreement, express or implied, made by any employee to waive the benefits of this article or any part thereof, is null and void, and this article shall not deprive any employee or his personal representative of any right or remedy to which he is entitled to under the laws of this State.” *See* Cal. Lab. Code § 2804.

Based on information and belief, COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES were improperly required to provide and maintain work tools that are supposed to be the responsibility of the employer.

Based on information and belief, EMPLOYER shifted its costs of doing business onto NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES by requiring them to pay for its business expenses, including but not limited to, including but not limited to, purchase and/or maintenance of uniforms/work clothing/shoes/protective equipment/safety gear and/or the use of NON-EXEMPT AGGRIEVED EMPLOYEES’ and/or EXEMPT AGGRIEVED EMPLOYEES’ personal mobile phone and data usage for work-related purposes to receive and respond to work related messages and/or phone calls. For example, COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES were required to download a timekeeping app on their personal cell phones and use it on a daily basis to clock in and out for their shifts, among other work-related uses, however, EMPLOYER failed to provide any and/or full reimbursement for use of NON-EXEMPT AGGRIEVED EMPLOYEES’ and/or EXEMPT AGGRIEVED EMPLOYEES’ personal mobile phone/device and data usage for work-related purposes.

EMPLOYER also failed to reimburse NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES for the cost of purchasing their own work tools, including but not limited to, hand tools and/or equipment NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES required to perform their assigned job duties. For example, EMPLOYER required that COMPLAINANT purchase soap and a vacuum for washing/cleaning the company vehicles, yet EMPLOYER did not reimburse COMPLAINANT at all for these business expenses. Based on information and belief, EMPLOYER have a policy and/or practice of failing to reimburse other NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES for the cost of purchasing, repairing and/or maintaining work tools and/or equipment required to perform their assigned job duties.

Based on information and belief, other NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES were/are required to use their personal vehicles for work purposes without receiving any reimbursement from EMPLOYER and /or full reimbursement from EMPLOYER, including but not limited to, reimbursement at the applicable legally mandated Internal Revenue Service (IRS) per mile compensation rate. For example, NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES were required to use their personal vehicles for work-related purposes, such as, but not limited to, driving between EMPLOYER’s multiple facilities/offices/locations and/or job sites but were not provided any and/or full reimbursement from EMPLOYER for the expenses NON-EXEMPT AGGRIEVED

EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES incurred in connection therewith, including but not limited to, mileage, cost of gas, and/or vehicle wear and tear. For example, COMPLAINANT was required to use his personal vehicle to drive between job sites and/or for other work purposes but was only provided a gas card for some fuel reimbursement and not reimbursed for all vehicle-related expenses he incurred including without limitation, reimbursement for mileage and/or wear and tear on his personal vehicle. Based on information and belief, other NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES were/are required to use their personal vehicles for work purposes without receiving any reimbursement from EMPLOYER and /or full reimbursement from EMPLOYER, including but not limited to, reimbursement at the applicable legally mandated Internal Revenue Service (IRS) per mile compensation rate.

Based on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES were improperly required to pay for business expenses that are supposed to be the responsibility of EMPLOYER.

As a pattern and practice, EMPLOYER regularly failed to reimburse and indemnify NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES for business expenses. Pursuant to California Labor Code section 2802, COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES were entitled to be reimbursed for all reasonable expenses associated with carrying out EMPLOYER's orders and/or carrying out the duties assigned by EMPLOYER.

As described herein, EMPLOYER regularly failed to reimburse and indemnify COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES for all reasonable expenses associated with carrying out their job duties. EMPLOYER's failure to provide COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES with full reimbursement for all reasonable expenses associated with carrying out their duties required that COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES subsidize and/or carry the burden of business expenses in violation of Labor Code section 2802.

Unlawful Agreements/ Unlawful Criminal History Inquiries:

Unlawful Agreements

Labor Code section 432.5 provides that "no employer...shall require any employee or applicant for employment to agree, in writing, to any term or condition which is known by such employer...to be prohibited by law." Based on information and belief, EMPLOYER required COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to agree in writing to unlawful conditions of employment including but not limited, unlawful non-compete/non-solicitation agreements and/or unlawful confidentiality/nondisclosure agreements and/or unlawful criminal and/or financial checks as a condition of obtaining and/or continuing employment in violation of Labor Code section 432.5.

The California Labor Code places certain procedural and substantive limits on employers' ability to conduct employee background checks and on how employers can use the information they obtain through those background checks. Labor Code section 1024.5 states that employers, except for financial institutions, may order a credit check only if the individual works (or is applying to work) in certain positions (e.g., managerial positions, financially-related positions, and certain government positions). Additionally, the Investigative Consumer Reporting Agencies Act (ICRAA- CA Civil Code section 1786, *et seq.*) and the Fair Credit Reporting Act (FCRA - 15 U.S.C. section 1681, *et seq.*) mandate several requirements prior to and following an employee background check, including but not limited to identifying an appropriate reason for the background check, a separate consent form with required disclosures and certain formatting requirements, additional forms such as a summary of rights, a way by which to request a copy of the report, as well as proper notice of adverse actions taken, among other statutory requirements.

Based on information and belief, EMPLOYER ordered unlawful financial credit checks on NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES, in violation of Labor Code section 1024.5, and required NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to provide ongoing written consent to the unlawful credit checks as a condition of employment, in violation of California and Federal law, which results in a further violation of Labor Code section 432.5.

Based on information and belief, EMPLOYER also required NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to submit and/or agree to submit in writing to unlawful criminal background checks as a condition of obtaining and/or holding employment in violation of the ICRAA and the FCRA.

Based on information and belief, EMPLOYER required NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to agree in writing to a background check which failed to abide by the requirements set forth in CA Civil Code section 1786, *et seq.* and 15 U.S.C. section 1681, *et seq.*, including but not limited to by failing to provide a clear and conspicuous disclosure (and/or failing to provide any disclosure at all), failing to provide disclosures free of extraneous information, failing to provide a lawful purpose for the background check, failing to provide a summary of rights under the ICRAA and/or the FCRA, failing to provide a way by which the individual could request a copy of the report, failing to disclose the name, address, and telephone number of the third party preparing the report, and failing to properly obtain authorization or consent to such a background check, and thus was an unlawful background check.

By requiring NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to agree in writing to unlawful criminal and/or financial checks not in conformance with the applicable laws, EMPLOYER violated Labor Code section 432.5.

Based on information and belief, EMPLOYER also required NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to agree in writing to provide ongoing consent to EMPLOYER to conduct background checks throughout the duration of employment, in violation of the ICRAA and/or FCRA and/or other applicable laws, resulting in a further

violation of Labor Code section 432.5, by requiring applicants and employees to agree to an unlawful provision as a condition of employment.

Based on further information and belief, EMPLOYER knew that requiring NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to agree to unlawful criminal and/or financial background checks as a condition of obtaining and/or holding employment was unlawful.

By requiring NON-EXEMPT AGGRIEVED EMPLOYEES, and EXEMPT AGGRIEVED EMPLOYEES agree in writing to unlawful provisions as a condition of employment, EMPLOYER violated Labor Code section 432.5.

Unlawful Inquires into Criminal History

Labor Code section 432.7 prohibits an employer from asking applicants about past arrest(s) unless they resulted in conviction(s) and even then, certain limitations apply. Based on information and belief, EMPLOYER asked NON-EXEMPT AGGRIEVED EMPLOYEES, and EXEMPT AGGRIEVED EMPLOYEES about arrests not resulting in convictions on its employment application, in violation of California law.

Upon information and belief, EMPLOYER, in violation of California law, including but not limited to the Fair Chance Act/the California Fair Employment and Housing Act ("FEHA"), asked NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES about convictions prior to extending an offer of employment and/or otherwise impermissibly inquired into criminal history on its employment application in violation of California law.

By asking about arrests not resulting in convictions, EMPLOYER violated Labor Code section 432.7. By asking about convictions at the application phase or prior to extending an employment offer, EMPLOYER violated California's Fair Chance Act, and thereby violated Labor Code section 432.5 by unlawfully requiring NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to agree in writing to disclose arrests and/or convictions as a condition of employment.

As such, COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES continue to be subject to various unlawful provisions as a condition of employment.

Conclusion

EMPLOYER has violated the above-referenced California Labor Code provisions, the applicable IWC Wage Order, including but not limited to all applicable Wage Orders, as well as other laws, and is liable for all applicable premium wages, statutory and civil penalties, interest, attorneys' fees, and costs. The civil penalties COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES seek to recover include, but are not limited to, the statutory and civil penalties specified above.

Labor Code § 2699.3 requires that a claimant send a certified letter (i.e. this NOTICE) to the employer in question and file an online claim to the LWDA setting forth the claims and the basis for the claims, thereby giving the LWDA an opportunity to investigate the claims and/or take any action it deems appropriate.

The purpose of this NOTICE is to satisfy the requirements created by Labor Code §§ 2699, 2699.3(a), 2699.3(b), 2699.3(c), and 2699.5, prior to seeking penalties and premium wages allowed by law for the aforementioned statutory violations in a civil action. We look forward to determining whether the LWDA intends to take any action in reference to these claims. We kindly ask that you respond to this NOTICE according to the time frame contemplated by the code.

If the LWDA elects not to take any action with respect to any of the foregoing claims, COMPLAINANT will seek these penalties in a civil action, on behalf of COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES of EMPLOYER within one year of the date of this letter as allowed by law.

Please advise if your office intends to investigate any of the factual and legal allegations and provide notice within sixty-five days of the date of this NOTICE to our office and to that of other charged parties. Thank you for your attention to this matter. If you have any questions, please contact me at the phone number or address below:

Kiara Bramasco
Crosner Legal, PC
9440 Santa Monica Blvd., Ste. 301
Beverly Hills, CA 90210
Main: 310.496.5818
Fax: 310.510.6429
Email: kiara@crosnerlegal.com

Thank you for your attention to this matter.

Best Regards,



Kiara Bramasco, Esq.
CROSNER LEGAL, PC



Manny Martinez <manny@crosnerlegal.com>

Thank you for submission of your PAGA Case.

LWDA DO NOT REPLY <lwdadonotreply@dir.ca.gov>
To: "zach@crosnerlegal.com" <zach@crosnerlegal.com>

Thu, Mar 2, 2023 at 4:45 PM

3/2/2023

LWDA Case No. LWDA-CM-939620-23
Law Firm : Crosner Legal, PC
Plaintiff Name : Miguel Jonas Ruiz
Employer: Dothan Security, Inc.
Filing Fee : \$75.00
IFP Claimed : No

Item submitted: Initial PAGA Notice

Thank you for your submission to the Labor and Workforce Development Agency. Please make a note of the LWDA Case No. above as you may need this number for future reference when filing any subsequent documents for this Case.

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

EXHIBIT

4

Thank you for your Court Complaint Submission.

1 message

DIR PAGA Unit <no-reply@formassembly.com>
To: mathew@crosnerlegal.com

Wed, Nov 6, 2024 at 10:10 AM

11/06/2024 10:10:18 AM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Court Complaint

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

EXHIBIT

5



Marla Monterrey <marla@crosnerlegal.com>

Thank you for your Proposed Settlement Submission

1 message

DIR PAGA Unit <no-reply@formassembly.com>
To: maria@crosnerlegal.com

Wed, Nov 6, 2024 at 2:23 PM

11/06/2024 02:23:14 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

EXHIBIT

6

Miguel Jonas Ruiz v. Dothan Security, Inc.
(Los Angeles Superior Court Case No. 23STCV08293)

Crosner Legal Time Report

Tasks	Zachary Crosner	Jamie Serb	Sepideh Ardestani	Kiara Bramasco	Branden Hamilton
Pre-filing Case Investigation	6.4	0.0	0.0	1.8	6.5
Pleadings and Law and Motion	3.7	0.0	0.0	6.0	8.8
Discovery and Post-Filing Investigation	2.2	0.0	1.3	0.0	0.0
Court Appearances	0.0	0.0	2.0	0.0	0.0
Case Management; Litigation Strategy & Analysis	17.6	54.8	17.8	0.0	0.0
Mediation and Settlement	5.5	11.0	19.5	0.0	0.0
Total Hours	35.4	65.8	40.6	7.8	15.3
Hourly Rate	\$800	\$750	\$700	\$650	\$600
Lodestar	\$28,320.00	\$49,350	\$28,420.00	\$5,070.00	\$9,180.00

Total Hours: 164.9

Total Lodestar: \$120,340