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on behalf of herself and others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SONOMA

CHRISTINA CANSLER, on behalf of herself and others similarly situated, Plaintiff, vs. SILVER OAK WINE CELLARS LLC, a California limited liability company; TWOMEY, an entity of unknown form; and DOES 1 through 50, inclusive, Defendants.	Case No.: 24CV01488 CLASS ACTION Assigned for All Purposes To: Hon. Dana Beernink Simonds Courtroom: 18 **DECLARATION OF ENOCH J. KIM IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT** *[filed concurrently with Plaintiff's Notice of Motion and Motion; Memorandum of Points and Authorities; Declarations of Christina Cansler and Kimberly Sutherland; and [Proposed] Order]* Date: Time: Courtroom: 18 Original Complaint Filed: February 29, 2024 First Amended Complaint Filed: May 6, 2024 Trial Date: None Set

DECLARATION OF ENOCH J. KIM

I, Enoch J. Kim, declare as follows:

1. I am an attorney licensed and admitted to practice before all courts of the State of California and the United States District Court for the Central, Southern, Eastern, and Northern Districts of California. I am Senior Counsel at D.Law, Inc. and counsel for Plaintiff Christina Cansler ("Plaintiff"), on behalf of herself and all other similarly situated employees of Defendant Silver Oak Wine Cellars, LLC ("Defendant") (Plaintiff and Defendant collectively referred to herein as "the Parties").

2. All of the matters set forth herein are within my personal knowledge. I submit this Declaration in support of Plaintiff's Motion for Preliminary Approval of Class Action and PAGA Settlement ("Motion"). A true and correct copy of the Parties' Stipulation of Class Action Settlement and Release of Claims ("Settlement Agreement" or "Settlement") is attached as **Exhibit 1** hereto, with the Notice of Class Action Settlement and Hearing Date for Final Court Approval ("Class Notice") attached as **Exhibit A** to the Settlement Agreement.

Procedural History

3. On February 29, 2024, Plaintiff commenced a Class Action by filing a Complaint alleging eleven causes of action against Defendant for (1) Failure to Pay Minimum Wages; (2) Failure to Pay Wages and Overtime Under Labor Code § 510; (3) Meal-Period Liability Under Labor Code § 226.7; (4) Failure to Pay Vacation Wages; (5) Failure to Comply with Labor Code §§ 245 *et seq*. and 246; (6) Reimbursement of Necessary Expenditures Under Labor Code § 2802; (7) Failure to Comply with Labor Code § 2751; (8) Violation of Labor Code § 226(a); (9) Failure to Keep Required Payroll Records Under Labor Code §§ 1174 and 1174.5; (10) Penalties Pursuant to Labor Code § 203; and (11) Violation of Business & Professions Code § 17200 *et seq*. (the "Action").

4. Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave timely written notice to Defendant and California's Labor and Workforce Development Agency ("LWDA") by sending her PAGA Notice on February 29, 2024 (LWDA-CM-1014080-24). A true and correct copy of her PAGA Notice is attached hereto as **Exhibit 2**. Plaintiff subsequently filed her First Amended Complaint, which adds a twelfth cause of action for Penalties Pursuant to Labor Code § 2699, *et seq*. on May 6,

2024 ("Operative Complaint").

5. Plaintiff contends that Defendant failed to pay all wages due by requiring Class Members to work off the clock, failed to pay minimum and overtime wages, failed to provide meal breaks and premium wages for non-compliant meal breaks, failed to pay vacation wages, failed to pay all sick pay owed, failed to reimburse necessary business expenses, failed to provide a written commission contract, failed to maintain required payroll records, failed to furnish accurate wage statements, and failed to timely pay wages including final wages.

Investigation

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

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

Settlement Efforts

8. On July 24, 2025, the Parties participated in an all-day mediation with mediator Brandon

McKelvey, Esq., a respected and highly experienced mediator in wage and hour class actions. During mediation, counsel for Plaintiff and Defendant discussed all aspects of the case, including the risks of litigation and the risks to both Parties of proceeding with a class certification motion, as well as the law on unpaid wages, meal periods, reimbursements, wage statements, and final pay. The Parties were able to reach a resolution at the mediation and continued to work together negotiating the long form settlement terms, as set forth in the Settlement Agreement.

9. Based on their own independent investigations and evaluations, Class Counsel is of the opinion that the Settlement with Defendant for the consideration and terms set forth herein, considering the representative and class claims, and the risk of loss, is fair, reasonable, and adequate. Class Counsel is also of the opinion that the total consideration and payment set forth in this Settlement Agreement is adequate in light of the uncertainties surrounding the risk of further litigation, the possibility of losing class certification, that the PAGA claim could be deemed unmanageable, and the defenses that Defendant has asserted and/or could assert as to the substantive merit of the claims. Based on the settlement negotiations, which were extensive and conducted in good faith and at arm's length between attorneys with substantial experience litigating wage and hour class action cases, the Settlement was the product of a non-collusive settlement process and compromises in the interest of reaching a full and complete settlement. As a result, Class Counsel has determined that the Settlement is in the best interests of the Class.

Summary of the Settlement

10. Under the terms of the proposed Settlement Agreement, Defendant has agreed to pay $716,000.00 ("Gross Settlement Amount" or "GSA") on a non-reversionary basis to settle and release all claims asserted by Plaintiff in the Operative Complaint on behalf of the proposed Class. (Exhibit 1, Settlement Agreement, ¶ 20.) The Gross Settlement Amount will be used to pay Individual Settlement Payments, the PAGA Payment, Class Counsel Award, Class Representative Premium, and the Settlement Administration Costs. (*Id*. at ¶ 48.) The Gross Settlement Amount does not include the employer's share of payroll taxes, which will be paid by Defendant in addition to the Gross Settlement Amount. (*Id*.) The Settlement is based on the understanding that Class Members will have worked approximately 35,756 Workweeks between February 29, 2020 through July 31, 2025. (*Id*. at ¶ 49.) If

it is determined that the number of Workweeks during that period of time exceeds 39,332 (35,756, plus 10% of 35,756), then, Defendant may, at its sole option, either (A) increase the Gross Settlement Amount proportionally to the increase in Workweeks—for example, if the increase is 15% over 35,756 Workweeks, then the Gross Settlement Amount will increase by 5%—or (B) end the Class Period on the date the number of Workweeks reaches 39,332.[1] (*Id*.)

11. The Settlement Agreement defines the "Class" as all current and former non-exempt employees of Defendant who worked in the State of California at any time during the Class Period, which is the period from February 29, 2020, through September 22, 2025. (Exhibit 1, Settlement Agreement, ¶¶ 4, 8.) The Settlement Agreement also defines "Aggrieved Employees" as all individuals who worked for Defendant in California as non-exempt employees during the PAGA Period, which is the period from February 29, 2023, through September 22, 2025, regardless of whether the individual submitted a Request for Exclusion or otherwise opted out of the Settlement Class. (*Id.* at ¶¶ 3, 28.) The "Net Settlement Amount," available for distribution to Settlement Class Members, is the portion of the Gross Settlement Amount remaining after subtracting the Class Counsel Award, Class Representative Premium, the PAGA Payment, and Settlement Administration Costs. (*Id*. at ¶ 22.) The remainder is to be paid to Settlement Class Members as Individual Settlement Payments. (*Id*.) These amounts are detailed as follows:

- Attorneys' Fees*:* Up to one-third (1/3) of the Gross Settlement Amount, or **$238,666.67**, to Class Counsel as attorneys' fees for the litigation and resolution of this Action (Exhibit 1, Settlement Agreement, ¶ 60(g));
- Attorneys' Costs: Reimbursement of actual expenses incurred to prosecute the Action, which is currently estimated not to exceed **$30,000.00** (Exhibit 1, Settlement Agreement, ¶ 60(g));
- Class Representative Premium: Up to **$5,000.00** to Plaintiff as an award for her service as the Class Representative (Exhibit 1, Settlement Agreement, ¶ 60(f));
- Settlement Administration Costs: Up to **$8,990.00** to the Settlement Administrator for its fees and costs to administer the Settlement (Exhibit 1, Settlement Agreement, ¶ 60(h)); and

[1] Defendant has represented that the Workweek count is 38,412, therefore the escalator clause has not been triggered. Thus, the Gross Settlement Amount remains $716,000.00 and the Class Period end date remains September 22, 2025.

- PAGA Payment: **$71,600.00** for settlement of claims for civil penalties under PAGA, with 25% allocated to the PAGA Individual Payments ($17,900.00) to be paid on a pro-rata basis to the Aggrieved Employees and 75% allocated to the LWDA ($53,700.00) to be paid to the LWDA (Exhibit 1, Settlement Agreement, ¶ 60(a).)

12. If the Court approves the above allocations from the Gross Settlement Amount, the Net Settlement Amount is estimated to be $**361,743.33**. Each Class Member's share of the Net Settlement Amount ("Individual Settlement Payment") will be calculated by (a) dividing each Settlement Class Member's individual Workweeks by the total Workweeks for all Settlement Class Members, resulting in the Payment Ratio for each Settlement Class Member, and (b) multiplying each Settlement Class Member's Payment Ratio by the Net Settlement Amount. (Exhibit 1, Settlement Agreement, ¶ 60(b).) For the approximately 400 Class Members (if no exclusions), the average Individual Settlement Payment, using a straight average, is **$904.36**. If the Court approves a lesser amount for any of the above requested allocations from the Net Settlement Amount, none of the Gross Settlement Amount would revert to Defendant. (*Id*. at ¶ 48.) Instead, the remainder will be added to the Net Settlement Amount to be distributed to Settlement Class Members. (*Id*.)

13. Not later than thirty (30) calendar days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Settlement Administrator, in the form of a Microsoft Excel spreadsheet. (Exhibit 1, Settlement Agreement, ¶ 59(a).) Not later than fifteen (15) calendar days after receiving the Class Data, the Settlement Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Notice Packet including the Class Notice substantially in the form attached to the Settlement Agreement as Exhibit A. (Exhibit 1, Settlement Agreement, ¶ 59(c).) The Class Notice includes a summary of the case and settlement terms and provides Class Members with detailed instructions on how to exclude themselves, object to the settlement, and dispute the number of Workweeks attributed to each Class Member per Defendant's records. (Exhibit 1, Settlement Agreement, Exhibit A, Class Notice). Class Members will have forty-five (45) calendar days from the mailing of the Notice Packet (plus an additional fourteen (14) calendar days for Class Members whose Notice Packet is re-mailed) to opt out of the Settlement, object to the Settlement, and/or dispute the number of Workweeks

("Response Deadline"). (Exhibit 1, Settlement Agreement, ¶¶ 36, 59(d).)

Certification for Settlement Purposes Only is Appropriate

14. Plaintiff alleges that the proposed Class satisfies the criteria for certification of a settlement class under California law, as embodied in California Code of Civil Procedure § 382. Defendant has agreed to the conditional certification of the class for settlement purposes only. Defendant does not concede that certification is appropriate outside of this Settlement and preserves all rights to oppose certification if, for any reason, the settlement does not become effective. In general, courts may take a proposed settlement into account in evaluating the propriety of class certification. *See Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1807 fn. 19. Indeed, a "lesser standard" of scrutiny applies in certifying classes for settlement purposes. *Id*. Therefore, the Court should take into consideration the fact that the Parties have settled their claims and stipulated to certification for settlement purposes when assessing whether the Settlement is fair and reasonable.

15. Numerosity and Ascertainability. The putative Class is so numerous that joinder of all members is impractical. Class Members are all current and former non-exempt employees of Defendant who worked in the State of California at any time during the Class Period, which is the period from February 29, 2020, through September 22, 2025. (Exhibit 1, Settlement Agreement, ¶¶ 4, 8.) Defendant has identified 400 Class Members based on a review of its payroll and personnel records. Thus, there is numerosity and ascertainability.

16. Well-Defined Community of Interest. Plaintiff contends, and Defendant does not dispute for settlement purposes only, that common issues of fact and law predominate as to each of the claims alleged by Plaintiff, and the Class is united in its proof. This action involves, *inter alia*, a determination about Defendant's alleged failure to pay all wages due by requiring Class Members to work off the clock, failure to pay minimum and overtime wages, failure to provide meal breaks and premium wages for non-compliant meal breaks, failure to pay vacation wages, failure to pay all sick pay owed, failure to reimburse necessary business expenses, failure to provide a written commission contract, failure to maintain required payroll records, failure to furnish accurate wage statements, and failure to timely pay wages including final wages. Plaintiff contends Defendant's practices affected Class Members in the same way and presents questions that are suitable for common adjudication

because all Class Members were subject to the same employment policies and practices. The outcome of litigation in this matter depends upon questions that are common to Class Members.

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

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

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

20. Plaintiff contends that class resolution is superior to other available methods for the fair and efficient adjudication of the controversy, as there is little interest or incentive for Class Members to individually control the prosecution of separate actions. Although the alleged injuries resulting from Defendant's policies and practices are allegedly real and significant, the cost of individually

litigating each such case against Defendant would easily exceed the value of any relief that could be obtained by any one Class Member individually. If Class Members are forced to litigate their claims individually, this would result in 400 individual actions against Defendant. Here, the alternative methods of resolution are individual suits for relatively small amounts. Hence, an individual suit would prove uneconomical for potential plaintiffs because litigation costs would dwarf a potential recovery.

The Settlement is Fair, Adequate, and Reasonable

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

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

22. The proposed settlement was reached as a result of arm's length negotiations after the completion of pertinent discovery and the exchange of necessary class data. The negotiations have been, at all times, adversarial and non-collusive in nature. *See*, 4 Newberg on Class Actions § 13:45 (5th ed.) (due to the preference of settlement over litigation, "a court will presume that a proposed class action settlement is fair when certain factors are present, particularly evidence that the settlement is the product of arms-length negotiation, untainted by collusion."). Although Plaintiff steadfastly maintains that her claims are meritorious, Plaintiff acknowledges that there were substantial risks and uncertainty in proceeding with litigation. As described below, Defendant presented multiple defenses to Plaintiff's claims, both on the merits and with respect to class certification. Thus, while Plaintiff was prepared to litigate these claims through class certification, and ultimately trial, success was far from certain. Assistance from a well-respected mediator ensured that negotiations were non-collusive and well-informed.

B. Extent of Discovery and Stage of Proceedings.

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

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

24. Plaintiff's claims are based on Defendant's alleged failure to pay wages (including minimum wages and overtime), failure to provide meal periods, failure to pay final wages when required, failure to provide accurate wage statements, failure to reimburse business expenses, failure to pay vacation wages, failure to pay all sick pay owed, and largely derivative claims under the UCL and PAGA.

25. Plaintiff alleges that Defendant failed to pay Plaintiff and Class Members at least minimum wages for all hours worked and proper overtime wages for hours worked in excess of eight hours in a day and 40 hours in a week. Specifically, Plaintiff alleges that Plaintiff and Class Members were required to perform pre-shift duties while off the clock to help set up for the day and had to perform work tasks after the end of their scheduled shifts, such as cleaning and locking the parking lot gate. Further, Plaintiff alleges that Plaintiff and Class members were required to answer phone calls and text messages while off-the-clock.

26. Defendant contends that it instructed Class Members to record all hours worked, that it paid Class Members for all reported hours worked, that any off-the-clock work was performed without Defendant's knowledge and was de minimis, and that it paid wages to Class Members at the proper rates. Defendant contends that off-the-clock work allegations will be difficult to certify because Defendant has a lawful policy prohibiting off-the-clock work. Defendant also argues that, given its written policies and practices, any unrecorded hours are likely subject to individualized inquiry and unlikely to be certified. Given the difficulty in certifying this claim, Class Counsel applied a significant discount to damages based on this theory.

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27. Plaintiff also alleges that Defendant failed to provide proper meal breaks to Plaintiff and Class Members. Plaintiff alleges that Defendant required Plaintiff and Class Members to record meal periods that appeared compliant and would automatically deduct meal period time regardless of whether a lawful meal period was actually provided. Plaintiff further alleges that Plaintiff and Class Members routinely took late, short, interrupted, and/or missed meal periods due to management demands, which included responding to work related calls and inquiries.

28. Defendant contends that Class Members were authorized, permitted, and never denied the opportunity to take their meal periods, and that any deviations from their scheduled meal breaks were at the voluntary election of Class Members. Defendant further contends that the meal break claim requires individualized inquiries, which would preclude class certification. If Defendant's contentions are proven true and prevail in trial, the likely outcome would be no recovery for the Class Members on the meal break claim.

29. Additionally, Plaintiff alleges that Plaintiff and Class Members used their cellular phones to conduct work-related activities for which they were not reimbursed, including communicating with management about scheduling and work assignments. Defendant maintains that Plaintiff and Class Members did not incur business expenses and/or were properly reimbursed for all business expenses and further contend that any unreimbursed business expenses were not necessary expenditures as required by Labor Code section 2802. Defendant also maintains that individualized issues relating to this claim would preclude class certification.

30. Plaintiff alleges that Defendant failed to provide Plaintiff and Class Members with sick pay and vacation pay at the appropriate rate of pay by failing to include non-discretionary bonuses, commissions, and incentive pay into the calculation of the regular rate of pay upon which sick pay and vacation pay were calculated and paid. Defendant contends that it paid any sick pay and vacation pay owed to Plaintiff and Class Members at the correct rate of pay and that any bonuses, commissions, and incentives paid to Class Members were discretionary in nature.

31. As for the wage statement and waiting time penalties claims, Defendant contends that these claims are merely derivative of the underlying claims and that Plaintiff and Class Members would be unable to first establish liability for the underlying claims for the reasons described above. Defendant

further contends that even if they could first establish liability for the underlying claims, Plaintiff and Class Members would be unable to establish that Defendant's conduct was willful and knowing as required by the relevant statutes since Defendant acted in good faith to provide accurate wage statements and pay all wages due to Plaintiff and Class Members. Thus, Defendant contends that the wage statement and waiting time penalties claims to have little to no value.

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

33. Defendant generally denies all claims alleged in the Action and further denies that class and/or representative treatment is appropriate for any purpose other than this Settlement and that it complied with all applicable laws. However, after careful consideration, Defendant has concluded that further litigation would be protracted and expensive and that it is desirable that the Action be fully and finally settled in the manner and upon the terms and conditions herein.

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

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

35. Plaintiff had not yet filed her motion for class certification, and as such, the extent to which Plaintiff's proposed Class was certifiable is somewhat speculative. Absent a settlement, there was a risk that there would not be a certified class at the time of trial, or if there were, it could consist of a

significantly smaller group of employees than the proposed Class, resulting in less overall recovery.

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

E. The Presence of a Governmental Participant.

37. Class Counsel will be submitting the Settlement Agreement and this Motion to the LWDA concurrently with the filing of this Motion pursuant to Labor Code § 2699(l)(2).

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

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

39. The strength of the Plaintiff's case in light of the settlement amount is deemed by courts to be the "most important." *Clark v. American Residential Services, LLC* (2009) 175 Cal.App.4th 785, 799 (citing *Kullar*). Here, Plaintiff alleges that Defendant failed to pay minimum wages and overtime, failed to provide meal breaks, failed to provide accurate wage statements, failed to pay all wages upon termination, failed to pay all sick pay owed and vacation wages, and failed to reimburse business expenses, all in violation of California law. Plaintiff seeks related violations of California's Business & Professions Code, penalties pursuant to Labor Code § 2699 *et seq*. Summary calculations for estimated liability for each of these claims follow.

Failure to Pay Minimum and Overtime Wages:

40. Plaintiff alleges that Defendant failed to pay Plaintiff and Class Members at least minimum wages for all hours worked and proper overtime wages for hours worked in excess of eight hours in a day and 40 hours in a week. Specifically, Plaintiff alleges that Plaintiff and Class Members were required to perform pre-shift duties while off the clock to help set up for the day and had to perform work tasks after the end of their scheduled shifts, such as cleaning and locking the parking lot gate. Further, Plaintiff alleges that Plaintiff and Class members were required to answer phone calls and text messages while off-the-clock.

41. Defendant contends that it instructed Class Members to record all hours worked, that it paid Class Members for all reported hours worked, that any off-the-clock work was performed without Defendant's knowledge and was de minimis, and that it paid wages to Class Members at the proper rates. Defendant contends that off-the-clock work allegations will be difficult to certify because Defendant has a lawful policy prohibiting off-the-clock work. Defendant also argues that, given its written policies and practices, any unrecorded hours are likely subject to individualized inquiry and unlikely to be certified. Given the difficulty in certifying this claim, Class Counsel applied a significant discount to damages based on this theory.

42. Plaintiff's expert estimated Defendant's exposure on the unpaid wages claims to be approximately $481,224.00 (assuming 5 minutes per shift and 86.8% attributable to overtime). However, given Defendant's defenses and the potential hurdles facing certification of off-the-clock claims, Class Counsel applied an 85% discount, making for an adjusted realistic exposure of $72,183.60 for Defendant.

Meal Periods:

43. Plaintiff also alleges that Defendant failed to provide proper meal breaks to Plaintiff and Class Members. Plaintiff alleges that Defendant required Plaintiff and Class Members to record meal periods that appeared compliant, and would automatically deduct meal period time regardless of whether a lawful meal period was actually provided. Plaintiff further alleges that Plaintiff and Class Members routinely took late, short, interrupted, and/or missed meal periods due to management demands, which included responding to work related calls and inquiries.

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

45. Defendant contends that Class Members were authorized, permitted, and never denied the opportunity to take their meal periods, and that any deviations from their scheduled meal breaks were at the voluntary election of Class Members. Defendant further contends that the meal break claim requires individualized inquiries, which would preclude class certification. If Defendant's contentions are proven true and prevail in trial, the likely outcome would be no recovery for the Class Members on the meal break claim.

46. Plaintiff's expert estimated Defendant's maximum exposure on the meal period claim at approximately $3,953,690.00 (based on late, missed, or short meal breaks for shifts greater than 5 hours). However, given Defendant's contentions, Class Counsel applied a 90% discount, making for an adjusted realistic exposure of $395,369.00 for Defendant.

Inaccurate Wage Statement Violations:

47. Under Labor Code § 226(a), Plaintiff and the Class are entitled to recover $50 for initial violations for inaccurate wage statements and $100 for subsequent violations, up to a maximum of $4,000 per employee. Plaintiff alleges Defendant issued wage statements to Plaintiff and the Class Members that failed to include the total hours per pay period and failed to accurately account for all off-the-clock work and missed meal premiums which Defendant knew or reasonably should have known were owed to Plaintiff and Class Members.

48. Defendant challenged Plaintiff's claim for Labor Code § 226(e) penalties, including by arguing they were merely derivative of the other claims that lacked merit, and Plaintiff's failure to prove the underlying claims could result in the dismissal of these derivative claims. Defendant also

argued that it did not knowingly and intentionally commit these alleged violations. *See, e.g.,* Labor Code § 226(e) (recovery of penalties requires showing there was "a knowing and intentional failure by an employer").

49. Plaintiff's expert estimated Defendant's maximum total exposure on the section 226 claim at approximately $961,000.00 (292 employees from March 1, 2023 to July 24, 2025 with a $4,000.00 per employee maximum). After considering Defendant's contentions and the potential class certification issues, Class Counsel discounted this amount by 90% to get an adjusted realistic exposure of $96,100.00.

Failure to Pay Final Wages at Termination or Separation:

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

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

52. Defendant challenged this claim under Labor Code § 203 with several arguments, including that this claim is merely derivative of the other claims that lacked merit and that under Labor Code § 203, employers are only obligated to pay waiting-time penalties if they "willfully" fail to pay wages due and owing at the time of termination or resignation. As Title 8, California Code of Regulations, § 13520 states: "A willful failure to pay wages within the meaning of Labor Code Section 203 occurs when an employer intentionally fails to pay wages to an employee when those wages are due. However, a good faith dispute that any wages are due will preclude imposition of waiting time penalties under Section 203." Defendant argued that their good faith disputes and lack of willfulness would excuse its violations. Defendant maintained that because they had viable defenses in both law

and fact, such penalties were subject to a three-year limitations period under Labor Code § 203(b).

53. Plaintiff's expert estimated Defendant's maximum total exposure on the section 203 claim at approximately $1,647,524.00 (assuming 229 terminated employees during the relevant period and 30 days per employee and 8.1 hours per workday). Given the foregoing arguments, Class Counsel discounted this amount by 90% to get an adjusted realistic exposure of $164,752.40.

Unpaid Sick Pay and Vacation Pay:

54. Labor Code Section 246 affords an employee "who works in California for 30 or more days within a year from the commencement of employment [] paid sick days . . . of not less than one hour per every 30 hours worked" and "no less than 24 hours of accrued sick leave or paid time off by the 120th calendar day of employment or each calendar year, or in each 12-month period." Plaintiff alleges Defendant had a common policy and practice of systemically failing to pay Class Members the requisite sick time pay and vacation pay in accordance with California Law, at the employees' applicable regular rates of pay. Specifically, Plaintiff alleges that Defendant failed to provide Plaintiff and Class Members with sick pay and vacation pay at the appropriate rate of pay by failing to include non-discretionary bonuses, commissions, and incentive pay into the calculation of the regular rate of pay upon which sick pay and vacation pay were calculated and paid. Defendant contends that it paid any sick pay and vacation pay owed to Plaintiff and Class Members at the correct rate of pay and that any bonuses, commissions, and incentives paid to Class Members were discretionary in nature. Plaintiff's expert estimated Defendant's maximum total exposure on the unpaid sick pay claim at approximately $113,847.00. After considering Defendant's contentions and the potential class certification issues, Class Counsel discounted this amount by 80% to get an adjusted realistic exposure of $22,769.40.

Failure to Reimburse for Necessary Business Expenditures:

55. Under Labor Code § 2802(a) Defendant must indemnify Plaintiff and Class Members for all necessary expenditures or losses incurred in direct consequence of the discharge of their duties. As discussed above, Plaintiff alleges that Plaintiff and Class Members used their cellular phones to conduct work-related activities for which they were not reimbursed, including communicating with management about scheduling and work assignments. Defendant maintains that Plaintiff and Class

Members did not incur business expenses and/or were properly reimbursed for all business expenses and further contend that any unreimbursed business expenses were not necessary expenditures as required by Labor Code section 2802. Defendant also maintains that individualized issues relating to this claim would preclude class certification.

56. Plaintiff estimated Defendant's total exposure on the unreimbursed business expenses claim at approximately $10,000.00 ($25 x 400 Class Members). However, given Defendant's contentions and the potential for the need for individualized inquiries, making class certification of this claim difficult, Class Counsel applied a discount of 70% to get an adjusted realistic exposure of $3,000.00.

PAGA Penalties:

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

58. The provisions of the Labor Code potentially triggering PAGA penalties in this case include, but are not limited to, Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 227.3, 245 *et seq*., 246, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, 2699, *et seq.*, 2751 and 2802. PAGA penalties are not mandatory and are instead permissive. Labor Code § 2699(e)(2) states that "a court may award a lesser amount than the maximum civil penalty amount specified by this part if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory." *See*

Thurman v. Bayshore (2012) 203 Cal. App. 4th 1112 (substantially reducing PAGA penalties by 30% under this provision); see also *Carrington v. Starbucks Corp.*, 30 Cal. App. 5th 504, 529 (2018) (affirming penalty reduction of 90% for practice that resulted in meal periods occasionally starting minutes after the fifth hour of work); *Sanchez v. McDonald's Corp.* (2017), LASC Case No. No. BC 499888 (98% reduction from $41 million to $775,000); *Ghrdilyan v. RJ Financial* (2012), LASC Case No. BC430633 (94% reduction from $5.4 million to $325,000); *Fleming v. Covidien*, Inc. (2011), USDC Case No. ED CV 10-01487-RGK (OPx) (87% reduction from $2.8 million to $375,000).

59. PAGA penalties are also derivative of each and every other claim, and Defendant argued the PAGA claims would be subject to the same defenses as the underlying claims, as well as additional equitable defenses, including substantial compliance. Finally, under *Amaral v. Cintas Corp.* (2008) 163 Cal.App.4th 1157, Defendant asserted that penalties under PAGA could, at best, be awarded only at the rates obtainable for initial violations under the applicable statutes, because Defendant had never been notified of the alleged violations. *Id.* at 1208-1209.

60. Plaintiff estimated Defendant's total exposure on the PAGA claim at approximately **$975,600.00** (9,756 PAGA Pay Periods x $100). However, Class Counsel also estimated any PAGA recovery would be substantially reduced and applied discounts in light of the countervailing arguments with regard to the other causes of action and the Court's power to award "a lesser amount than the maximum civil liability." Class Counsel applied a discount of 90% to get an adjusted realistic exposure of $97,560.00.

Unfair Business Practices

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

Summary

62. The foregoing discussion establishes the adequacy of the Settlement amount in light of the merits of Plaintiff's case and establishes the fairness of the class-action settlement in the instant case,

including by analyzing it in light of the *Clark* and *Kullar* decisions. It does so by explaining the legal basis for each of Plaintiff's causes of action, summarizing the evidence that Class Counsel gathered in support of those causes of action, and relating to Defendant's legal and factual arguments that worked to detract from the strength of Plaintiff's case.

63. Class Counsel applied reasonable and justified discounts, considering the facts and legal contexts outlined above. These substantial discounts were necessary in light of Defendant's contentions and denial of liability. In addition, Defendant argued that said employees were dissimilarly situated co-workers, making the certification of all Class Members less than a certainty. This Settlement, like most others, was the product of compromise. As addressed above, Plaintiff estimated that Defendant faced approximately $851,734.40 in total realistic exposure on Plaintiff's main claims. The Gross Settlement Amount of $716,000.00, therefore, represents a recovery for the Class Members of approximately 84% of the total realistic exposure Plaintiff estimated Defendant could face on these class-wide claims. Class Counsel submits that this is an optimal result for the Settlement Class in light of all of the factors described above.

Attorney Costs are Fair and Reasonable

64. Under the Settlement, Class Counsel requests, without opposition from Defendant, an award of $238,666.67 for attorneys' fees and up to $30,000.00 for reasonable expenses incurred to prosecute the Action. This request is fair, reasonable, and adequate to compensate Class Counsel for the substantial work they have put into this case. Moreover, the risk they assumed by taking it in the first place as they will not receive any compensation for their efforts until recovery is obtained for the Class. The attorneys' fees award is intended to reimburse Class Counsel for all uncompensated work that they have already done and for all the work they will continue to do in carrying out and overseeing the notification to Class Members, communicating with Class Members regarding their claims, and assisting in the administration of the Settlement if it is preliminarily approved. The requested fee is reasonable for the services provided to Class Members and for the benefits they are to receive.

Class Representative Premium is Fair and Reasonable

65. Plaintiff is entitled to a reasonable award for her efforts and initiative in bringing and helping to prosecute this action and obtaining significant benefits from the Settlement for the Class.

Plaintiff spent significant time better apprising herself of her rights, deciding whether remedial action should be taken and how it should be taken, searching for attorneys, and contacting Class Counsel, who spent many hours with Plaintiff discussing the case and the law.

66. Both before and after the filing of this lawsuit, Plaintiff conferred with Class Counsel to discuss every aspect of her case. Plaintiff provided Class Counsel with information about Defendant and about the industry generally, produced and reviewed documents, identified witnesses, consulted with Class Counsel regarding litigation strategy, participated in the mediation process, monitored the progress of the litigation with Class Counsel, and reviewed and signed the Settlement Agreement. In light of the foregoing, Class Counsel believes that the $5,000.00 Class Representative Premium to Plaintiff is fair and reasonable.

Proposed Class Notice Provides Adequate Notice

67. The notification procedure set out in the Settlement Agreement provides the greatest likelihood that each and every Class Member will receive the Class Notice, attached to the Settlement as Exhibit A. Under the Settlement, not later than thirty (30) calendar days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Settlement Administrator, in the form of a Microsoft Excel spreadsheet. (Exhibit 1, Settlement Agreement, ¶ 59(a).) Not later than fifteen (15) calendar days after receiving the Class Data, the Settlement Administrator will send to all Class Members identified in the Class Data, via first-class USPS mail, the Notice Packet including the Class Notice substantially in the form attached to the Settlement Agreement as Exhibit A. (Exhibit 1, Settlement Agreement, ¶ 59(c).) The Class Notice includes a summary of the case and settlement terms and provides Class Members with detailed instructions on how to exclude themselves, object to the settlement, and dispute the number of Workweeks attributed to each Class Member per Defendant's records. (Exhibit 1, Settlement Agreement, Exhibit A, Class Notice). Class Members will have forty-five (45) calendar days from the mailing of the Notice Packet (plus an additional fourteen (14) calendar days for Class Members whose Notice Packet is re-mailed) to opt out of the Settlement, object to the Settlement, and/or dispute the number of Workweeks ("Response Deadline"). (Exhibit 1, Settlement Agreement, ¶¶ 36, 59(d).) This is the best and most

practicable way to ensure the greatest possible number of Class Members will receive the Notice Packet.

68. The Class Notice itself fully apprises Class Members of the nature of the lawsuit, the claims involved, the terms of the Settlement, and their options thereunder. (Exhibit 1, Settlement Agreement, Exhibit A, Class Notice). It provides for a specific procedure to seek exclusion from the Class, dispute payments and Class Data, challenge Workweek data, and make objections to the Settlement. (Exhibit 1, Settlement Agreement, Exhibit A, Class Notice). In the Class Notice, Class Members will also receive Class Counsel's contact information so they can speak to attorneys conversant with the legal and factual issues involved in this case, as well as the contact information for the Settlement Administrator. The efforts taken to ensure that Class Members receive the Class Notice and are well informed about the settlement are reasonable and provide the best notice practicable under the facts.

Qualifications and Adequacy of Class Counsel

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

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

71. D.Law has litigated and successfully resolved many wage and hour class action cases involving failure to pay wages and derivative Labor Code claims and penalties. See e.g. De La Rosa v. The Coca Cola Company et al. (Superior Court of California in Napa, 17CV000787), Harvey v. Bed Bath & Beyond of California Limited Liability Company (Superior Court of California in Alameda, RG17885153), Paredes v. Bottling Group LLC et. al. (Superior Court of California in Kern), Ramirez v. Harris Ranch Beef Company (Superior Court of California in Fresno,

16CECG04103), Gates v. Gate Gourmet, Inc. et. al. (Southern District of California, 16-cv-01084-L-AGS), Hargrave v. Antelope Valley Hospital (Superior Court of California in Los Angeles, BC663252), Ramirez v. Milton Roy et. al. (Superior Court of California in Los Angeles, BC 632 276), Hawkins v. AvalonBay Communities (Superior Court of California in Santa Clara, 17CV316492), Jones Tharpe et al. v. Sprint Corporation et al. (Superior Court of California in Los Angeles, BC644645), Ortega et al. v. Nestle Waters North America, Inc. et al. (Superior Court of California in Los Angeles, BC623610), Schultz v. Jimbo's Natural Family, Inc. (Superior Court of California in San Diego, 37-2017-00022348-CUE-OE-CTL), Ambrose v. Victor Valley Global et al. (Superior Court of California in San Bernardino, CIVDS1709289), Puerta-Gildardo v. Real Time Staffing Services LLC et. al. (Superior Court of California in Los Angeles, BC565445), Vargo v. Pregis Innovative Packaging LLC (Superior Court of California in Tulare, 270836), Conlin v. Aegis Senior Communities LLC (Northern District of California, 17-cv-05534-LHK), Galarza v. Kloeckner Metals Corporation (Central District of California, 2:17-cv-04910-FMO), Estes v. L3 Technologies, Inc. et al. (Southern District of California, 3:17-cv-02356-H-JMA), Rowser v. Trunk Club, Inc. (Central District of California, 2:17-cv-05064-DSF-RAO), Leach v. The Claremont Colleges, Inc. (Superior Court of California in Los Angeles, BC686451), Vaesau v. PCT Enterprises, Inc. dba Precision Cabinets (Superior Court of California, County of Contra Costa MSC18-02404), Terry v. TF Louderback, Inc. dba Bay Area Beverage Company (Superior Court of the State of California, County of Contra Costa, MSC18-00859), Roach v. Westcare California, Inc. (Superior Court of California in Kern County, BCV-17-102367-SDS), Patton v. Church & Dwight Co., Inc. (Central District of California, EDCV 18-903-MWF (KKx)), Juarez v. ISL Employees, Inc. (Superior Court of California in Madera, MCV074787), Ferraro v. USC Verdugo Hill s Hospital, et al. (Superior Court of California in Los Angeles, 18STCV09463), Ford v. Account Control Technology, Inc., et al. (Superior Court of California in Los Angeles, 19STCV09369), Ornelas v. iStorage, et al. (Superior Court of California in San Francisco, CGC-18-571421), Martinez v. Ronpak, Inc. (Superior Court of California in Riverside, RIC1901307), Barrera et al. v. Exclusive Wireless, Inc. (Superior Court of California in Stanislaus, 9000687), Barajas v. Mancha Development Company LLC (Superior Court of California in Orange County, 30-2018-00974707-CU-OE-CXC), Prado v. IMAX Corporation dba

IMAC Worldwide Home (Superior Court of California in San Bernardino, CIVDS1820265), Rodriguez v. ND Industries, Inc. (Superior Court of California in Los Angeles, 19STCV38096), Singletary v. Motel 6 Operating LP, et al. (Southern District of California, 3:20-cv-0270-LAB-AHG), Quizon v. CF Watsonville East, LLC, et al. (Superior Court of California in Santa Cruz, 20CV01868), Stephenson v. Bakersfield Dodge, Inc. (Superior Court of California in Kern, BCV-20-102693), Bacerra v. Hugo Boss Retail, Inc. (Superior Court of California in San Diego, 37-2021-00002933-CU-OE-CTL), Walker v. Ariat International, Inc. (Superior Court of California in Alameda, HG19026439), Orr v. Petvet Care Centers (California) Inc. (Superior Court of California in Santa Clara, 19CV354063), Jimenez v. OEC Distribution Services, Inc. (Superior Court of California in San Bernardino, CIVDS1915743), Virdi v. Absolute Security International (Superior Court of California in San Bernardino, CIVDS 1909589), Raj v. First Transit, Inc (Superior Court of California in Sacramento, 34-2021-00295895-CU-OE-GDS), Marchbanks v. Torrid Administration, Inc. (Superior Court of California in San Diego, 37-2020-00008179-CU-OE-NC), among others.

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

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

actions to fairly and adequately represent the interests of the Class Members and Aggrieved Employees. Therefore, based on our resources, experience, and knowledge, the attorneys at D.Law are well-qualified to act as Class Counsel and represent the Plaintiff and the putative Class Members and Aggrieved Employees in this action.

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

75. On October 14, 2026, Plaintiff submitted the Stipulation of Class Action Settlement and Release of Claims and Plaintiff's Motion for Preliminary Approval of Class Action and PAGA Settlement and supporting documents to the LWDA. A true and correct copy of the confirmatory email from the LWDA is attached hereto as **Exhibit 3.**

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

Executed this 14th day of October 2026 in Pasadena, California

Enoch J. Kim

EXHIBIT 1

STIPULATION OF CLASS ACTION SETTLEMENT AND RELEASE OF CLAIMS

This Stipulation of Class and Representative Action Settlement and Release of Claims is entered into by and between Plaintiff CHRISTINA CANSLER, individually and on behalf of the Class Members and Aggrieved Employees, and Defendant SILVER OAK WINE CELLARS, LLC subject to the terms and conditions set forth herein and subject to the approval of the Court.

I. DEFINITIONS

1. "Action" refers to the putative class action filed on February 29, 2024, in the Superior Court of California, County of Sonoma, including the First Amended Class Action Complaint filed on or about May 6, 2024 captioned as *Christina Cansler v. Silver Oak Wine Cellars LLC, et al.*, Case No. 24CV01488.

2. "Agreement," "Settlement," or "Settlement Agreement" means this Stipulation of Class and Representative Action Settlement and Release of Claims.

3. "Aggrieved Employees" means all individuals who worked for Defendant in California as non-exempt employees during the PAGA Period, regardless of whether the individual submitted a Request for Exclusion or otherwise opted out of the Settlement Class.

4. "Class" or "Class Members" means all current and former non-exempt employees of Defendant who worked in the State of California at any time during the Class Period.

5. "Class Counsel" means Roman Shkodnik, and Amanda Fazio of D.Law, Inc.

6. "Class Counsel Award" means the attorneys' fees and costs incurred by Class Counsel in connection with this Action, subject to Court approval and paid from the Gross Settlement Amount.

7. "Class Data" means the information Defendant will compile in good faith from their payroll and personnel records and provide to the Settlement Administrator in a format acceptable to the Administrator. Class Data shall include: (1) employee identification number; (2) full name; (3) last known address; (4) Social Security number; (5) number of Workweeks during the Class Period; and (6) number of qualifying pay periods worked during the PAGA Period.

8. "Class Period" or "Settlement Period" means the period from February 29, 2020, through September 22, 2025, unless such period is shorted by operation of Paragraph 49 (*Escalator Provision*) below.

9. "Class Released Claims" means any and all claims for wages, statutory and civil penalties (excluding PAGA penalties), damages, liquidated damages, premiums, restitution, interest, injunctive and declaratory relief, and attorneys' fees and costs, that were alleged in the Action and/or claims which reasonably relate to or which reasonably arise out of the same set of operative facts pled therein during the Class Period, including but not limited to: (1) failure to pay minimum wages in violation of California Labor Code §§ 1185, 1194, 1194.2, 1197, and the applicable IWC Wage Order; (2) failure to pay wages and overtime under Labor Code §§ 204, 510, 1194, and the applicable IWC Wage Order; (3) meal-period liability under Labor Code §§ 226.7,

512, and the applicable IWC Wage Order; (4) failure to pay vacation wages under Labor Code § 227.3; (5) failure to provide paid sick time under Labor Code §§ 245 *et seq*. and 246; (6) failure to reimburse for necessary expenditures under Labor Code § 2802; (7) failure to comply with Labor Code § 2751; (8) failure to provide accurate, itemized wage statements in violation of Labor Code §§ 226 and 226.3; (9) failure to keep required payroll records under Labor Code §§ 1174 and 1174.5; (10) failure to pay all wages due at the end of employment under Labor Code § 203; (11) violation of Business & Professions Code § 17200 et seq.; based on the Labor Code sections alleged, and with respect to the statutory penalties claimed in the Action and any source of obligation as a basis for claiming such penalties during the Class Period (the "Released Claims") against the Released Parties in their representative and individual capacities whether under Lab. Code §§ 558, 558.1 or otherwise. The release shall be given full *res judicata* and *collateral estoppel* effect upon entry of judgment in this Action so as to bar any other individual or entity from filing or pursing the Class Released Claims against the Released Parties in any forum.

10. "Class Representative" means Plaintiff Christina Cansler in her capacity as the representative of the Class Members.

11. "Class Representative Premium" means the amount approved by the Court to be paid to Plaintiff, in addition to her Individual Settlement Payment, in recognition of her services and in exchange for executing a general release of claims.

12. "Counsel for Defendant" or "Defense Counsel" means Angela J. Rafoth, Sandra J. McMullan, and Na Rae Kim of Littler Mendelson, P.C.

13. "Court" means the Superior Court of California, County of Sonoma.

14. "Compensable Workweeks" means the total number of workweeks during which a Class Member or an aggrieved employee worked for Defendant during the relevant time period, according to Defendant's records.

15. "Defendant" means Silver Oak Wine Cellars, LLC.

16. "Effective Date" means Court day following the date the Court's final approval and entry of judgment becomes final and no longer subject to appeal, or, if an appeal is filed, the date the appeal is fully resolved and the judgment is final.

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

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

19. "Final Judgement" means the Judgement Entered by the Court upon Granting Final Approval of the Settlement.

20. "Gross Settlement Amount" or "GSA" means the maximum total settlement payment of Seven Hundred Sixteen Thousand Dollars and Zero Cents ($716,000.00), unless the amount is increased by operation of Paragraph 49 (*Escalator Provision*) below. The GSA includes

Individual Settlement Payments, Class Representative Premiums, the Class Counsel Award, the PAGA Payment, and Settlement Administration Costs, but excludes Defendant's share of payroll taxes.

21. "Individual Settlement Payment" means the portion of the Net Settlement Amount payable to each Settlement Class Member.

22. "Net Settlement Amount" or "NSA" means the portion of the Gross Settlement Amount remaining after subtracting the Class Counsel Award, Class Representative Premium, the PAGA Payment, and Settlement Administration Costs.

23. "Notice Packet" means the packet sent to Class Members that includes the Court-approved Notice of Class Action Settlement, in a form substantially similar to **Exhibit A**.

24. "PAGA" means the California Labor Code Private Attorneys General Act of 2004, Labor Code §§ 2698 et seq.

25. "PAGA Letter" means the letter submitted by Plaintiff to the California Labor and Workforce Development Agency ("LWDA") on or about February 29, 2024, pursuant to Labor Code § 2699.3, identifying the alleged Labor Code violations at issue in the Action.

26. "PAGA Individual Payment" means the portion of the PAGA Payment distributed to each Aggrieved Employee.

27. "PAGA Payment" means the portion of the Gross Settlement Amount allocated to resolve all claims for civil penalties under PAGA, totaling Seventy-One Thousand Six Hundred Dollars and Zero Cents ($71,600.00), of which 75% shall be paid to the LWDA and 25% shall be distributed to Aggrieved Employees.

28. "PAGA Period" means the period from February 29, 2023, through September 22, 2025, unless such period is shorted by operation of Paragraph 49 (*Escalator Provision*) below.

29. "PAGA Released Claims" shall mean the release of the Released Parties by the LWDA, State of California, and by Plaintiff as a representative of and proxy for the LWDA from all claims for claims for civil penalties under PAGA that were alleged in the PAGA Letter, the Action, and/ or claims for PAGA penalties which reasonably relate to or which reasonably arise out of the same set of operative facts set forth therein during the PAGA Period, Including but not limited to, claims for PAGA penalties based on: (1) failure to pay minimum wages and failure to pay overtime wages for overtime hours worked under Labor Code §§ 510, 1194, 1197, 1197.1, 1198, and applicable IWC Wage Order; (2) failure to pay vacation wages under Labor Code § 227.3; (3) failure to provide paid sick time under Labor Code §§ 245 *et seq.*, 246; (4) meal-period liability under Labor Code §§ 226.7, 512, 1198, and applicable IWC Wage Order, (5) failure to reimburse for necessary business expenditures in violation of Labor Code §§ 1197, 1197.1, 1198, 2802, and applicable IWC Wage Order; (6) failure to comply with Labor Code § 2751; (7) failure to issue accurate and itemized wage statements in violation of Labor Code §§ 226, 1174, 1198.5, and applicable IWC Wage Order; (8) failure to issue semimonthly payments in violation of Labor Code § 204, and applicable IWC Wage Order; (9) failure to keep records in violation of Labor

Code § 1174, and applicable IWC Wage Order; (10) waiting time penalties pursuant to Labor Code §§ 201, 202, 203, 204, 1197.5, 2926, 2927, and applicable IWC Wage Order; and (11) unfair competition under Business and Professions Code § 17200, *et seq*. The release of PAGA Released Claims shall be given full *res judicata* and *collateral estoppel* effect upon entry of judgment in this Action so as to bar the LWDA and any other individual or entity from filing or pursuing the PAGA Released Claims against the Released Parties in any forum.

30. "Parties" means Plaintiff and Defendant, collectively. "Party" refers to either Plaintiff or Defendant individually.

31. "Payment Ratio" means the respective Workweeks for each Class Member divided by the total Workweeks for all Class Members.

32. "Plaintiff" or "Class Representative" means Christina Cansler.

33. "Preliminary Approval Date" means the date on which the Court enters an order granting preliminary approval of the Settlement.

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

35. "Released Parties" means Defendant Silver Oak Wine Cellars, LLC, and each and all of its past and present parent, subsidiary, and affiliated corporations, entities, divisions, general and limited partners, joint venturers and affiliates, and each of their respective current and former directors, officers, managers, employees, principals, members, agents, insurers, reinsurers, shareholders, attorneys, advisors, representatives, general partners, limited partners, joint venturers, and affiliated companies, and each of its respective executors, predecessors, successors, assigns and legal representatives.

36. "Response Deadline" means the date that is forty-five (45) calendar days after the Settlement Administrator mails the Notice Packet to Class Members. It is the final deadline to submit a Request for Exclusion or file any objection to the Settlement.

37. "Request for Exclusion" means a written request by a Class Member to opt out of the Settlement, containing the Class Member's name, signature, address, and telephone number, submitted in accordance with the instructions and deadline provided in the Notice Packet and this Agreement.

38. "Settlement Class" or "Settlement Class Members" means all Class Members who do not timely submit a valid Request for Exclusion.

39. "Settlement Administrator" or "Claims Administrator" means APEX Class Action LLC, the neutral third-party settlement administrator agreed upon by the Parties and approved by the Court.

40. "Workweek" means any week during which a Class Member worked at least one day for Defendant during the Class Period, according to Defendant's records.

II. RECITALS

41. On February 29, 2024, Plaintiff filed an unverified putative class action complaint in the Superior Court of California, County of Sonoma, asserting eleven wage and hour causes of action.

42. On February 29, 2024, Plaintiff gave written notice to Defendant and the LWDA of the claims alleged in this Action by sending the PAGA Notice pursuant to Labor Code § 2699.3(a).

43. On May 6, 2024, after the 65-day statutory period passed, Plaintiff filed an unverified First Amended Complaint ("FAC"), which added a twelfth cause of action for civil penalties pursuant to the California Labor Code Private Attorneys General Act ("PAGA"). The FAC, which is the operative complaint in this Action, asserts the following twelve causes of action against Defendant: (1) failure to pay minimum wages; (2) failure to pay wages and overtime; (3) meal period violations; (4) failure to pay vacation wages; (5) failure to comply with Labor Code §§ 245 *et seq.* and 246; (6) failure to reimburse for necessary business expenditures; (7) failure to comply with Labor Code § 2751; (8) violation of Labor Code § 226(a); (9) failure to keep required payroll records; (10) violation of Labor Code § 203; (11) violation of Business and Professions Code § 17200 et seq.; and (12) civil penalties under PAGA.

44. On June 17, 2024, Defendant filed its Answer to the FAC, asserting a general denial and affirmative defenses.

45. The Parties engaged in a voluntary exchange of information concerning the claims and defenses at issue in the Action, including Defendant's policies and practices, anonymized class list, and sampling of class member timekeeping and payroll data. Each Party also conducted its own independent investigation and factual analysis.

46. On July 24, 2025, Plaintiff and Defendant participated in a full-day mediation with experienced wage and hour mediator Brandon McKelvey, Esq., during which the Parties reached an agreement to resolve all claims asserted in the Action.

47. Plaintiff and the Class Members are represented by Class Counsel. Class Counsel conducted an investigation into the facts and legal issues in this Action, including reviewing documents and data produced by Defendant. Based on this investigation and their evaluation of the strengths and weaknesses of the claims, Class Counsel believe that the terms of this Settlement are fair, reasonable, and adequate and serve the best interests of the Settlement Class, taking into account the risks of litigation, the potential for delay, the defenses asserted by Defendant, the uncertainty of class and representative certification, and the possibility of appeals. Defendant agrees to settle solely to avoid the burden, expense, and uncertainty of continued litigation. Accordingly, the Parties and their counsel wish to fully, finally, and forever resolve all claims asserted in or related to the Action on the terms set forth in this Agreement.

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III. TERMS OF AGREEMENT

48. Settlement Consideration: Defendant shall pay the Gross Settlement Amount, which shall fund the Individual Settlement Payments, the Class Representative Premiums, the Class Counsel Award, the PAGA Payment, and Settlement Administration Costs, as specified in this Agreement. Defendant shall not be required to pay more than the Gross Settlement Amount, except for its share of payroll taxes. This is a non-reversionary settlement; no portion of the Gross Settlement Amount shall revert to Defendant.

49. Escalator Provision: This Settlement is based on the understanding that Class Members will have worked approximately 35,756 Workweeks between February 29, 2020 through July 31, 2025. If it is determined that the number of workweeks during that period of time exceeds 39,332 (35,756, plus 10% of 35,756), then, Defendant may, at its sole option, either (A) increase the Gross Settlement Amount proportionally to the increase in Workweeks—for example, if the increase is 15% over 35,756 Workweeks, then the Gross Settlement Amount will increase by 5%—or (B) end the Class Period on the date the number of Workweeks reaches 39,332.

50. Release by All Settlement Class Members: Upon the Effective Date, each Class Member (including Plaintiff) who does not timely submit a valid Request for Exclusion shall, for the duration of the Class Period, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, fully release and forever discharge the Released Parties from the Class Released Claims.

51. General Release by Plaintiff: In addition to the Settlement Class Members' Released Claims described above, in exchange for the consideration recited in this Agreement, including but not limited to the Class Representative Premium, Plaintiff, for herself and for any decedent, heirs, legal representatives, successors, and assigns, does hereby irrevocably and unconditionally release, acquit, and forever discharge the Released Parties from any and all claims, demands, damages, liquidated damages, monies, penalties, restitution, injunctive relief, attorneys' fees, costs, liabilities, and/or causes of action of whatever kind or character, whether known or unknown, which Plaintiff ever had, now has, has asserted or may hereafter assert or claim to have against the Released Parties arising out of or relating in any way to any acts, circumstances, facts, transactions, or omissions based on facts occurring up to and including the date he signs this Agreement. This Release includes but is not limited to any and all claims for unlawful discrimination, harassment, retaliation, and reasonable accommodation; related to the terms and conditions of employment; for penalties, compensation or benefits; and/or for wrongful termination of employment arising under Title VII of the Civil Rights Act of 1964, as amended, the Civil Rights Act of 1866, the Civil Rights Act of 1991, the Americans with Disabilities Act, as amended, 42 U.S.C. § 1981, as amended, the Fair Labor Standards Act, as amended and the Portal-to-Portal Act, the Equal Pay Act, the Employee Retirement Income Security Act, as amended, the Consolidated Omnibus Budget Reconciliation Act, the Rehabilitation Act of 1973, the Family and Medical Leave Act, the California Fair Employment and Housing Act, the California Constitution, the California Labor Code, the California Government Code, the California Civil Code, and any and all other federal, state, and local statutes, ordinances, regulations, rules and other laws, and any and all claims based on equity, constitutional, statutory, common law or regulatory grounds, as well as any other claims based on theories of wrongful or constructive discharge, breach of

contract or implied contract, fraud, misrepresentation, promissory estoppel, or intentional and/or negligent infliction of emotional distress, or damages under any other federal, state, or local statutes, ordinances, regulations, rules or laws, except for such claims that cannot be released by law. With respect to the claims referenced in this paragraph, Plaintiff shall be deemed to have expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights, and benefits she may otherwise have had pursuant to section 1542 of the California Civil Code, which states that:

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

52. Acknowledgment of Consideration Period: Plaintiff understands that she has at least five (5) business days from the date she receives this Agreement and any accompanying materials to consider the terms of the Agreement, including whether to sign this Agreement (the "Consideration Period"). If Plaintiff chooses to sign this Agreement before the end of the Consideration Period, she affirms that she has done so voluntarily after carefully considering its terms. Plaintiff acknowledges that she has read and fully understands the provisions of this Agreement. Defendant has advised Plaintiff in writing to consult with an attorney of her choice regarding the terms of this Agreement before signing it.

53. Claims Not Released; Protected Rights: This Agreement, including the General Release by Plaintiff, shall not apply to claims for workers' compensation benefits, unemployment insurance benefits, pension or retirement benefits, or any other claim or right that cannot be waived or released as a matter of law. Further, regardless of whether Plaintiff signs this Agreement, nothing in this Agreement or in any other agreement, policy, or practice of Defendant: (i) limits or affects Plaintiff's right to challenge the validity of this Agreement under the ADEA or the Older Workers Benefit Protection Act (OWBPA); (ii) prevents Plaintiff from communicating with, filing a charge or complaint with, providing documents or information voluntarily or in response to a subpoena or other information request to, or from participating in an investigation or proceeding conducted by the Equal Employment Opportunity Commission, National Labor Relations Board, the Securities and Exchange Commission, the Occupational Safety and Health Administration, law enforcement, or any other federal, state, or local agency charged with enforcement of any laws, or from testifying, providing evidence, responding to a subpoena or discovery in court litigation or arbitration proceeding; requires Plaintiff to disclose to Defendant any such filing, communication or participation or (iii) prevents a non-managerial, non-supervisory employee from engaging in protected concerted activity under Section 7 of the NLRA or under equivalent state law such as joining, assisting or forming a union, bargaining, picketing, or refusing to do so; this includes using or disclosing information acquired through lawful means regarding wages, hours, benefits, or other terms and conditions of employment, except where the information was entrusted to Plaintiff in confidence by Defendant as part of Plaintiff's job duties.

In addition, nothing in this Agreement shall be construed to prevent Plaintiff from discussing or disclosing information related to any acts of sexual harassment, sexual assault, workplace harassment or discrimination, failure to prevent an act of workplace harassment or discrimination, or act of retaliation against a person for reporting harassment or discrimination related to the case prevent Plaintiff discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct Plaintiff has reason to believe is unlawful; waive Plaintiff's right to testify in an administrative, legislative, or judicial proceeding regarding concerning alleged criminal conduct or alleged sexual harassment on the part of Defendant, or on the part of its agents or employees of Defendant, when Plaintiff has been required or requested to attend such proceeding pursuant to a court order, subpoena, written request from an administrative agency or the legislature.

In addition, nothing in this Agreement limits or affects Plaintiff's right to disclose or discuss sexual harassment or sexual assault disputes.

By signing this Agreement, Plaintiff waives her right to recover any individual relief (including backpay, front pay, reinstatement, or other equitable relief) in any charge, complaint, or lawsuit or other proceeding brought, whether brought by Plaintiff or on Plaintiff's behalf by any third party, except where such a waiver is prohibited. However, this waiver does not prevent Plaintiff from receiving any payment or award from a government agency (and not from Defendant) for information provided to the government agency, or as otherwise directed by a government agency.

54. PAGA Release by Aggrieved Employees and Labor Workforce Development Agency: Upon the Effective Date, the California Labor and Workforce Development Agency ("LWDA"), and Plaintiff, as representative of and proxy for the LWDA, are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from the PAGA Released Claims.

55. Certification of the Settlement Class and Nullification of Settlement Agreement: The Parties stipulate to the conditional certification of the Settlement Class for the Class Period for settlement purposes only. In the event this Settlement Agreement is not preliminarily or finally approved by the Court, fails to become effective, is reversed, withdrawn, or modified by the Court, or otherwise prevents or prohibits Defendant from obtaining a full and final resolution of the claims described herein:

a. This Settlement Agreement shall be void *ab initio* and of no force or effect and shall not be admissible in any judicial, administrative, or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural;

b. The conditional class certification shall likewise be void *ab initio* and of no force or effect and shall not be admissible in any judicial, administrative, or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural; and

c. None of the Parties shall be deemed to have waived any claims, objections, defenses, or arguments in the Action, including but not limited to the issue of class

certification.

56. Tax Treatment:

a. The Parties, Class Counsel, and Defendant's Counsel make no representations as to the tax treatment or legal effect of the payments provided for in this Agreement. Settlement Class Members are not relying on any statement or representation by any Party, Class Counsel, or Defendant's Counsel regarding such matters. Each Settlement Class Member understands and agrees that he or she shall be solely responsible for the payment of any taxes found to be due from him or her as a result of the any Individual Settlement Payment and PAGA Payment described herein.

b. Each Party represents that it has not received and shall not rely upon any advice or representation from the other Party or his/its agents as to the tax treatment of the payments under federal, state, or local law.

57. Preliminary Approval Motion: At the earliest practicable time, Plaintiff and Class Counsel shall file a Motion for Preliminary Approval with the Court, which shall include this Agreement and all supporting documents. If the Parties are unable to agree on the form of notices or other documents necessary to implement this Agreement, such disputes shall be submitted to the Court. The Parties shall seek a prompt hearing date to obtain preliminary approval of the Settlement.

58. Settlement Administrator: The Settlement Administrator shall be responsible for: (a) processing and mailing payments to the Class Representative, Class Counsel, the LWDA, and Settlement Class Members; (b) printing and mailing the Notice Packets as directed by the Court; (c) receiving and reporting objections and Requests for Exclusion; (d) issuing tax forms to Settlement Class Members; (e) providing declarations in support of preliminary and final approval of this Settlement; (f) calculating and withholding taxes from the wage portion of Individual Settlement Payments to the Settlement Class Members; (g) calculating and notifying Defendant of its share of taxes on the wage portion of payments to the Settlement Class Members and accepting payment of such taxes; (h) timely depositing all tax payments with the appropriate governmental entities; and (i) other tasks as mutually agreed upon by the Parties or ordered by the Court. The Settlement Administrator shall keep the Parties timely informed of all Settlement Administrator responsibilities.

59. Settlement Administration:

a. Class Data. No later than thirty (30) calendar days after the Preliminary Approval Date, Defendant shall provide the Settlement Administrator with the Class Data for purposes of preparing and mailing Notice Packets to Class Members. The Class Data shall be confidential. The Settlement Administrator shall not disclose the Class Data to Class Counsel, Plaintiff, or any third party, and shall use the Class Data solely for administration of the Settlement.

b. Notice Packets. The Notice Packet shall include the Notice of Class Action Settlement, in a form substantially similar to **Exhibit A** hereto. The Notice of Class Action Settlement shall describe the material terms of the Settlement, including the

release to be given by all Class Members who do not request exclusion from the Settlement Class. All Class Members, who are Aggrieved Employees, shall be advised that they will participate in the PAGA portion of the Settlement, regardless of whether they opt out of the class portion. The Notice Packet shall also be individualized by including each Class Member's estimated Individual Settlement Payment and the number of Compensable Workweeks.

c. Notice by First Class U.S. Mail. Upon receipt of the Class Data, the Settlement Administrator shall perform a search using the National Change of Address Database and/or similar databases to update mailing addresses. Within fifteen (15) calendar days of receiving the Class Data from Defendant, the Settlement Administrator shall mail copies of the Notice Packet to all Class Members via First Class U.S. Mail. The Settlement Administrator shall exercise its best judgment in determining the most current mailing address for each Class Member. If more than one potentially valid address is identified, the Notice Packet shall be mailed to each address.

d. Undeliverable Notices. Any Notice Packet returned as undeliverable on or before the Response Deadline shall be re-mailed to any forwarding address provided. If no forwarding address is provided, the Settlement Administrator shall promptly attempt to determine a correct address through skip-tracing or other reasonable search using the name, address, and/or the Social Security number of the Class Member. The Settlement Administrator shall re-mail the Notice Packet if a new address is identified. The deadlines for Requests for Exclusion and Objections shall be extended by fourteen (14) days beyond the sixty (60) calendar days otherwise provided in the Class Notice for any Class Member whose Notice Packet is re-mailed, and this extended deadline shall be clearly stated in the re-mailed Notice.

e. Disputes Regarding Individual Settlement Payments. Class Members may dispute the number of Compensable Workweeks listed in their Notice of Class Action Settlement by submitting documentation and/or a written explanation. The Settlement Administrator shall consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall make the final determination of the eligibility for and amount of any Individual Settlement Payment, which shall be binding on the Class Member and the Parties.

f. Disputes Regarding Administration of Settlement. Any disputes concerning the administration of the Settlement not resolved by the Settlement Administrator shall be resolved by the Court under California law. Before seeking Court intervention, counsel for the Parties shall meet and confer in good faith to resolve the dispute.

g. Request for Exclusion. The Notice of Class Action Settlement shall advise Class Members that they may opt out of the class portion of the Settlement by submitting a written statement to the Settlement Administrator requesting exclusion from the Settlement, postmarked by the Response Deadline. The statement must: (1) clearly state: "I wish to exclude myself from the settlement reached in the matter of *Christina Cansler v. Silver Oak Wine Cellars, LLC., et al.* I understand by excluding myself, I will not receive any money from the class settlement reached in this matter.";

(2) include the Class Member's name, address, and last four digits of the Social Security number; (3) be signed by the Class Member; and (4) be postmarked and mailed to the Settlement Administrator by the Response Deadline at the specific address provided in the Notice Packet. The postmark date on the envelope shall determine the timeliness of the request. Any Class Member who timely submits a valid Request for Exclusion shall not be entitled to any recovery under the class portion of the Settlement, shall not be bound by the class release, and shall have no right to object or comment. However, all Aggrieved Employees shall receive their respective PAGA Individual Payments and release the PAGA Released Claims, regardless of whether they submit a Request for Exclusion. No later than fourteen (14) calendar days after the Response Deadline, the Settlement Administrator shall provide the Parties with a final list of all timely Requests for Exclusion. No Party or counsel shall solicit or encourage any Class Member to exclude themselves from the Settlement.

h. Objections. The Notice of Class Action Settlement shall inform Class Members that Class Members who wish to object to the Settlement may serve on the Settlement Administrator a written statement of objection via first class mail, postmarked by the Response Deadline. The postmark shall be the exclusive means of determining the timeliness of any objection. A valid objection must: (1) be signed by the Class Member; (2) include the Class Member's full name (and any former names), dates of employment, and the last four digits of the Class Member's Social Security number and/or employee ID number; and (3) state the basis for the objection. No Party or counsel shall solicit or encourage Settlement Class Members to file objections to the Settlement or appeal from the Order and Final Judgment. Class Members who submit a Request for Exclusion are not permitted to object to the Settlement.

60. Funding of the Gross Settlement Amount. No later than fifteen (15) business days after the Effective Date, Defendant shall fund the Gross Settlement Amount, as defined in this Agreement, by delivering the full amount in one lump-sum payment to the Settlement Administrator.

a. PAGA Payment. As part of the Motion for Order Granting Preliminary Approval, Plaintiff and Class Counsel shall seek Court approval of a PAGA Payment in the amount of Seventy-One Thousand Six Hundred Dollars and Zero Cents ($71,600.00). If the Court approves less than the requested amount, the unapproved portion shall revert to the Net Settlement Amount and be distributed to Aggrieved Employees pursuant to this Agreement. No later than fifteen (15) calendar days after Defendant funds the Gross Settlement Amount, the Settlement Administrator shall remit seventy-five percent (75%) of the approved PAGA Payment to the California Labor and Workforce Development Agency ("LWDA"), and the remaining twenty-five percent (25%) shall be distributed as PAGA Individual Payments to the Aggrieved Employees. Each Aggrieved Employee's PAGA Individual Payment shall be calculated by dividing 25% of the approved PAGA Payment by the total number of pay periods worked by all Aggrieved Employees during the PAGA Period, then multiplying that figure by the number of pay periods worked by the individual Aggrieved Employee during the PAGA Period.

b. Individual Settlement Payments. Individual Settlement Payments shall be paid from the Net Settlement Amount to all Settlement Class Members. The Settlement Administrator shall calculate each Individual Settlement Payment as follows: Using the Class Data, the Settlement Administrator will calculate the total Workweeks for all Settlement Class Members by adding the number of Workweeks worked by each Settlement Class Member during the Class Period. The respective Workweeks for each Settlement Class Member will be divided by the total Workweeks for all Settlement Class Members, resulting in the Payment Ratio for each Settlement Class Member. Each Settlement Class Member's Payment Ratio will then be multiplied by the remaining Net Settlement Amount to calculate each Settlement Class Member's estimated Individual Settlement Payments.

c. Tax Allocation. For tax purposes, Each Individual Settlement Payment shall be allocated as follows: twenty-five percent (25%) shall be allocated to the payment of wages subject to standard payroll tax withholdings and all other authorized and required deductions, and seventy-five percent (75%) to penalties, interest, and other non-wage damages which are not subject to income or payroll tax withholdings, but which are subject to all other required authorized deductions. All applicable deductions or withholdings required by law or expressly authorized by the Settlement Class Member, including payments of any garnishments and liens, will be withheld from the Individual Settlement Payment. The Settlement Administrator shall be responsible for timely and properly withholding from the Individual Settlement Payments payable to the Settlement Class Members all required payroll and employment taxes, including all federal, state, and local income taxes, and to prepare and deliver the necessary tax documentation and, thereafter, to cause the appropriate deposits of withholding taxes and informational and other tax return filing to occur.

d. Distribution of Payments. The Settlement Administrator shall mail Individual Settlement Payment checks via First Class U.S. Mail to the last known mailing address of each eligible Settlement Class Member no later than fifteen (15) calendar days after receipt of the Gross Settlement Amount.

e. Check Expiration and Escheatment. Any checks issued to Class Members shall remain valid for one hundred eighty (180) calendar days from the date of issuance. Checks not negotiated within that timeframe shall be void. Fifteen (15) calendar days after the expiration date, any uncashed funds shall be transmitted to the California State Controller's Unclaimed Property Fund in accordance with California Code of Civil Procedure section 384. This provision satisfies and fully discharges Defendant's post-distribution obligations under California law, including any cy pres obligations.

f. Class Representative Premium. Plaintiff and Class Counsel shall draft and file with the Court the necessary papers for approval of the Class Representative Premium payment. Defendant agrees not to oppose or object to any application or motion by Plaintiff for a Class Representative Premium of up to Five Thousand Dollars ($5,000.00) to Plaintiff. The Premiums shall be paid from the Gross Settlement Amount no later than fifteen (15) calendar days after Defendant funds the Gross Settlement

Amount. Any amount of the requested Class Representative Premium not awarded by the Court shall revert to the Net Settlement Amount. The Settlement Administrator shall issue an IRS Form 1099–MISC to Plaintiff for the Premium. Plaintiff shall be solely responsible for payment of any applicable taxes on the Class Representative Premium and shall hold harmless Defendant from any claim or liability for taxes, penalties, or interest arising as a result of the Class Representative Premium. This Premium shall be in addition to Plaintiff's Individual Settlement Payment and PAGA Individual Payment. If the Court reduces or denies the Class Representative Premium, Plaintiff shall not have the right to revoke the Settlement, which shall remain binding in all respects.

g. Class Counsel Award. Plaintiff and Class Counsel shall draft and file with the Court the necessary papers for approval of the attorneys' fees and costs. Defendant agrees not to oppose or object to an award of attorneys' fees in an amount not to exceed one-third (1/3) of the Gross Settlement Amount (i.e., up to Two Hundred Thirty-Eight Thousand and Six Hundred Sixty-Six Dollars and Sixty-Seven Cents ($238,666.67)). Additionally, Defendant agrees not to oppose or object to an application or motion by Class Counsel for reimbursement of litigation costs not to exceed Thirty Thousand Dollars ($30,000.00) from the Gross Settlement Amount for all past and future litigation costs and expenses necessary to prosecute, settle, and administer the Action as supported by a declaration from Class Counsel. The Parties agree that any and all claims for reasonable attorneys' fees and costs have been settled by this Agreement and that neither Plaintiff, Settlement Class Members, nor Class Counsel shall seek payment of attorneys' fees or reimbursement of costs/expenses from the Released Parties except as set forth in this Agreement. Any amount not awarded by the Court shall revert to the Net Settlement Amount. The Settlement Administrator shall pay any approved Class Counsel Award no later than fifteen (15) calendar days after Defendant fund the Gross Settlement Amount. The Settlement Administrator shall issue an IRS Form 1099–MISC to Class Counsel, who shall be solely responsible for all applicable taxes on the payment made pursuant to this paragraph. If the Court reduces or denies any portion of the requested Class Counsel Award, Plaintiff and Class Counsel shall not have the right to revoke the Settlement, which shall remain binding.

h. Settlement Administration Costs. Plaintiff and Class Counsel shall draft and file with the Court the necessary papers for approval of payment to the Settlement Administrator of fees and costs of administration of the Settlement not to exceed Eight Thousand Nine Hundred Ninety Dollars ($8,990.00), to be paid from the Gross Settlement Amount. Defendant agrees not to oppose or object to any application or motion by Plaintiff for this requested payment. Any portion not approved shall revert to the Net Settlement Amount. The Settlement Administrator shall pay the approved Settlement Administration Costs no later than fifteen (15) calendar days after funding of the Gross Settlement Amount.

i. Net Settlement Amount. The Parties estimate the amount of the Net Settlement Amount as follows:

Gross Settlement Amount:	$716,000

Class Representative Premiums:	-$5,000
Class Counsel's Fees:	-$238,666.67
Class Counsel's Costs:	-$30,000
PAGA Payment:	-$71,600
($53,700 to the LWDA and $17,900 to the PAGA Covered Employees)	
Settlement Administration Costs:	-$8,990
Net Settlement Amount	**$361,743.33**

61. Motion for Final Approval. At the earliest practicable time following the expiration of the Response Deadline, Plaintiff shall file with the Court a Motion for Final Approval and Entry of Judgment. The motion shall request final approval of the Settlement and approval of the amounts allocated for the Class Representative Premium, the Class Counsel Award, the PAGA Payment, and the Settlement Administration Costs.

a. Final Approval Order and Judgment. Plaintiff shall present the Court with a proposed Order Granting Final Approval of Class Action Settlement and Entry of Judgment for its approval. This proposed order shall be lodged with the Court no later than seven (7) calendar days before the Final Approval Hearing. Plaintiff shall be responsible for drafting and filing the motion and order, and shall provide Defendant with a copy of the filing at least five (5) business days prior to submission. The Order Granting Final Approval of Class Action Settlement and Entry of Judgment shall:

i. Find that the Court has personal jurisdiction over all Settlement Class Members and subject matter jurisdiction over the Action;

ii. Certify the Settlement Class for settlement purposes only;

iii. Approve the Settlement as fair, reasonable, and adequate, and in the best interests of the Parties and the Class Members and direct its implementation according to the terms of this Agreement;

iv. Approve Class Counsel's application for attorneys' fees and costs, and the Class Representative Premium;

v. Approve the payment of reasonable Settlement Administration Costs;

vi. Enter judgment pursuant to California Rules of Court, Rule 3.769(h);

vii. Permanently bar Plaintiff and all Class Members who have not been timely and validly excluded from the Settlement from filing or prosecuting any of the Released Claims against the Released Parties; and

viii. Permanently bar the LWDA and any other individual or entity from pursuing any of the PAGA Released Claims against the Released Parties.

b. Continuing Jurisdiction. Without affecting the finality of the judgment, the Court shall retain continuing jurisdiction over the Action, the Parties, and the

Settlement Class to supervise and enforce the Settlement's administration and implementation. Any unresolved disputes regarding interpretation, enforcement, or implementation of the Settlement, not delegated to the Settlement Administrator for resolution as provided in this Agreement shall be resolved by motion to the Court. Notice of Final Judgment shall be provided in accordance with the Final Approval Order and shall comply with California Rules of Court, Rule 3.771.

62. Defendant's Option to Terminate Settlement. If more than five percent (5%) of Class Members submit timely and valid Requests for Exclusion from the Settlement, Defendant shall have the sole discretion to terminate this Settlement. To exercise this option, Defendant must provide written notice to Class Counsel within fifteen (15) calendar days of receiving the Settlement Administrator's report confirming that exclusion requests exceed the threshold. In the event of termination, Defendant shall remain responsible for all Settlement Administration Costs incurred to date or as a result of termination, and the Parties shall proceed as if this Agreement had never been executed.

63. Effect on Employee Benefit Plans. Neither the Settlement nor any payment made pursuant to it shall modify, alter, or affect any benefits, contributions, or entitlements under any employee benefit plan, policy, or bonus program sponsored by Defendant. No part of the Gross Settlement Amount shall be deemed salary, wages, earnings, or compensation for purposes of eligibility, benefit accrual, or vesting in any such plan, policy, or program. Defendant may modify applicable plan language to reflect this intent.

64. Notices. Except as otherwise provided herein, all notices, demands, or communications under this Agreement shall be in writing and deemed duly given three (3) business days after being mailed by U.S. certified mail, return receipt requested, addressed as follows:

To Plaintiff and the Settlement Class:

D.Law, Inc.
Roman Shkodnik, and Amanda Fazio
250 N Madison Ave, 2nd Floor
Pasadena, CA 91101
Telephone: (818)962-6465
Facsimile: (818) 962-6469

To Defendant:

LITTLER MENDELSON, P.C.
Angela J. Rafoth, Sandra J. McMullan, and Na Rae Kim
101 Second Street, Suite 1000
San Francisco, CA 94105
Telephone: (415) 433-1940
Facsimile: (415) 399-8490

65. Cooperation. The Parties and their respective counsel agree to cooperate in good faith to effectuate the terms of the Settlement and to execute all necessary documents to implement and finalize the Settlement.

66. Amendments. This Agreement may only be amended or modified by an express written instrument signed by all Parties or their representatives, and approved by the court.

67. Entire Agreement. This Agreement and its Exhibits constitute the entire agreement among the Parties related to the Settlement and supersede all prior and contemporaneous oral and written agreements or understandings. No provision of this Agreement may be waived unless in writing signed by the waiving Party.

68. Authority to Enter Into Settlement Agreement. Counsel for the Parties represent and warrant that they are authorized by the Parties whom they represent to negotiate this Agreement and to take all appropriate actions required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement. The individual signing this Agreement on behalf of each Defendant warrants that he or she has full authority to bind the respective Defendant. Plaintiff represents and warrants that she has not assigned any claim, or a part of a claim, covered by this Settlement to any third party.

69. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Parties' respective heirs, successors, or assigns.

70. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

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

72. Settlement Fairness. The Parties agree and represent that the Settlement is fair, adequate, and reasonable, and that it is the product of extensive arms-length negotiations and informed decision-making following a full opportunity to evaluate claims, defenses, and procedural posture.

73. Court Retention of Jurisdiction. The Court shall retain jurisdiction to interpret, implement, and enforce this Agreement, the Final Judgment, and any other orders entered in connection with the Settlement.

74. Waiver of Appeals. Except for appeals related to the attorneys' fees award (provided such award does not exceed the amount stated in this Agreement), the Parties agree to waive all rights to appeal, this waiver being contingent upon the Court entering Final Judgment as provided herein. The waiver includes waiver of all rights to any post-judgment proceeding and appellate

proceeding, including, but not limited to, motions for relief from judgment and motions to amend or alter judgment.

75. No Admission of Liability. This Settlement is a compromise of disputed claims. Plaintiff contends that the Released Claims have merit; Defendant denies all liability and contends that Plaintiff's claims lack merit. Nothing in this Agreement, nor any related document or action, shall be construed as an admission by or against any Party regarding the validity or lack thereof of any claim, defense, or legal theory.

IN WITNESS THEREOF, this Stipulation of Class Action Settlement and Release of Claims is executed by the Parties and their authorized attorneys, as of the day and year herein set forth.

Dated: May 13, 2026

DocuSigned by:
CF910902DF4A408...
Christina Cansler

Dated: April 9, 2026

Tony LeBlanc

President and on behalf of Silver Oak Wine Cellars, LLC

Approved as to form:

Dated: May 13, 2026

Roman Shkodnik, Esq.

Plaintiff, Class, and PAGA Counsel

Dated: May 13, 2026

Angela J. Rafoth, Esq.

LITTLER MENDELSON, PC

Counsel for Defendant Silver Oak Wine Cellars, LLC

EXHIBIT A

[CLASS MEMBER NAME]

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

Christina Cansler v. Silver Oak Wine Cellars LLC, et al.

Superior Court of California, County of Sonoma
Case No.: 24CV01488

If you are a current or former hourly-paid or non-exempt employee who worked for Silver Oak Wine Cellars, LLC ("Silver Oak" or "Defendant") within the State of California at any time from February 29, 2020 through and including September 22, 2025 (the "Class Period"), a class action lawsuit may affect your rights and you may be entitled to a payment under this proposed settlement ("the Settlement").

You are not being sued. A court authorized this notice. This is not a solicitation from a lawyer.

PLEASE READ THIS NOTICE CAREFULLY. IT CONTAINS IMPORTANT INFORMATION ABOUT YOUR RIGHTS.

- This is a class action lawsuit that that involves a class defined as "all current and former non-exempt employees of Defendant who worked in the State of California at any time from February 29, 2020 through and including September 22, 2025."
- Plaintiff in this class action contend that Defendant violated provisions of the California Labor Code by allegedly failing to properly pay all wages during and at the end of employment, provide compliant meal periods and pay premiums for missed meal periods, and provide compliant pay stubs, as well as other related claims, and engaged in unfair competition.
- Plaintiff also alleges a claim for civil penalties under the California Private Attorneys General Act for Defendant's alleged Labor Code violations.
- Defendant denies all of Plaintiff's claims and asserts that it has complied with all of its legal obligations to its employees.
- There has been a settlement that affects your legal rights. Although the Court has authorized the Parties to provide this notice of the proposed settlement, the Court has expressed no opinion on the merits of Plaintiff's claims or Defendant's defenses.
- You have several options available to you:

DO NOTHING	By doing nothing, you **will** receive a share of the settlement proceeds, and you will give up any rights to sue Defendant and the Released Parties separately regarding all claims and causes of action of whatever kind or nature that are alleged, related to or that reasonably could have arisen out

	of the same facts alleged in the Complaint that are the subject of this class action lawsuit.
ASK TO BE EXCLUDED (OPT OUT) OF THE CLASS SETTLEMENT BUT NOT THE PAGA SETTLEMENT	Get out of this lawsuit. Get no benefits from the Settlement. Keep rights. If you ask to be excluded, you **will not** receive a share of the class action settlement proceeds, but, you keep any rights you may have to sue Defendant and the Released Parties separately about the same legal claims alleged in this class action lawsuit. Aggrieved Employees under PAGA, remain eligible for an PAGA Individual Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.
OBJECT	Object to the terms of this Settlement.

Your options are explained in this notice.
To make a claim or object, you must act by _____.

1. Why did I get this notice?

A settlement has been reached in a class action lawsuit that was brought on behalf of the following class of people defined a "all current and former non-exempt employees of Defendant who worked in the State of California at any time from February 29, 2020 through and including September 22, 2025."

You have received this notice because Defendant's records indicate that you are a member of the Class.

2. What is this lawsuit about?

On February 29, 2024, Plaintiff CANSLER filed an unverified putative class action complaint against Defendant SILVER OAK WINE CELLARS, LLC in the Superior Court of California, County of Sonoma, captioned as *CHRISTINA CANSLER, on behalf of herself and others similarly situated v. SILVER OAK WINE CELLARS LLC, a California limited liability company; TWOMEY, an entity of unknown form; and DOES 1 through 50, inclusive*, Case No. 24CV01488. The claims for relief Plaintiff asserted on behalf of herself and the putative class are: (1) failure to pay minimum wages; (2) failure to pay wages and overtime; (3) meal period violations; (4) failure to pay vacation wages; (5) failure to comply with Labor Code §§ 245 *et seq.* and 246; (6) failure to reimburse for necessary business expenditures; (7) failure to comply with Labor Code § 2751; (8) violation of Labor Code § 226(a); (9) failure to keep required payroll records; (10) violation of Labor Code § 203; (11) violation of Business and Professions Code § 17200 *et seq*. On May 6, 2024, Plaintiff filed a First Amended Complaint to add a cause of action for violation of Labor Code section 2698, *et seq*. (Private Attorneys General Act of 2004).

On October 30, 2024, Plaintiff requested that Defendant TWOMEY, an entity of unknown form, be dismissed without prejudice as to the claims of Plaintiff and the unnamed putative class

members and allegedly aggrieved employees. On November 6, 2024, the Court granted Plaintiff's Request for Dismissal of Twomey.

Defendant denies all of Plaintiff's claims, denies that it has liability to Plaintiff or any other Class Member, and asserts that it has complied with all of its legal obligations to its employees.

3. Has the Court decided who is right?

No. The Court has made no decision regarding the merits of Plaintiff's allegations or Defendant's defenses.

4. Why did this case settle?

The Parties reached a settlement in order to avoid the risk and expense of further litigation. Plaintiff and her attorneys believe the proposed settlement is fair, adequate and in the best interest of the class members to whom it applies given the outcome of their investigation, the consumption of time and resources required in connection with further litigation, and the uncertainty in the law governing some of the claims presented. Although Defendant disputes Plaintiff's claims, Defendant has also concluded that further litigation would be protracted and expensive and would also divert resources and management and employee time.

5. What are the terms of the settlement and how much will I receive?

Subject to final Court approval, the Settlement Agreement provides that Defendant will pay the gross amount of Seven Hundred Sixteen Thousand Dollars ($716,000) (the "Maximum Settlement Fund") to fully resolve the allegations in the Action. Under the Settlement, the following amounts will be deducted before any payments are made to employees, subject to final approval by the Court:

- Class Representative Enhancement to Each Named Plaintiff - $5,000
- Attorneys' fees– $238,667
- Attorneys' Costs – $30,000
- PAGA Payment – $71,600 ($53,700 to the LWDA and $17,900 to be distributed to the "aggrieved" employee group).
- Settlement Administration Expenses – $8,990

After these deductions, approximately $361,743 (the "Net Settlement Amount") will be available for payments to be made to the Class Members receiving this notice.

The Net Settlement Amount will be available for distribution to Settlement Class Members. Each Class Member who does not timely submit a valid Request for Exclusion to be excluded from the Class ("Settlement Class Member") will be receive a *pro rata* portion of the Net Settlement Fund ("Individual Settlement Payment"). The payments will be calculated in accordance with the following steps:

The Settlement Administrator will calculate the total Compensable Workweeks for all Settlement Class Members by adding the number of Compensable Workweeks worked by each Settlement Class Member during the Class Period. The respective Compensable Workweeks for each Settlement Class Member will be divided by the total Compensable Workweeks for all Settlement Class Members, resulting in the Payment Ratio for each Settlement Class Member. Each Settlement Class Member's Payment Ratio will then be multiplied by the Net Settlement Amount to calculate each Settlement Class Member's estimated Individual Settlement Payments.

In addition, the employee's share of PAGA Penalties will be paid to Class Members who worked during the PAGA Period. The PAGA Individual Payment paid to each PAGA Covered Employee shall be calculated by dividing 25% of the approved PAGA Payment by the number of Compensable Workweeks for all PAGA Covered Employees during the PAGA Period and then multiplying the result by the number of Compensable Workweeks for each PAGA Covered Employee during the PAGA Period.

Based on Defendant's records, and the Parties' current assumptions, your Individual Class Payment as a Class Member is estimated to be $_____ (less withholding). The actual amount you may receive likely will be different and will depend on a number of factors. This amount does not include any PAGA Penalties that may be owed to you under the Settlement. If you disagree with this information and would like someone to look into the matter, please follow the procedure below.

The above estimates are based on Defendant's records showing that you worked _____ Compensable Workweeks during the Class Period.

6. What if I disagree with the number eligible pay periods attributed to me shown above?

If you believe that you worked more workweeks during the Class Period, you may dispute your Individual Class Payment calculation by providing written documentation to the Settlement Administrator at the address listed below, supporting your position on or before _____. Your dispute must contain: your full name, address, signature, last four digits of your Social Security number, the case name and an explanation of the dispute, along with any supporting documentation confirming the payment amounts attributed to you are incorrect.

7. What do I have to do to receive a share of the settlement?

If you wish to receive a payment under the terms of this settlement, you do not have to do anything. However, it is advisable to confirm your current mailing address with the Settlement Administrator in order to ensure you receive your settlement share at _____. You will be covered by the release summarized in Section 8, below.

8. What rights am I giving up?

Upon the Effective Date, each Class Member who does not timely submit a valid Request for Exclusion to be excluded from the Class, will, for the Class Period, fully release and forever discharge the Released Parties from certain claims they may have as follows:

"Class Released Claims" means any and all claims for wages, statutory and civil penalties (excluding PAGA penalties), damages, liquidated damages, premiums, restitution, interest, injunctive and declaratory relief, and attorneys' fees and costs, that were alleged in the Action and/or claims which reasonably relate to or which reasonably arise out of the same set of operative facts pled therein during the Class Period, including but not limited to: (1) failure to pay minimum wages in violation of California Labor Code §§ 1185, 1194, 1194.2, 1197, and the applicable IWC Wage Order; (2) failure to pay wages and overtime under Labor Code §§ 204, 510, 1194, and the applicable IWC Wage Order; (3) meal-period liability under Labor Code §§ 226.7, 512, and the applicable IWC Wage Order; (4) failure to pay vacation wages under Labor Code § 227.3; (5) failure to provide paid sick time under Labor Code §§ 245 *et seq*. and 246; (6) failure to reimburse for necessary expenditures under Labor Code § 2802; (7) failure to comply with Labor Code § 2751; (8) failure to provide accurate, itemized wage statements in violation of Labor Code §§ 226 and 226.3; (9) failure to keep required payroll records under Labor Code §§ 1174 and 1174.5; (10) failure to pay all wages due at the end of employment under Labor Code § 203; (11) violation of Business & Professions Code § 17200 et seq.; based on the Labor Code sections alleged, and with respect to the statutory penalties claimed in the Action and any source of obligation as a basis for claiming such penalties during the Class Period (the "Released Claims") against the Released Parties in their representative and individual capacities whether under Lab. Code §§ 558, 558.1 or otherwise. The release shall be given full *res judicata* and *collateral estoppel* effect upon entry of judgment in this Action so as to bar any other individual or entity from filing or pursing the Class Released Claims against the Released Parties in any forum.

Upon the Effective Date, the Labor Workforce Development Agency, State of California and Plaintiff as a proxy for the LWDA, are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from the PAGA Released Claims as follows:

"PAGA Released Claims" shall mean the release of the Released Parties by the LWDA, State of California, and by Plaintiff as a representative of and proxy for the LWDA from all claims for claims for civil penalties under PAGA that were alleged in the PAGA Letter, the Action, and/ or claims for PAGA penalties which reasonably relate to or which reasonably arise out of the same set of operative facts set forth therein during the PAGA Period, Including but not limited to, claims for PAGA penalties based on: (1) failure to pay minimum wages and failure to pay overtime wages for overtime hours worked under Labor Code §§ 510, 1194, 1197, 1197.1, 1198, and applicable IWC Wage Order; (2) failure to pay vacation wages under Labor Code § 227.3; (3) failure to provide paid sick time under Labor Code §§ 245 *et seq.*, 246; (4) meal-period liability under Labor Code §§ 226.7, 512, 1198, and applicable IWC Wage Order, (5) failure to reimburse for necessary business expenditures in violation of Labor Code §§ 1197, 1197.1, 1198, 2802, and applicable IWC Wage Order; (6) failure to comply with Labor Code § 2751; (7) failure to issue accurate and itemized wage statements in violation of Labor Code §§ 226, 1174, 1198.5, and applicable IWC Wage Order; (8) failure to issue semimonthly payments in violation of Labor Code § 204, and applicable IWC Wage Order; (9) failure to keep records in violation of Labor Code § 1174, and applicable IWC Wage Order; (10) waiting time penalties pursuant to Labor Code §§ 201, 202, 203, 204, 1197.5, 2926, 2927, and applicable IWC Wage Order; and (11) unfair competition under Business and Professions Code § 17200, *et seq*. The release of PAGA Released Claims shall be given full *res judicata* and *collateral estoppel* effect upon entry of judgment in this Action so as

to bar the LWDA and any other individual or entity from filing or pursuing the PAGA Released Claims against the Released Parties in any forum.

"Released Parties" means Defendant Silver Oak Wine Cellars, LLC, and each and all of its past and present parent, subsidiary, and affiliated corporations, entities, divisions, general and limited partners, joint venturers and affiliates, and each of their respective current and former directors, officers, managers, employees, principals, members, agents, insurers, reinsurers, shareholders, attorneys, advisors, representatives, general partners, limited partners, joint venturers, and affiliated companies, and each of its respective executors, predecessors, successors, assigns and legal representatives.

9. What if I do not wish to be involved?

You can opt out of this Settlement and retain your rights instead of receiving a payment under this Settlement. To do so, you must submit a written statement requesting exclusion from the Settlement. The written statement must explicitly and unambiguously state the following or similar statement: "I wish to exclude myself from the settlement reached in the matter of *Christina Cansler v. Silver Oak Wine Cellars, LLC*. I understand by excluding myself, I will not receive any money from the class settlement reached in this matter." The written statement must also contain your full name, address, signature, last four digits of your Social Security number, and the case name. Your written statement must be mailed to the Settlement Administrator, APEX Class Action LLC, and be postmarked no later than _____, or it will not be considered and you will still remain a Settlement Class Member and be bound by the Settlement. The Settlement Administrator's address is:

_____ ADMINISTRATOR
c/o _____

Class Members who are PAGA Covered Employees do not have a right to exclude themselves or object to the PAGA portion of the Settlement and will be covered by the release of claims for civil penalties under the PAGA.

Anyone who submits a timely and valid Request for Exclusion letter will not be deemed a Settlement Class Member and will not receive any payment as part of this Settlement, except for a pro-rata portion of the PAGA Payment. Such persons will keep any rights to sue Defendant and the Released Parties separately about the claims in this Action, except for the claims for civil penalties under the PAGA.

10. What if I have an objection?

Any objection to the Settlement must be in writing, include your full name (and former names, if any) and signature, the last four digits of their Social Security Number and/or Employee ID number, specify the reason(s) for the objection, and be mailed to the Settlement Administrator no later than XXX. Either of the Parties may file a responsive document to any objection with the

Court. You may also appear at the Final Approval Hearing in Courtroom 18 of the Superior Court of the State of California, County of Sonoma, 3055 Cleveland Avenue, Santa Rosa, CA 95403 on _____, 2026, at _____ (Pacific Time), to have your objection heard by the Court. If you object to the settlement, you will remain a Settlement Class Member, and if the Court approves the settlement, you will be bound by the terms of the Settlement Agreement in the same way as Class Members who do not object.

11. Do I need a lawyer?

You do not need to hire your own lawyer because Class Counsel is working on your behalf. However, if you want your own lawyer, you are free to hire one at your own expense.

Class Counsel: D.Law, Inc. Roman Shkodnik Amanda Fazio 250 N Madison Ave., Floor 2 Pasadena, CA 91101 Telephone: (818) 962-6465 Facsimile: (818) 962-6469	Counsel for: SILVER OAK WINE CELLARS, LLC LITTLER MENDELSON, P.C. Angela J. Rafoth Sandra J. McMullan Na Rae Kim 101 Second Street, Suite 1000 San Francisco, CA 94105 Telephone: (425) 433-1940 Facsimile: (425) 399-8490

12. What happens next in the case?

The Settlement has only been preliminarily approved by the Court. The Court will hold a hearing in Courtroom 18 of the Superior Court of the State of California, County of Sonoma, 3055 Cleveland Avenue, Santa Rosa, CA 95403 on _____, 2026, at _____ (Pacific Time), to consider any objections and determine whether the settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve Class Counsel's request for attorneys' fees and costs and the costs of Settlement Administration. The hearing may be continued without further notice to you. It is not necessary for you to appear at this hearing.

13. How can I receive more information?

This notice is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you may review the detailed "Settlement Agreement" on file with the Clerk of the Court. The pleadings and other records in this litigation may be examined at any time during regular business hours at the Office of the Clerk of the Superior Court of the State of California, County of Sonoma, 3055 Cleveland Avenue, Santa Rosa, CA 95403.

For further information, you may also telephone the Settlement Administrator at _____ or Class Counsel (listed above).

Please do not telephone the Court, the Office of the Clerk, or Defendant for information regarding this Settlement.

EXHIBIT 2

D.Law

880 E. Broadway
Glendale, CA 91205

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

February 29, 2024

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

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

David R. Duncan, Agent for Service
Silver Oak Wine Cellars LLC
915 Oakville Crossroad
Oakville, CA 94562
certified Mail Tracking Number: 9414 8112 0620 4944 1701 40

Silver Oak Wine Cellars LLC
7300 HWY 128
Healdsburg, CA 95488
Certified Mail Tracking Number: 9414 8112 0620 4944 1776 51

Twomey
3000 Westside Rd. Healdsburg
Healdsburg , CA 95448
Certified Mail Tracking Number: 9414 8112 0620 4944 1930 33

Re: Labor Code § 2698, *et seq*. Penalties – PAGA Notice Letter to the LWDA
Cansler v. Silver Oak Wine Cellars, LLC et al.

Gentlepersons:

This office represents Plaintiff Christina Cansler ("Plaintiff") and other similarly situated aggrieved non-exempt employees (collectively "Aggrieved Employees") for violations of California Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 227.3, 245 *et seq*., 246, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, 2699, *et seq.*, 2751 and 2802; provisions of the Industrial Welfare Commission (IWC) Wage Order(s); and California Business & Professions Code § 17200 *et seq*.

The purpose of this letter is to comply with the Private Attorneys General Act of 2004, pursuant to California Labor Code § 2698 *et. seq.* ("the Act"). Plaintiff would like to bring a representative action, pursuant to the Act, on behalf of herself and all other similarly situated Aggrieved Employees, and the State of California, against Defendants,

Silver Oak Wine Cellars, LLC, Twomey, and DOES 1 through 50 inclusive (all defendants being referred to herein collectively as "Defendants"). Additionally, this correspondence will serve to

satisfy the notice requirements under the Act, along with a copy of Plaintiff's Class Action Complaint, which is attached to this Notice letter. The Complaint is being concurrently filed in Sonoma County Superior Court and will be assigned a local case number. The Complaint allegations and claims are incorporated into this Notice Letter.

We also set forth herein the facts and theories and the California Labor Code violations which Defendants engaged in with respect to Plaintiff and all of their Aggrieved Employees in California. The attached Class Action Complaint provides the details of Plaintiff's class-wide claims and claims under the Act, and the applicable California law governing them. It, along with this Notice Letter, addresses in detail numerous violations that subject Defendants to civil and statutory penalties under the Act.

Relevant Facts

Aggrieved Employees were employed by Defendants as non-exempt employees within the state of California within the statutory time period who suffer or suffered from the same wage and hour violations outlined below. Defendants had a common policy and/or practice of failing to pay Aggrieved Employees minimum wages for all hours worked.

Additionally, Aggrieved Employees were not paid for the time that they worked "pre-shift" and "post-shift" without compensation by setting up for the day, including setting tables, cleaning, and checking emails and performing work tasks after the end of their scheduled shifts, such as cleaning and locking the parking lot gate. Moreover, Aggrieved Employees were not paid for the time spent answering work-related phone calls and text messages while off-the-clock. Thus, Aggrieved Employees were required to work hours, under the control of Defendants, without wages.

Defendants also used a time-keeping system that allowed Aggrieved Employees to keep track of the hours they worked. However, instead of having Aggrieved Employees record the times they actually started and stopped working, Defendants had a uniform policy and practice of requiring Aggrieved Employees to record only their scheduled start and end times. This practice of rounding all time entries was generally done to the detriment of Aggrieved Employees, and these unlawfully rounded time entries were inputted into Defendants' payroll system from which wage statements and payroll checks were created. Plaintiff also contends that Plaintiff would work overtime but would enter her scheduled shift end time instead due to Defendants' policy and/or practice requiring all overtime to be authorized. Failure to receive prior authorization could result in disciplinary action up to and including termination resulting in Plaintiff and Aggrieved Employees being discouraged from recording their actual hours worked. In addition, Defendants would automatically deduct thirty minutes from Aggrieved Employees' time sheets for meal breaks, regardless of when meal breaks were taken or if they were actually taken.

Because of the foregoing understatement of hours worked, Defendants also failed to pay Plaintiff and Aggrieved Employees proper overtime wages. Plaintiff and Aggrieved Employees consistently worked in excess of eight (8) hours a day, and/or forty (40) hours a week. However, Plaintiff and Aggrieved Employees were not paid overtime wages for hours worked in excess of

8 hours a day. Moreover, the uncompensated time, discussed above, was worked by Aggrieved Employees in excess of 8 hours a day and/or 40 hours a week, further entitling Aggrieved Employees overtime wages which they were consistently denied, all in violation of Labor Code and applicable Wage Orders.

Additionally, Defendants did not pay Aggrieved Employees the correct overtime rate for the recorded overtime hours that they generated. In addition to an hourly wage, Defendants paid Aggrieved Employees nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses. However, upon information and belief, Defendants failed to incorporate all remunerations, including nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses, into the calculation of the regular rate of pay for purposes of calculating the overtime wage rate. Therefore, during times when Aggrieved Employees worked overtime and received nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses, Defendants failed to pay all overtime wages by paying a lower overtime rate than required.

Additionally, Defendants also paid nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses to Aggrieved Employees but Defendants failed to include these forms of remuneration in the regular rate of pay from which sick pay and vacation pay were calculated and paid.

Defendants had a common policy and/or practice of denying Plaintiff and Aggrieved Employees proper meal periods. Specifically, Plaintiff and Aggrieved Employees were required to work through their meal periods. In addition, Defendants would automatically deduct thirty minutes from Employees' time sheets for meal periods, regardless of when meal periods were taken or if they were taken at all to avoid paying meal period premiums. Similarly, Plaintiff and Aggrieved Employees were required to work in excess of ten (10) hours a day, without ever receiving a second meal compliant period, all in violation of Labor Code and applicable Wage Orders. Defendants also paid nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses to Aggrieved Employees but Defendants failed to include these forms of remuneration in the regular rate of pay from which premium pay was calculated and paid.

Defendants had a common policy and practice of failing to reimburse Plaintiff and Aggrieved Employees for necessary business expenditures incurred in execution of their duties under Defendants' employ. Defendants have failed to reimburse Plaintiff and Aggrieved Employees for expenses necessarily incurred in the performance of their job duties for Defendants including, cell phone usage, which were necessary to perform their duties under Defendants' employ.

Defendants consistently failed to issue accurate itemized wage statements as required by Labor Code § 226(a). Specifically, Defendants failed to provide Aggrieved Employees with accurate itemized wage statements in writing, as required by the Labor Code. Defendants failed in their affirmative obligation to keep accurate records of the correct overtime wages based on proper regular rate calculations that included nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses earned, and the total amount of compensation of Aggrieved Employees. Additionally, the wage statements given to Aggrieved Employees, by Defendants,

failed to include the above requirements enumerated above. Aggrieved Employees' wage statements did not include: the total hours worked in violation of Labor Code § 226(a)(2) and failed to accurately set forth all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each such rate in violation of Labor Code § 226 (a)(9). The wage statements provided to Aggrieved Employees were confusing and required Aggrieved Employees to refer to outside sources to verify whether their pay was correct, potentially resulting in a miscalculation by the Aggrieved Employees. Moreover, the wage statements given to Aggrieved Employees failed to accurately account for unpaid wages, overtime, premium pay for deficiently provided meal periods, and total hours worked due to rounding as discussed above.

In addition, Defendants had a consistent and uniform policy, practice, and procedure, when entering into contracts of employment with Aggrieved Employees for services to be rendered within California and the contemplated method of payment involved commissions, of failing to utilize a written contract signed by both the employer and employee setting forth the method by which the commissions shall be computed and paid.

Moreover, Defendants failed to pay Plaintiff and Aggrieved Employees all wages owed at the time of their termination or within seventy-two (72) hours of their resignation as required by Labor Code §§ 201-203. Defendants also consistently failed to pay Aggrieved Employees all wages due on a semi-monthly basis.

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

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

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

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

As described in California Labor Code §§ 1185 and 1194.2, any action for wages incorporates the applicable Wage Order of the California Industrial Welfare Commission. Also, California Labor Code §§ 1194, 1197, 1197.1 and those Industrial Welfare Commission Wage Orders entitle non-exempt employees to an amount equal to or greater than the minimum wage for all hours worked. All hours must be paid at the statutory or agreed rate, or at the minimum rate in the absence of a contractually agreed upon one. The underpayment of wages to Aggrieved Employees is and has been a direct consequence of Defendants' unlawful compensation policies and practices, which applied uniformly to the Aggrieved Employees working at locations and work sites throughout California.

Defendants thus failed to pay Aggrieved Employees minimum wages they were owed, including by their consistent policy of failing to pay Employees for all hours worked. Specifically, Aggrieved Employees were not paid for the time that they worked "pre-shift" and "post-shift" without compensation by setting up for the day, including setting tables, cleaning, and checking emails and performing work tasks after the end of their scheduled shifts, such as cleaning and locking the parking lot gate. Aggrieved Employees were also not paid for the time that they spent answering work-related phone calls and text messages while off-the-clock. Accordingly, Plaintiff and Aggrieved Employees were required to work without pay. Thus, Plaintiff and Aggrieved Employees were required to work hours without wages. Additionally, Defendants did not pay Plaintiff and Aggrieved Employees at the applicable minimum wage for all hours worked. Defendants have the ability to pay minimum wages for all time worked and have willfully refused to pay such wages with the intent to secure for Defendants a discount upon this indebtedness with the intent to annoy, harass, oppress, hinder, delay, or defraud Plaintiff and Aggrieved Employees. In light of the forgoing, the Aggrieved Employees seek to recover wages and penalties. Aggrieved Employees are entitled to recover the unpaid minimum wages (including double minimum wages), liquidated damages in an amount equal to the minimum wages unlawfully unpaid, interest thereon and reasonable attorney's fees and costs of suit pursuant to California Labor Code § 1194(a). Plaintiff and the other Aggrieved Employees further request recovery of all unpaid wages, according to proof, interest, statutory costs, as well as the assessment of any statutory and civil penalties against Defendants, in a sum as provided by the California Labor Code and/or other applicable statutes, including pursuant to Labor Code § 558, and Wage Order provisions. To the extent minimum wage compensation is determined to be owed to the Aggrieved Employees who have terminated their employment, Defendants' conduct also violates Labor Code §§ 201 and/or 202, and therefore these individuals are also entitled to

waiting time penalties under California Labor Code § 203, which penalties are sought herein on behalf of these Aggrieved Employees. Defendants' failure to timely pay all wages owed also violated Labor Code § 204 and resulted in violations of Labor Code § 226 because they resulted in the issuance of inaccurate wage statements. Defendants' conduct as alleged herein was willful, intentional, and not in good faith. Further, Plaintiff and other Aggrieved Employees are entitled to seek and recover statutory costs.

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

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

Defendants violated the law by failing to pay Plaintiff and Aggrieved Employees earned wages and overtime. Specifically, Plaintiff and Aggrieved Employees consistently worked in excess of eight (8) hours a day, and/or forty (40) hours a week. However, Plaintiff and Aggrieved Employees were not paid overtime wages for hours worked in excess of 8 hours a day. Moreover, the uncompensated time, discussed above including the time they worked "pre-shift" and "post-shift" without compensation by setting up for the day, including setting tables, cleaning, and checking emails; performing work tasks after the end of their scheduled shifts, such as cleaning and locking the parking lot gate; and receiving phone calls and text messages while off-the-clock and time spent working while clocked out for meal breaks caused Plaintiff and Aggrieved Employees to work in excess of 8 hours a day and/or 40 hours a week, further entitling Plaintiff and Aggrieved Employees to overtime wages which they were consistently denied, all in violation of Labor Code § 510 and applicable Wage Orders. Plaintiff also contends that Plaintiff would work overtime but would enter her scheduled shift end time instead due to Defendants' policy and/or practice requiring all overtime to be authorized. Failure to receive prior authorization could result in disciplinary action up to and including termination resulting in Plaintiff and Aggrieved Employees being discouraged from recording their actual hours worked. Additionally, Defendants did not pay Aggrieved Employees the correct overtime rate for the recorded overtime hours that they generated. In addition to an hourly wage, Defendants paid Aggrieved Employees nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses. However, upon information and belief, Defendants failed to incorporate all remunerations, including nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses, into the calculation of the regular rate of pay for purposes of calculating the overtime wage rate. Therefore, during times when Aggrieved Employees worked overtime and received nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses, Defendants failed to pay all overtime wages by paying a lower overtime rate than required.

Defendants have violated Labor Code § 1194 and Labor Code § 510 (and paragraphs 2(K), 2(S), 3(A) and 4(A)-4(B) of the relevant orders of the Industrial Welfare Commission) by failing to pay Employees: (a) time and one-half their regular hourly rates for hours worked in excess of eight hours in a workday or in excess of forty hours in any workweek or for the first eight hours worked on the seventh day of work in any one workweek; or (b) twice their regular rate of pay

for hours worked in excess of twelve hours in any one day or for hours worked in excess of eight hours on any seventh day of work in a workweek. Defendants had a consistent policy of not paying Employees wages for all hours worked, including by requiring off the clock work as addressed above and by under-reporting actual hours worked. With work shifts generally requiring eight hours or more of work on a given day, this unpaid off the clock work resulted in Aggrieved Employees working past eight hours on a shift or more than forty hours in a week, which required that they be paid at the correct overtime rate of 1.5 times their regular rate.

When considered in combination with the other wage violations addressed above, Aggrieved Employees were not properly compensated, nor were they paid overtime and double time rates for hours worked in excess of eight hours or twelve hours in a given day, and/or forty hours in a given week. Defendants did not make available to Aggrieved Employees a reasonable protocol for correcting time records when Aggrieved Employees worked overtime hours or to fix incorrect time entries or those that Defendants unlawfully under-recorded to the Aggrieved Employees' detriment. Defendants have also violated these provisions by requiring Plaintiff and other similarly situated Aggrieved Employees to work through meal periods when they were required to be clocked out or to otherwise work off the clock to complete their daily job duties.

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

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

Failure to Pay Vacation Wages

Pursuant to California Labor Code § 227.3, whenever a contract of employment or employment policy provides for paid vacation and an employee is terminated without having taken off his vested vacation time, all vested vacation shall be paid to him as wages at his final rate in accordance with said contract of employment or policy respecting eligibility or time served. Defendants paid nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses to Aggrieved Employees but Defendants failed to include these forms of remuneration in the regular rate of pay from which vacation wages were calculated and paid. Plaintiff and Aggrieved Employees seek to recover penalties pursuant to Labor Code § 227.3. Plaintiff accordingly seeks this relief available for Defendants' violations of section Labor Code § 227.3 in connection with Aggrieved Employees and seeking the civil and statutory penalties available and applicable under Labor Code § 227.3, 1194.2, 1197.1, 1198, 1199, 2699.3(b), and 2699(f)(2), and also attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Failure to Comply with Labor Code §§ 245 *et seq.* and 246

California Labor Code § 245 *et seq.* requires that Defendants provide paid sick time to Aggrieved Employees, including at the amount, terms, and rate of compensation set forth in said law. At times relevant, Defendants have failed to compute the amount due for paid sick time in conformance with the pay calculation under California Labor Code § 246(l). Defendants paid nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses to Aggrieved Employees but Defendants failed to include these forms of remuneration in the regular rate of pay from which sick pay was calculated and paid. Rather than calculating the amount of paid sick time due when sick time is used according to the requirements set forth in California Labor Code § 246(1), Defendants paid sick leave to Aggrieved Employees at a lower rate, in violation of the law. As a result of Defendants' conduct, Defendants have violated California Labor Code §§ 245 *et seq.* and 246. Plaintiff and Aggrieved Employees seek to recover penalties pursuant to Labor Code §§ 245 *et seq.* and 246. Plaintiff accordingly seeks this relief available for Defendants' violations of section Labor Code §§ 245 *et seq.* and 246 in connection with Aggrieved Employees and seeking the civil and statutory penalties available and applicable under Labor Code §§ 245 *et seq.*, 246, 1194.2, 1197.1, 1198, 1199, 2699.3(b), and 2699(f)(2), and also attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

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

Defendants have regularly required Aggrieved Employees to work shifts in excess of five hours without providing them with uninterrupted meal periods of not less than thirty minutes as required under Labor Code §§ 226.7, 512, and paragraph 11 of the applicable Wage Orders. Specifically, Aggrieved Employees were forced to incur shortened meal periods, were provided with meal periods late and well after the fifth hour of work, could not be relieved to take their meal periods, or were required to remain on-duty at all times and were unable to take off-duty meal periods, or were otherwise not provided with the opportunity to take required meal periods.

On shifts over ten hours, second meal periods were not provided. Defendants also failed to pay Aggrieved Employees "premium pay," i.e. one hour of wages at each Aggrieved Employee's effective regular rate of pay, for each meal period that Defendants failed to provide or deficiently provided, including by miscalculating any premium payments they did make. Specifically, Defendants had a uniform policy and practice of automatically deducting thirty minutes from Aggrieved Employees' time sheets for meal periods, even if they did not take their meal periods or took them after the fifth hour of work to avoid paying meal period premiums. Therefore, pursuant to Labor Code § 226.7 and paragraphs 11 and 20 of the applicable IWC Wage Order, Aggrieved Employees are entitled to damages in an amount equal to one hour of wages at their correctly calculated regular rate of compensation for each meal period not provided or deficiently provided, as well as the assessment of any statutory penalties against the Defendants, and each of them, in a sum as provided by the Labor Code, including Labor Code § 558 and other applicable statutes and Wage Order provisions. Defendants paid nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses to Aggrieved Employees but Defendants failed to include these forms of remuneration in the regular rate of pay from which premium pay was calculated and paid. Therefore, Defendants also miscalculated the rate at

which they paid any meal period premiums when Defendant did attempt to pay them, resulting in further violations of section 226.7.
Under the PAGA, and following exhaustion of the notice period, Plaintiff is seeking all civil and statutory penalties and wages as available and applicable under Labor Code §§ 226.7, 512, 558, including sections 558(a)(1)-(3), 1199, 2699(f)(2) and 2699.5, and also attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

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

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

Failure to Comply with Labor Code § 2751

Labor Code §2751(a) states: "Whenever an employer enters into a contract of employment with an employee for services to be rendered within this state and the contemplated method of payment of the employee involves commissions, the contract shall be in writing and shall set forth the method by which the commissions shall be computed and paid."
Further, Labor Code §2751(b) states in pertinent part: "The employer shall give a signed copy of the contract to every employee who is a party thereto and shall obtain a signed receipt for the contract from each employee."

Defendants had a consistent and uniform policy, practice, and procedure, when entering into contracts of employment with Aggrieved Employees for services to be rendered within California and the contemplated method of payment involved commissions, of failing to utilize a written contract signed by both the employer and employee setting forth the method by which the commissions shall be computed and paid. Accordingly, Aggrieved Employees are entitled to recover, and hereby seek through this Representative Action, all civil and statutory penalties authorized for violations of California Labor Code § 2751 and Plaintiff seeks all civil and statutory penalties available and applicable under Labor Code § 2751 and 2699(f)(2), and also attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

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

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

Defendants failed to provide Aggrieved Employees with accurate itemized wage statements in writing, as required by the Labor Code. Specifically, Defendants failed to provide Employees with accurate itemized wage statements in writing, as required by the Labor Code. The wage statements given to Aggrieved Employees, by Defendants, failed to accurately account for wages, overtime, premium pay for deficiently provided meal periods, and reflected incorrect hours worked due to the rounding of timekeeping entries. Additionally, Defendants failed in their affirmative obligation to keep accurate records of the correct overtime wages based on proper regular rate calculations that included nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses earned. Moreover, the wage statements given to Aggrieved Employees, by Defendants, failed to include the above requirements enumerated above. Aggrieved Employees' wage statements did not include: the total hours worked in violation of Labor Code § 226(a)(2) and failed to accurately set forth all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each such rate in violation of Labor Code § 226 (a)(9). The wage statements provided to Aggrieved Employees were confusing and required Aggrieved Employees to engage in discovery and refer to outside sources to verify whether their pay was correct and potentially resulting in a miscalculation by the Aggrieved Employees.

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

Under the PAGA, and following exhaustion of the notice period, Plaintiff asserts PAGA claims for failure to provide Aggrieved Employees with accurate, itemized wage statements and failure to maintain employment records for Plaintiff and Aggrieved Employees under Labor Code §§ 226, 1174, and 1198.5, and Sections 7(A), 7(B), and 7(C) of the applicable IWC Wage Order(s) seeking all civil and statutory penalties and wages available and applicable under Labor Code §§ 226(e), 226.3, 558, 1174.5, 1199, and 2699(f)(2), and paragraph 20 of the applicable IWC Wage Order, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1). More

specifically, by providing inaccurate wage statements and failing to maintain records as required under Labor Code § 226(a), Defendants committed ongoing violations giving rise to civil penalties under Labor Code §226.3, which in addition to other penalties provided by law, subjects Defendants to "a penalty in the amount of two hundred fifty dollars ($250) per employee per violation in an initial citation and one thousand dollars ($1,000) per employee for each violation in a subsequent citation, …"

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

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

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

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

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

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

Failure to Keep Records In Accordance With Labor Code § 1174

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

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

Waiting Time Penalties Pursuant to Labor Code § 203

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

Under the PAGA, and following exhaustion of the notice period, Plaintiff asserts PAGA claims for failure to timely pay all wages owed, including at least semi-monthly and upon separation or termination, under Labor Code §§ 201, 201, 203, 204, 1197.5, 2926, and 2927 seeking all civil penalties available and applicable under Labor Code §§ 201, 202, 203, 210, 558, 1197, 1198,

1199, 2699(f)(2), 2699.5, and paragraph 20 of the applicable IWC Wage Orders, and also attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

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

Plaintiff's PAGA Claim under Labor Code § 2698 *et seq*. and Recovery Bases:
After complying with the notice procedures of Labor Code § 2699.3 and the running of the notice period after the filing of the attached Class Action Complaint, Plaintiff will file an amended Complaint asserting, as a representative action on behalf of the California Attorney General and the other similarly Aggrieved Employees, a PAGA claim for violations of the above addressed underlying claims and seeking penalties as specified by the applicable corresponding provisions.

Plaintiff and the Aggrieved Employees seek penalties under Labor Code §§ 2698 and 2699 for Defendants' violation of Labor Code provisions included under Labor Code § 2699.5, including the penalty provisions, without limitation, based, *inter alia*, on the following California Labor Code sections: §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 227.3, 245 *et seq*., 246, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, 2699, *et seq.* 2751, and 2802, including as follows:

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

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

(c) Inaccurate Wage Statements and Failure to Maintain Records: For failure to provide Plaintiff and the Aggrieved Employees with wage statements or with accurate, itemized wage statements and failure to maintain employment records for Plaintiff and Aggrieved Employees under Labor Code §§ 226, 1174, and 1198.5, and Sections 7(A), 7(B), and 7(C) of the applicable IWC Wage Order(s) seeking all civil and statutory penalties and wages available

and applicable under Labor Code §§ 226(e), 226.3, 558, 1174.5, 1199, and 2699(f)(2), and paragraph 20 of the applicable IWC Wage Order, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1). More specifically, by providing inaccurate wage statements and failing to maintain records as required under Labor Code § 226(a), Defendants committed ongoing violations giving rise to civil penalties under Labor Code §226.3, which in addition to other penalties provided by law, subjects Defendants to "a penalty in the amount of two hundred fifty dollars ($250) per employee per violation in an initial citation and one thousand dollars ($1,000) per employee for each violation in a subsequent citation, …";

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

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

(f) Failure to Provide Paid Sick Days: For Defendants' failure to provide Employees with all their required and earned sick days in violation of Labor Code §§ 245 *et seq.* and 246 the civil and statutory penalties available and applicable under Labor Code §§ 245 *et seq.* and 246, 1194.2, 1197.1, 1198, 1199, 2699.3(b), and 2699(f)(2), and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

(g) Failure to Pay Vacation Wages: For Defendants' failure to provide Employees with all their vacation days in violation of Labor Code § 227.3 and seeking the civil and statutory penalties available and applicable under Labor Code § 227.3, 1194.2, 1197.1, 1198, 1199, 2699.3(b), and 2699(f)(2), and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

(h) Failure to Comply with Labor Code § 2751: For Defendants' failure to comply with Labor Code § 2751, seeking civil penalties available and applicable under Labor Code §§ 2751, 2699.5, and 2699(f)(2) and also attorneys' fees and costs pursuant to Labor Code § 2699(g)(1); and

(i) All Alleged Violations of the IWC Wage Orders: For any above addressed violation of the applicable provisions of the IWC Wage Orders constituting violations of Labor Code § 1198 and Labor Code § 2699.5, and seeking penalties available and applicable under

Labor Code § 2699(f)(2) and paragraph 20 of the applicable IWC Wage Orders, and for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

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

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

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

Regards,

D.LAW, INC.

David Yeremian
Cc: Silver Oak Wine Cellars, LLC and Twomey by Certified Mail

EXHIBIT 3