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*Attorneys for Plaintiff ALMA LOZANO,
individually, and on behalf of other similarly
situated employees and aggrieved employees
pursuant to the California Private Attorneys General Act*

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

ALMA LOZANO, individually, and on behalf
of other similarly situated employees and
aggrieved employees pursuant to the
California Private Attorneys General Act,

Plaintiff,

vs.

JAKKS PACIFIC, INC.; WORKFORCE
PERSONNEL INCORPORATED; and DOES
1 through 25, inclusive,

Defendants.

Case No. 24STCV05539

Honorable Laura A. Seigle
Department 17

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

Date: September 29, 2026
Time: 9:00 a.m.
Dept.: 17

Complaint Filed: March 5, 2024
FAC Filed: July 15, 2024
Trial Date: Not Set

1 **DECLARATION OF ANNABEL BLANCHARD**

2 I, Annabel Blanchard, declare and state as follows:

3 1. I am an attorney duly licensed to practice law in all Courts of the State of California. I
4 am a member of Blackstone Law, APC (“Class Counsel”), attorneys of record for Plaintiff Alma
5 Lozano (“Plaintiff”). I have personal knowledge of the facts contained herein, and, if called to testify,
6 I could and would competently do so.

7 **Experience and Adequacy of Blackstone Law, APC**

8 2. Blackstone Law, APC was started in February 2018, representing plaintiffs in
9 individual and representative employment litigation. The firm has grown exponentially over the past
10 eight-plus years, now maintaining over thirty highly pedigreed attorneys working on almost
11 exclusively labor and employment class actions, California Labor Code Private Attorney General Act
12 of 2004 (“PAGA”) cases, and individual matters, with roughly 15% of the firm focused on other
13 complex general litigation matters. Below is a summary of the experience and qualifications of the
14 attorneys from Blackstone Law, APC who primarily have been responsible for the representation of
15 Plaintiff in connection with the resolution of the above-captioned matter.

16 3. Jonathan M. Genish is the founder of Blackstone Law, APC. He received his law
17 degree from Benjamin N. Cardozo School of Law and was admitted to the California State Bar in
18 2008. During law school, he clerked at the litigation firm Oved & Oved, LLP and was published
19 several times in various small publications. Upon graduation, he was rehired by Freedman &
20 Taitelman, LLP as an associate and remained employed there from September 2008 through August
21 2015. During his tenure, he managed hundreds (perhaps thousands) of complex litigation cases,
22 ranging from employment, corporate, entertainment, and general business litigation matters, though
23 his primary area of expertise was employment, both single plaintiff and representative actions. On the
24 vast majority of those cases, he was the only or primary attorney managing the case and thus obtained
25 extensive experience. In that capacity, he conducted wage and hour and wrongful termination labor
26 and employment intakes; was the primary contact for all clients; took and defended hundreds (if not
27 thousands) of depositions; propounded and responded to all discovery; prepared and opposed all
28 motions and pleadings, including dispositive and certification motions; strategized on all cases;

1 attended all hearings; attended all mediations; coordinated with class action administrators; prepared
2 and worked with experts; first and second chaired multiple trials and arbitrations; and engaged in all
3 other intricate facets of litigation. During that time, he represented a wide range of clients from sole
4 proprietorships to Fortune 500 companies in state, federal, complex, and appellate courts. Many of
5 the cases he managed were highly publicized, with articles written about them in the Los Angeles
6 Times, Deadline, The Hollywood Reporter, Business Insider, Law360, and others. Super Lawyers has
7 regularly honored him as a Southern California Rising Star since 2012.

8 4. Barbara DuVan-Clarke is a 16-year litigator who joined Blackstone in September 2022
9 as a Senior Trial Attorney and Team Lead, building on her entire career of litigating single-plaintiff
10 employment, catastrophic injury, and class/PAGA matters with well-known plaintiff-side wage and
11 hour law firms in Los Angeles. She earned her Bachelor of Arts degree from the University of
12 California at Los Angeles in 2003 and then obtained her Juris Doctorate from Case Western Reserve
13 University in Cleveland, Ohio in 2007. Ms. DuVan-Clarke also maintains leadership roles in the
14 California Employment Lawyers' Association ("CELA") and other organizations.

15 5. Danielle L. GruppChang is a senior associate attorney. She graduated from California
16 Polytechnic University San Luis Obispo in 2013, with a Bachelor of Arts degree in Political Science
17 with a minor in Communication Studies. She then obtained her Juris Doctorate from University of
18 California Law San Francisco (formerly known as University of California Hastings College of the
19 Law), graduating in 2016, and was admitted to the California State Bar in January 2017. She has
20 practiced exclusively plaintiff's side labor and employment class and representative action law from
21 2017 through the present.

22 6. P.J. Van Ert is an accomplished attorney who joined Blackstone Law, APC in 2023,
23 after having worked at an employment litigation firm for 2 years, and prior to that, having served as a
24 District Attorney for over 13 years. In that role, she was a prolific trial attorney, and it is my
25 understanding that she tried over 50 jury trials to verdict. She graduated from University of California
26 at Davis in 2000, with a Bachelor of Arts degree, and from University of California at Los Angeles
27 School of Law with a Juris Doctorate in 2004. She was admitted to the State Bar of California in
28 December 2004.

1 7. Melissa Rodriguez is an Associate Attorney at Blackstone Law, APC. She received
2 her Bachelor's degree in Criminology and Justice Studies from California State University, Northridge
3 in 2019 and her Juris Doctorate from UC College of the Law, San Francisco in 2023. She was admitted
4 to the State Bar of California in December 2024.

5 8. I joined Blackstone Law, APC, in January 2024, after having worked for two years at
6 another highly reputable employment law firm. Prior to working in employment law, I worked for
7 over 14 years as a trusts and estates attorney, focused on special needs planning. During that time, I
8 also worked as Court Appointed Counsel for the Los Angeles Superior Court, representing proposed
9 conservatees. I graduated from University of California at Berkeley with a Bachelor of Arts degree in
10 2001, and from Southwestern University School of Law with a Juris Doctorate in 2008. I was admitted
11 to the State Bar of California in December of 2008. I have worked on many wage and hour class action
12 and PAGA representative matters, and my work has included, inter alia, researching and drafting
13 pleadings, drafting, negotiating, and finalizing settlement agreements, engaging in motion practice,
14 and claims evaluation and analysis.

15 9. Blackstone Law, APC has been counsel of record on several class action and PAGA
16 actions that have since been resolved, the most recent of which are attached hereto as **Exhibit 1**.

17 **Procedural History of the Action**

18 10. On January 9, 2024, Plaintiff provided written notice to the California Labor and
19 Workforce Development Agency ("LWDA") by online submission and to Defendant JAKKS Pacific,
20 Inc. by U.S. Certified Mail, pursuant to California Labor Code Section 2699.3, of the specific
21 provisions of the California Labor Code alleged to have been violated by Defendant JAKKS Pacific,
22 Inc. On February 21, 2025, Plaintiff provided an amended written notice ("PAGA Letter") to the
23 LWDA and Defendants JAKKS Pacific, Inc. and Workforce Personnel Incorporated ("Defendants").
24 A true and correct copy of the PAGA Letter is attached hereto as **Exhibit 2**.

25 11. On March 5, 2024, Plaintiff filed a Class Action Complaint in the action entitled *Alma*
26 *Lozano v. JAKKS Pacific, Inc.*, Los Angeles County Superior Court Case No. 24STCV05539
27 ("Action"), thereby commencing a putative class action against Defendant JAKKS Pacific, Inc.

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1 12. On March 15, 2024, Plaintiff filed a Complaint for Enforcement Action Under the
2 Private Attorneys General Act, Cal. Labor Code §§ 2698 *Et Seq.* in the action entitled *Alma Lozano v.*
3 *JAKKS Pacific, Inc.*, Los Angeles County Superior Court Case No 24STCV06513 (“PAGA Action”),
4 which alleged one cause of action under PAGA against Defendant JAKKS Pacific, Inc.

5 13. On July 15, 2024, Plaintiff filed a First Amended Class Action Complaint in the
6 Action, which added Workforce Personnel, Inc. as a Defendant in the Action.

7 14. On September 18, 2024, Plaintiff and Defendants (together, the “Parties”) participated
8 in a formal mediation conducted by Judge Carl West (Ret.), but did not reach a settlement at that time.

9 15. On January 21, 2025, Plaintiff propounded written formal discovery onto Defendant
10 (specifically, Requests for Production of Documents to Defendant JAKKS Pacific, Inc. (Set One),
11 Requests for Production of Documents to Defendant Workforce Personnel Incorporated (Set One),
12 Special Interrogatories to Defendant JAKKS Pacific, Inc. (Set One), and Special Interrogatories to
13 Defendant Workforce Personnel Incorporated (Set One).

14 16. On January 23, 2025, Defendants filed a Motion to Compel Arbitration, Dismiss or
15 Strike Class Claims, and Stay the Case Pending Arbitration in the Action (“Motion to Compel
16 Arbitration”), along with supporting documents.

17 17. On February 27, 2025, Plaintiff filed an Opposition to Defendants’ Motion to Compel
18 Arbitration, and supporting documents.

19 18. On March 5, 2025, Defendants filed their Reply Brief in support of the Motion to
20 Compel Arbitration.

21 19. On March 12, 2025, the Court entered an order denying Defendants’ Motion to Compel
22 Arbitration.

23 20. On March 12, 2025, Plaintiff propounded additional written formal discovery onto
24 Defendant (specifically, Form Interrogatories – General (Set One), Form Interrogatories –
25 Employment Law (Set One), Special Interrogatories to Defendant JAKKS Pacific, Inc. (Set Two),
26 Special Interrogatories to Defendant Workforce Personnel Incorporated (Set Two), Requests for
27 Admission to Defendant Workforce Personnel Incorporated (Set Two) Requests for Admission to
28 Defendant JAKKS Pacific, Inc. (Set Two), Requests for Production of Documents to Defendant

1 Workforce Personnel Incorporated (Set Two), and Requests for Production of Documents to
2 Defendant JAKKS Pacific, Inc. (Set Two), noticed the deposition of Defendant JAKKS Pacific Inc.’s
3 Person Most Knowledgeable, and noticed the Deposition of Defendant Workforce Personnel
4 Incorporated’s Person Most Knowledgeable.

5 21. On May 8, 2025, Defendants noticed their appeal of the Superior Court’s denial of
6 Defendants’ Motion to Compel Arbitration. Defendants’ Appeal is currently pending under Court of
7 Appeal case number B346367, and as of April 8, 2026, the appeal is stayed, pending the administration
8 of the Settlement of the Action.

9 22. On September 9, 2025, Defendants each propounded written formal discovery onto
10 Plaintiff (specifically, Special Interrogatories (Set One), and Request for Production of Documents
11 (Set One)).

12 23. On December 11, 2025, the Parties participated in a second formal mediation
13 conducted by Steven Serratore (“Mediator”), a respected mediator of complex wage and hour actions.
14 Although the Parties were unable to reach a settlement at the mediation, the Parties continued to
15 engage in settlement discussions in the weeks following the mediation, ultimately reaching the instant
16 Settlement. The Parties’ settlement discussions were conducted at arms’ length, and the Parties then
17 worked diligently to negotiate and memorialize the terms in a long form settlement agreement.

18 24. On March 26, 2026, the Parties executed the Joint Stipulation of Class Action and
19 PAGA Settlement (“Settlement” or “Settlement Agreement”). A true and correct copy of the
20 Settlement Agreement is attached hereto as **Exhibit 3**.

21 25. On August 18, 2026, Plaintiff filed a Second Amended Class and Representative
22 Action Complaint (“Operative Complaint”) in the Action, which added the PAGA claims alleged in
23 the PAGA Action to the Action. The Operative Complaint alleges twelve (12) causes of action for
24 violations of the California Labor Code for failure to pay minimum wages, failure to pay overtime
25 wages, failure to provide compliant meal periods and premium payments in lieu thereof, failure to
26 provide compliant rest periods and premium payments in lieu thereof, failure to timely pay wages
27 during employment, failure to provide compliant wage statements, failure to timely pay wages upon
28 termination, and failure to reimburse necessary business expenses, for violations of California

Business & Professions Code Section 17200, et seq. based on the aforementioned California Labor Code violations, for payment of wages with a dishonored check, for failure to issue wages payable by an instrument payable on demand and without discount, and for civil penalties under PAGA based on the aforementioned California Labor Code violations.

Summary of the Terms of the Settlement Agreement

26. For purposes of settlement only, the Parties have agreed that the Class shall be defined as “all individuals who were employed by JAKKS Pacific, Inc. during the Class Period who were classified as non-exempt, and all individuals who were retained by JAKKS Pacific, Inc. via a staffing agency to work at any facility operated by JAKKS Pacific, Inc. in California during the Class Period who were classified as non-exempt” (“Class” or “Class Member(s)”). The Class Period is defined as the period from March 4, 2020 through March 9, 2026. Based on information provided by Defendants, it is estimated that there are two thousand (2,000). Class Members.

27. The Parties have agreed to settle the class and PAGA claims at issue in the Operative Complaint for a non-reversionary Gross Settlement Amount of One Million Seven Hundred Thousand Dollars (\$1,700,000), exclusive of employer-side payroll taxes. The Gross Settlement Amount is a common fund and therefore includes all requested costs, fees, and other allocations. The Gross Settlement Amount includes: (1) Class Counsel’s fees in an amount up to thirty-five percent (35%) of the Gross Settlement Amount (i.e., \$595,000 if the Gross Settlement Amount is \$1,700,000); (2) Class Counsel’s actual litigation costs and expenses, not to exceed Forty-Five Thousand Dollars (\$45,000); (3) Settlement Administration Costs, not to exceed Thirteen Thousand Five Hundred Dollars (\$13,500); (4) an Enhancement Payment in an amount up to Ten Thousand Dollars (\$10,000); and (5) a PAGA Amount of One Hundred Thousand Dollars (\$100,000). After the above-estimated amounts are deducted from the Gross Settlement Amount, the Net Settlement Amount that will be available for Class Members is currently estimated to be approximately Nine Hundred Thirty-Six Thousand Dollars (\$936,000). Additionally, 25% of the PAGA Amount (“PAGA Employee Amount”), which is \$25,000 out of \$100,000, will be fully distributed to “all individuals who were employed by JAKKS Pacific, Inc. during the PAGA Period who were classified as non-exempt, and all individuals who were retained by JAKKS Pacific, Inc. via a staffing agency to work at any facility operated by JAKKS

Pacific, Inc. in California during the PAGA Period who were classified as non-exempt” (“PAGA Employee(s)”). The “PAGA Period” is defined as the period from January 9, 2023 through March 9, 2026.

28. The Net Settlement Amount will be distributed and paid to all Class Members who do not submit a timely and valid Request for Exclusion (“Settlement Class Member(s)”) on a pro rata basis based on the number of weeks each Class Member worked for at least one day as a non-exempt employee for JAKKS Pacific, Inc. or for a staffing agency retained by JAKKS Pacific, Inc. at a facility operated by JAKKS Pacific, Ind. in California during the Class Period (“Workweeks”). The pro rata share of the Net Settlement Amount that a Class Member may be eligible to receive under the Class Settlement (“Individual Settlement Share”) will be calculated by the Settlement Administrator, in accordance with the Settlement Agreement.

29. The PAGA Employee Amount will be distributed and paid to all PAGA Employees on a pro rata basis based on the number of pay periods each PAGA Employee worked for at least one day as a non-exempt employee for JAKKS Pacific, Inc. or for a staffing agency retained by JAKKS Pacific, Inc. in California during the PAGA Period (“Pay Periods”). The pro rata share of the PAGA Employee Amount that a PAGA Employee may be eligible to receive under the PAGA Settlement (“Individual PAGA Payment”) will be calculated by the Settlement Administrator, in accordance with the Settlement Agreement.

30. Each Individual Settlement Share will be allocated as follows: ten percent (10%) wages, forty-five percent (45%) statutory penalties, and forty-five percent (45%) interest. The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage damages will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. The Settlement Administrator will withhold the employee’s share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes and withholdings). The Employer Taxes will be paid separately and in addition to the Gross Settlement Amount. Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties and will be reported on an IRS Form 1099 (if

1 applicable) by the Settlement Administrator.

2 31. The Settlement Agreement is a non-reversionary settlement; no portion of the Gross
3 Settlement Amount will return to Defendants. The Net Settlement Amount will be fully distributed to
4 Settlement Class Members and the PAGA Amount will be fully distributed to the LWDA and PAGA
5 Employees, in accordance with the Settlement Agreement.

6 32. Each Individual Settlement Payment and Individual PAGA Payment check will be
7 valid and negotiable for one hundred and eighty (180) calendar days from the date the checks are
8 issued, and thereafter, shall be canceled. Any funds associated with such canceled checks shall be
9 distributed by the Settlement Administrator to the State of California's Unclaimed Property Division
10 in the name of the Settlement Class Member and/or PAGA Employee. The Parties agree that this
11 disposition results in no "unpaid residue" under California Civil Procedure Code Section 384, as the
12 entire Net Settlement Amount will be paid out to Settlement Class Members, whether or not they cash
13 their settlement checks. Therefore, Defendant will not be required to pay any interest on such amounts.

14 **The Settlement is Reasonable**

15 ***Informed Arms-Length Negotiations***

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

20 34. The Parties engaged in extensive formal and informal discovery prior to reaching a
21 settlement. Prior to mediation, Defendants produced a random sampling of putative class members'
22 time and pay records as well as Defendants' relevant wage and hour policies, exemplar arbitration
23 agreements, and information regarding the total number of putative class members, the number of
24 current versus former employees, the total workweeks worked by the putative class members, and the
25 average rate of pay for the putative class members.

26 35. This allowed Class Counsel to conduct an informed assessment and analysis of the
27 strengths and weaknesses of the claims and the potential class-wide damages.

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36. Based on the information exchanged, the Parties extensively briefed issues regarding class certification and liability and provided their analyses to each of the Mediators who helped the Parties debate the strengths and weakness of their respective positions. At all times, Plaintiff was willing and prepared to litigate this matter through class certification and trial if the Parties had been unable to reach a favorable resolution.

Estimate of Potential Value of Claims

37. Class Counsel analyzed all available data and estimated Defendants' maximum potential exposure to be approximately \$7,215,586, assuming the litigation was successful at trial on all claims at issue and every employee had a violation for each claim on every shift worked. This maximum potential analysis was then reduced based on the challenges facing the likelihood of obtaining class certification, prevailing at trial, and other attendant risks. This estimate is based off an estimated maximum liability for all claims at issue and the total aggregate workweeks during the relevant time period, less interest, and based on the analysis of the data which was extrapolated out for all putative class members across the entire putative class period, which included: \$457,455 for meal period violations (less meal period premiums paid); \$2,146,507 for rest period violations at a 100% violation rate; \$494,782 for unpaid off-the-clock work for 1 hour per workweek of off-the-clock work; \$227,010 for unreimbursed business expenses; \$2,473,782 for waiting time penalties; and \$1,416,050 for wage statement penalties. Plaintiff further estimated that Defendant faced an additional exposure of \$1,515,400 in potential, non-stacked (i.e., one penalty, per employee, per pay period during the PAGA statutory period) PAGA penalties. Together with the PAGA penalties, Defendants' maximum potential exposure totaled \$8,730,986 in damages.

Specific Risks Considered

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

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1 39. Class Counsel is aware of Defendants’ defenses and arguments and has also taken into
2 account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays
3 inherent in such litigation, including those involved in class and/or representative adjudication.
4 Plaintiff further recognizes the burdens of proof necessary to establish liability for the claims asserted
5 in the Action, Defendants’ defenses, and the difficulties in establishing entitlement to monetary
6 recovery. Plaintiff has also considered the Parties’ settlement discussions, as well as the evaluations
7 of the Mediators, who are each experienced and well-regarded in complex labor and employment
8 matters.

9 40. Defendants denied and continue to deny any liability and wrongdoing of any kind
10 associated with the claims alleged in the Action and further deny that class certification is appropriate
11 for any purpose other than the Settlement. Defendants believe that they would ultimately prevail in
12 the Action. Defendants proffered defenses to both certification and to the merits of Plaintiff’s claims.
13 Defendants contended that they had enforceable arbitration agreements, and that Plaintiff’s claims
14 were not suitable for class certification because individual issues would predominate should this case
15 go to trial. As with all class actions, these complex cases raise difficult management and proof issues
16 and, accordingly, there is a significant risk that the Court may deny class certification.

17 41. For example, Plaintiff’s meal period claims, which were based on Defendants’ alleged
18 failure to provide lawful meal periods, have been increasingly difficult to certify in recent years.
19 Plaintiff’s theory of liability for meal period violations was based on allegations that Defendants had
20 failed to implement their policies and that their practices failed to allow Class Members to take meal
21 breaks in the manner required under California law. Defendants contended that their policies and
22 practices at all times during the Class Period were lawful. Moreover, Defendants asserted that they
23 had remedied any previously existing issues with providing lawful meal breaks. Indeed, Plaintiff’s
24 analysis revealed only a 22.9% violation rate for purported unique meal period violations. Defendants
25 further argued that the rate of purported meal period violations reflected in the data was inflated
26 because, they argued, most of the class had executed valid meal period waivers. We also had to
27 consider the risk that the Court would find validity in the waiver defense, undermining certification of
28 Plaintiff’s meal period claim.

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

9 43. Plaintiff also faced challenges certifying and proving liability for her minimum wage
10 and overtime claims. These claims were largely based on Defendants' unrecorded, off-the-clock work
11 performed by the Class Members both before and after their shifts and during purported meal periods.
12 For example, Plaintiff reports that she and other employees were required to await time-sensitive
13 orders, load trucks, and complete other work-related tasks prior to clocking in, during meal periods,
14 and after clocking out. However, the individualized nature of why this work was performed and the
15 individualized nature of damages presented substantial concerns regarding the manageability of the
16 case and the risk the Court could find these issues prevented certification, and the estimated damages
17 for this claim were based on an assumption that all Class Members worked off the clock for at least
18 one hour per week.

19 44. Plaintiff also contended that Defendants failed to reimburse Plaintiff and the other
20 Class Members for necessary business-related expenses. Specifically, Plaintiff contended that
21 Defendants failed to reimburse employees for personal protective equipment such as work gloves and
22 back support belts (which Defendant's own safety policy required for lifting objects weighing twenty-
23 five (25) pounds or more), as well as cell phone and internet usage for work-related communications.
24 Defendants contended that they had a policy and practice of reimbursing employees for necessary
25 business-related expenses upon timely submission of receipts and a request for reimbursement, and
26 that Plaintiff and the other Class Members were required to contact Human Resources and complete
27 an expense report for approval by a supervisor in order to receive reimbursement. Defendants further
28 contended that, with respect to the alleged expenses for which Plaintiff and the other Class Members

1 never requested reimbursement from Defendants, Defendants did not know and had no reason to know
2 that alleged business-related expenses had been incurred. Defendants further contended that the
3 reasons why a Class Member undertook certain expenses but not others, and received reimbursement
4 for certain expenses but not others, would raise individual issues that could not be certified.

5 45. There are also substantial risks associated with Plaintiff's waiting time penalties and
6 wage statement claims. First, these claims were derivative of Plaintiff's claims for unpaid meal period
7 premiums, unpaid rest period premiums, unpaid minimum wages, and unpaid overtime wages, and if
8 certification was denied on those underlying claims, these derivative claims for penalties would also
9 likely fail. Further, even if Plaintiff prevailed on her underlying claims, she would still be required to
10 demonstrate that Defendants' violations of California Labor Code section 203 were *willful* violations.
11 Wage statement claims have also seen varying treatment at the appellate level because such claims
12 have an element of discretion attached to them rather than a pure calculation of damages after liability
13 is proven. Accordingly, these derivative claims, which comprised a substantial portion of Defendants'
14 estimated liability, were therefore uncertain.

15 46. Class Counsel also recognized that, even if Plaintiff prevailed at class certification,
16 proving the amount of wages due to each Class Member would be an expensive, time-consuming, and
17 extremely uncertain proposition. In order to prove liability and damages, Class Counsel would need
18 to request and analyze thousands of pages of documents, obtain the Class Members' contact
19 information, contact them, and obtain declarations at great expense. Obtaining the cooperation of
20 current employees would also be difficult, given the likely reluctance to aid prosecution of a lawsuit
21 against a current employer. On the other hand, Defendants would likely be able to obtain the
22 cooperation of their employees. Moreover, even if Plaintiff prevailed at class certification and trial,
23 possible appeals would substantially delay any recovery by the Class.

24 47. Class Counsel also separately contemplated the risks of proceeding with the PAGA
25 claims and potential liability Defendants could face from these claims as part of the global resolution.
26 Existing case law makes PAGA claims subject to the same defenses and risks as Plaintiff's underlying
27 wage claims. Class Counsel also anticipated that even if successful on the merits at trial, the
28 imposition of cumulative civil penalties based on the alleged wage and hour violations could be

1 considered unjust, arbitrary and oppressive, or confiscatory, and that Defendants would argue that they
2 made a good faith attempt to comply with their legal obligations warranting a reduction in penalties.
3 Class Counsel also anticipated Defendants would argue that the violations per pay period were low,
4 warranting an additional reduction in civil penalties. Finally, we were also mindful of the fact that
5 PAGA is fundamentally not intended to be compensatory in nature but is instead intended to facilitate
6 enforcement of California's labor laws by financing state activities and educating and deterring non-
7 compliance.

8 48. Accordingly, after considering this multitude of factors, we concluded that it was in the
9 best interest of the State of California and the PAGA Employees to enter into the Settlement, and to
10 allocate One Hundred Thousand Dollars (\$100,000) of the Gross Settlement Amount towards the
11 PAGA claims, which represents approximately 5.88% of the Gross Settlement Amount. This
12 percentage of the settlement is well-within the range of wage and hour settlements regularly approved
13 in both state and federal court for cases that include both a class and PAGA action. Typically, such
14 hybrid cases allocate only 1% of the gross settlement value to resolve PAGA claims, and, indeed,
15 settlements allocations as little as 0.22% of the gross settlement amount have been approved as
16 reasonable by courts. Moreover, the overall relief obtained by the Settlement is significant, not only
17 from a monetary perspective, but also because it fulfills the public policy objectives of PAGA — to
18 promote enforcement of California's labor laws, provide funds to the state, and deter future non-
19 compliance by the employer.

20 49. Therefore, taking into account how each of the above risks potentially effected
21 Plaintiff's ability to first obtain class certification, and then prove the underlying violations, the
22 Court's broad discretion in civil penalties, plus the cost and delay in recovering the alleged potential
23 damages, Class Counsel discounted Defendants' estimated liability based on the challenges facing her
24 ability to succeed on class certification by 60% to \$3,492,394.40. The merits-based risk factors further
25 reduced Defendant's estimated liability by an additional 50%. This resulted in an adjusted estimated
26 liability of \$1,746,197.20. In light thereof, the settlement amount of \$1,700,000.00 is a significant
27 settlement.

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1 50. Class Counsel therefore submits that the Settlement is fair, reasonable, and adequate.
2 The Settlement is in the best interest of the Class Members, the PAGA Employees, and the State of
3 California and is within the accepted range of recoveries for this type of litigation given the inherent
4 risk of litigation, the risk of obtaining and maintaining class certification, and the costs of further
5 litigation.

6 ***Enhancement Payment***

7 51. As part of the Settlement Agreement, Plaintiff is requesting a reasonable Enhancement
8 Payment of up to Ten Thousand Dollars (\$10,000) to Plaintiff Alma Lozano. The Enhancement
9 Payment, which will be paid from the Gross Settlement Amount and is subject to Court approval, will
10 be in addition to her Individual Settlement Payment as a Settlement Class Member and her Individual
11 PAGA Payment as a PAGA Employee. This Enhancement Payment is eminently reasonable given the
12 time and effort Plaintiff spent on this case, and the benefit to the Class Members as a result of
13 Plaintiff's actions. Notice of the requested Enhancement Payment is disclosed to the Class Members
14 in the Class Notice.

15 ***Attorneys' Fees and Costs***

16 52. The attorneys' fees incurred by Class Counsel are in line with the common fund
17 requested. The Settlement Agreement provides for Class Counsel to apply for attorneys' fees in an
18 amount of up to thirty-five percent (35%) of the Gross Settlement Amount (i.e., \$595,000 if the Gross
19 Settlement Amount is \$1,700,000) and actual litigation costs and expenses in an amount not to exceed
20 Forty-Five Thousand Dollars (\$45,000), which will be paid out of the Gross Settlement Amount,
21 subject to approval by the Court. Class Counsel has borne all of the risks and costs of litigation and
22 will not receive any compensation until recovery is obtained.

23 53. The effectiveness of Blackstone Law, APC's prosecution of this matter has translated
24 into tangible monetary benefits as follows: (1) Class Members, the State of California, and PAGA
25 Employees will obtain monetary recovery over a relatively short period of time, as opposed to waiting
26 additional years for the same, or potentially worse, result; (2) a guaranteed result that compares
27 favorably with other similar class action settlements of this type, given the strengths and weaknesses
28 of the case; and (3) significant savings in Class Counsel's fees and/or costs that would have only

increased significantly had the case progressed through certification, trial, and/or upon appeal.

54. Class Counsel has litigated this matter for over two (2) years and was actively preparing this matter for class certification and trial. The Motion for Final Approval will elaborate on the nature of the legal services provided, the time incurred in performing those services, and Class Counsel's hourly rates. The Motion for Final Approval will also elaborate on the reimbursement costs sought by Class Counsel. Notice of the requested Attorneys' Fees and Costs is disclosed to the Class Members in the Class Notice.

Notice to the Class

55. The Parties have agreed to retain Apex Class Action, LLC (“Apex” or “Settlement Administrator”) to handle the notice and settlement administration process. The Parties respectfully request that the Court appoint Apex to handle these procedures and to serve as the Settlement Administrator. Defendant will provide Apex with the Class List, and Apex will calculate each Class Member’s estimated Individual Settlement Share and each PAGA Employee’s estimated Individual PAGA Payment. Apex will also receive and process Requests for Exclusion, Notices of Objection, and Disputes; provide weekly reports and necessary declarations to counsel for the Parties; calculate, subtract, and transmit necessary taxes and withholdings with respect to the wages portion of the Individual Settlement Shares; prepare and submit all required IRS Forms W-2, IRS Forms 1099, and other tax filings and documents; and issue and transmit all payments provided for by the Settlement, including mailing Individual Settlement Payment checks to Settlement Class Members and Individual PAGA Payment checks to PAGA Employees.

56. I am not aware of an alternative method of providing notice to the Class which would result in a higher likelihood of actual notice. The original source of the mailing addresses is from each Class Member, who provided the information to Defendants. As a fail-safe to this highly reliable method, skip-tracing will be performed, if necessary.

Notice of Settlement to the LWDA

57. In accordance with California Labor Code section 2699(s)(2), on August 20, 2026, a copy of the proposed Settlement was submitted to the LWDA via online submission through the LWDA's website. A true and correct copy of the email from the LWDA confirming receipt is attached

1 hereto as **Exhibit 4**.

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

4 Executed on August 20, 2026, at Los Angeles, California.

5 *Annabel Blanchard*
6 Annabel Blanchard
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EXHIBIT 1

- *Demaris Masadas v. California Dinner Entertainment, LLC dba Pirate's Dinner Adventure*, Orange County Superior Court, Case No. 30-2023-01354556-CU-OE-CXC, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA
- *Laura Abarca v. Skirball Cultural Center*, Los Angeles County Superior Court, Case No. 24STCV07567, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Frank Breckenridge v. Pacific Material Handling Solutions, Inc.*, Alameda County Superior Court, Case No. 24CV070227, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Gina Harris v. Arhaus, LLC, et al.*, Los Angeles County Superior Court, Case No. 24STCV24656, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Debra McDonald v. LFCU Financial Services, LLC dba Logix Federal Credit Union, et al.*, Los Angeles County Superior Court, Case No. 24STCV16050, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Victoria Esquivel v. Hamlet Karapetian, DMD, Inc. dba Friendly Smiles Dental Group, et al.*, Santa Barbara County Superior Court, Case No. 24CV03582, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Gabriela Guerrero, et al. v. SAR California Holdco Inc. dba Sarku Japan*, Kern County Superior Court, Case No. BCV-23-104255, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Roman Ramirez Gallegos, et al. v. Dolex Dollar Express, Inc.*, Los Angeles County Superior Court, Case No. 23STCV21872, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Ismael Mercado, et al. v. Natural Alternatives International, Inc.*, San Diego County

Superior Court, Case No. 37-2023-00052115-CU-OE-CTL, approved as counsel in final settlement of wage and hour class and PAGA action.

- *Marcella Holmes, et al. v. Pacifica Hotel Company*, San Luis Obispo County Superior Court, Case No. 23CV-0681, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Daniel Pereira, et al. v. L.N. Curtis and Sons*, Alameda County Superior Court, Case No. 24CV101859, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Dillan Burghart, et al. v. Watermark Services, IV, LLC*, Alameda County Superior Court, Case No. 23CV035212, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Kasim Hakimi v. Catalent Pharma Solutions, LLC*, Alameda County Superior Court, Case No. 24CV087209, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Cesar Ibarra v. Leuen, Inc. dba The Original Pantry Café*, Los Angeles County Superior Court, Case No. 23STCV017182, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Sharon Baker v. OPARC*, Los Angeles County Superior Court, Case No. 24STCV11229, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Basilisa Villa Magaña v. CJKANTRG PA, LLC*, Los Angeles County Superior Court, Case No. 23STCV25886, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Alexis Stuart-Drinnen v. DiCarlo's Italian Cafe, LLC, et al.*, San Bernardino County Superior Court, Case No. CIVSB2313579, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Monique Duong v. Boardwalk IG Management, LLC*, Orange County Superior

Court, Case No. 30-2023-01334565-CU-OE-CXC, approved as counsel in final settlement of wage and hour class action.

- *Peter J. Gutierrez v. Univar Solutions USA Inc., et al.*, Los Angeles County Superior Court, Case No. 23STCV26851, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Steve Robles v. Avery Products Corporation*, Orange County Superior Court, Case No. 30-2024-01390483-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Dianna Flores v. Capitol Distribution Company LLC dba Capitol Food Company*, Los Angeles County Superior Court, Case No. 24STCV20477, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Mark Trahan v. Celebrity Casinos, Inc. dba Crystal Casino*, Los Angeles County Superior Court, Case No. 25STCV30655, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Jamie Ramires, et al. v. Bright Star Schools*, Los Angeles Superior Court, Case No. 23STCV15490, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Alesia Williams v. Altamed Health Services Corp.*, Los Angeles Superior Court, Case No. 23STCV15413, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Jose Moreno v. Kern Regional Center*, Kern County Superior Court, Case No. BCV-24-103353, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Jonathan Cruz-Pulido v. Central Valley Meat Co., Inc., et al.*, Los Angeles County Superior Court, Case No. 24STCV13660, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Gregorio Pineda, et al. v. Orthopaedic Hospital dba Orthopaedic Institute for*

Children and Lusk Orthopaedic Institute for Children, et al., Los Angeles County Superior Court, Case No. 24STCV01618, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.

- *John Price v. Fort Point Beer Company*, San Francisco County Superior Court, Case No. CGC-23-610592, approved as counsel in final settlement of wage and hour class and PAGA action.
- *David Jason Quiñones, et al. v. J-M Manufacturing Company Inc. dba JM Eagle*, Los Angeles County Superior Court, Case No. 23STCV16439, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Laila Droubi, et al. v. GSF Properties, Inc.*, Kern County Superior Court, Case No. BCV-24-100950, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Rowena Ray v. Sierra Central Credit Union*, Butte County Superior Court, Case No. 24CV02890, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Hamid Kondori, et al. v. Mission Imports, et al.*, Orange County Superior Court, Case No. 30-2022-01295280-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Johnny Rivas v. Buckingham Property Management*, Kings County Superior Court, Case No. 23CU0355, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Manuel Hernandez v. DHC PS Holdings LLC, et al.*, Alameda County Superior Court, Case No. 24CV079333, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Daniel He, et al. v. Bay Photo Lab Inc., et al.*, Los Angeles County Superior Court, Case No. 24STCV05682, approved as counsel in final settlement of wage and hour

class and PAGA action.

- *Leonard Moore v. Truepill, Inc.*, Alameda County Superior Court, Case No. 23CV047001, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Colton Ray v. Papé Machinery, Inc., et al.*, Humboldt County Superior Court, Case No. CV2402126, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Elba Garcia v. South Central Los Angeles Regional Center for Developmentally Disabled Persons, Inc.*, Los Angeles County Superior Court, Case No. 24STCV04382, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Miguel Avila v. Weber Metals, Inc.*, Los Angeles County Superior Court, Case No. 24STCV04071, approved as counsel in final settlement of wage and hour class action.
- *Hector Cornejo v. Renovo Solutions, LLC*, Los Angeles County Superior Court, Case No. 23STCV27376, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Juan Campos-Ledezma, et al. v. Institute for Environmental Health, Inc.*, Stanislaus County Superior Court, Case No. CV-23-006693, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Jeanne Boudreau v. Intelliswift Software, Inc.*, San Francisco County Superior Court, Case No. CGC-23-611128, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Daniel Munguia v. Moog Inc.*, Los Angeles County Superior Court, Case No. 24STCV11688, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Francisco Javier Sanchez, Jr. v. Jim Crawford Construction Company, Inc.*, Fresno

County Superior Court, Case No. 24CECG01421, approved as counsel in final settlement of wage and hour class action.

- *Jose Ramirez v. A.J. Kirkwood & Associates, Inc.*, San Diego County Superior Court, Case No. 24CU012580C, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Kirstie Deveaux, et al. v. Motorola Solutions, Inc.*, Santa Clara County Superior Court, Case No. 23CV427798, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Geri Gates, et al. v. SD & A Teleservices, Inc.*, Los Angeles County Superior Court, Case No. 23STCV29390, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Bryan Zuniga v. Inova Diagnostics, Inc., et al.*, San Diego County Superior Court, Case No. 37-2023-00055201-CU-OE-CTL, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Ivorya Geneve v. Mikuni Restaurant Group, Inc.*, Contra Costa County Superior Court, Case No. C23-02732, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Amira Fakira, et al. v. CSL Plasma, Inc.*, Alameda County Superior Court, Case No. 23CV057131, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Vadim Savin, et al. v. Fleetlogix Inc.*, San Diego County Superior Court, Case No. 37-2023-00051984-CU-OE-CTL, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Grace Weissmuller, et al. v. Astrix Technology, LLC*, Los Angeles County Superior Court, Case No. 21STCV45436, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Gabriel Perez, et al. v. Kimberlite Corporation, et al.*, Alameda County Superior

Court, Case No. 24CV073959, approved as counsel in final settlement of wage and hour class and PAGA action.

- *Armida Marquez v. The Nielsen Company (US), LLC*, Los Angeles County Superior Court, Case No. 23STCV06394, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Sergio Valdez v. Ampere Computing, LLC, et al.*, Santa Clara County Superior Court, Case No. 24CV438808, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Mario Mendoza v. Mingei International, Inc.*, San Diego County Superior Court, Case No. 37-2024-00015385-CU-OE-CTL, approved as counsel in final settlement of wage and hour class action.
- *Vivian Huynh v. Technical Safety Services, LLC*, Alameda County Superior Court, Case No. 23CV053505, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Connor Brown v. Bi-Rite Management Services LLC, et al.*, San Francisco County Superior Court, Case No. CGC-24-611385, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Joshua Gilmore v. Golden Bolt, LLC*, Los Angeles County Superior Court, Case No. 24STCV11281, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Tony Jones v. Saddle Creek Corporation dba Saddle Creek Logistics Services*, Orange County Superior Court Case No. 30-2024-01379065-CU-OE-CXC, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Armida Burton v. Mercury Mission Systems, LLC*, Los Angeles County Superior Court, Case No. 24STCV02628, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Triada Pallidou v. TJB Geary's, LLC dba Geary's Beverly Hills*, Los Angeles County

Superior Court, Case No. 24STCV15627, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.

- *Joey Ruiz, et al. v. Southern Tire Mart, LLC*, Los Angeles County Superior Court, Case No. 24STCV12037, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Salomon Garcia, et al. v. Atlas Freight Forwarding, Inc.*, San Diego County Superior Court, Case No. 37-2022-00039724-CU-OE-CTL, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Chardriana Jean v. Woodruff-Sawyer & Co.*, Alameda County Superior Court, Case No. 24CV102594, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Stephanie Leon v. Fulgent Therapeutics, LLC, et al.*, Los Angeles County Superior Court, Case No. 24STCV14168, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Emma Romero v. Charles Abbott Associates, Inc.*, San Bernardino County Superior Court, Case No. CIVSB2322374, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Karen Hartstein v. Hyatt Corporation*, Los Angeles County Superior Court, Case No. 20STCV15895, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Michael Casas, et al. v. Encorr Sheets, LLC*, San Bernardino County Superior Court, Case No. CIVSB2319925, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Quincy O'Neal v. Included Health, Inc., formerly known as Grand Rounds Health, Inc.*, San Francisco County Superior Court, Case No. CGC-23-608391, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Javario Datrail Luna v. A-Check America, Inc., et al.*, Riverside County Superior

Court, Case No. CVRI2306180, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.

- *Kevin Werner, et al. v. Greystar Management Services, LP, et al.*, Los Angeles County Superior Court, Case No. 23STCV08498, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Jully Mullings v. Antelope Ambulance Service*, Los Angeles County Superior Court, Case No. 23STCV30241, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Maria Martina Aleman v. Holding Hands OPCO LLC dba Holding Hands, Inc.*, Los Angeles County Superior Court, Case No. 24STCV25240, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Jesus Herrera v. Reeve Store Equipment Company*, Los Angeles County Superior Court, Case No. 22STCV04239, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Vanessa Vazquez v. Cliffs Resort LLC*, San Luis Obispo County Superior Court, Case No. 24CV-0025, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Javier Hernandez, Jr. v. DGDG I, LLC, et al.*, Santa Clara County Superior Court, Case No. 23CV416770, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Juan Manuel Munoz v. MGA Entertainment, Inc.*, Los Angeles County Superior Court, Case No. 23STCV06386, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Mayra Campos Molina, et al. v. Harbor Hotels, LLC*, Los Angeles County Superior Court, Case No. 23STCV10683, approved as counsel in final settlement of wage and hour class and PAGA action.

- *William Sykes, IV, et al. v. Wente Bros.*, Alameda County Superior Court, Case No. 23CV048758, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Jose Padilla, et al. v. WEHO Hospitality Sunset, LLC*, Los Angeles County Superior Court, Case No. 23STCV01072, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Marvin Morales v. Skurka Aerospace, Inc.*, Los Angeles County Superior Court, Case No. 24STCV12893, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Tyler Krug, et al. v. EKC Enterprises, Inc.*, Kern County Superior Court, Case No. BCV-23-103975, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Joseph Amyot v. Silverthorn Resort, Inc.*, Shasta County Superior Court, Case No. 23CV-0203487, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Marissa Hartman v. Napa LP Hospitality Corporation*, Napa County Superior Court, Case No. 23CV00116, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Lesly Arreguin, et al. v. Intercare Therapy, Inc.*, Los Angeles County Superior Court, Case No. 23STCV27972, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Alma Lopez, et al. v. Advanced Manufacturing and Development, Inc.*, Mendocino County Superior, Case No. 23CV000673, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Brittni Aghedo, et al. v. Villa Esperanza Services*, Los Angeles County Superior Court, Case No. 23STCV27362, approved as counsel in final settlement of wage and hour class and PAGA action.

- *Robin Jennings v. Mizuho Orthopedic Systems, Inc. dba Mizuho OSI*, Alameda County Superior Court, Case No. 24CV070891, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Jonathan Martin v. Atlas Digital, LLC*, Los Angeles County Superior Court, Case No. 23STCV30498, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Cynthia Molt v. Los Angeles Film School, LLC*, Los Angeles County Superior Court, Case No. 23STCV30757, approved as counsel in final settlement of wage and hour class and PAGA action.
- *William Ramirez v. Employer Solutions Staffing Group LLC*, Los Angeles County Superior Court, Case No. 23STCV24735, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Anu Verma v. SingerLewak LLC*, Los Angeles County Superior Court, Case No. 24STCV11344, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Toby Lanzarin, et al. v. Building Material Distributors, Inc.*, Sacramento County Superior Court, Case No. 34-2022-00330343-CU-OE-GDS, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Kassandra Herndon, et al. v. Agreeya Solutions, Inc.*, San Joaquin County Superior Court, Case No. STK-CV-UOE-2023-0002783, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Damon Siler, et al. v. Call-The-Car dba Call the Car*, Los Angeles County Superior Court, Case No. 24STCV07514, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Daniel Ochoa-Lopez v. CorTech West Staffing, LLC, et al.*, Los Angeles County Superior Court, Case No. 23STCV19480, approved as counsel in settlement of representative wage and hour action pursuant to PAGA

- *Juan Escobedo v. Block Tops, Inc.*, Orange County Superior Court, Case No. 30-2023-01356309-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Antonio Quintero v. Weyerhaeuser NR Company*, Los Angeles County Superior Court, Case No. 23STCV02624, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Cristo Hernandez v. Eldorado National (California), Inc.*, Riverside County Superior Court, Case No. CVRI2201056, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Rigoberto Tecaliz v. National Restaurant Inc. dba Black Bear Diner*, San Diego County Superior Court, Case No. 37-2023-00046906-CU-OE-CTL, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Cecilia Estrada v. The Roman Catholic Archbishop of Los Angeles*, Los Angeles County Superior Court, Case No. 24STCV07184, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Alexander Davis v. JAJ Roofing dba Citadel Roofing and Solar*, Sacramento County Superior Court, Case No. 23CV011004, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Aurelio Aguilar v. Supreme Car Wash, Inc.*, Los Angeles County Superior Court, Case No. 21STCV29696, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Aaron Coffey v. Catalina Channel Express, Inc.*, Los Angeles County Superior Court, Case No. 21STCV41396, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Djuana Shanella Hale, et al. v. Welbe Health, LLC, et al.*, San Joaquin County Superior Court, Case No. STK-CV-UOE-2023-0006866, approved as counsel in final settlement of wage and hour class and PAGA action.

- *Mario Fosados v. Drew Chain Security Corp.*, Los Angeles County Superior Court, Case No. 24STCV00519, approved as counsel in in settlement of representative wage and hour action pursuant to PAGA.
- *Jose Manuel Amaro Bernal v. Joseph Holt Plastering, Inc.*, Los Angeles County Superior Court, Case No. 24STCV15637, approved as counsel in in settlement of representative wage and hour action pursuant to PAGA.
- *Brandon Geston v. FRTO LLC, et al.*, Fresno County Superior Court, Case No. 24CECG01292, approved as counsel in in settlement of representative wage and hour action pursuant to PAGA.
- *Alfonso Herrera v. W.L. Butler Construction, Inc., et al.*, Orange County Superior Court, Case No. 30-2023-01335445-CU-OE-CXC, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Marcos Ojendiz, et al. v. Jonathan Louis International*, Los Angeles County Superior Court, Case No. 21STCV35253, approved as counsel in in settlement of representative wage and hour action pursuant to PAGA.
- *Emmanuel Caldera v. Zeb's World Famous Boathouse Inc. dba Goat Hill Tavern*, Orange County Superior Court, Case No. 30-2023-01310801-CU-OE-CXC, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Alex Javier Nakamoto v. Skydio, Inc.*, Alameda County Superior Court, Case No. 24CV062913, approved as counsel in in settlement of representative wage and hour action pursuant to PAGA.
- *Jason McEntee v. Roche Molecular Systems, Inc.*, Alameda County Superior Court, Case No. 23CV041360, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Alexzander Roberts, et al. v. Lemonade Restaurant Group*, Los Angeles County Superior Court, Case No. 22STCV38302, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.

- *Halla Knotts v. Launch Technical Workforce Solutions, LLC*, San Bernardino County Superior Court, Case No. CIVSB2332568, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Armando Gastelum v. Premier Trailer Manufacturing, Inc.*, Tulare County Superior Court, Case No. VCU300333, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Tiffany Patterson v. Black Mountain Healthcare, LLC., d/b/a Seaport Home Health & Hospice*, San Diego County Superior Court, Case No. 37-2023-00037563-CU-OE-CTL, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Angel Rodriguez v. American Textile Maintenance*, Los Angeles County Superior Court, Case No. 22STCV17855, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Rita Ray v. Families Together of Orange County*, Orange County Superior Court, Case No. 30-2023-01324555-CU-OE-CXC, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Ly Hai v. Sunroad HS Auto, Inc.*, San Diego County Superior Court, Case No. 37-2022-00025788-CU-OE-CTL, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Anabel Perez v. Eureka Specialties, Inc.*, Los Angeles County Superior Court, Case No. 22STCV35940, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Jose Luis Galicia v. Virco, Inc., et al.*, Los Angeles County Superior Court, Case No. 23STCV29425, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Rene Umana v. Columbus Technologies*, Los Angeles County Superior Court, Case

No. 22STCV16432, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.

- *Sitara Nayabhil v. San Francisco SPCA (dba SFSPCA), a California 501(c)(3) non-profit organization*, San Francisco County Superior Court, Case No. CGC-23-609950, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Fernando Solis v. Tuff Shed, Inc.*, Los Angeles County Superior Court, Case No. 24VECV00368, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Tyler Emery v. Santa Cruz Bicycles, LLC*, Santa Cruz Superior Court, Case No. 24CV00244, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Odalys Montejo v. Team Nissan LLC*, Ventura County Superior Court, Case No. 2023CUOE017853, approved as counsel in settlement of representative wage and hour action pursuant to PAGA
- *Vanessa Cortes v. Giti Tire (USA) LTD*, San Bernardino County Superior Court, Case No. CIVSB2332578, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Travis Sanford v. Santa Cruz Seaside Company*, Santa Cruz County Superior Court, Case No. 23CV01762, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Jered Ortega v. YMCA of San Diego County*, San Diego County Superior Court, Case No. 37-2023-00043645-CU-OE-CTL, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Corina Martinez v. Stagnaro Bros. Seafood, Inc.*, Santa Cruz County Superior Court, Case No. 24CV00082, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.

- *Alejandra Jimenez v. ClearFreight, Inc.*, Los Angeles County Superior Court, Case No. 23STCV28938, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Jazzmin Cortez v. Millard Mall Services, Inc.*, Riverside County Superior Court, Case No. CVRI2104010, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Christa Morton, et al. v. PSI Services, LLC*, Fresno County Superior Court, Case No. 24CECG00039, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Michael Bravo v. Michels Pacific Energy, Inc.*, Santa Clara County Superior Court, Case No. 22CV403427, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Daniel Rodriguez v. Republique, LLC*, Los Angeles County Superior Court, Case No. 23STCV14521, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Theresa Bendorf, et al. v. Sea World LLC, et al.*, San Diego County Superior Court, Case No. 37-2021-00034922-CU-OE-CTL, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Victor De La Cruz v. Northwest Pipe Company*, San Bernardino County Superior Court, Case No. CIVSB2211140, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Bobby Birdi v. Lucid USA, Inc.*, Alameda County Superior Court, Case No. 21CV003541, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Jose Trujillo, et al. v. Producers Dairy Foods, Inc.*, Sacramento County Superior Court, Case No. 34-2022-00313753, approved as counsel in settlement of

representative wage and hour action pursuant to PAGA.

- *David Williams v. Rancho Nicasio, LLC*, Marin County Superior Court, Case No. CIV2203067, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Alexander Jackson v. Lifecare Assurance Company*, Los Angeles County Superior Court, Case No. 23STCV26579, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Alexis Cardoza v. BHFC Operating LLC*, Los Angeles County Superior Court, Case No. 21STCV34040, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Maria Ayala, et al. v. SDH Services West, LLC*, Kern County Superior Court, Case No. BCV-21-101933, approved as class counsel in final settlement of wage and hour class action.
- *Alfredo Sanchez v. Greenworld, Inc.*, Riverside County Superior Court, Case No. CVRI2105756, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Oscar Bryant v. Midwest Construction Services, Inc. dba Trillium*, San Bernardino County Superior Court, Case No. CIVSB2121529, approved as class counsel in final settlement of wage and hour class action.
- *Matthew Savattieri v. AMI Expeditionary Healthcare, LLC, et al.*, Los Angeles County Superior Court, Case No. 21STCV33372, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Lexy Barajas, et al. v. H. W. Hunter, Inc.*, Los Angeles County Superior Court, Case No. 22STCV01892, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Alejandro Valdez v. C.H.I. Automart, Inc.*, Los Angeles County Superior Court, Case No. 21STCV40168, approved as class counsel in final settlement of wage and hour

class and PAGA action.

- *Sheizan Bawa v. Meathead Movers, Inc.*, Orange County Superior Court, Case No. 30-2021-01211895-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Tanisha Lopez, et al. v. Restorix Health, Inc.*, Los Angeles County Superior Court, Case No. 21STCV33067, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Perla Soto, et al. v. Nippon Express U.S.A., Inc.*, Los Angeles County Superior Court, Case No. 21STCV24902, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Angel Garcia, et al. v. J&B Investments, Inc., et al.*, San Bernardino County Superior Court, Case No. CIVSB2208601, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Sindy Aviles, et al. v. Freeway Insurance Services America, LLC*, Los Angeles County Superior Court, Case No. 21STCV34864, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Alexander Gnaedig, et al. v. Favorite Healthcare Staffing, Inc.*, Los Angeles County Superior Court, Case No. 21STCV20904, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Richard Evans v. My Paint Stop, LLC, et al.*, Contra Costa County Superior Court, Case No. MSC21-01812, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Jose Luis Parada George v. Main Electric Supply Company, LLC, et al.*, Orange County Superior Court, Case No. 30-2021-01220136-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Samia Salazar Yunis v. Sharif Jewelers*, Sacramento County Superior Court, Case

No. 34-2020-00290080, approved as class counsel in final settlement of wage and hour class and PAGA action.

- *Daniel Analco v. Felix Chevrolet, LP, et al.*, Los Angeles County Superior Court, Case No. 21STCV36654, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Sasha Aiono v. Benefit Cosmetics*, Los Angeles County Superior Court, Case No. 21STCV33719, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.

EXHIBIT 2



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Barbara DuVan-Clarke, Esq.
bdc@blackstonepc.com

February 21, 2025

Amended PAGA Claim Notice Via Online Electronic Submission

California Labor & Workforce Development Agency

800 Capitol Mall, Suite 5000 (MIC-55)

Sacramento, CA 95814

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

RE: *Alma Lozano v. Jakks Pacific, Inc. And Workforce Personnel Incorporated*

AMENDED PAGA Notice - LWDA-CM-1003990-24

To Whom It May Concern:

This office represents Alma Lozano (“Claimant”) with respect to their claims under the California Labor Code against Jakks Pacific, Inc. and Workforce Personnel Incorporated (including all affiliates, subsidiaries, parents, directors, and officers) (collectively referred to herein as “Employers”). This letter is being sent simultaneously to Employers by certified mail.

Employers employed Alma Lozano from approximately November 2019 to July 2023 as a non-exempt, hourly-paid employee. Claimant worked as a Picker and Dispatcher for Employers and was based out of Employers’ facility located at 21749 Baker Parkway, Walnut, CA 91789.

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

As detailed below, Employers violated several of California’s wage and hour laws during Claimant’s employment, including but not limited to California Labor Code sections 201, 202, 203, 203.1, 204, 212, 225.5, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, 2802, and the applicable Industrial Welfare Commission Wage Order (“IWC Wage Order”).

The claims made on behalf of Claimant and Aggrieved Employees are based upon the following facts and theories:

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

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

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

Throughout the relevant time, Employers regularly required Claimant and other Aggrieved Employees to perform work off-the-clock prior to clocking-in and/or after clocking-out for their shifts. Employers failed to compensate Claimant and other Aggrieved Employees for any of this off-the-clock work, in violation of California law.

This uncompensated work often resulted in the total number of hours worked by Claimant and other Aggrieved Employees exceeding the daily and/or weekly triggers for overtime wages, yet Employers failed to pay Claimant and Aggrieved Employees applicable overtime rate(s) for these hours.

Employers also failed to accurately record the actual time worked by Claimant and Aggrieved Employees.

Employers also failed to pay overtime to Claimant and Aggrieved Employees for all overtime hours worked based on regular rates of pay correctly calculated to include all applicable remuneration, including non-discretionary commissions, non-discretionary bonuses, and non-discretionary performance pay.

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

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to the applicable IWC Wage Orders; penalties pursuant to California Labor Code sections 558, 1197.1, and 1199; and attorneys' fees and costs.

2. MEAL BREAK VIOLATIONS

California law requires employers to provide employees with an opportunity to take an uninterrupted meal period of no less than thirty (30) minutes before the end of the fifth hour of work when an employee works more than five (5) hours in a day. Cal. Lab. Code §§ 226.7 & 512(a). Employers must provide a second meal period of no less than thirty (30) minutes before the end of the tenth hour of work when an employee works more than ten (10) hours in a day. *Id.* For each day that an employer fails to provide compliant meal period(s), the employer must pay the employee a meal penalty equal to one hour of pay at the employee's regular rate of compensation. *Id.*

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

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

Claimant and other Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for each day a compliant meal period was not provided to them in compliance with California law.

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

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

3. REST BREAK VIOLATIONS

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

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

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

Claimant and other Aggrieved Employees from taking timely, uninterrupted, and duty-free rest periods because of the priority placed on completing job requirements over employees' right to receive rest periods.

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

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

4. FAILURE TO TIMELY PAY WAGES DURING EMPLOYMENT

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month.

California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, Employers failed to timely pay all wages earned because Claimant and other Aggrieved Employees were not paid all the wages they were owed including, *inter alia*, overtime compensation, straight time wages, minimum wages, and meal and rest period premiums and because Employers paid Claimant and other Aggrieved Employees wages in the regular course of business with dishonored or refused checks. Accordingly, Employers violated California Labor Code sections 203.1, 204(a), 212, and 225.5.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to California Labor Code sections 210, 225.5 and 1199; and attorneys' fees and costs.

5. FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

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

her social security number or an employee identification number other than a social security number, and (8) the name and address of the legal entity that is the employer.

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

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

6. FAILURE TO MAINTAIN ACCURATE RECORDS

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

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

7. FAILURE TO REIMBURSE NECESSARY EXPENDITURES

California Labor Code sections 2800 and 2802 require an employer to reimburse its employees for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. The applicable IWC Wage Order requires employers to provide employees with the tools or equipment necessary for the performance of their job. During the relevant time period, Claimant and Aggrieved Employees incurred necessary business-related expenses and costs that were not fully reimbursed by Employers. These costs include but are not limited to the necessary purchase of gloves and back support belts for work-related purposes.

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

8. FAILURE TO TIMELY PAY ALL WAGES UPON TERMINATION

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

During the relevant time period, upon the termination of employment (including but not limited to when they were temporarily laid off, laid off, discharged, and/or resigned), Employers failed to pay all wages due to their employees within twenty-four (24) hours of termination or even within seventy-two (72) hours for those who resigned. Specifically, as a result of Employers' practices of requiring Claimant and Aggrieved Employees to work off-the-clock without compensation, failing to pay proper overtime compensation, failing to properly calculate regular rates, failing to accurately record all hours actually worked, paying wages with bad checks, and failing to issue wages on demand and without discount Employers failed to pay Claimant and Aggrieved Employees for all straight time wage, minimum wages and overtime compensation owed to them upon termination of their employment. Employers also failed to pay Claimant and Aggrieved Employees for meal period premiums and rest period premiums they were owed, amongst other wages. Accordingly, Employers violated California Labor Code sections 201, 202, 203.1, 212, and 225.5.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to California Labor Code sections 203, 225.5 and 1199; and attorneys' fees and costs.

9. PAYMENT OF WAGES WITH DISHONORED CHECKS

California Labor Code section 203.1 provides that if an employer pays an employee wages in the regular course of business by check, draft, or voucher that is subsequently refused payment because, among other things, the employer has insufficient funds in the bank account upon which the instrument is drawn, then those wages shall continue as a penalty at the same rate until paid or an action is commenced up to a maximum of 30 days of wages.

During the relevant time period, Employers intentionally and willfully paid Claimant and Aggrieved Employees wages by checks for which payments were subsequently dishonored or refused due to, inter alia, insufficient funds. As a result of Employers' conduct, Claimant and Aggrieved Employees incurred fees and other charges for the refused checks. Accordingly, Employers violated California Labor Code sections 212, 213.1, and 225.5.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to California Labor Code sections 225.5 and 1199; and attorneys' fees and costs.

10. FAILURE TO ISSUE WAGES PAYABLE BY AN INSTRUMENT PAYABLE ON DEMAND AND WITHOUT DISCOUNT

California Labor Code section 212 provides that wages shall be paid on demand and without discount. California Labor Code section 225.5 provides for penalties for California Labor Code section 212 violations.

During the relevant time period, Employers intentionally and willfully paid Claimant and Aggrieved Employees wages by checks for which payments were subsequently dishonored or refused due to, inter alia, insufficient funds. As a result of Employers' conduct, Claimant and Aggrieved Employees incurred fees and other charges for the refused checks. Accordingly, Employers violated California Labor Code sections 212, 213.1, and 225.5.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to California Labor Code sections 225.5 and 1199; and attorneys' fees and costs.

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

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

Employers are in direct violation of numerous California wage and hour laws including but not limited to said sections stated above. Claimant hereby provides notice to the LWDA under the California Labor Code Private Attorneys General Act of 2004, California Labor Code Sections 2698, *et seq.*, and specifically asks for an investigation, or if the agency does not intend to investigate the alleged violations, a letter confirming the same so that Claimant may allege a cause of action under PAGA against Employers for the violations discussed in this letter.

This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3. By law, an employee alleging a violation of one of the above referenced sections must notify his or her employer and the Labor and Workforce Development Agency (LWDA) before he or she can invoke the provisions of Sections 2699, *et seq.*, by seeking redress in court. Cal. Lab. Code § 2699.3(a)(1). The LWDA must then notify the employer and the employee within



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60 calendar days regarding whether it intends to investigate the alleged violation. Cal. Lab. Code § 2699.3(a)(2)(B). If the LWDA advises it will not investigate, or if no notice is provided within 65 calendar days, the employee may file a lawsuit invoking the provisions under Labor Code § 2699. Cal. Lab. Code § 2699.3(a)(2)(A). It is Claimant's intention to file a civil complaint and to bring the appropriate claims under California Labor Code § 2699 on behalf of themselves, the State of California and all Aggrieved Employees should your office not address Employers' alleged violations within this timeframe.

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

BLACKSTONE LAW

A handwritten signature in blue ink, appearing to read 'Barbara DuVan-Clarke'.

Barbara DuVan-Clarke, Esq.

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

Jakks Pacific, Inc.
2951 28th Street
Santa Monica, CA 90405

Jakks Pacific, Inc.
Agent for Service
2710 Gateways Oaks Drive, Suite 150N
Sacramento, CA 95833

Workforce Personnel, Inc.
7349 Milliken Avenue #14012
Rancho Cucamonga, CA 91730

Workforce Personnel, Inc.
7349 Milliken Ave. #14012
Rancho Cucamonga, CA 91730

EXHIBIT 3

1 **JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT**

2 This Joint Stipulation of Class Action and PAGA Settlement (“Settlement,” “Agreement,” or
3 “Settlement Agreement”) is made and entered into by and between Plaintiff Alma Lozano (“Plaintiff”
4 or “Class Representative”), individually, and on behalf of all others similarly situated and on behalf
5 of the State of California with respect to aggrieved employees, and Defendants JAKKS Pacific, Inc.
6 and Workforce Personnel, Inc. (together, “Defendants”) (together, Plaintiff and Defendants are
7 referred to as “Parties” and individually as “Party”).

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

11 **RECITALS**

12 1. On January 9, 2024, Plaintiff provided written notice to the Labor and Workforce
13 Development Agency (“LWDA”) by online submission and to Defendants by U.S. Certified Mail,
14 pursuant to California Labor Code Section 2699.3, of the specific provisions of the California Labor
15 Code alleged to have been violated by Defendants (“PAGA Letter”).

16 2. On March 5, 2024, Plaintiff filed a Class Action Complaint in the action entitled *Alma*
17 *Lozano v. JAKKS Pacific, Inc.*, Los Angeles County Superior Court Case No. 24STCV05539
18 (“Action”), thereby commencing a putative class action against Defendant JAKKS Pacific, Inc.

19 3. On March 15, 2024, Plaintiff filed a Complaint for Enforcement Action Under the
20 Private Attorneys General Act, Cal. Labor Code §§ 2698 *Et Seq.* in the action entitled *Alma Lozano v.*
21 *JAKKS Pacific, Inc.*, Los Angeles County Superior Court Case No. 24STCV06513 (“PAGA Action”),
22 which alleged one cause of action under the Private Attorneys General Act of 2004 pursuant to
23 California Labor Code Section 2698 *et seq.* (“PAGA”) against Defendant JAKKS Pacific, Inc.

24 4. On July 15, 2024, Plaintiff filed a First Amended Class Action Complaint (“FAC”) in
25 the Action, which added Workforce Personnel Incorporated as a Defendant in the Action.

26 5. Plaintiff will file a Second Amended Class and Representative Action Complaint
27 (“Operative Complaint”) in the Action which added the PAGA claims alleged in the PAGA Action.
28 Following the filing of the Operative Complaint, Plaintiff will request dismissal without prejudice of

1 the PAGA Action in its entirety. Together, the Action and PAGA Action are referred to as the
2 “Actions.”

3 6. The Operative Complaint alleges twelve (12) causes of action for violations of the
4 California Labor Code for failure to pay minimum wages, failure to pay overtime wages, failure to
5 provide compliant meal periods and premium payments in lieu thereof, failure to provide compliant
6 rest periods and premiums payments in lieu thereof, failure to timely pay wages during employment,
7 failure to provide compliant wage statements, failure to timely pay wages upon termination, and failure
8 to reimburse necessary business expenses, for violations of California Business & Professions Code
9 Section 17200, *et seq.* based on the aforementioned California Labor Code violations, for payment of
10 wages with a dishonored check, for failure to issue wages payable by an instrument payable on demand
11 and without discount, and for civil penalties under PAGA based on the aforementioned California
12 Labor Code violations.

13 7. Defendants deny all material allegations set forth in the Actions and have asserted
14 numerous affirmative defenses. Notwithstanding, in the interest of avoiding further litigation,
15 Defendants desire to fully and finally settle the Actions, Released Class Claims (as defined herein),
16 and Released PAGA Claims (as defined herein).

17 8. Class Counsel diligently investigated the class and PAGA claims against Defendants,
18 including any and all applicable defenses and the applicable law. The investigation included, *inter*
19 *alia*, the exchange of information, data, and documents, and review of corporate policies and practices.
20 The Parties have engaged in sufficient formal and informal discovery and investigation to assess the
21 relative merits of the claims and contentions of the Parties.

22 9. On December 11, 2025, the Parties participated in mediation with Steven Serratore, a
23 respected mediator of complex wage and hour actions. Though the Parties were unable to reach a
24 settlement at mediation and a subsequent mediator’s proposal was rejected, the Parties continued to
25 engage in settlement discussions in the weeks following the mediation, ultimately reaching the instant
26 settlement along the lines of the mediator’s proposal. The Parties’ settlement discussions were
27 conducted at arms’ length, and the Settlement is the result of an informed and detailed analysis of
28 Defendants’ potential liability and exposure in relation to the costs and risks associated with continued

1 litigation. Based on Class Counsel's investigation and evaluation, Class Counsel believes that the
2 settlement with Defendants for the consideration and on the terms set forth in this Settlement
3 Agreement is fair, reasonable, and adequate and is in the best interest of the Class Members, State of
4 California, and PAGA Employees in light of all known facts and circumstances, including the risk of
5 significant delay and uncertainty associated with litigation and various defenses asserted by
6 Defendants.

7 10. The Parties expressly acknowledge that this Settlement Agreement is entered into
8 solely for the purpose of compromising significantly disputed claims and that nothing herein is an
9 admission of liability or wrongdoing by Defendants. If for any reason this Settlement Agreement is
10 not approved, it will be of no force or effect, and the Parties shall be returned to their original respective
11 positions.

12 **DEFINITIONS**

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

15 a. "Attorneys' Fees and Costs" means attorneys' fees approved by the Court for
16 Class Counsel's litigation and resolution of the Actions and all actual costs and expenses incurred and
17 to be incurred by Class Counsel in connection with the Actions, as set forth in Paragraph 13.

18 b. "Class" or "Class Member(s)" means all individuals who were employed by
19 JAKKS Pacific, Inc. during the Class Period who were classified as non-exempt, and all individuals
20 who were retained by JAKKS Pacific, Inc. via a staffing agency to work at any facility operated by
21 JAKKS Pacific, Inc. in California during the Class Period who were classified as non-exempt.

22 c. "Class Counsel" means Jonathan M. Genish, Barbara DuVan-Clarke, Danielle
23 GruppChang, P.J. Van Ert, Melissa Rodriguez, and Annabel Blanchard of Blackstone Law, APC, who
24 will seek to be appointed counsel for the Class.

25 d. "Class List" means a complete list of all Class Members that Defendants will
26 diligently and in good faith compile from their records and provide to the Settlement Administrator.
27 The Class List will be formatted in a readable Microsoft Office Excel spreadsheet containing the
28 following information for each Class Member: (1) full name; (2) last known mailing address; (3)

1 Social Security number; and (4) the number of Workweeks and Pay Periods worked.

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

4 f. "Class Period" means the period from March 4, 2020 through March 9, 2026.

5 g. "Class Settlement" means the settlement and resolution of all Released Class
6 Claims.

7 h. "Court" means the Superior Court of the State of California for the County of
8 Los Angeles.

9 i. "Defendant's Counsel" means Kenneth Sulzer and Matthew Scholl of
10 Constangy, Brooks, Smith & Prophete, LLP.

11 j. "Dispute" means a letter submitted by a Class Member disputing the number of
12 Workweeks and/or Pay Periods which have been credited to them, which must: (a) contain the case
13 name and number of the Action; (b) contain the Class Member's full name, signature, address,
14 telephone number, and the last four (4) digits of the Class Member's Social Security number; (c)
15 clearly state that the Class Member disputes the number of Workweeks and/or Pay Periods credited to
16 the Class Member and what the Class Member contends is the correct number; and (d) be returned by
17 mail to the Settlement Administrator at the specified address, postmarked on or before the Response
18 Deadline.

19 k. "Effective Date" means the later of: (i) sixty-five (65) calendar days after the
20 Court enters a final approval order and judgment approving the Settlement; or (ii) if any appeal, writ,
21 or other appellate proceeding opposing the Court's final approval order has been filed, five (5) business
22 days after the appeal, writ, or appellate proceeding has been finally and conclusively dismissed with
23 no right to pursue further judicial remedies or relief.

24 l. "Employer Taxes" means the employer's share of taxes and contributions in
25 connection with the wages portion of Individual Settlement Shares, which shall be paid by Defendants
26 in addition to the Gross Settlement Amount.

27 m. "Enhancement Payment" means the amount to be paid to Plaintiff, in
28 recognition of her effort and work in prosecuting the Actions on behalf of Class Members and PAGA

1 Employees, and general release of claims, as set forth in Paragraph 14.

2 n. "Final Approval" means the determination by the Court that the Settlement is
3 fair, reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

4 o. "Final Approval Hearing" means the hearing at which the Court will consider
5 and determine whether the Settlement should be granted Final Approval.

6 p. "Final Approval Order and Judgment" means the order granting final approval
7 of the Settlement and entering judgment thereon, in a form and content mutually agreed to by the
8 Parties, and subject to approval by the Court.

9 q. "Gross Settlement Amount" means the amount of One Million Seven Hundred
10 Thousand Dollars (\$1,700,000) to be paid by Defendants in full satisfaction of the Actions, Released
11 Class Claims, and Released PAGA Claims, which includes all Attorneys' Fees and Costs,
12 Enhancement Payment, PAGA Amount, Settlement Administration Costs, and Net Settlement
13 Amount to be paid to the Settlement Class Members. Defendants shall pay the Employer Taxes
14 separately and in addition to the Gross Settlement Amount. The Gross Settlement Amount is non-
15 reversionary; no portion of the Gross Settlement Payment will return to Defendants. The Gross
16 Settlement Amount is subject to increase, as provided in Paragraph 17.

17 r. "Individual PAGA Payment" means the *pro rata* share of the PAGA Employee
18 Amount that a PAGA Employee may be eligible to receive under the PAGA Settlement, to be
19 calculated in accordance with Paragraph 19.

20 s. "Individual Settlement Payment" means the net payment of each Settlement
21 Class Member's Individual Settlement Share, after reduction for the employee's share of taxes and
22 withholdings with respect to the wages portion of the Individual Settlement Share, as provided in
23 Paragraph 20.

24 t. "Individual Settlement Share" means the *pro rata* share of the Net Settlement
25 Amount that a Class Member may be eligible to receive under the Class Settlement, to be calculated
26 in accordance with Paragraph 18.

27 u. "LWDA Payment" means the amount of Seventy-Five Thousand Dollars
28 (\$75,000), i.e., 75% of the PAGA Amount, that the Parties have agreed to pay to the LWDA under the

1 PAGA Settlement, as set forth in Paragraph 15.

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

6 w. “Notice of Objection” means a Settlement Class Member’s written objection to
7 the Class Settlement, which must: (a) contain the case name and number of the Action; (b) contain the
8 objector’s full name, signature, address, telephone number, and the last four (4) digits of the objector’s
9 Social Security number; (c) contain a written statement of all grounds for the objection accompanied
10 by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents
11 upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the
12 specified address, postmarked on or before the Response Deadline.

13 x. “PAGA Amount” means the allocation of One Hundred Thousand Dollars
14 (\$100,000) from the Gross Settlement Amount for the PAGA Settlement. Seventy-five percent (75%)
15 of the PAGA Amount, or \$75,000, will be paid to the LWDA (i.e., the LWDA Payment) and the
16 remaining twenty-five percent (25%), or \$25,000, will be distributed to the PAGA Employees (i.e.,
17 the PAGA Employee Amount).

18 y. “PAGA Employee(s)” means all individuals who were employed by JAKKS
19 Pacific, Inc. during the PAGA Period who were classified as non-exempt, and all individuals who
20 were retained by JAKKS Pacific, Inc. via a staffing agency to work at any facility operated by JAKKS
21 Pacific, Inc. in California during the PAGA Period who were classified as non-exempt.

22 z. “PAGA Employee Amount” means the amount of Twenty-Five Thousand
23 Dollars (\$25,000), i.e., 25% of the PAGA Amount, to be distributed to PAGA Employees on a *pro*
24 *rata* basis based on their Pay Periods.

25 aa. “PAGA Period” means the period from January 9, 2023 through March 9, 2026.

26 bb. “PAGA Settlement” means the settlement and resolution of all Released PAGA
27 Claims.

28 cc. “Pay Periods” means the number of pay periods each PAGA Employee worked

1 for at least one day as a non-exempt employee for JAKKS Pacific, Inc. or for a staffing agency retained
2 by JAKKS Pacific, Inc. at a facility operated by JAKKS, Pacific, Inc in California during the PAGA
3 Period.

4 dd. "Preliminary Approval" means the date on which the Court enters the
5 Preliminary Approval Order.

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

9 ff. "Released Class Claims" means any and all causes of action, claims, rights,
10 statutory damages, penalties, liabilities, expenses and losses against the Released Parties, arising out
11 of the claims alleged or which could have been reasonably alleged based on the factual allegations in
12 the Operative Complaint, arising during the Class Period, (i.e., California Labor Code Sections 201-
13 204, 210, 212, 213.1, 225.5, 226, 226.7, 510, 512(a), 1197, 1197.1, 1198, 2800, and 2802, and
14 California Business and Professions Code sections 17200, *et seq.*) and all other potential claims
15 reasonably related to or arising out of the same set of facts pled in the Operative Complaint, such as
16 those under the California Labor Code, Wage Orders, regulations, and/or other provisions of law.

17 gg. "Released PAGA Claims" means any and all claims for civil penalties under
18 the Private Attorneys General Act of 2004, California Labor Code Sections 2698 *et seq.*, ("PAGA"),
19 arising during the PAGA Period, based on the California Labor Code violations alleged the PAGA
20 Letter, or any amended PAGA Letter, as well as facts, theories, or claims for civil penalties that would
21 be considered administratively exhausted under applicable law by the PAGA Letter, as well as any
22 claims brought under PAGA in the Operative Complaint.

23 hh. "Released Parties" means JAKKS Pacific, Inc., JAKKS Sales, LLC, Disguise,
24 Inc., Workforce Enterprises, Inc., Workforce Personnel, Inc., United Employment Solutions, Inc. and
25 LaborNow, Inc. (which has since merged with Empire Workforce Solutions, Inc.), and all of their
26 respective parent companies, subsidiaries, divisions, related or affiliated companies, clients, and each
27 of their respective shareholders, officers, directors, employees, agents, principals, representatives,
28 attorneys, accountants, partners, investors, owners, administrators, insurers, predecessors, successors,

1 and assigns, and any individual or entity that could be liable for any of the Released Class Claims or
2 Released PAGA Claims.

3 ii. "Request for Exclusion" means a letter submitted by a Class Member indicating
4 a request to be excluded from the Class Settlement, which must: (a) contain the case name and number
5 of the Action; (b) contain the Class Member's full name, signature, address, telephone number, and
6 last four (4) digits of the Class Member's Social Security number; (c) clearly state that the Class
7 Member does not wish to be included in the Class Settlement; and (d) be returned by mail to the
8 Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

9 jj. "Response Deadline" means the deadline by which Class Members must submit
10 a Request for Exclusion, Notice of Objection, and/or Dispute, which shall be the date that is forty-five
11 (45) calendar days from the initial mailing of the Class Notice by the Settlement Administrator to
12 Class Members, unless the 45th day falls on a Sunday or Federal holiday, in which case the Response
13 Deadline will be extended to the next day on which the United States Postal service is open. The
14 Response Deadline may also be extended by express agreement between Class Counsel and
15 Defendant's Counsel. In the event that a Class Notice is re-mailed to a Class Member, the Response
16 Deadline for that Class Member shall be extended fifteen (15) calendar days from the original
17 Response Deadline.

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

23 ll. "Settlement Administration Costs" means the costs payable from the Gross
24 Settlement Amount to the Settlement Administrator for administering the Settlement, as set forth in
25 Paragraph 16.

26 mm. "Settlement Class" or "Settlement Class Member(s)" means all Class Members
27 who do not submit a timely and valid Request for Exclusion.

28 nn. "Workweeks" means the number of weeks each Class Member worked for at

1 least one day as a non-exempt employee for JAKKS Pacific, Inc. or for a staffing agency retained by
2 JAKKS Pacific, Inc. at a facility operated by JAKKS, Pacific, Inc. in California during the Class
3 Period.

4 **CLASS CERTIFICATION**

5 12. For the purposes of this Settlement only, the Parties stipulate to the certification of the
6 Class.

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

13 **TERMS OF THE AGREEMENT**

14 NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements set
15 forth herein, the Parties agree, subject to the Court's approval, as follows:

16 14. Attorneys' Fees and Costs. Defendants agrees not to oppose or impede any application
17 or motion by Class Counsel for attorneys' fees in the amount up to thirty-five percent (35%) of the
18 Gross Settlement Amount (i.e., \$595,000 if the Gross Settlement Amount is \$1,700,000) and
19 reimbursement of actual costs and expenses associated with Class Counsel's litigation and settlement
20 of the Actions, in an amount not to exceed Forty-Five Thousand Dollars (\$45,000), both of which will
21 be paid from the Gross Settlement Amount. These amounts will cover any and all work performed and
22 any and all costs incurred by Class Counsel in connection with the litigation of the Actions, including
23 without limitation all work performed and costs incurred to date, and all work to be performed and all
24 costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement,
25 including any objections raised and any appeals necessitated by those objections. Class Counsel shall
26 be solely and legally responsible for correctly characterizing this compensation for tax purposes and
27 for paying any taxes on the amounts received. The Settlement Administrator shall issue an IRS Form
28 1099 to Class Counsel for the Attorneys' Fees and Costs. Any portion of the requested Attorneys'

1 Fees and Costs that is not awarded by the Court to Class Counsel shall be reallocated to the Net
2 Settlement Amount for the benefit of the Settlement Class Members.

3 15. Enhancement Payment. Defendants agree not to oppose or impede any application or
4 motion by Plaintiff for an Enhancement Payment in the amount up to Ten Thousand Dollars (\$10,000).
5 The Enhancement Payment, which will be paid from the Gross Settlement Amount, subject to Court
6 approval, will be in addition to her Individual Settlement Payment as a Settlement Class Member and
7 Individual PAGA Payment as a PAGA Employee. Plaintiff shall be solely and legally responsible for
8 correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts
9 received. The Settlement Administrator shall issue an IRS Form 1099 to Plaintiff for the Enhancement
10 Payment. Any portion of the requested Enhancement Payment that is not awarded by the Court to
11 Plaintiff shall be reallocated to the Net Settlement Amount for the benefit of the Settlement Class
12 Members.

13 16. PAGA Amount. Subject to approval by the Court, the Parties agree that the amount of
14 One Hundred Thousand Dollars (\$100,000) shall be allocated from the Gross Settlement Amount
15 toward penalties under the Private Attorneys General Act, California Labor Code Section 2698, *et seq.*
16 (i.e., the PAGA Amount), of which seventy-five percent (75%), or \$75,000, will be paid to the LWDA
17 (i.e., the LWDA Payment) and twenty-five percent (25%), or \$25,000, will be distributed to PAGA
18 Employees (i.e., the PAGA Employee Amount) on a *pro rata* basis, based on the total number of Pay
19 Periods each PAGA Employee worked during the PAGA Period (i.e., the Individual PAGA
20 Payments).

21 17. Settlement Administration Costs. The Settlement Administrator will be paid for the
22 reasonable costs of administration of the Settlement and distribution of payments under the Settlement,
23 which is currently estimated not to exceed Thirteen Thousand Five Hundred Dollars (\$13,500). These
24 costs, which will be paid from the Gross Settlement Amount, subject to Court approval, will include,
25 *inter alia*, translating the Class Notice to Spanish, printing, distributing, and tracking Class Notices
26 and other documents for the Settlement, calculating and distributing payments due under the
27 Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings,
28 and remittances, providing necessary reports and declarations, and other duties and responsibilities set

1 forth herein to process the Settlement, and as requested by the Parties. To the extent the actual
2 Settlement Administrator's costs are greater than the estimated amount stated herein, such excess
3 amount will be deducted from the Gross Settlement Amount, subject to approval by the Court. Any
4 portion of the estimated, designated, and/or awarded Settlement Administration Costs which are not
5 in fact required to fulfill payment to the Settlement Administrator to undertake the required settlement
6 administration duties shall be reallocated to the Net Settlement Amount for the benefit of the
7 Settlement Class Members.

8 18. Escalator Clause. Defendants have represented that the Class Members worked a total
9 of 73,000 Workweeks during the Class Period. If it is determined by the Settlement Administrator
10 that the total number of Workweeks worked by the Class Members during the Class Period actually
11 exceeds 73,000 by more than 10% (i.e., if the Workweeks exceed 80,300), then the Gross Settlement
12 Amount will be increased on a *pro rata* basis equal to the percentage increase in the number of
13 Workweeks worked by the Class Members above 10%. For example, if the number of Workweeks
14 increases by 11% to 81,030 Workweeks, then the Gross Settlement Amount will increase by 1%.

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

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

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

27 20. Individual PAGA Payment Calculations. Individual PAGA Payments will be
28 calculated and apportioned from the PAGA Employee Amount based on the PAGA Employees'

1 number of Pay Periods, as follows: The Settlement Administrator will divide the PAGA Employee
2 Amount, i.e., 25% of the PAGA Amount, by the Pay Periods of all PAGA Employees to yield the
3 "Pay Period Value," and multiply each PAGA Employee's individual Pay Periods by the Pay Period
4 Value to yield each PAGA Employee's Individual PAGA Payment.

5 21. Tax Treatment of Individual Settlement Shares and Individual PAGA Payments. Each
6 Individual Settlement Share will be allocated as follows: ten percent (10%) wages, forty-five percent
7 (45%) statutory penalties, and forty-five percent (45%) interest. The portion allocated to wages will
8 be reported on an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage
9 damages will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. The
10 Settlement Administrator will withhold the employee's share of taxes and withholdings with respect
11 to the wages portion of the Individual Settlement Shares, and issue checks to Settlement Class
12 Members for their Individual Settlement Payments (i.e., payment of their Individual Settlement Share
13 net of these taxes and withholdings). The Employer Taxes will be paid separately and in addition to
14 the Gross Settlement Amount. Each Individual PAGA Payment will be allocated as one hundred
15 percent (100%) penalties and will be reported on an IRS Form 1099 (if applicable) by the Settlement
16 Administrator.

17 22. Administration of Taxes by the Settlement Administrator. The Settlement
18 Administrator will be responsible for issuing to Plaintiff, Settlement Class Members, PAGA
19 Employees, and Class Counsel any tax forms (i.e., IRS Forms W-2, IRS Forms 1099, etc.) as may be
20 required by law for all amounts paid pursuant to this Settlement Agreement. The Settlement
21 Administrator will also be responsible for calculating the Employer Taxes and forwarding all payroll
22 taxes and other legally required withholdings to the appropriate government authorities.

23 23. Tax Liability. Plaintiff, Class Counsel, Defendants, and Defendant's Counsel do not
24 intend anything contained in this Settlement Agreement to constitute advice regarding taxes or
25 taxability, nor shall anything in this Settlement Agreement be relied on as such. Plaintiff, Settlement
26 Class Members, and PAGA Employees are not relying on any statement, representation, or calculation
27 by Defendants, the Settlement Administrator, or Class Counsel in this regard. Plaintiff, Settlement
28 Class Members, and PAGA Employees understand and agree that Plaintiff, Settlement Class

1 Members, and PAGA Employees will be solely responsible for the payment of any taxes and penalties
2 assessed on the payments described in this Settlement Agreement. Plaintiff, Settlement Class
3 Members, and PAGA Employees should consult with their tax advisors concerning the tax
4 consequences of any payment they receive under the Settlement.

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

28 25. Settlement Awards Do Not Trigger Additional Benefits. All payments made under the

1 Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually
2 are issued to the payee. It is expressly understood and agreed that payments made under this
3 Settlement shall not in any way entitle Plaintiff, Settlement Class Members, or any PAGA Employee
4 to additional compensation or benefits under any new or additional compensation or benefits, or any
5 bonus, contest, or other compensation or benefit plan or agreement in place during the Class Period,
6 nor will it entitle Plaintiff, Settlement Class Members, or any PAGA Employee to any increased
7 retirement, 401K benefits or matching benefits, or deferred compensation benefits (notwithstanding
8 any contrary language or agreement in any benefit or compensation plan document that might have
9 been in effect during the Class Period).

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

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

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

28 27. Notice of Settlement to the LWDA. Pursuant to California Labor Code § 2699(1)(2),

1 Class Counsel shall notify the LWDA of the Settlement.

2 28. Delivery of Class List. Within fourteen (14) calendar days of Preliminary Approval,
3 Defendants will provide the Class List to the Settlement Administrator.

4 29. Notice by First-Class U.S. Mail.

5 a. Within seven (7) calendar days after receiving the Class List from Defendants,
6 the Settlement Administrator will perform a search based on the National Change of Address Database
7 or any other similar services available, such as provided by Experian, for information to update and
8 correct for any known or identifiable address changes, and will mail a Class Notice in English and
9 Spanish (in the form attached as **Exhibit A** to this Settlement Agreement) to all Class Members via
10 First-Class U.S. Mail, using the most current, known mailing addresses identified by the Settlement
11 Administrator.

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

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

23 30. Disputes Regarding Workweeks and/or Pay Periods. Class Members will have an
24 opportunity to dispute the number of Workweeks and/or Pay Periods which have been credited to
25 them, as reflected in their respective Class Notices, by submitting a timely and valid Dispute to the
26 Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the
27 postmark on the return mailing envelope will be the exclusive means to determine whether a Dispute
28 has been timely submitted. Absent evidence rebutting the accuracy of Defendant's records and data

1 as they pertain to the number of Workweeks and/or Pay Periods to be credited to a disputing Class
2 Member, Defendants' records will be presumed to be correct and determinative of the dispute.
3 However, if a Class Member produces information and/or documents to the contrary, the Settlement
4 Administrator will evaluate the materials submitted by the Class Member and the Settlement
5 Administrator will resolve and determine the number of eligible Workweeks and/or Pay Periods that
6 the disputing Class Member should be credited with under the Settlement. The Settlement
7 Administrator's decision on such disputes will be final and non-appealable.

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

27 32. Objecting to the Class Settlement. To object to the Class Settlement, Settlement Class
28 Members must submit a timely and complete Notice of Objection to the Settlement Administrator, by

1 mail, postmarked on or before the Response Deadline. The date of the postmark on the return mailing
2 envelope will be the exclusive means to determine whether a Notice of Objection has been timely
3 submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendants'
4 Counsel the number of Notices of Objection that are submitted (specifying which ones were timely
5 and complete and which were not), and also attach them to a declaration that is to be filed with the
6 Court in advance of the Final Approval Hearing. At no time will any of the Parties or their counsel
7 seek to solicit or otherwise encourage Settlement Class Members to object to the Class Settlement or
8 appeal from the Final Approval Order and Judgment. Settlement Class Members, individually or
9 through counsel, may also present their objection orally at the Final Approval Hearing, regardless of
10 whether they have submitted a Notice of Objection.

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

20 34. Defendants' Right to Rescind. If more than ten percent (10%) of the Class Members
21 submit timely and valid Requests for Exclusion, Defendants may elect to rescind the Settlement
22 Agreement. Defendants must exercise this right of rescission in writing that is provided to Class
23 Counsel within seven (7) calendar days of the Settlement Administrator notifying the Parties of the
24 number of Class Members who have submitted timely and valid Requests for Exclusion following the
25 Response Deadline. If Defendants exercise this option, Defendants shall pay any costs of settlement
26 administration owed to the Settlement Administrator incurred up to that date.

27 35. Certification of Completion. Upon completion of administration of the Settlement, the
28 Settlement Administrator will provide a written declaration under oath to certify such completion to

1 the Court and counsel for all Parties.

2 36. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After
3 the Response Deadline, a Final Approval Hearing will be conducted to determine whether Final
4 Approval of the Settlement should be granted, along with the amounts properly payable for: (a)
5 Individual Settlement Shares; (b) Individual PAGA Payments; (c) LWDA Payment; (d) Attorneys'
6 Fees and Costs; (e) Enhancement Payment; and (f) Settlement Administration Costs. Plaintiff and
7 Class Counsel will be responsible for drafting the motion seeking Final Approval of the Settlement.
8 Class Counsel will provide Defendants' Counsel a draft of the final approval motion before filing it
9 with the Court. By way of said motion, Plaintiff will apply for the entry of the Final Approval Order
10 and Judgment, which will provide for, in substantial part, the following:

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

20 37. Funding of the Gross Settlement Amount. Provided no appeals are pending, no later
21 than seventy (70) days after entry of the Final Approval Order and Judgment, Defendants will deposit
22 the Gross Settlement Amount into a Qualified Settlement Fund ("QSF") within the meaning of
23 Treasury Regulation Section 1.468B-1, *et seq.*, to be established by the Settlement Administrator.
24 Defendants shall provide all information necessary for the Settlement Administrator to calculate
25 necessary payroll taxes including their official name(s), 8-digit state unemployment insurance tax ID
26 number(s), and other information requested by the Settlement Administrator, no later than five (5)
27 business days after the Effective Date.

28 38. Distribution of the Gross Settlement Amount. Within five (5) business days of the
funding of the Gross Settlement Amount, the Settlement Administrator will issue the Individual

1 Settlement Payments to Settlement Class Members, Individual PAGA Payments to PAGA Employees,
2 LWDA Payment to the LWDA, Enhancement Payment to Plaintiff, Attorneys' Fees and Costs to Class
3 Counsel, and Settlement Administration Costs to itself. The Settlement Administrator shall also set
4 aside the Employer Taxes and all employee-side payroll taxes, contributions, and withholding, and
5 timely forward these to the appropriate government authorities.

6 39. Settlement Checks. The Settlement Administrator will be responsible for undertaking
7 appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way
8 of check to the Settlement Class Members and the Individual PAGA Payments by way of check to the
9 PAGA Employees in accordance with this Settlement Agreement. When issuing payments, the
10 Settlement Administrator may combine the Individual Settlement Payment and Individual PAGA
11 Payment into one check if the intended recipient for both payments is one individual. Settlement Class
12 Members and PAGA Employees are not required to submit a claim to be issued an Individual
13 Settlement Payment and/or Individual PAGA Payment. Each Individual Settlement Payment and
14 Individual PAGA Payment check will be valid and negotiable for one hundred and eighty (180)
15 calendar days from the date the checks are issued, and thereafter, shall be canceled. Any funds
16 associated with such canceled checks shall be distributed by the Settlement Administrator to the State
17 of California's Unclaimed Property Division in the name of the Settlement Class Member and/or
18 PAGA Employee. The Parties agree that this disposition results in no "unpaid residue" under
19 California Civil Procedure Code Section 384, as the entire Net Settlement Amount will be paid out to
20 Settlement Class Members, whether or not they cash their settlement checks. Therefore, Defendants
21 will not be required to pay any interest on such amounts. The Settlement Administrator shall undertake
22 amended and/or supplemental tax filings and reporting required under applicable local, state, and
23 federal tax laws that are necessitated due to the cancellation of any Individual Settlement Payment
24 and/or Individual PAGA Payment checks. Settlement Class Members whose Individual Settlement
25 Payment checks are canceled shall, nevertheless, be bound by the Class Settlement, and PAGA
26 Employees whose Individual PAGA Payment checks are canceled shall, nevertheless, be bound by the
27 PAGA Settlement.

28 40. Class Settlement Release. Upon the Effective Date and full funding of the Gross
Settlement Amount, Plaintiff and all Settlement Class Members will be deemed to have fully, finally,

1 and forever released, settled, compromised, relinquished, and discharged the Released Parties of all
2 Released Class Claims.

3 41. PAGA Settlement Release. Upon the Effective Date and full funding of the Gross
4 Settlement Amount, Plaintiff, the State of California with respect to all PAGA Employees, and all
5 PAGA Employees will be deemed to have fully, finally, and forever released, settled, compromised,
6 relinquished, and discharged the Released Parties of all Released PAGA Claims.

7 42. Plaintiff's General Release. Upon the Effective Date and full funding of the Gross
8 Settlement Amount, Plaintiff, individually and on her own behalf, will be deemed to have fully, finally,
9 and forever released, settled, compromised, relinquished, and discharged the Released Parties from
10 any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees,
11 damages, or causes of action of any kind or nature whatsoever, known or unknown, suspected or
12 unsuspected, asserted or unasserted, arising out of, relating to, or resulting from her employment
13 and/or separation of employment with Defendants, which Plaintiff, at any time up until the execution
14 of this Settlement Agreement, had or claimed to have or may have. It is agreed that this is a general
15 release and is to be broadly construed as a release of all claims, provided that, notwithstanding the
16 foregoing, this Paragraph expressly does not include a release of any claims that cannot be released
17 hereunder by law. Any and all rights granted under any state or federal law or regulation limiting the
18 effect of this Settlement Agreement, including the provisions of Section 1542 of the California Civil
19 Code, ARE HEREBY EXPRESSLY WAIVED. Section 1542 of the California Civil Code reads as
20 follows:

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

26 43. Final Approval Order and Judgment. The Parties shall provide the Settlement
27 Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court.
28 No individualized notice of the Final Approval Order and Judgment to the Class will be required.

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

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

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

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

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

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

20 e. Neither this Settlement Agreement, nor any ancillary documents, actions,
21 statements, or filings in furtherance of the Settlement (including all matters associated with the
22 mediation) shall be admissible or offered into evidence in the Action or any other action for any
23 purpose whatsoever; and

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

27 46. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant
28 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,

1 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause
2 of action or right herein released and discharged.

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

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

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

19 50. Amendment or Modification. Prior to the filing of the motion for preliminary approval
20 of the Settlement, the Parties may not amend or modify any provision of this Settlement Agreement
21 except by written agreement signed by counsel for all Parties. After the filing of the motion for
22 preliminary approval of the Settlement, the Parties may not amend or modify any provision of this
23 Settlement Agreement except by written agreement signed by counsel for all the Parties and subject
24 to Court approval. A waiver or amendment of any provision of this Settlement Agreement will not
25 constitute a waiver of any other provision.

26 51. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
27 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
28 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
to this Settlement Agreement to effectuate its terms and to execute any other documents required to

1 effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have
2 full authority to enter into this Settlement Agreement, and further intend that this Settlement
3 Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible
4 and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation
5 confidentiality provisions that otherwise might apply under state or federal law.

6 52. Signatories. It is agreed that because the members of the Class are so numerous, it is
7 impossible or impractical to have each Settlement Class Member or PAGA Employee execute this
8 Settlement Agreement. The Class Notice will advise all Class Members of the binding nature of the
9 Class Settlement as to the Settlement Class Members and the binding nature of the PAGA Settlement
10 as to the PAGA Employees, and the releases provided for by this Settlement Agreement shall have
11 the same force and effect as if this Settlement Agreement were executed by each Settlement Class
12 Member and PAGA Employee.

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

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

17 55. Execution and Counterparts. This Settlement Agreement is subject only to the
18 execution of all Parties. However, this Settlement Agreement may be executed in one or more
19 counterparts. All executed counterparts and each of them, including facsimile, electronic, and scanned
20 copies of the signature page, will be deemed to be one and the same instrument.

21 56. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
22 Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at
23 this Settlement after arm's length negotiations and in the context of adversarial litigation, taking into
24 account all relevant factors, present and potential. The Parties further acknowledge that they are each
25 represented by competent counsel and that they have had an opportunity to consult with their counsel
26 regarding the fairness and reasonableness of this Settlement Agreement. In addition, if necessary to
27 obtain approval of the Settlement, the Mediator may execute a declaration supporting the Settlement
28 and the reasonableness of the Settlement and the Court may, in its discretion, contact the Mediator to
discuss the Settlement and whether or not the Settlement is objectively fair and reasonable.

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

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

8 59. Non-Admission of Liability. The Parties enter into this Settlement Agreement to
9 resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of
10 continued litigation. In entering into this Settlement Agreement, Defendants do not admit, and
11 specifically deny, they have violated any federal, state, or local law; violated any regulations or
12 guidelines promulgated pursuant to any statute or any other applicable laws, regulations, or legal
13 requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation
14 or deception; or engaged in any other unlawful conduct with respect to its employees. Neither this
15 Settlement Agreement, nor any of its terms or provisions, nor any of the negotiations connected with
16 it, shall be construed as an admission or concession by Defendants of any such violations or failures
17 to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this
18 Settlement Agreement, this Settlement Agreement and its terms and provisions shall not be offered or
19 received as evidence in any action or proceeding to establish any liability or admission on the part of
20 Defendants or to establish the existence of any condition constituting a violation of, or a non-
21 compliance with, federal, state, local, or other applicable law.

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

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

1 negotiations between the Parties, all Parties have contributed equally to the preparation of this
2 Settlement Agreement.

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

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

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

13 To Plaintiff and Class Counsel:

14 **Jonathan M. Genish**

15 jgenish@blackstonepc.com

16 **Barbara DuVan-Clarke**

17 bdc@blackstonepc.com

18 **Danielle GruppChang**

19 dgruppchang@blackstonepc.com

20 **P.J. Van Ert**

21 pjvanert@blackstonepc.com

22 **Melissa Rodriguez**

23 mrodriguez@blackstonepc.com

24 **Annabel Blanchard**

25 ablanchard@blackstonepc.com

26 **BLACKSTONE LAW, APC**

27 8383 Wilshire Boulevard, Suite 745

28 Beverly Hills, California 90211

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

To Defendant:

Kenneth D. Sulzer

ksulzer@constangy.com

Matthew Scholl

mscholl@constangy.com

Constangy, Brooks, Smith & Prophete, LLP

2029 Century Park East, Suite 1100

Los Angeles, CA 90067

Tel: 310-909-7775

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

66. Confidentiality. Except as provided as above to the extent necessary to effectuate this Settlement Agreement or as required by court or legal process, the Parties and their respective Counsel will keep the terms of this Settlement Agreement confidential. Neither the Parties nor their respective Counsel shall issue a press release, hold a press conference, publish information about the settlement on any website or through any social media, or otherwise publicize the settlement or communicate its terms in public or in private, unless ordered by the Court. However, for the limited purpose of establishing adequacy of counsel in future actions, Plaintiff's counsel may reference the Action only by name and case number in a declaration establishing adequacy as counsel.

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

IT IS SO AGREED.

PLAINTIFF ALMA LOZANO

Dated: _____

Plaintiff Alma Lozano

DEFENDANT JAKKS PACIFIC, INC.

Dated: March 19, 2026

Roy Liebrecht

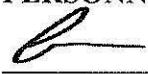
Full Name: Roy Liebrecht

Title: VP Legal

On behalf of Defendant JAKKS Pacific, Inc.

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**DEFENDANT WORKFORCE
PERSONNEL, INC.**



Dated: 03/26/2026

Full Name: Andrew Hernandez, Jr.

Title: CEO

On behalf of Defendant Workforce Personnel,
Inc.

APPROVED AS TO FORM ONLY:

BLACKSTONE LAW, APC

Dated: _____

Jonathan M. Genish
Barbara DuVan-Clarke
*Attorneys for Plaintiff Alma Lozano
and Proposed Class Counsel*

**CONSTANGY BROOKS SMITH &
PROPHETE LLP**



Dated: March 24, 2026

Matthew Scholl
*Attorneys for Defendants JAKKS Pacific, Inc.
and Workforce Personnel, Inc.*

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

8 66. Confidentiality. Except as provided as above to the extent necessary to effectuate this
9 Settlement Agreement or as required by court or legal process, the Parties and their respective Counsel
10 will keep the terms of this Settlement Agreement confidential. Neither the Parties nor their respective
11 Counsel shall issue a press release, hold a press conference, publish information about the settlement
12 on any website or through any social media, or otherwise publicize the settlement or communicate its
13 terms in public or in private, unless ordered by the Court. However, for the limited purpose of
14 establishing adequacy of counsel in future actions, Plaintiff's counsel may reference the Action only
15 by name and case number in a declaration establishing adequacy as counsel.

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

18 **IT IS SO AGREED.**

19 **PLAINTIFF ALMA LOZANO**

20 *Alma Lozano*

21 Dated: 20/03/2026

Plaintiff Alma Lozano

22 **DEFENDANT JAKKS PACIFIC, INC.**

23 Dated: _____

24 Full Name: _____

25 Title: _____

26 On behalf of Defendant JAKKS Pacific, Inc.

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**DEFENDANT WORKFORCE
PERSONNEL, INC.**

Dated: _____

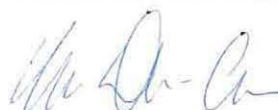
Full Name: _____

Title: _____
On behalf of Defendant Workforce Personnel,
Inc.

APPROVED AS TO FORM ONLY:

BLACKSTONE LAW, APC

Dated: _____



Jonathan M. Genish
Barbara DuVan-Clarke
Attorneys for Plaintiff Alma Lozano
and Proposed Class Counsel

**CONSTANGY BROOKS SMITH &
PROPHETE LLP**

Dated: _____

Matthew Scholl
Attorneys for Defendants JAKKS Pacific, Inc.
and Workforce Personnel, Inc.

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Alma Lozano v. JAKKS Pacific, Inc. and Workforce Personnel, Inc.
Superior Court of California for the County of Los Angeles, Case No. 24STCV05539

PLEASE READ THIS CLASS NOTICE CAREFULLY.

You have received this Class Notice because Defendants' records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment.

This Class Notice is designed to advise you of your rights and options with respect to the settlement, and how you can request to be excluded from the Class Settlement, object to the Class Settlement, and/or dispute the number of Workweeks and/or Pay Periods that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiff Alma Lozano ("Plaintiff") and Defendants JAKKS Pacific, Inc. and Workforce Personnel, Inc. (together, "Defendants") (Plaintiff and Defendants are collectively referred to as the "Parties") in the case entitled *Alma Lozano v. JAKKS Pacific, Inc. and Workforce Personnel, Inc.*, Los Angeles County Superior Court, Case No. 24STCV05539 ("Action"), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

"Class" or "Class Member(s)" means all individuals who were employed by JAKKS Pacific, Inc. during the Class Period who were classified as non-exempt, and all individuals who were retained by JAKKS Pacific, Inc. via a staffing agency to work at any facility operated by JAKKS Pacific, Inc. in California during the Class Period who were classified as non-exempt.

"Class Period" means the period from March 4, 2020 through March 9, 2026.

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

"PAGA Employee(s)" means all individuals who were employed by JAKKS Pacific, Inc. during the PAGA Period who were classified as non-exempt, and all individuals who were retained by JAKKS Pacific, Inc. via a staffing agency to work at any facility operated by JAKKS Pacific, Inc. in California during the PAGA Period who were classified as non-exempt.

"PAGA Period" means the period from January 9, 2023 through March 9, 2026.

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

II. BACKGROUND OF THE ACTION

On January 9, 2024, Plaintiff provided written notice to the California Labor and Workforce Development Agency ("LWDA") and Defendants of the specific provisions of the California Labor Code that Plaintiff contends were violated ("PAGA Letter"). On March 5, 2024, Plaintiff commenced a putative class action lawsuit by filing a Class Action Complaint in the Action. On July 15, 2024, Plaintiff filed a First Amended Class Action Complaint in the Action, adding Defendant Workforce Personnel, Inc. On [redacted], Plaintiff filed a Second Amended Class and Representative Action Complaint ("Operative Complaint") in the Action.

Plaintiff contends that Defendants failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages during employment and upon termination of employment and associated waiting-time penalties, provide accurate wage statements, reimburse business expenses, and to pay wages payable by an instrument on demand and without discount, and thereby engaged in unfair business practices in violation of the California Business and Professions Code section 17200, *et seq.*, and conduct that gives rise to penalties under the Private Attorneys General Act of 2004 pursuant to California Labor Code Section 2698, *et seq.* ("PAGA"). Plaintiff seeks, among other things,

recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys' fees and costs.

Defendants deny all of the allegations in the Action or that they violated any law. Defendants have agreed to settle the Action in order to avoid further litigation costs and the disruption of business operations.

The Parties participated in two mediations with respected class action mediators, and subsequently reached a settlement. The Parties have since entered into a Joint Stipulation of Class Action and PAGA Settlement ("Settlement" or "Settlement Agreement").

On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed Apex Class Action, LLC as the administrator of the Settlement ("Settlement Administrator"), Plaintiff Alma Lozano as representative of the Class ("Class Representative"), and the following Plaintiff's attorneys as counsel for the Class ("Class Counsel"):

Jonathan M. Genish
Barbara DuVan-Clarke
Danielle GruppChang
P.J. Van Ert
Melissa Rodriguez
Annabel Blanchard
Blackstone Law, APC
8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211
Tel: (310) 622-4278 / Fax: (855) 786-6356

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

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

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is One Million Seven Hundred Thousand Dollars (\$1,700,000) (the "Gross Settlement Amount"). The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) attorneys' fees, in an amount not to exceed thirty-five percent (35%) of the Gross Settlement Amount (i.e., \$595,000), and reimbursement of litigation costs and expenses, in an amount not to exceed Forty-Five Thousand Dollars (\$45,000) to Class Counsel; (2) Enhancement Payment in an amount not to exceed Ten Thousand Dollars (\$10,000) to Plaintiff for her services in the Action; (3) the amount of One Hundred Thousand Dollars (\$100,000) allocated toward civil penalties under the Private Attorneys General Act ("PAGA Amount"), of which the LWDA will be paid 75% (\$75,000) ("LWDA Payment") and the remaining 25% (\$25,000) will be distributed to PAGA Employees ("PAGA Employee Amount"); and (4) Settlement Administration Costs in an amount not to exceed Thirteen Thousand Five Hundred Dollars (\$13,500) to the Settlement Administrator.

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

Each Individual Settlement Share will be allocated as ten percent (10%) as wages, which will be reported on an IRS Form W-2, and forty-five percent (45%) as statutory penalties, and forty-five percent (45%) as interest, which will be reported on an IRS Form 1099 (if applicable). Each Individual Settlement Share will be subject to reduction for the employee’s share of payroll taxes and withholdings with respect to the wages portion of the Individual Settlement Shares resulting in a net payment to the Settlement Class Member (“Individual Settlement Payment”). The employer’s share of taxes and contributions in connection with the wages portion of Individual Settlement Shares (“Employer Taxes”) will be paid by Defendants separately and in addition to the Gross Settlement Amount.

PAGA Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Employee Amount (“Individual PAGA Payment”) based on means the number of pay periods each PAGA Employee worked for at least one day as a non-exempt employee in California for JAKKS Pacific, Inc. or for a staffing agency retained by JAKKS Pacific, Inc. at a facility operated by JAKKS Pacific, Inc. during the PAGA Period (“Pay Periods”). The Settlement Administrator had divided the PAGA Employee Amount, i.e., 25% of the PAGA Amount, by the Pay Periods of all PAGA Employees to yield the “PAGA Pay Period Value,” and multiplied each PAGA Employee’s individual Pay Periods by the Pay Period Value to yield each PAGA Employee’s Individual PAGA Payment.

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

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

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

According to Defendant’s records:

- **From March 4, 2020 through March 9, 2026 (i.e., the Class Period), you are credited as having worked [REDACTED] Workweeks.**
- **From January 9, 2023 through March 9, 2026 (i.e., the PAGA Period), you are credited as having worked [REDACTED] Pay Periods.**

If you wish to dispute the Workweeks and/or Pay Periods credited to you, you must submit your dispute in writing to the Settlement Administrator (“Dispute”). The Dispute must: (a) contain the case name and number of the Action (*Lozano v. JAKKS Pacific, Inc.*, Case No. 24STCV05539); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) clearly state that you dispute the number of Workweeks and/or Pay Periods credited to you and what you contend is the correct number; and (d) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B below, postmarked **on or before [Response Deadline]**.

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

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

Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ [REDACTED].

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

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

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

D. Release of Claims

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

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

"Released Class Claims" means any and all causes of action, claims, rights, statutory damages, penalties, liabilities, expenses and losses against the Released Parties, arising out of the claims alleged or which could have been reasonably alleged based on the factual allegations in the Operative Complaint, arising during the Class Period, (i.e., California Labor Code Sections 201-204, 210, 212, 213.1, 225.5, 226, 226.7, 510, 512(a), 1197, 1197.1, 1198, 2800, and 2802, and California Business and Professions Code sections 17200, *et seq.*) and all other potential claims reasonably related to or arising out of the same set of facts pled in the Operative Complaint, such as those under the California Labor Code, Wage Orders, regulations, and/or other provisions of law.

"Released PAGA Claims" means any and all claims for civil penalties under the Private Attorneys General Act of 2004, California Labor Code Sections 2698 *et seq.*, ("PAGA"), arising during the PAGA Period, based on the California Labor Code violations alleged the PAGA Letter, or any amended PAGA Letter, as well as facts, theories, or claims for civil penalties that would be considered administratively exhausted under applicable law by the PAGA Letter, as well as any claims brought under PAGA in the Operative Complaint.

"Released Parties" means JAKKS Pacific, Inc., JAKKS Sales, LLC, Disguise, Inc., Workforce Enterprises, Inc., Workforce Personnel, Inc., United Employment Solutions, Inc. and LaborNow, Inc. (which has since merged with Empire Workforce Solutions, Inc.), and all of their respective parent companies, subsidiaries, divisions, related or affiliated companies, clients, and each of their respective shareholders, officers, directors, employees, agents, principals, representatives, attorneys, accountants, partners, investors, owners, administrators, insurers, predecessors, successors, and assigns, and any individual or entity that could be liable for any of the Released Class Claims or Released PAGA Claims.

E. Attorneys' Fees and Costs to Class Counsel

Class Counsel will seek attorneys' fees in an amount not to exceed thirty-five percent (35%) of the Gross Settlement Amount (i.e., \$1,700,000) and reimbursement of litigation costs and expenses in an amount not to exceed Forty-Five Thousand Dollars (\$45,000) (collectively, "Attorneys' Fees and Costs"), subject to approval by the Court. The Attorneys' Fees and Costs granted by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiff, Class Members, and PAGA Employees on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payment to Plaintiff

Plaintiff will seek the amount of Ten Thousand Dollars (\$10,000) ("Enhancement Payment"), in recognition of her services in connection with the Action. The Enhancement Payment will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, it will be paid to Plaintiff in addition to her Individual Settlement Payment and

Individual PAGA Payment that she is entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Thirteen Thousand Five Hundred Dollars (\$13,500) (“Settlement Administration Costs”) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objection, and Disputes, calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

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

A. Participate in the Settlement

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

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

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

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

B. Request Exclusion from the Class Settlement

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

[Settlement Administrator]
[Mailing Address]

A Request for Exclusion must: (a) contain the case name and number of the Action (*Lozano v. JAKKS Pacific, Inc.*, Case No. 24STCV05539); (b) contain your full name, signature, address, telephone number, and last four (4) digits of your Social Security number; (c) clearly state that you do not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address above, postmarked **on or before** [Response Deadline].

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

C. Object to the Class Settlement

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

The Notice of Objection must: (a) contain the case name and number of the Action (*Lozano v. JAKKS Pacific, Inc.*, Case No. 24STCV05539); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B above, postmarked **on or before [Response Deadline]**.

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

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 17 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California 90012, on **[date]**, at **[time]**, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and grant the Attorneys' Fees and Costs to Class Counsel, Enhancement Payment to Plaintiff, and Settlement Administration Costs to the Settlement Administrator.

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

VI. ADDITIONAL INFORMATION

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

You may view the Settlement Agreement and other documents filed in the Action by visiting <https://www.lacourt.org/>

You may also visit the Settlement Administrator's website at **[redacted]** for key documents in the Action.

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

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

EXHIBIT 4



Thank you for your Proposed Settlement Submission

From no-reply@formassembly.com <no-reply@formassembly.com>

Date Thu 8/20/2026 5:03 PM

To Bany Funez <bfunez@blackstonepc.com>

[External Email].

08/20/2026 05:03:16 PM

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

Item submitted: Proposed Settlement

On 08/20/2026 05:03:16 PM your Proposed Settlement was successfully processed for case number LWDA-CM-1003990-24

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](http://labor.ca.gov/Private_Attorneys_General_Act.htm)