

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Brian Macias (“Plaintiff”) and Empire Demolition, Inc. (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1 “**Action**” means the Plaintiff’s lawsuit alleging wage and hour violations against Defendant captioned *Brian Macias v. Empire Demolition, Inc. (CVRI2400688)*, initiated on February 9, 2024, and pending in Superior Court of the State of California, County of Riverside; and shall include the Second Amended Complaint filed January 23, 2026, setting forth all claims that were asserted by Plaintiff and that were negotiated during settlement discussions, and which could have been filed in the original and First Amended Complaint filed by Plaintiff, including without limitation, claims for unauthorized deductions from wages and alleged violation of Labor Code 221, 222, 223 and 224.
- 1.2 “**Administrator**” means Phoenix Settlement Administrators (“PSA”) the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3 “**Administration Expenses Payment**” means the amount the Administrator will be paid from the Gross Settlement Amount “not to exceed” the bid submitted to the Court in connection with Preliminary Approval of the Settlement, for the fees and expenses reasonably and necessarily incurred by the Administrator as a result of performing the settlement administration procedures and functions expressly required in this Agreement or as directed by the Court and shall include all costs of administering the Settlement, including, but not limited to, all tax document preparation, custodial fees, and accounting fees incurred by the Administrator; all costs and fees associated with preparing, issuing and mailing any and all notices and other correspondence to Class Members and Aggrieved Employees; all costs and fees associated with computing, processing, reviewing, and paying the claims, and resolving disputed claims; all costs and fees associated with calculating tax withholdings and payroll taxes and making related payments to federal and state tax authorities and issuing tax forms relating to payments made under the Settlement; all fees and costs associated with any other payments to be made out of or into the costs and fees associated with preparing any tax returns and any other filings required by any governmental taxing authority or agency, and providing copies of such forms to the Parties at their request and as permitted under this Agreement; all costs and fees associated with preparing any other notices, reports, or filings to be prepared in the course of administering disbursements from the QSF per Paragraph 4 of this Agreement; all costs and fees associated with providing copies of any forms received from Class Members to Defendant at their request; and any other costs and fees incurred and/or charged by the Administrator in connection with the execution of its duties under this Agreement.

- 1.4 “**Aggrieved Employee**” means all non-exempt employees who worked for Defendant in California during the PAGA Period.
- 1.5 “**Class**” means all current or former non-exempt employees who have worked or continue to work for Defendant in California during the Class Period, excepting those who have signed a general release of all claims via a release of Civil Code 1542.
- 1.6 “**Class Counsel**” means Shirin Forootan of Forootan Law Corporation and Morgan E. Podruski of SoCal Employment Lawyer, APC.
- 1.7 “**Class Counsel Fees Payment**” and “**Class Counsel Litigation Expenses Payment**” mean the amounts allocated to Class Counsel for reasonable attorneys’ fees and reimbursement of expenses, respectively, incurred to prosecute the Action.
- 1.8 “**Class Data**” means Class Member identifying information including the Class Member’s name, last-known mailing address, Social Security Number, number of Class Period Workweeks, and if they have worked during the PAGA period, the number of Workweeks within the PAGA Period, to be, derived using Defendant’s human resources and/or payroll databases as they are maintained in the normal course of business.
- 1.9 “**Class Member**” or “**Settlement Class Member**” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10 “**Class Member Address Search**” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.11 “**Class Notice**” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English in the form, without material variation, attached as **Exhibit A** and incorporated by reference into this Agreement.
- 1.12 “**Class Period**” means the period from February 1, 2022, to the date of Final Approval, subject to modification pursuant to Paragraph 8.
- 1.13 “**Class Representative**” means the named Plaintiff, Brian Macias, in the Operative Complaint in the Action.
- 1.14 “**Class Representative Service Payment**” means the payment, in the amount approved by the Court, to the Class Representative for initiating the Action, providing services in support of the Action, and in consideration for execution of a general release of all claims against Defendant.

- 1.15 **“Court”** means the Superior Court of California, County of Riverside.
- 1.16 **“Defendant”** means named Defendant Empire Demolition, Inc.
- 1.17 **“Defense Counsel”** means Summer Young-Agriesti and Ana Thomas of Young-Agriesti & Thomas, LLP.
- 1.18 **“Effective Date”** means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is “final” as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, or objections are withdrawn, the day the Court enters Judgment; (b) if one or more objections to the Settlement are filed and not withdrawn, and if no appeal, review or writ is sought from the Judgment, the sixty-first (61st) day after entry of Judgment; (c) if rehearing, reconsideration and/or appellate review of the Judgment is sought, the day after any and all avenues of rehearing, reconsideration and appellate review have been exhausted and no further rehearing, reconsideration or appellate review is permitted, and the time for seeking such review has expired, and the Judgment has not been modified, amended or reversed in any way that materially affects the terms of this Agreement.
- 1.19 **“Final Approval”** or **“Final Approval Order”** means the Court’s Order Granting Final Approval of the Settlement.
- 1.20 **“Final Approval Hearing”** means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.21 **“Final Judgment”** or **“Judgment”** means the Judgment entered by the Court upon granting Final Approval of the Settlement.
- 1.22 **“Gross Settlement Amount”** Four Hundred Seventy-Five Thousand Dollars and No Cents (\$475,000.00), which is the total maximum amount Defendant agrees to pay under the Settlement, except as provided in Paragraph 8 below. Defendant is also responsible for paying, separate and apart from the Gross Settlement Amount, Defendant’s share of payroll taxes on the wage portion of the Individual Class Payments. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, approved Class Counsel Fees Payment, approved Class Counsel Litigation Expenses Payment, Class Representative Service Payment and the Administrator’s Expenses.
- 1.23 **“Individual Class Payment”** means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked by each Participating Class Member during the Class Period.
- 1.24 **“Individual PAGA Payment”** means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.

- 1.25 “**LWDA**” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.26 “**LWDA PAGA Payment**” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.27 “**Net Settlement Amount**” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, approved Class Counsel Fees Payment, approved Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.28 “**Non-Participating Class Member**” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion. There shall be no basis to opt-out of the PAGA settlement.
- 1.29 “**Objection**” means a Class Member’s written objection to the Settlement, as contained in the form attached as **Exhibit B**. There shall be no basis to opt-out of the PAGA settlement.
- 1.30 “**Operative Complaint**” means the operative Second Amended Complaint filed January 23, 2026.
- 1.31 “**PAGA Period**” means the period from February 1, 2023 to the date of Final Approval, subject to modification pursuant to Paragraph 8.
- 1.32 “**PAGA**” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.33 “**PAGA Notice**” means Plaintiff’s letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a), and an amended letter to the LWDA dated January 23, 2026 providing notice pursuant to Labor Code section 2699.3 of facts alleging unauthorized deductions from wages and violation of Labor Code 221, 222, 223 and 224.
- 1.34 “**PAGA Penalties**” means the total amount of PAGA civil penalties (\$20,000) to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$5,000.00) and 75% to LWDA (\$15,000) in settlement of PAGA claims.
- 1.35 “**Participating Class Member**” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.36 “**Plaintiff**” means Brian Macias, the named plaintiff in the Action.
- 1.37 “**Preliminary Approval**” means the Court’s Order Granting Preliminary Approval of the Settlement.

- 1.38 **"Preliminary Approval Order"** means the proposed Order Granting Preliminary Approval of the Settlement.
- 1.39 **"Released Class Claims"** means the claims being released as described in Paragraph 5.2 below.
- 1.40 **"Released PAGA Claims"** means the claims being released as described in Paragraphs 5.3 and 5.4 below.
- 1.41 **"Released Parties"** means: Defendant and its former and present subsidiaries, affiliates, officers, directors, operators, principals, owners, partners, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, employees, partners, shareholders, members, divisions, fiduciaries, trustees, agents, attorneys, investors, benefit plans, other successors and predecessors in interest, assigns or legal representatives.
- 1.42 **"Request for Exclusion"** means a Class Member's written request to be excluded from the Class Settlement, as contained in the form attached as **Exhibit C**.
- 1.43 **"Response Deadline"** means 45 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) submit Requests for Exclusion from the Settlement, or (b) submit his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
- 1.44 **"Settlement"** means the disposition of the Action effected by this Agreement and the Judgment.
- 1.45 **"Wage Portion"** means the ten percent (10%) portion of Individual Class Member Payments the Parties have agreed will be allocated as wages.
- 1.46 **"Workweek"** is defined as when a Class Member works or worked for Defendant for a complete calendar week during the Class Period or PAGA Period based upon calculations derived from Defendant's personnel database as maintained in the normal course of business, including hire, leave of absence and termination records (and excluding periods of leaves of absence or other non-working time).

2. RECITALS.

- 2.1 On February 9, 2024, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendant for (1) failure to pay wages for all hours worked; (2) failure to pay overtime and double time; (3) failure to provide compliant meal periods; (4) failure to provide rest periods; (5) failure pay wages during employment; (6) waiting time penalties; (7) failure to provide accurate and itemized wage statements; (8) failure to reimburse necessary business expenses;

and (9) unfair and unlawful business practices. Thereafter, Plaintiff filed a First Amended Complaint adding a cause of action for civil penalties under PAGA. Plaintiff filed a Second Amended Complaint (“Operative Complaint”) which conforms to the terms of this Settlement. Defendant denies the allegations in the Operative Complaint, deny any failure to comply with the laws identified in the Operative Complaint and deny any and all liability for the causes of action alleged.

- 2.2 Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave written notice to Defendant and the LWDA by sending the PAGA Notice.
- 2.3 On October 17, 2024, the Parties participated in an all-day mediation presided over by Michael D. Young, Esq. of Mediation Offices Judicate West Mediation Services. which eventually led to this Agreement to settle the Action.
- 2.4 Prior to mediation Plaintiff obtained, through informal discovery, Plaintiff’s personnel file, including time and payroll records, the employee handbooks in effect during the Class Period, including policies and procedures regarding the payment of wages, the provision of meal and rest breaks, timekeeping policies (including recording hours), issuance of wage statements, and termination wages, a random sampling of 5% of the payroll and time records for the Class Members, the number of putative Class Members, mix of current versus former employees, the estimated number of workweeks, the average shift length, and the average hourly rate, among other information. Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).
- 2.5 On January 23, 2026, Plaintiff amended his PAGA notice and filed a Second Amended Complaint consistent with this Agreement and settlement of the Operative Complaint. Accordingly, the Second Amended Complaint is attached to this Agreement as **Exhibit D** and reflects additional claims discussed and bargained over at mediation, and the Parties stipulate to filing of same. The Parties agree that no responsive pleading is required.
- 2.6 The Court has not yet granted class certification.
- 2.7 The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1 **Gross Settlement Amount.** Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$475,000.00 and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendant has no obligation to pay the

Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

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

3.2.1 **To Plaintiff:** A Class Representative Service Payment to the Class Representative in an amount to be approved by the court, up to \$10,000 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiff's request for the Class Representative Service Payment that does not exceed this amount. As part of the Final Approval motion, Plaintiff will seek Court approval for any Class Representative Service Payment no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will allocate the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

3.2.2 **To Class Counsel:** A Class Counsel Fees Payment of not more than 33 1/3%, which is currently estimated to be \$158,333.17 and a Class Counsel Litigation Expenses Payment of not more than \$28,000. Defendant will not oppose requests for these payments provided that do not exceed these amounts. As part of the Final Approval motion, Plaintiff and/or Class Counsel will request approval of the Class Counsel Fees Payment and Class Litigation Expenses Payment. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment.

3.2.3 **To the Administrator:** An Administrator Expenses Payment not to exceed \$5,150 except for a showing of good cause and as approved by the Court.

To the extent the Administration Expenses are less or the Court approves payment less than the requested amount, the Administrator will allocate the remainder in the Net Settlement Amount.

- 3.2.4 **To Each Participating Class Member:** An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks. All Participating Class Members will be credited with at least one Workweek.

3.2.4.1 **Tax Allocation of Individual Class Payments.** 10% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The remaining Participating Class Member's Individual Class Payment will be allocated to settlement of claims for [e.g., interest and penalties] (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms by the Administrator, to the extent that they exceed two thousand dollars (\$2,000). Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

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

- 3.2.5 **To the LWDA and Aggrieved Employees:** PAGA Penalties in the amount of \$20,000.00 to be paid from the Gross Settlement Amount, with 75% (\$15,000.00) allocated to the LWDA PAGA Payment and 25% (\$5,000.00) allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$5,000.00) by the total number of Workweeks worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's Workweeks during the PAGA Period. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. All Aggrieved Employees will be credited with at least one PAGA Period Pay Period.

3.2.5.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount.

3.2.5.3 Individual PAGA Payments shall be treated as payment of penalties for tax purposes. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.4 If the Court opines or determines that the PAGA Penalties as stated in this Agreement are insufficient as compared to the total Settlement, the Parties shall agree to reallocate funds within the Maximum Settlement Amount consistent with the Court's view.

3.2.5.5 The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 **Class Workweeks.** Based on a review of its records to date, Defendant estimates there are an estimated 17,500 Workweeks, which should cover all employees who worked during the Class Period. Workweeks associated with non-working leaves of absence and employees who signed 1542 releases are not included in this amount.

4.2 **Class Data.** Not later than 15 court days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

The Class list, and any other data provided by Defendant to the Administrator, shall be treated as confidential and shall be used solely for purposes of administering the Settlement. It shall not be used or distributed for any other purpose, except as authorized by this Agreement. The Class list shall not be subject to disclosure by the Administrator to Class Counsel, except that relevant information may be provided to Class Counsel to the extent necessary to address a disputed claim or to respond to a specific inquiry from a Class Member. The names of opt-outs shall be released to Class Counsel if requested by the Court. At no time during the settlement process will any Class Member's address, telephone number or Social Security Number be filed with the Court, except under seal as may be ordered by

the Court. The Administrator shall ensure that the Notice and any other communications to Class Members shall not include the Class Members' Social Security Numbers, except for the last four digits.

- 4.3 **Funding of Gross Settlement Amount.** Within one (1) business day after the Effective Date, the Administrator will direct Defendant to pay to the Administrator the amount necessary to fund the QSF pursuant to this Agreement and the specific amount of employer-side payroll taxes owed pursuant to this Agreement. The Administrator shall, at this time, provide all information necessary for Defendant to wire payment, including without limitation an IRS Form W-9 for the QSF, as well as the routing and account number, with oral confirmation via phone call to a mobile device of Defendant's counsel. Within nine (9) business days of receiving the post-Effective Date notice from the Administrator as described above, Defendant will remit the funds requested by the Administrator into a QSF, or as designated by the Administrator.

The QSF shall be an interest-bearing account at a federally-insured bank that is mutually acceptable to the Parties and the Administrator. The Parties agree that the QSF is intended to be a "Qualified Settlement Fund" under Section 468B of the Code and Treas. Reg. Section 1.468B-1, 26 CFR Section 1.468B-1, et seq., and will be administered by the Administrator as such. With respect to the QSF, the Administrator shall: (1) open and administer a Settlement Account in such a manner as to qualify and maintain the qualification of the QSF as a "Qualified Settlement Fund" under Section 468B of the Code and Treas. Reg. Section 1.468B-1; (2) calculate, withhold, remit and report, for each Eligible Class Member, all applicable payroll taxes (including, without limitation, federal, state, local and income tax, employer-side and employee-side federal, state and local payroll tax withholdings, including without limitation FICA, FUTA, Medicare and any state, or local employment taxes); (3) satisfy all federal, state and local and income and other tax reporting, return, and filing requirements with respect to the Defendant and the QSF and any interest or other income earned by the QSF; and (4) satisfy out of the QSF all (i) taxes (including any estimated taxes, interest or penalties) with respect to the interest or other income earned by the QSF, and (ii) fees, expenses and costs incurred in connection with the opening and administration of the QSF and the performance of its duties and functions as described in this Agreement. The aforementioned taxes, fees, costs and expenses shall be treated as, and included in, the costs of administering the QSF and as Claims Administration Costs. The Administrator shall provide copies to Defendant of any federal, state and local income or other tax reporting, return and filing prepared on Defendant's behalf. The Parties agree to cooperate with the Administrator and one another to the extent reasonably necessary to carry out the provisions of this paragraph.

- 4.4 **Payments from the Gross Settlement Amount.** Within five (5) business days after Defendant funds the Gross Settlement Amount, the Administrator will mail

checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

- 4.4.1 The Administrator will issue checks for the Individual Class Payments and Individual PAGA Payments and send them to the Participating Class Members and Aggrieved Employees via First Class U.S. Mail, postage prepaid. The envelope transmitting a settlement payment to a Participating Class Member or Aggrieved Employee shall bear the notation, "YOUR CLASS ACTION SETTLEMENT CHECK IS ENCLOSED." The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
- 4.4.2 The Administrator must conduct a Class Member Address Search for all other Participating Class Members and Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Participating Class Members and Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Participating Class Member and/or Aggrieved Employee whose original check was lost or misplaced, requested by the Participating Class Member and/or Aggrieved Employee prior to the void date.

- 4.4.3 **Undeliverable Checks to Current Employees.** If any settlement checks returned as undeliverable belong to Participating Class Members or Aggrieved Employees who are current employees of the Defendant, and the Administrator is unable to locate a valid mailing address for the employees, the Administrator shall arrange with the Defendant to have those settlement checks delivered to the employees at their place of employment.
- 4.4.4 **Reminder Postcard.** The Administrator shall mail a reminder postcard to any Participating Class and/or Aggrieved Employee whose settlement check has not been negotiated within 60 days after the date of mailing.
- 4.4.5 For any Participating Class Member and/or Aggrieved Employee whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date (180 days), the uncashed funds shall be paid to the State Controller Unclaimed Property Fund in the name of the Class Member for whom the funds are designated. If a check is returned to the Settlement Administrator as undeliverable, the Settlement Administrator shall promptly attempt to obtain a valid mailing address by performing a skip trace or a mass search on LexisNexis or a comparable databases based on set criteria and, if another address is identified, the Settlement Administrator shall mail the check to the newly identified address. If the Settlement Administrator is unable to obtain a valid mailing address through this process, the Settlement Administrator will tender the funds from the undeliverable checks to the State Controller Unclaimed Property Fund in the name of the Class Member for whom the funds are designated.
- 4.4.6 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Participating Class Members or Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

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

- 5.1 **Plaintiff's Release.** Plaintiff shall give the following general release of claims for Plaintiff and Plaintiff's respective spouses, heirs, successors and assigns, and forever

release the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, penalties and expenses of any nature whatsoever, from the beginning of time through the date of their signature on this Agreement, known or unknown, suspected or unsuspected, whether in tort, contract, equity, or otherwise, for violation of any federal, state or local statute, rule, ordinance or regulation, including but not limited to all claims arising out of, based upon, or relating to his employment with Defendant or the remuneration for, or termination of, such employment. This release excludes any release of any claims not permitted to be released by law.

5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542.

For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

5.2 Release by Participating Class Members ("Class Release"):

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from any and all past, present and future claims, administrative or otherwise, actions, causes of action, rights, or liabilities, whether known or unknown, whether in law or equity, which were asserted or which could have been asserted in the Action, including claims based on, arising out of, or in any way relating or pertaining to the following categories of claims and allegations:

- 1) all claims for off the clock work, travel time, or other unpaid wages including but not limited to any type of regular wages, minimum wages, overtime or double time wages (or an overtime or double-time premium on non-hourly compensation, including without limitation, bonus, or other incentive pay) or seventh day premiums, in accordance with California local, state or federal law;
- 2) all claims for liquidated damages;
- 3) all claims for the failure to provide meal breaks or rest breaks or premium pay in lieu thereof;

- 4) all claims for failure to indemnify or reimburse employees for business related expenses and costs, including without limitation mileage and other travel costs, tools and equipment;
- 5) all claims for sick days and/or supplemental COVID-19 sick leave
- 6) all claims for the failure to keep accurate records, including records pertaining to hours worked and start and stop time of meal breaks, or timely produce those records;
- 7) all claims that Defendant owed and failed to timely pay all wages due and owing during employment, or within the required time at Class Members' termination, resignation or discharge;
- 8) all claims for the failure to issue properly itemized wage statements pursuant to California Labor Code Section 226;
- 9) all claims for unauthorized deduction of wages;
- 10) all interest and statutory penalties, including those recoverable under the PAGA for alleged violation of Labor Code sections 201, 202, 203, 204, 210, 226, 226.7, 246-247.5, 432, 510, 512, 1174, 1182.12, 1194, 1197, 1198, 1198.5, 1199, 2698, 2699, 2699.3, 2699.5 and 2802;
- 11) all claims for violations of Labor Code Sections 201, 202, 203, 204, 204b, 210, 218.5, 218.6, 221-223, 226, 226.6, 226.7, 246-247, 247.5, 432, 510, 512, 558.1, 1174, 1182.12, 1194, 1197, 1198, 1198.5, 1199, 2698, 2699, 2699.3, 2699.5, 2800, 2802;
- 12) all claims for violations of any Wage Order issued by the Industrial Welfare Commission related to any of the claims set forth herein; and
- 13) all incorporated or related claims for unfair competition pursuant to California Business and Professions Code Section 17200, et seq. ("Released Claims").

The Released Claims include a waiver and relinquishment of unknown claims pursuant to Civil Code Section 1542, which provides:

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.

Accordingly, even if Participating Class Members later discover facts in addition to or different from those which they now know or believe to be true with respect to a subject matter encompassed within the Released Claims, each Participating

Class Member, upon the Effective Date, shall be deemed to by operation of the Final Judgment to have fully, finally, and forever settled and released any and all of the Released Claims stated herein during the Release Period, including claims known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed upon any theory of law or equity now existing, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts, including all of the claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint, and subject to this Release. Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period or based upon or arising out of the facts and/or claims not alleged in the operative Complaint(s) or in the LWDA Notice(s). Participating Class Members who have not submitted a timely and valid exclusion or opt-out request shall be permanently enjoined and forever barred from prosecuting any and all Released Claims against the Released Parties.

Participating Class Members only release these claims for the duration of the Class Period. Participating Class Members do not release any other claims, based on facts occurring outside the Class Period.

- 5.3 **Release by Non-Participating Class Members:** As of the Effective Date, all Non Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties for statutory penalties that could have been sought by the Labor Commissioner for the Labor Code violations identified in the Plaintiff's PAGA Notice, and as alleged in the Twelfth Cause of Action for Violation of the Private Attorneys General Act in the Operative Complaint ("PAGA Only Release"). The PAGA Only Release does not release Non-Participating Class Members for claims, wages, damages or claims outside the PAGA Period. Non-Participating Class Members shall be permanently enjoined and forever barred from prosecuting any claims subject to the PAGA Only Release against the Released Parties.
- 5.4 **PAGA Release:** Plaintiff and the State of California release all claims for statutory penalties that could have been sought by the Labor Commissioner for the Labor Code violations identified in Plaintiff's PAGA Notice, and as alleged in the Twelfth Cause of Action for Violation of the Private Attorneys General Act in the Operative Complaint ("PAGA Only Release"). The PAGA Only Release does not release any Aggrieved Employees' Non-Participating Class Member for claims for wages or

damages. This release only releases these penalty claims for the duration of the PAGA Period. Non-Participating Class Members shall be permanently enjoined and forever barred from prosecuting any claims subject to the PAGA Only Release against the Released Parties.

6 MOTION FOR PRELIMINARY APPROVAL. As soon as possible following execution of this Agreement, Plaintiff's Counsel shall move the Court for an order granting preliminary approval of this Agreement; conditionally certifying the Class under Code of Civil Procedure Section 382 for settlement purposes only; approving the Notice to be provided to Class Members; establishing a procedure for Class Members to request exclusion (opt-out) from the Settlement; and scheduling a hearing for Final Approval of the Settlement. Plaintiff will request that the Court's preliminary approval of this Agreement be embodied in a Preliminary Approval Order.

- 6.1 No Answer is necessary to Plaintiff's Second Amended Complaint. This Settlement shall be conditioned upon the filing of such a Second Amended Complaint.
- 6.2 In their declarations, Plaintiff's Counsel shall aver that they are not aware of any other pending civil action asserting claims that will be extinguished or adversely affected by the Settlement. Before filing the Preliminary Approval Motion, Plaintiff shall provide Defendant with drafts of the complete filing (including notice, motion, memorandum of points and authorities, exhibits, declarations, and proposed orders) to review for consistency with this Agreement. Defendant shall have ten (10) calendar days to propose edits, and Plaintiff's Counsel agrees to work with Defendant in good faith to address and resolve these issues. If a dispute arises as to the language of the Proposed Order, the Parties agree to defer filing the Proposed Order and submit the dispute to mediator for resolution.
- 6.3 The Parties shall request that the Court enter an order that pending Final Approval, Class Members who do not request exclusion or opt-out of the Settlement are barred from instituting, prosecuting, or participating in any claims or actions against the Released Parties which fall within the definition of the Released Claims and that any pending actions against the Released Parties, whether in court or arbitration, are stayed on an interim basis as to any claims which fall within the definition of the Released Claims. The parties shall also request that the Court enter an order that pending Final Approval, Non-Participating Class Members are barred from instituting, prosecuting, or participating in any PAGA claim or action against the Released Parties which fall within the definition of the Released Claims and that any pending actions against the Released Parties, whether in court or arbitration, are stayed on an interim basis as to any claims which fall within the definition of the Released Claims.

- 6.4 Plaintiff's Counsel shall assure delivery of this Agreement to the LWDA at the same time that this Agreement is submitted to the Court for approval.
- 6.5 Class Counsel is responsible for delivering the Court's Preliminary Order to the Administrator.
- 6.6 Each Party agrees that it will abide by this Agreement and that the Parties and their counsel will cooperate with each other to effect the implementation of this Agreement. The Parties pledge their good faith and fair dealing in supporting approval of this Agreement by the Court. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Agreement or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the parties may seek the assistance of the mediator who facilitated the negotiations. If the Parties cannot resolve their dispute with the assistance of the mediator, the Parties may seek assistance of the Court.
- 6.7 If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any non-material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns. If, however, the Settlement, or any terms therein, is materially modified, vacated, altered or becomes otherwise subject to challenge by law, including by not limited to, any law that becomes effective after the execution of this Agreement, so that this Agreement is not approved by the Court in its entirety and the intent of the Parties cannot be accomplished after jointly taken efforts to enforce it have been exhausted, Defendant shall have the option to revoke this Agreement at its sole discretion.

7 SETTLEMENT ADMINISTRATION.

- 7.1 **Selection of Administrator.** The Parties have jointly selected to serve as the Administrator and verified that, as a condition of appointment, Phoenix Settlement Administrators ("PSA") agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2 **Employer Identification Number.** The Administrator shall calculate payroll tax withholdings and providing reports state and federal tax authorities on behalf of the QSF, to the extent required pursuant to this Agreement.

- 7.3 **Qualified Settlement Fund.** The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1.
- 7.4 **Notice to Class Members.**
- 7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel and Defense counsel that the list has been received and state the number of Class Members, PAGA Members, and Workweeks in the Class Data.
- 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice substantially in the form attached to this Agreement as **Exhibit A**, along with the Objection and Request for Exclusion forms, attached to this Agreement as **Exhibits B and C**, respectively. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
- 7.4.3 Not later than 3 business days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- 7.4.4 The deadlines for Class Members’ written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 45 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- 7.4.5 If the Administrator, Defendant or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled

to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

7.5 Requests for Exclusion (Opt-Outs).

- 7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). The Request for Exclusion form shall (i) instruct the Class Member seeking exclusion that the exclusion form must be mailed, emailed, or faxed the Administrator, (ii) state the name and address of the Administrator, and (iii) state the day by which the Request for Exclusion from must be mailed or otherwise delivered. The information required to be provided by a Class Member on the Request for Exclusion form shall not exceed the minimum information necessary to (i) identify the person as a Class Member and (ii) contact the person to clarify any uncertainties. The Request for Exclusion Form shall indicate that exclusion from the class settlement will not result in exclusion from the PAGA settlement as a Non-Participating Class Member. To be valid, a Request for Exclusion must be timely postmarked or otherwise delivered by the Response Deadline.
- 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.
- 7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.
- 7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual

Class Payment or have the right to object to the class action components of the Settlement. Non-Participating Class Members who are Aggrieved Employees will remain eligible for an Individual PAGA Payment.

- 7.6 **Challenges to Calculation of Workweeks.** Each Class Member shall have 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by submitting a written letter (“Workweeks Dispute”), which must: (a) contain the Class Member’s full name, current address, current telephone number, dates of employment with Defendant, last four digits of their Social Security number or employee ID number, and signature; (b) contain the case name and number of the matter (Macias v. Empire Demotion, Inc., Case No. CVRI2400688; (c) contain a clear statement explaining the basis for their dispute; (d) attach any documentation that they have to support the dispute; and (e) be emailed, mailed or faxed to the Settlement Administrator, postmarked or delivered by the above listed deadline. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator’s determination of each Class Member’s allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator’s determination the challenges.

- i. The Administrator agrees to not destroy any Exclusions, Objections, or other communications between the Administrator and any individual who is sent Notice without first receiving written confirmation from Counsel for Defendant authorizing them to do so.

7.7 **Objections to Settlement.**

- 7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement.
- 7.7.2 Participating Class Members may send written objections to the Settlement. The Objection form (**Exhibit B**) shall (i) instruct the objection Class Member that the objection must be mailed, emailed or faxed to the Administrator, (ii) state the name and address of the Administrator, and (iii) state the Response Deadline. The information required to be provided by an objecting Class member on the Objection Form shall not exceed the minimum information necessary to (i) identify the objector as a person entitled to object to the Settlement, (ii) describe the nature of and basis for

the objection, and (iii) contact the objector to clarify any uncertainties. Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 45 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed). The Administrator shall give notice of any continuance of the Final Approval Hearing to any Participating Class Member who sends a written objection to the Administrator.

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

7.7.4 Neither Plaintiff, Class Counsel, Defendants, Defense Counsel, nor the Class shall be responsible for fees, costs, or expenses related to any Class Members who submit objections to the Settlement or any appeal by an objector arising from the Action for attorneys' fees, costs, or expenses of any kind.

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

7.8.1 **Website, E-Mail Address, and Toll-Free Number.** The Administrator will maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails. The Administrator will post the Court's final judgment on its website, for which the Class Notice will direct Class Members to check, following the hearing on Plaintiff's Motion for Final Approval. The posting of the final judgment on the Administrator's website will satisfy the requirements of Cal. Rules of Court, rule 3.771(b)

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

7.8.3 **Weekly Reports.** The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class

Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include provide the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

- 7.8.4 **Workweek and/or Pay Period Challenges.** The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.
- 7.8.5 **Administrator’s Declaration.** Not later than 14 days after the Response Deadline, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to: (a) a description of both the administrator’s distribution of the Class Notice, Objection Form, Exclusion Form, and the results thereof, distinguishing between valid forms and any invalid forms that are untimely, incomplete, or otherwise invalid; (b) attaching and authenticating copies of the final versions of the Class Notice, Objection form, and Request for Exclusion form; (c) attaching and authenticating copies of every Objection form and Request for Exclusion form received; (d) an English translation of any Objection form or Request for Exclusion from received that is not in English; (d) a description of the services performed by the Administrator to the date of the declaration, including the time and expense incurred to perform those services and the fee charged for the services; (e) a description of the services to be performed by the Administrator after the date of the declaration, including an estimate of the time and expenses needed to perform those services and the estimated fee for those services; and (f) an estimate of the Defendant’s payroll taxes that will need to be paid in addition to the Gross Settlement Amount. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.
- 7.8.6 **Final Report by Settlement Administrator.** Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to

Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to (i) the date the checks were mailed, (ii) the total number of checks mailed to Class Members, (iii) the average amount of those checks, (iv) the number of checks that remain uncashed, (v) the total value of those uncashed checks, (vi) the average amount of the uncashed checks, and (vii) the nature and date of the disposition of the uncashed funds.

- 8 **CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE.** Based on its records, Defendant estimates that, as of the date of this Settlement Agreement, there are 17,500 Class Workweeks during the Class Period. The settlement includes a 10% escalator clause, meaning that as long as the actual number of workweeks worked by Class Members does not exceed 19,250 Workweeks (17,500 plus 10%) prior to Court approval, Defendant will not be required to pay any additional amounts. However, if the actual number of workweeks exceeds 19,250 workweeks (17,500 plus 10%), Defendant will have the option either reduce the scope of the release to fit within the escalator clause (i.e., reducing the release period such that the release period ends on the same date as the ending pay period date prior to which the pay periods exceeded 19,250 Workweeks) or increase the Gross Settlement Amount on a proportional basis for subsequent Workweek. The Gross Settlement Amount will not be reduced due to Defendant's estimate.
- 9 **DEFENDANT'S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Class Members, Defendant may, but is not obligated to, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than seven days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.
- 10 **MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel as soon as practicable prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval. If Defendant has objections to the [Proposed] Final Approval Order that cannot be remedied informally, the Parties agree to defer filing any [Proposed] Final Approval Order and to apply to the mediator for assistance.

- 10.1 **Response to Objections.** Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
- 10.2 **Duty to Cooperate.** If the Court does not grant Final Approval or conditions Final Approval on any non-material change to the Settlement the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.
- 10.3 **Continuing Jurisdiction of the Court.** The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.
- 10.4 **Waiver of Right to Appeal.** Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.
- 10.5 **CONSEQUENCES OF SETTLEMENT NOT BECOMING EFFECTIVE.** If the Court does not grant preliminary or Final Approval of this Settlement or, if appealed, the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Participating Class Members or Aggrieved Employees), or if the Settlement does not become effective for any other reason, the Parties agree that conditional class certification for settlement purposes only will automatically be deemed revoked and this Agreement shall be null and void. The Parties will take all steps, if necessary, to decertify the class and return the case to the "status quo" as it existed prior to the Parties' seeking approval of the Settlement from the Court. In the event that the conditional class certification for

settlement purposes only is deemed revoked, then the class certification for settlement purposes only shall have no precedential value and it shall not be introduced into evidence or used for any other purpose. To the extent that this Agreement is deemed void or the Effective Date does not occur or for whatever reason does not result in the final resolution of the Action, Defendant does not waive, and, instead, expressly reserves its rights to challenge all claims and allegations in the Action upon all procedural, factual and legal grounds, including, without limitation, the ability to challenge class treatment on any grounds, as well as asserting any and all other potential defenses or privileges. The Parties further agree that nothing in this Agreement is deemed to waive or otherwise prevent Defendant from asserting its right to compel arbitration on behalf of its if the Settlement does not become effective for any reason. Plaintiff and Class Counsel agree that Defendant retains and reserves these rights, and agrees not to argue or present any argument, and hereby waives any argument that, based on this Agreement, Defendant cannot contest class certification on any grounds or assert any and all other potential defenses and privileges if this Action were to proceed. The Parties do not waive, and instead expressly reserve, their respective rights with respect to the prosecution and defense of the Action as if this Agreement never existed. The Parties shall nevertheless expeditiously work together in good faith to address the trial or appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. A trial court or appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

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

12 CONDITIONS PRECEDENT TO SETTLEMENT TAKING EFFECT. The Parties enter into this Agreement and the Settlement on a conditional basis. This Agreement and Settlement is contingent upon, and will become final and effective only upon the occurrence of, all of the following events:

- 1) The Court entering an order granting preliminary approval of the Settlement and conditional certification of a class for settlement purposes only consistent with the terms described in this Agreement (or as otherwise agreed upon in writing by the Parties);
- 2) Mailing of the Class Notice to Class Members in accordance with the Court's order of preliminary approval;

- 3) The Court setting and conducting a Fairness Hearing;
- 4) The Court entering an order granting Final Approval of the Settlement consistent with the terms described in this Agreement;
- 5) The Effective Date occurring, and any challenge to the Settlement, whether by objection or appeal, is being resolved in favor of enforcement of the Settlement.

Unless the Court orders otherwise or as otherwise agreed upon in writing by the Parties, this Agreement shall be deemed null and void ab initio unless each of these conditions occurs.

13 ADDITIONAL PROVISIONS.

- 13.1 **No Admission of Liability, Class Certification, or Representative Manageability for Other Purposes.** This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses.
- 13.2 **Confidentiality Prior to Preliminary Approval.** Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the

filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that “the matter was resolved,” or words to that effect. Plaintiff should not communicate about the Settlement with Class Members. Any communication by Class Counsel about the Settlement with Class Members prior to the Court-approved Notice Packet being sent by the Claims Administrator will be limited to a general statement that a settlement has been reached and the details will be communicated in a forthcoming Court-approved Notice. This paragraph does not restrict Class Counsel’s communications with Class Members in accordance with Class Counsel’s ethical obligations owed to putative class members, if any.

- 13.3 **Confidentiality of Settlement.** The Parties acknowledge and agree that neither they nor Class Counsel or Defense Counsel will issue any press release or initiate any contact with the press, disclose to the press the fact or terms of the Settlement, or respond to any press inquiry concerning the Settlement except to acknowledge that the Action has been settled, including that certain claims “have been resolved by the Parties” without advance written consent from Defendant. Any website maintained by Class Counsel shall not identify Defendant or this Action by name, nor shall it link or refer to any other website that does disclose such information.
- 13.4 **No Solicitation.** The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel’s ability to communicate with Class Members in accordance with Class Counsel’s ethical obligations owed to Class Members.
- 13.5 **Integrated Agreement.** Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 13.6 **Attorney Authorization.** Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 13.7 **Cooperation.** The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may

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

- 13.8 **No Prior Assignments.** The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 13.9 **No Tax Advice.** Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise. Each of the Parties acknowledges and agrees that (1) no provision of this Agreement, and no written communication or disclosure between or among the Parties or their Counsel and other advisers is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Circular 230 (31 CFR part 10, as amended); (2) each Party (a) has relied exclusively upon his, her or its own independent legal and tax advisors for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other Party or any counsel or advisor to any other Party, and (c) is not entitled to rely upon any communication or disclosure by any other counsel or advisor to any other Party to avoid any tax penalty that may be imposed on that Party; and (3) no attorney or advisor to any other Party has imposed any limitation that protects the confidentiality of any such attorney's or advisor's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the Party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.
- 13.10 **Modification of Agreement.** This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 13.11 **Agreement Binding on Successors.** This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 13.12 **Applicable Law.** All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 13.13 **Cooperation in Drafting.** The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

- 13.14 **Confidentiality.** To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 13.15 **Headings.** The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 13.16 **Calendar Days.** Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 13.17 **Notice.** All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Shirin Forootan, Esq.
shirin@forootanlaw.com
Forootan Law Corp.
3334 E. Coast Hwy, No. 307
Corona del Mar, CA 92625

Morgan E. Podruski, Esq.
morgan@employmentlawyersocal.com
SoCal Employment Lawyer, APC
33 Brookline, Aliso Viejo, CA 92656

To Defendant:

Summer Young-Agresti, Esq.
Ana Thomas, Esq.
syoung@yatlaw.com
athomas@yatlaw.com
Young-Agresti & Thomas
7755 Center Avenue, Suite 1100
Huntington Beach, California 92647

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

Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

- 13.19 **Stay of Litigation.** The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process

[Signatures on Next Page]

Dated: 08/12/2026 _____

 (Aug 12, 2026 13:24:05 PDT)

Plaintiff Brian Macias

Dated: _____

Name: _____

On behalf of Defendant Empire Demolition, Inc.

Dated: _____

FOROOTAN LAW CORP.

Shirin Forootan, Esq.
Attorneys for Plaintiff and the Class

Dated: _____

SoCal Employment Lawyer, APC

Morgan E. Podruski, Esq.
Attorneys for Plaintiff and the Class

Dated: _____

Young-Agresti & Thomas, LLP

Summer Young-Agresti, Esq.
Attorneys for Defendant Empire Demolition, Inc.

Dated: _____

Plaintiff Brian Macias

Dated: _____

Name: _____

On behalf of Defendant Empire Demolition, Inc.

Dated: August 12, 2026

FOROOTAN LAW CORP.



Shirin Forootan, Esq.
Attorneys for Plaintiff and the Class

Dated: August 12, 2026

SoCal Employment Lawyer, APC



Morgan E. Podruski, Esq.
Attorneys for Plaintiff and the Class

Dated: _____

Young-Agresti & Thomas, LLP

Summer Young-Agresti, Esq.
Attorneys for Defendant Empire Demolition, Inc.

Dated: _____

Plaintiff Brian Macias

Dated: _____



Name: KEVIN HUFF

On behalf of Defendant Empire Demolition, Inc.

Dated: August 11, 2026

FOROOTAN LAW CORP.

Shirin Forootan, Esq.
Attorneys for Plaintiff and the Class

Dated: _____

SoCal Employment Lawyer, APC

Morgan E. Podruski, Esq.
Attorneys for Plaintiff and the Class

Dated: August 11, 2026

Young-Agresti & Thomas, LLP



Summer Young-Agresti, Esq.
Attorneys for Defendant Empire Demolition, Inc.

EXHIBIT A

NOTICE OF PROPOSED CLASS AND PAGA REPRESENTATIVE ACTION SETTLEMENT

Brian Macias v. Empire Demolition, Inc.
Riverside County Superior Court Case No. CVRI2400688

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

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

Why have you received this Notice?

You have received this Notice because records indicate that you are a member of the settlement class settled in this action. The settlement class is comprised of all current and former non-exempt employees who worked for Defendant Empire Demolition, Inc. (“Defendant”) in California at any time during the Class Period.

Why should you read this Notice?

A proposed settlement (the “Settlement”) has been reached in a class and PAGA action lawsuit entitled *Macias v. Empire Demolition, Inc.*, Riverside County Superior Court Case No. CVRI2400688 (the “Action”). The purpose of this Notice of Proposed Class and Private Attorneys General Act of 2004 (“PAGA”) Representative Action Settlement (“Notice”) is to briefly describe the Action and to inform you of your rights and options in connection with the Action and the proposed Settlement. The proposed Settlement will resolve all claims in the Operative Complaint.

What Are My Options?

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

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

YOUR ESTIMATED PAYMENT FROM THIS SETTLEMENT: Your estimated Individual Settlement Payment is <<Estimated Payment>>, which includes your payment from the Class settlement in the estimated amount of <<Estimated Individual Settlement Class Payment>> and, because you [ARE/ARE NOT] also a member of the Aggrieved Employee group, your payment from the PAGA settlement in the estimated amount of <<Estimated Individual PAGA Settlement Payment>>.

A hearing concerning final approval of the proposed Settlement will be held before the Hon. Harold W. Hopp, on <<FA DATE>>, at <<FA TIME>>, in Department 1 of the Riverside County Superior Court, located at 4050 Main Street, Riverside, CA 92501, to determine whether the Settlement is fair, adequate, and reasonable. As a Settlement Class Member, you are eligible to receive an Individual Settlement Payment under the Settlement and will be bound by the release of claims described in this Notice and the Settlement Agreement filed with the Court, unless you timely request to be excluded from the Settlement.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:

DO NOTHING – GET MONEY	If you do nothing, and the Court grants final approval of the Settlement, you will be considered a “Settlement Class Member” in the Settlement and will receive settlement benefits as explained more fully below. You will also give up rights to pursue a separate legal action against Defendant for the Released Claims asserted in the Action as explained more fully in this Notice.
EXCLUDE YOURSELF FROM THE SETTLEMENT/OPT OUT.	You have the option to pursue separate legal action against Defendant about the claims in the Action, except for claims under PAGA. With the

DEADLINE TO EXCLUDE YOURSELF: <<RESPONSE DEADLINE>>	exception of the settlement of the PAGA claims, you have the right to request exclusion from the Settlement. If you choose to do so, you must exclude yourself, in writing, from the Settlement by completing and submitting the included request to be excluded (“Request for Exclusion Form”). As a result, you will not receive any benefits under the Settlement (other than benefits based on the PAGA Claim). You must timely provide a written Request for Exclusion via email, mail or fax to the Settlement Administrator. Request for Exclusion forms must be submitted by <<RESPONSE DEADLINE>>. Your Request for Exclusion must be signed, dated and provide your telephone number and address. Phoenix Settlement Administrators <<ADMINISTRATOR INFORMATION>> Unless you timely request to be excluded of the Settlement, you will be bound by the judgment upon final approval of the Settlement, including the Released Claims asserted in the Action as explained more fully in this Notice. Following Final Approval of the Settlement, the Court will enter Final Judgment. The Final Judgment will bind all Settlement Class Members who do not request exclusion from the Settlement on time. Even if you request to be excluded of the Class Settlement, you will still receive any PAGA settlement payment to which you may be entitled as an Aggrieved Employee and will still be bound by the release of the PAGA Claims.
OBJECT TO THE SETTLEMENT. DEADLINE TO SUBMIT WRITTEN OBJECTIONS: <<RESPONSE DEADLINE>>	If you want to object to the Settlement and you have not requested exclusion, you may object to the Settlement personally or through an attorney, by emailing, mailing or faxing your written objection to the Settlement Administrator. You must complete and submit the objection form (“Objection Form”). Phoenix Settlement Administrators <<ADMINISTRATOR INFORMATION>> Written objections must be submitted by <<RESPONSE DEADLINE - 45 DAYS AFTER MAILING>>. You have the right to attend the Final Approval Hearing, or hire an attorney to attend at your own cost, to present verbal objections at the Final Approval hearing. The Court will hear from you if you attend the Final Approval Hearing and ask to speak regarding your objection, regardless of whether you complied with the above objection or exclusion procedures. If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class Members who do not object. Any Settlement Class Member who does not object in the manner provided above will have waived any objection to the Settlement, whether by appeal or otherwise.

Objections not previously made in writing in a timely manner as described above will not be considered by the Court, and you will not be permitted to participate. Any attorney who intends to represent an individual objecting to the Settlement must file a Notice of Appearance with the Court and serve counsel for all parties on or before the Final Approval Hearing.

Who is affected by this proposed Settlement?

The Court has certified, for settlement purposes only, the following class (the “Settlement Class”):

All non-exempt employees of Defendant who worked in California during the Class Period. The “Class Period” is February 1, 2022, through <<**FA DATE**>>.

According to Defendant’s records, you are a member of the Settlement Class (“Class Member”). Aggrieved Employees will automatically receive their *pro rata* share of the \$5,000.00 allocated from the PAGA Allocation to Aggrieved Employees, cannot opt-out of the release of PAGA Claims, and will be bound by the release of the PAGA Claims even if they opt-out of the Settlement. Defendant’s records indicate you [**ARE/ARE NOT**] also an Aggrieved Employee who worked in the State of California at any time during the PAGA Period of February 1, 2023, through <<**FA DATE**>>.

What is this case about?

In the Action, Plaintiff Brian Macias (“Plaintiff”) alleges on behalf of himself and the Class that Defendant: (1) failed to pay all wages (including minimum wages, travel time and sick pay); (2) failed to pay overtime and double time; (3) failed to provide compliant meal periods; (4) failed to authorize and permit rest periods; (5) failed to pay wages timely during employment; (6) failed to timely pay all wages at termination; (7) failed to furnish accurate itemized wage statements, payroll and personal records, and failure to produce records in response to demands; (8) unlawfully deducted wages (9) caused the secret payment of lower wages (10) failed to reimburse for necessary business expenses; (11) violated California’s Unfair Competition Law, California Business and Professions Code § 17200 *et seq.*; and (12) violated provisions of the Labor Code giving rise to civil penalties under the Labor Code Private Attorneys General Act of 2004 [Lab. Code § 2699, *et seq.*]. Plaintiff seeks unpaid wages, actual, consequential and incidental losses and damages, special damages, liquidated damages, injunctive relief, declaratory relief, statutory penalties, civil penalties under PAGA, restitution, interest, attorneys’ fees, and costs.

Defendant denies all liability and is confident that it has strong legal and factual defenses to these claims. Defendant contends that it: (1) properly paid the Settlement Class all minimum, regular, overtime and double time wages, including without limitation sick pay and travel time; (2) provided required meal breaks and authorized/permitted rest breaks; (3) did not make unlawful deductions or pay a lower wage than stated on wage statements; (4) provided reimbursements for reasonable or necessary business expenses; (5) paid regular and final wages on time; (6) maintained and provided upon demand accurate itemized wage statements, payroll and personnel records; and (7) did not engage in unfair business practices. As such, Defendant denies that it owes the Settlement Class any wages, expenses, restitution, penalties, or other damages. Defendant contends that its conduct is and has been lawful at all times relevant and that Plaintiff’s claims do not meet the requirements for class certification.

However, it recognizes the risks, distractions, and costs associated with litigation. This Settlement is therefore a compromise reached after good faith, arm’s length negotiations between Plaintiff and Defendant (the “Parties”), through their attorneys, and is not an admission of liability on the part of Defendant. Both sides agree that this Settlement is fair, adequate, and reasonable. Plaintiff also believes this Settlement is in the best interests of all Settlement Class Members. Among the reasons for their support are the defenses to liability potentially available to Defendant and the risks of the denial of class certification, a trial on the merits, the enforcement of arbitration agreements with Settlement Class Members, and the delays and uncertainties inherently associated with litigation.

The Court has not ruled on the merits of Plaintiff’s claims or Defendant’s defenses. The Court has determined only that there is sufficient evidence to suggest that the proposed settlement might be fair, adequate, and reasonable, and that any final determination of those issues will be made at the Final Approval Hearing.

Who are the attorneys representing the Parties?

The attorneys representing the Parties in the Action are:

Plaintiff's Counsel:

Shirin Forootan, Esq.
shirin@forootanlaw.com
FOROOTAN LAW CORP.
3334 E. Coast Highway, Ste. 307
Corona del Mar, CA 92625
Telephone: (949) 610-9878

Morgan E. Podruski, Esq.
morgan@employmentlawyersocal.com
**SOCAL EMPLOYMENT LAWYER,
APC**
33 Brookline, Aliso Viejo, CA 92656
Telephone: (949) 393-6393

Defendant's Counsel

Summer Young-Agriesti, Esq.
Ana Thomas, Esq.
syoung@kbylaw.com
athomas@yatlaw.com
Agriesti & Thomas, LLP
7755 Center Ave, Suite 1100
Huntington Beach, CA 92647
Telephone: (949) 221-8700

What are the Settlement terms?

Subject to final Court approval, Defendant will pay a maximum of \$475,000.00 (the "Gross Settlement Amount") for: (a) Individual Settlement Payments to Settlement Class Members; (b) the Court-approved Class Representative Service Payment to Plaintiff (\$10,000.00); (c) the Court-approved attorneys' fees and costs to Class Counsel ("Class Counsel's Fees and Expenses") (the 33 1/3% of the gross settlement or \$158,333.17 in fees and not more than \$28,000.00 in costs to be requested); (d) payment to the Labor and Workforce Development Agency ("LWDA") for alleged PAGA penalties (the "PAGA Penalty Payment") (\$20,000.00 allocated to the PAGA settlement, with 75% of PAGA penalties sent to the state Labor Workforce Development Agency); and (e) payment to the Settlement Administrator for settlement administration services ("Administrative Expenses") (estimated to be no more than \$5,150).

Individual Settlement Payments. Class Members who do not timely and properly request to be excluded from the Settlement (the "Settlement Class Members") will receive a share of the Net Settlement Amount, and Class Members who are also Aggrieved Employees will receive their share of the \$5,000 from the PAGA Settlement allocated to Aggrieved Employees (the "PAGA Settlement Payment"), regardless of whether the request exclusion from the Settlement (the total payment to a Settlement Class Member is their "Individual Settlement Payment").

The "Net Settlement Amount" will be calculated by deducting from the Gross Settlement Amount the Class Counsel's Fees and Expenses, the Class Representative Service Payment, the complete PAGA Penalty Payment (\$20,000), and the Administrative Expenses. Payments by Defendant from the Net Settlement Amount will be included in the Settlement Payments to each Settlement Class Member (the "Settlement Class Payments") and each Aggrieved Employee (the "PAGA Settlement Payments").

The Settlement Class Payment shall be divided among all Settlement Class Members on a *pro rata* basis based upon the total number of Workweeks worked by each Settlement Class Member during the Class Period. The portion of the Net Settlement Amount paid to a Settlement Class Member is calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Settlement Class Members during the Class Period and (b) multiplying the result by each Settlement Class Member's Workweeks.

The PAGA Settlement Payment shall be divided among all Aggrieved Employees on a *pro rata* basis based upon the total number of Workweeks worked by each Aggrieved Employee during the PAGA Period. The portion of the PAGA Settlement Payment paid to a Aggrieved Employee will be calculated by (a) dividing the amount of the Aggrieved Employees' share of PAGA Penalties (\$5,000), by the total number of Workweeks worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's Workweeks during the PAGA Period.

According to Defendant's records:

- February 1, 2022, to <<FA DATE>> (i.e., the Class Period), you are credited as having worked [REDACTED] Workweeks.
- February 1, 2023, to <<FA DATE>> (i.e., the PAGA Period), you are credited as having worked [REDACTED] Workweeks.

Workweeks is a term defined in the settlement, and does not include partial weeks, non-working time such as leaves of absence. If you wish to dispute the Workweeks credited to you, you must submit a written letter ("Workweeks Dispute"), which must: (a) contain your full name, current address, current telephone number, last four digits of your Social Security number or employee ID number, and signature; (b) contain the case name and number of the Action (*Macias v. Empire Demotion, Inc.*, Case No. CVRI2400688); (c) contain a clear statement explaining the basis for your dispute; (d) attach any documentation that you have to support the dispute; and (e) be emailed, mailed or faxed to the Settlement Administrator, postmarked or delivered on or before [Response Deadline] at:

Phoenix Settlement Administrators

<<ADMINISTRATOR INFORMATION>>

You must produce documentary evidence supporting your contention. Defendant's records will be presumed correct unless you prove otherwise by credible evidence. In the absence of any contrary documentation, the Settlement Administrator is entitled to presume that the Workweeks contained in this Class Notice are correct so long as they are consistent with the Class Data. Do not send originals.

Your Individual Settlement Payment and Individual PAGA Payment is based on the number of Workweeks credited to you.

Under the terms of the Settlement, your Individual Settlement Payment is estimated to be \$ [REDACTED]. The Individual Settlement Payment will reflect federal, state, and local income tax withholdings, as well as deductions for employee-side and employer-side payroll taxes. Under the terms of the Settlement, your additional Individual PAGA Payment (if any) is estimated to be \$ [REDACTED].

The settlement approval process may take multiple months. Your Individual Settlement Payment and Individual PAGA Payment (if applicable) reflected in this Notice is only an estimate. Your actual Individual Settlement Payment and Individual PAGA Payment (if applicable) may be higher or lower. Payments will be distributed only after the Court grants final approval of the Settlement, and after the Settlement goes into effect.

For tax reporting purposes, the payments to Settlement Class Members will be allocated 10% as wages, 90% as penalties and interest. All PAGA Settlement Payments will be allocated as 100% penalties. The wage portion of the Individual Settlement Payments shall be subject to the withholding of applicable local, state, and federal taxes, and the Settlement Administrator shall deduct applicable employee-side payroll taxes from the wage portion of the Individual Settlement Payments. The portion of the Individual Settlement Payments allocated as civil penalties, and interest shall not have no deductions, but shall be classified as other miscellaneous income and reported on IRS Form 1099-MISC if required by governing tax laws. Any taxes owed on that other miscellaneous income will be the responsibility of Settlement Class Members receiving those payments. The employer's share of any payroll taxes will be separately paid by Defendant.

All checks for Individual Settlement Payments paid to Settlement Class Members will be mailed and will remain valid and negotiable for one hundred eighty (180) days from the date of the checks' issuance and shall thereafter automatically be void if not claimed or negotiated by a Settlement Class Member within that time. All funds remaining from uncashed checks after 180 days shall be handled pursuant to California Code of Civil Procedure section 384. The uncashed funds shall be paid to the State Controller Unclaimed Property in the name of the Settlement Class Member for whom the funds are designated. In such event, the Settlement Class Members and Aggrieved Employees shall nevertheless remain bound by the Settlement.

The "Effective Date" of the Settlement means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Settlement Class Member objects to the Settlement, or objections are withdrawn, the day the Court enters Judgment; (b) if one or more objections to the Settlement are filed and not withdrawn, and if no appeal, review or writ is sought from the Judgment, the sixty-first (61st) day after entry of Judgment; (c) if rehearing, reconsideration and/or appellate review of the Judgment

is sought, the day after any and all avenues of rehearing, reconsideration and appellate review have been exhausted and no further rehearing, reconsideration or appellate review is permitted, and the time for seeking such review has expired, and the Judgment has not been modified, amended or reversed in any way that materially affects the terms of the Settlement Agreement.

PLEASE BE PATIENT AND UPDATE THE SETTLEMENT ADMINISTRATOR WITH YOUR NEW ADDRESS IF YOU MOVE AFTER RECEIVING THIS NOTICE OR YOU RECEIVED THIS NOTICE AS FORWARDED MAIL.

None of the Parties or their attorneys make any representations concerning the tax consequences of this Settlement or your participation in it. Settlement Class Members should consult with their own tax advisors concerning the tax consequences of the Settlement. Class Counsel is unable to offer advice concerning the state or federal tax consequences of payments to any Settlement Class Member.

Class Counsel's Fees and Expenses, the Class Representative Service Payment, Administrative Expenses, the PAGA LWDA Payment. Class Counsel will ask the Court to award attorneys' fees up to \$158,333.17 (33 1/3%) of the Gross Settlement Amount and reimbursement of reasonable costs incurred in the Action not to exceed \$28,000.00. Pursuant to a fee-splitting agreement between Class Counsel, attorneys' fees will be allocated as follows: After a 15% referral fee is paid to Orange County Bar Association Lawyer Referral Information Service, 53% to Forootan Law Corp. and 47% to SoCal Employment Lawyer, APC. In addition, Class Counsel will ask the Court to authorize Class Representative Service Payment made to Plaintiff in the amount of \$10,000.00, for his efforts in bringing the Action on behalf of the Class and for general release of his known and unknown claims in addition to claims he shall release as a Class Member. The Parties estimate the cost of administering the Settlement will not exceed \$5,150. The PAGA Penalty Payment in the amount of \$15,000.00 will also be made to the LWDA for PAGA penalties, which represents 75% of the \$20,000.00 PAGA Allocation.

These payments are subject to Court approval and the Court has discretion to award less than the amounts listed above.

What claims are being released by the proposed Settlement?

Upon the final approval by the Court of this Settlement and Defendant's payment of all sums due pursuant to this Settlement, and except as to such rights or claims as may be created by this Settlement, the Class Representative, the Class and each Class Member who has not submitted a valid and timely request for exclusion as to claims other than the PAGA claim, will release claims as follows:

(a) Identity of Released Parties. The released parties are Defendant and its former and present subsidiaries, affiliates, officers, directors, operators, principals, owners, partners, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, employees, partners, shareholders, members, divisions, fiduciaries, trustees, agents, attorneys, investors, benefit plans, other successors and predecessors in interest, assigns or legal representatives (collectively "Released Parties").

(b) Date Release Becomes Effective. The Released Claims will be released on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments.

(c) Claims Released by Settlement Class Members. As of the Effective Date, each and every Participating Class Member, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, unless he or she has submitted a timely and valid Request for Exclusion (which will not effectuate an opt-out from the release of Released PAGA Claims), hereby releases the Released Parties from any and all past, present or future claims, administrative or otherwise, actions, causes of action, rights or liabilities, whether known or unknown, whether in law or equity, which were asserted or which could have been asserted in this Action, including claims based on, or arising out of, or in any way relating or pertaining to the following categories of claims and allegations:

- 1) all claims for off the clock work, travel time, or other unpaid wages including but not limited to any type of regular wages, minimum wages, overtime or double time wages (or an overtime or double-time premium on non-hourly compensation, including without limitation, bonus, or other incentive pay) or seventh day premiums, in accordance with California local, state or federal law;

- 2) all claims for liquidated damages;
- 3) all claims for the failure to provide meal breaks or rest breaks or premium pay in lieu thereof;
- 4) all claims for failure to indemnify or reimburse employees for business related expenses and costs, including without limitation mileage and other travel costs, tools and equipment;
- 5) all claims for sick days and/or supplemental COVID-19 sick leave
- 6) all claims for the failure to keep accurate records, including records pertaining to hours worked and start and stop time of meal breaks, or timely produce those records;
- 7) all claims that Defendant owed and failed to timely pay all wages due and owing during employment, or within the required time at Class Members' termination, resignation or discharge;
- 8) all claims for the failure to issue properly itemized wage statements pursuant to California Labor Code Section 226;
- 9) all claims for unauthorized deduction of wages;
- 10) all interest and statutory penalties, including those recoverable under the PAGA for alleged violation of Labor Code sections 201, 202, 203, 204, 210, 226, 226.7, 246-247.5, 432, 510, 512, 1174, 1182.12, 1194, 1197, 1198, 1198.5, 1199, 2698, 2699, 2699.3, 2699.5 and 2802;
- 11) all claims for violations of Labor Code Sections 201, 202, 203, 204, 204b, 210, 218.5, 218.6, 221-223, 226, 226.6, 226.7, 246-247, 247.5, 432, 510, 512, 558.1, 1174, 1182.12, 1194, 1197, 1198, 1198.5, 1199, 2698, 2699, 2699.3, 2699.5, 2800, 2802;
- 12) all claims for violations of any Wage Order issued by the Industrial Welfare Commission related to any of the claims set forth herein; and
- 13) all incorporated or related claims for unfair competition pursuant to California Business and Professions Code Section 17200, et seq. ("Released Claims").

The Released Claims include a waiver and relinquishment of unknown claims pursuant to Civil Code Section 1542, which provides:

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.

Participating Class Members only release these claims for the duration of the Class Period. Participating Class Members do not release any other claims, based on facts occurring outside the Class Period.

(d) **PAGA Release:** Plaintiff and the State of California release all claims for statutory penalties that could have been sought by the Labor Commissioner for the violations identified in Plaintiff's January 23, 2026 PAGA Notice, as alleged in the Operative Complaint. The PAGA Release itself does not release any Aggrieved Employees' claims for wages or damages, however, such claims may be released by Settlement Class Members pursuant to the above release. This release only releases these penalty claims for the duration of the PAGA Period.

No Class Member employed during the Released PAGA Claims Period can request exclusion from the settlement of the PAGA Claim. If you are a Class Member, and this Settlement is approved, you will release the PAGA Claim even if you timely and properly submit a Request for Exclusion form. The Aggrieved Employees are bound by the release of the PAGA Claims regardless of whether they cash their PAGA Payment Check.

What are my options in this matter?

You have two options under this Settlement, each of which is further discussed below. You may: (A) remain in the Class and receive an Individual Settlement Payment; or (B) exclude yourself from the Settlement. If you choose option (A), you may also object to the Settlement, as explained below.

If you remain in the Class, you will be represented at no cost by Class Counsel. Class Counsel, however, will not represent you for purposes of making objections to the Settlement. If you do not exclude yourself from the Settlement, you will be subject to any Judgment that will be entered in the Action, including the release of the Released Claims as described above.

OPTION A. Remain in the Class. If you wish to remain in the Class and be eligible to receive an Individual Settlement Payment, **you do not need to take any action.** By remaining in the Class and receiving settlement monies to resolve your class claims, you consent to the release of the Released Claims as described above.

Any amount paid to Settlement Class Members will not count or be counted for determination of eligibility for, or calculation of, any employee benefits (for example, vacations, holiday pay, retirement plans, non-qualified deferred compensation plans, etc.), or otherwise modify any eligibility criteria under any employee pension benefit plan or employee welfare plan sponsored by Defendant, unless otherwise required by law.

Objecting to the Settlement: If you believe the proposed Settlement is not fair, reasonable, or adequate in any way and you have selected to remain in the Class, you can ask the Court to deny approval of the Settlement by submitting an objection. You cannot object to the release of the PAGA Claim or object to the PAGA Settlement Payment. You cannot ask the Court to order a larger settlement; the Court can only approve or deny the settlement. If the Court denies approval, no additional settlement payments will be sent out and the Action will continue. If that is what you want to happen, you must object.

You may object to the Settlement in writing or by appearing at the Final Approval Hearing, either in-person or through your attorney. If you appear through your own attorney, you are responsible for paying that attorney. Written objections in the Objection Form should be sent to the Settlement Administrator at [REDACTED], [REDACTED]. If you choose not to submit a written objection using the Objection Form, the written objection in any form should contain sufficient information to confirm your identity and the basis of the objection, including: (1) your full name; (2) the grounds for the objection; (3) your signature; (4) dates of employment with Defendant; (5) telephone number; (6) address; (7) the case and number (*Macias v. Empire Demolition, Inc.*, Riverside County Superior Court Case No. CVRI2400688); and (8) be postmarked on or before <<**RESPONSE DEADLINE**>> and submitted to the Settlement Administrator at the address listed above. You can also hire an attorney at your own expense to represent you in your objection. The Administrator shall give notice of any continuance of the Final Approval Hearing to any Class Member who sends a written objection to the Administrator. The Parties shall file responses to any written objections before the Final Approval hearing. Regardless of whether you object in writing, the Court may, in its sole discretion, permit you to state any objections you may have at the Final Approval Hearing. **Even if you submit an objection, you will be bound by the terms of the Settlement, including the release of Released Claims as set forth above, unless the Settlement is not finally approved by the Court.** If you submit a written objection and then request exclusion from, and opt out of, the Class Settlement, you would be deemed to have waived your objection.

If you wish to attend the Final Approval Hearing remotely, you can do so via Zoom link provided on the Court's website. If you wish to attend the Final Approval hearing in person, you can attend it at Riverside County Superior Court, 4050 Main Street, Riverside, CA 92501.

Regardless of the form, an objection, alone will not satisfy the requirement that a Class Member must formally intervene and become a party of record in the action to appeal a judgment entered following an Order finally approving this Settlement, as is required under the California Supreme Court decision of *Hernandez v. Restoration Hardware*, (2018) 4 Cal.5th 260.

OPTION B. Request to Be Excluded from the Class and Receive No Money from the Class Action Portion of the Settlement (Aggrieved Employees Still Will Receive Their Share of the Aggrieved Employee

Payment). You may not seek exclusion from the PAGA portion of this Settlement. However, if you do not want to be part of the Class Settlement, you must complete and return the included Request for Exclusion form to the Settlement Administrator at ----- . In order to be valid, your Request for Exclusion form must be signed and include the last four digits of your social security number or Employee ID (to confirm your identity and make certain that only persons requesting exclusion are removed from the settlement). If you do not have a social security number and do not know your Employee ID, please contact the Settlement Administrator to arrange for an alternate method of confirming your identity.

Your Request for Exclusion form (to remove you from the Class Settlement) must postmarked on or before <<**RESPONSE DEADLINE**>>. If you do not submit a Request for Exclusion form on time (as evidenced by the postmark), your request to be excluded from the Settlement will be rejected, you will be deemed a Settlement Class Member, and you will be bound by the release of Released Claims as described above and all other terms of the Settlement. If you submit a Request for Exclusion form by the deadline to request exclusion, you will have no further role in the Action as it relates to the Class claims. You will not be able to complain to the Court about any aspect of the Class Settlement and any written objection to the Class Settlement would not be considered valid. **You will not be entitled to any benefit, including money,** as a result of the Action and Settlement, except for any payment you may be receive from the PAGA portion of this Settlement.

IMPORTANT: DO NOT SUBMIT A REQUEST FOR EXCLUSION FORM IF YOU WISH TO BE INCLUDED IN THE CLASS SETTLEMENT AND RECEIVE YOUR SHARE OF THE MONEY AVAILABLE TO YOU AS PART OF THE SETTLEMENT.

What is the next step in the approval of the Settlement?

The Court will hold a Final Approval Hearing regarding the fairness, reasonableness and adequacy of the proposed Settlement, the plan of distribution, Class Counsel's Fees and Expenses, the Class Representative Service Payment, the Administrative Expenses, and the PAGA Allocation on <<**FINAL APPROVAL HEARING DATE & TIME**>>, in Department 1 of the Riverside County Superior Court, 4050 Main Street, Riverside, CA 92501.

As described above, if you wish to attend the Final Approval Hearing remotely, you can do so via Zoom link provided on the Court's website. If you wish to attend the Final Approval Hearing in person, you can attend it at Riverside County Superior Court, 4050 Main Street, Riverside, CA 92501.

The Final Approval Hearing may be continued without further notice to Class Members. However, the Administrator will give notice of any continuance of the Final Approval Hearing to any Class Member who sends a written objection to the Administrator.

You are not required to attend the Final Approval Hearing to receive an Individual Settlement Payment.

If the Court grants Final Approval of the Settlement, the Order granting Final Approval and entering a Judgment, will be posted on a website by the Settlement Administrator for a period of at least 90 days following the entry of that Order in the Court record. That website is: <<**website**>>.

How can I get additional information?

This Notice summarizes the Action and the basic terms of the Settlement. More detailed information and records relating to the lawsuit are available for inspection and/or copying at the Civil Records Office of the Riverside County Superior Court. You may also request a copy of the Settlement Agreement from Class Counsel or the Settlement Administrator, at the addresses listed above.

You may also view documents filed in this case, including the complete Settlement, on the Court's website at: <https://epublic-access.riverside.courts.ca.gov/public-portal/>. You may need the case number to access and view case documents (CVRI2400688) NOTE: If you choose to access documents online, the Court will charge you a fee for access. Class Counsel can provide you with copies of the settlement documents at no charge. The proposed Settlement Agreement is attached to the following document, which can be found on the Court's website: Declaration of Shirin Forootan In Support of Motion for Preliminary Approval of Class Action Settlement filed August 13, 2026 Exhibit 4.

PLEASE DO NOT CONTACT THE COURT FOR INFORMATION REGARDING THIS SETTLEMENT.

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

EXHIBIT B

OBJECTION FORM

Superior Court of California for the County of Riverside
Brian Macias v. Empire Demolition, Case No. CVRI2400688

USE AND RETURN THIS FORM ONLY IF YOU WISH TO OBJECT TO THE CLASS SETTLEMENT.

If you do not wish to object to the Class Settlement, you should NOT fill out this form. You do not need to take any action. If the proposed settlement receives final approval from the Court, you will still be bound by the release and the Settlement Administrator will send you a check by U.S. Mail, at the last address the Settlement Administrator has on file for you.

If you wish to object to the Class Settlement, you must:

- state all factual and legal bases for your objection (space is provided below for doing so),
- attach any documents you are relying on for your objection,
- indicate whether you are represented by counsel and, if so, provide their contact information (your counsel must file a notice with the Court if they plan to appear at the Final Approval Hearing)
- indicate whether you plan to appear at the Final Approval Hearing,
- write your name, address, and last four digits of your Social Security number,
- sign on the following page, and
- **return this form by e-mail, mail or fax to the Settlement Administrator, at the following mailing address, postmarked or delivered on or before [RESPONSE DEADLINE].**

Phoenix Settlement Administrators
[INSERT ADDRESS]

I wish to object to the Class Settlement on the following grounds:

[illegible]

Date: _____

EXHIBIT C

REQUEST FOR EXCLUSION FORM

**Superior Court of California for the County of Riverside
*Macias v. Empire Demolition, Inc., Case No. CVRI2400688***

If you want to receive an Individual Settlement Award, you *should not* fill out this form; you are not required to do anything at this time. This form is to be used only if you want to EXCLUDE yourself from the Settlement.

If you exclude yourself from the Settlement: (1) you will not receive any payments or benefits under the Settlement; (2) you will not be able to object to the Settlement; (3) you will not be bound by the class settlement if it is ultimately approved by the Court.

To be excluded from the Settlement, complete this Request for Exclusion Form and e-mail, mail or fax it to the Settlement Administrator at the address listed below, postmarked no later than [Response Deadline].

**[INSERT NAME OF SETTLEMENT
ADMINISTRATOR]
[INSERT INFO]**

Request for Exclusion

I hereby certify that I am or was employed by Defendant as a non-exempt employee in California for some period of time between February 1, 2022 and [date of Final Approval]. My dates of employment with Defendant are or were _____.

I have received the Notice of Class Action Settlement (“Notice”) in the Action, and I request to be excluded from the Settlement. I understand that by submitting this Request for Exclusion Form, I will not be bound by the class settlement, including the release of Released Claims, as described in the Notice and in the Settlement Agreement on file with the Court, and **I will not receive a payment from the Class Settlement.** I understand that I cannot exclude myself from the Individual PAGA Settlement Payment and that I will still receive a pro-rata share of the PAGA Settlement Amount and will be bound by the release of the PAGA claims regardless of whether I exclude myself from the Individual Settlement Payment.

Full Name: _____

Street Address: _____

City, State, Zip Code: _____

Telephone Number: (_____) _____

Last four digits of your SSN: _____

Signature of Class Member (or Legal Representative): _____

Date: _____

EXHIBIT D

Forootan Law Corp.

Shirin Forootan, Bar No. 260390

Livia Espiritu, Bar No. 358877

3334 E. Coast Highway, #307

Corona del Mar, CA 92625

Tel: (949) 610-9878

shirin@forootanlaw.com; livia@forootanlaw.com

SoCal Employment Lawyer, APC

Morgan E. Podruski, Bar No. 303822

33 Brookline

Aliso Viejo, CA 92656

Tel: (949) 393-6393

morgan@employmentlawyersocal.com

Attorneys for Plaintiff BRIAN MACIAS, individually,
and on behalf of others similarly situated

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

BRIAN MACIAS, individually, and on behalf
of others similarly situated,

Plaintiff,

vs.

EMPIRE DEMOLITION, INC., a California
corporation; and DOES 1 through 20, inclusive,

Defendants.

Case No.: CVRI2400688

Assigned to: Hon. Harold W. Hopp, Dept. 1

**PLAINTIFF BRIAN MACIAS' SECOND
AMENDED CLASS ACTION COMPLAINT**

1. FAILURE TO PAY WAGES FOR ALL HOURS WORKED;
2. FAILURE TO PAY OVERTIME AND DOUBLE TIME;
3. FAILURE TO PROVIDE COMPLIANT MEAL PERIODS;
4. FAILURE TO PROVIDE REST PERIODS;
5. FAILURE TO PAY WAGES TIMELY DURING EMPLOYMENT;
6. WAITING TIME PENALTIES;
7. FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS;
8. UNLAWFUL DEDUCTION OF WAGES;
9. SECRET PAYMENT OF A LOWER PAYMENT;
10. FAILURE TO REIMBURSE NECESSARY BUSINESS EXPENSES;
11. UNFAIR & UNLAWFUL BUSINESS PRACTICES; and
12. VIOLATION OF THE PRIVATE ATTORNEYS GENERAL ACT

JURY TRIAL DEMANDED

1 Plaintiff BRIAN MACIAS (“Plaintiff”), individually, and on behalf of all other similarly situated
2 individuals, hereby alleges as follows:

3 **INTRODUCTION**

4 1. Plaintiff brings this putative class action against EMPIRE DEMOLITION, INC.
5 (“EMPIRE”) and DOES 1 through 20, inclusive (collectively, “Defendants”), on behalf of himself
6 individually and on behalf of a class of similarly situated current and former non-exempt employees who
7 worked for Defendants in California.

8 2. EMPIRE is a demolition and grading business that specializes in providing the labor and
9 equipment to perform demolition, site clearing, and grading services to customers in Southern California.

10 3. Plaintiff worked for Defendants as a laborer for approximately seven years, until his
11 termination on or about April 5, 2022.

12 4. The causes of action alleged herein arise out of EMPIRE’s failure to comply with the
13 Labor Code and Industrial Welfare Committee (“IWC”) Wage Order No. 16-2001 with respect to the
14 treatment and payment of non-exempt employees.

15 5. As a result of the Labor Code violations alleged herein, Plaintiff seeks monetary relief
16 from Defendants on behalf of himself and all similarly situated current and former employees, including
17 but not limited to, unpaid wages, restitution, statutory and civil penalties, interest, attorneys’ fees, and
18 costs, all according to proof at trial.

19 **PARTIES**

20 6. Plaintiff is, and at all relevant times herein mentioned was, an individual residing in Lake
21 Elsinore, California, in the county of Riverside. Plaintiff worked for Defendants all over Southern
22 California from 2015, until his termination on or about April 5, 2022.

23 7. EMPIRE is, and at all relevant times herein has been, a corporation organized and existing
24 under the laws of the state of California, with its headquarters in Corona, California, in the county of
25 Riverside.

26 8. The true names and capacities, whether individual, corporate, associate, or otherwise, of
27 all defendants named herein as DOES 1 through 20, inclusive, presently are unknown to Plaintiff, who

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1 therefore, sues such defendants by such fictitious names. Plaintiff will seek leave to amend his Complaint
2 to allege such defendants' true names and capacities when the same have been ascertained.

3 9. At various times mentioned in the Complaint, defendants DOES 1 through 20, inclusive,
4 were and are either the agents, employees and/or representatives of EMPIRE, or otherwise acted in concert
5 with it, and in such capacity or capacities have participated in the acts and conduct alleged in this
6 Complaint and are in some manner responsible for Plaintiff's injuries alleged herein.

7 10. Unless otherwise stated herein, each defendant is the agent, co-conspirator, joint venturer,
8 general employer, member of a "single enterprise," alter ego, owner, special employer, dual employer,
9 joint employer, joint venture, partner, single integrated enterprise, member, manager, aider, abettor,
10 inciter, compeller, coercer, participator, and/or employee of every other defendant, and, as alleged, has
11 been acting within the course and scope of said agency, conspiracy, joint venture, dual employment, joint
12 employment, single integrated enterprise, alter ego, partnership, membership, aiding, abetting, inciting,
13 compelling, coercing, participating, management, employment, and/or other role described with the
14 knowledge, and/or consent of co-defendants, and each of them. Moreover, Plaintiff is informed and
15 believes and thereon alleges that each defendant has aided, abetted, authorized, participated in, and/or
16 ratified the wrongful activities of each of the remaining defendants.

17 **JURISDICTION AND VENUE**

18 11. This is a class action, pursuant to Code of Civil Procedure section 382. The monetary
19 damages and restitution that Plaintiff seeks exceed the minimal jurisdictional limits of the Superior Court
20 and will be established according to proof at trial.

21 12. This Court has jurisdiction over this action pursuant to the California Constitution, Article
22 VI, section 10, which grants the superior court "original jurisdiction in all other causes" except those
23 given by statute to other courts. The statutes under which this action is brought do not specify any other
24 basis for jurisdiction.

25 13. The Superior Court has jurisdiction in this matter for the additional reason that Plaintiff is
26 and was a California citizen at all times relevant hereto. Further, there is no federal question at issue
27 because the causes of action alleged herein are based solely on California statutes and law.

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14. Venue is proper in this Court because Plaintiff resided and worked for Defendants in the County of Riverside.

CLASS ACTION ALLEGATIONS

15. Plaintiff brings this action under Code of Civil Procedure section 382 on behalf of himself and all other similarly situated individuals who worked for Defendants in California as non-exempt, hourly paid employees, who were affected by Defendants' violations of the Labor Code, the Business and Professions Code and IWC Wage Order No. 16-2001.

16. All claims alleged herein arise under California law for which Plaintiff seeks relief authorized by California law.

17. Plaintiff's proposed Class consists of "Class Members" and is defined as follows:

“All California citizens currently or formerly working for Defendants as non-exempt employees within the state of California at any time during the four years prior to the filing of the Complaint to the date the Class is certified.”

18. Plaintiff will also seek certification of the following proposed Subclass, which consists of “Waiting Time Subclass Members” and is defined as follows:

“All Class Members who separated their employment with Defendants and any time within the three years prior to the filing of the Complaint to the date the Subclass is certified.”

19. Plaintiff reserves the right to establish other or additional subclasses, or modify any Class or Subclass definition, as appropriate based on investigation, discovery and specific theories of liability.

20. This action has been brought and may properly be maintained as a class action under Code of Civil Procedure section 382 because there are common questions of law and fact as to the Class that predominate over questions affecting only individual members including, but not limited to:

- a. Whether Defendants failed to pay at least minimum wage for all hours worked by Plaintiff and Class Members;
- b. Whether Defendants required Plaintiff and Class Members to work over 8 hours per day, over 12 hours per day and/or over 40 hours per week and failed to pay them overtime compensation at the proper rate;

- 1 c. Whether Defendants deprived Plaintiff and Class Members of timely meal periods
2 or required Plaintiff and Class Members to work through meal periods without
3 compensation;
- 4 d. Whether Defendants deprived Plaintiff and Class Members of rest periods or
5 required Plaintiff and Class Members to work through rest periods without
6 compensation;
- 7 e. Whether Defendants failed to timely pay Plaintiff and Class Members all earned
8 wages during their employment;
- 9 f. Whether Defendants failed to timely pay Plaintiff and Waiting Time Subclass
10 members all wages due, including any premium payment for non-compliant meal
11 and/or rest periods, upon termination or within 72 hours of resignation;
- 12 g. Whether Defendants made unlawful deductions to the wages earned by Plaintiff
13 and Class Members;
- 14 h. Whether Defendants secretly paid a lower wage than their agreed hourly rate to
15 Plaintiff and Class Members;
- 16 i. Whether Defendants failed to reimburse Plaintiff and Class Members for all
17 necessary business expenses, including their mileage for driving to job sites all
18 over Southern California;
- 19 j. Whether Defendants failed to provide Paid Sick Days and/or Supplemental Covid-
20 19 Paid Sick Leave to Plaintiff and Class Members, as required by the Labor Code;
- 21 k. Whether Defendants failed to furnish Plaintiff and Class Members with accurate,
22 itemized wage statements;
- 23 l. Whether Defendants' conduct was willful and/or reckless; and
- 24 m. Whether Defendants engaged in unfair business practices in violation of Business
25 & Professions Code sections 17200, *et seq.*

26 21. There is a well-defined community of interest in the litigation and the Class is readily
27 ascertainable.

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- 1 a. Numerosity: The Class Members are so numerous that joinder of all Class
2 Members is impractical. Although the Class Members are unknown to Plaintiff at
3 this time, on information and belief, the Class is estimated to be greater than 100
4 individuals. The identities of the Class Members are readily ascertainable by
5 inspection of Defendants' employment and payroll records.
- 6 b. Typicality: The claims (or defenses, if any) of Plaintiff are typical of the claims
7 (or defenses, if any) of the Class because Defendants' failure to comply with the
8 relevant provisions of the Labor Code and IWC Wage Order No. 16-2001 entitle
9 each Class Member to similar pay, benefits and other relief. The injuries sustained
10 by Plaintiff are also typical of the injuries sustained by the Class Members because
11 they arise out of and are caused by Defendants' common course of conduct as
12 alleged herein.
- 13 c. Adequacy: Plaintiff is qualified to and will fairly and adequately represent and
14 protect the interests of all Class Members because it is in his best interests to
15 prosecute the claims alleged herein to obtain full compensation and penalties due
16 to him and the Class. Plaintiff has no interest that is antagonistic to other Class
17 Members. Plaintiff's attorneys, as proposed class counsel, are competent and
18 experienced in litigating large employment class actions and are versed in the rules
19 governing class action discovery, certification and settlement. Plaintiff has
20 incurred and, throughout the duration of this action, will continue to incur
21 attorneys' fees and costs that have been and will be necessarily expended for the
22 prosecution of this action for the substantial benefit of each class member.
- 23 d. Superiority: The nature of this action makes the use of class action adjudication
24 superior to other methods. A class action will achieve economies of time, effort
25 and expense, as compared with separate lawsuits, and will avoid inconsistent
26 outcomes because the same issues can be adjudicated in the same manner and at
27 the same time for each Class Member.

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1 e. Public Policy Considerations: Certification of this lawsuit as a class action will
2 advance public policy objectives of the state of California. Employers doing
3 business in California, and elsewhere, violate employment and labor laws on a
4 daily basis. Current employees are often afraid to assert their rights out of fear of
5 direct or indirect retaliation. Former employees are fearful of bringing actions
6 against their former employers due to concerns that it might damage their future
7 endeavors through negative references and/or other means. Class actions provide
8 members of the class who are not named in the complaint with a type of anonymity
9 that allows for the vindication of their rights at the same time as affording them
10 privacy protections.

11 GENERAL ALLEGATIONS

12 22. At all times relevant to Plaintiff's claims, Defendants employed Plaintiff and Class
13 Members, and continue to employ Class Members, as non-exempt employees within the state of
14 California and the County of Riverside.

15 23. Plaintiff is informed and believes, and thereon alleges, that at all times mentioned herein,
16 Defendants were advised by skilled lawyers, employees and other professionals who were knowledgeable
17 about California wage and hour law, employment and personnel practices and the obligations of
18 employers in California.

19 24. Through this action, Plaintiff alleges that Defendants have engaged in a systematic pattern
20 of wage and hour violations under the Labor Code and IWC Wage Order No. 16-2001, all of which
21 contribute to Defendants' deliberate unfair business practices, including the following practices alleged
22 in Plaintiff's operative notice to the Labor Workforce Development Agency:

- 23 a. Defendants failed to timely and completely produce all records responsive to records
24 demands made by Plaintiff and/or the Aggrieved Employees, or their representatives;
- 25 b. Defendants required Plaintiff and Aggrieved Employees to travel all over Southern
26 California in order to complete their job duties, requiring commutes of over an hour or
27 two even hours from their homes or Defendant's headquarters to job sites in far-away
28 counties such as San Diego, Ventura, and Palm Springs, without required travel or drive

- 1 time pay, resulting in timekeeping errors, unpaid minimum wages, overtime wages,
2 double time wages and derivative labor code claims;
- 3 c. Plaintiff and Aggrieved Employees often started working before the start of their
4 schedules shifts and continued working after their scheduled shifts ended, but they were
5 only paid for the time that they were scheduled to work instead of the amount of time that
6 they actually worked, resulting in timekeeping errors, unpaid minimum wages, overtime
7 wages, double time wages and derivative labor code claims;
- 8 d. Plaintiff and Aggrieved Employees were not able to take completely, timely and
9 uninterrupted meal breaks, nor were they paid an additional hour, at the regular rate of
10 pay, for the non-provision of a compliant meal break;
- 11 e. Plaintiff and Aggrieved Employees were not authorized or permitted to take rest breaks,
12 nor were they paid an additional hour, at the regular rate of pay, for the non-provision of
13 a compliant rest break;
- 14 f. Plaintiff and Aggrieved Employees were required to use their own tools and equipment,
15 and drive their own vehicles for work purposes, without adequate reimbursement;
- 16 g. Plaintiff and Aggrieved Employees did not receive paid sick days compliant with
17 California law;
- 18 h. Plaintiff and Aggrieved Employees were not timely paid all wages during employment or
19 final wages to former Aggrieved Employees;
- 20 i. Defendants failed to keep adequate payroll, time and personnel files, as such files were
21 inaccurate and incomplete;
- 22 j. Plaintiff and Aggrieved Employees were not provided with wage statements that provided
23 them with information concerning their pay, as required by Labor Code 226;
- 24 k. Defendants unlawfully deducted wages from its employees, without written authorization
25 do to so, to recoup wages, such as payroll advances or other deductions, resulting in a
26 secret payment of a lower wage.

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1 25. Plaintiff and Class Members regularly worked at least eight (8) hours in a day and/or forty
2 (40) hours in a week during their employment with Defendants. It was not unusual for Plaintiff and Class
3 Members to work at over ten (10) and twelve (12) hours in a day.

4 26. Plaintiff is informed and believes, and based thereon alleges, that Defendants engaged in
5 a pattern and practice of wage abuse against their hourly-paid or non-exempt employees within the state
6 of California. This pattern and practice involved, *inter alia*, failing to pay Plaintiff and Class Members
7 for all regular, minimum and/or overtime wages earned and for missed meal periods and rest periods in
8 violation of California law.

9 27. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should
10 have known that Plaintiff and Class Members were entitled to receive their regular, hourly rate of pay,
11 which should have been at least the applicable minimum wage, for all work that Defendants required to
12 be performed.

13 28. During the time period relevant to this action, Defendants failed to pay Plaintiff and Class
14 Members their regular rate of pay and at least minimum wage for all hours worked, in violation of both
15 the Labor Code and IWC Wage Order No. 16-2001.

16 29. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should
17 have known that Plaintiff and Class Members were entitled to receive one and one-half (1½) times their
18 regular rate of pay as overtime compensation and two (2) times their regular rate of pay as double time
19 compensation as a result of their time worked.

20 30. During the time period relevant to this action, Plaintiff and Class Members worked enough
21 hours during a workday or work week to entitle them to their hourly pay at the required overtime and
22 double time rates. Nevertheless, Defendants failed to pay Plaintiff and Class Members overtime and
23 double time rates for the overtime and double time hours they worked, in violation of the Labor Code
24 and IWC Wage Order No. 16-2001.

25 31. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should
26 have known that Plaintiff and Class Members were entitled to receive all meal periods, as permitted by
27 the Labor Code and IWC Wage Order No. 16-2001, or payment of one (1) additional hour of pay at their
28

1 respective regular rate of pay when they were not provided a timely, complete, and uninterrupted meal
2 period.

3 32. During the time period relevant to this action, Defendants violated the Labor Code and
4 IWC Wage Order No. 16-2001 by failing to provide meal periods to Plaintiff and Class Members or
5 compensation in lieu thereof when working more than five (5) hours in a day and a second timely,
6 uninterrupted meal period when working more than ten (10) hours in a day.

7 33. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should
8 have known that Plaintiff and Class Members were entitled to receive all rest periods, as permitted by
9 the Labor Code and IWC Wage Order No. 16-2001, or payment of one (1) additional hour of pay at their
10 respective regular rate of pay when they were not provided with full and complete rest periods.

11 34. During the time period relevant to this action, Defendants violated the Labor Code and
12 IWC Wage Order No. 16-2001 by failing to provide rest periods to Plaintiff and Class Members or
13 compensation in lieu thereof.

14 35. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should
15 have known that Plaintiff and Class Members were entitled to timely payment of wages during their
16 employment.

17 36. As a result of Defendants' failure to pay all minimum wages, regular wages, and overtime
18 and double time wages, and premium payments for non-compliant meal and rest periods to Plaintiff and
19 Class Members throughout their employment, as described herein, Defendants also violated the Labor
20 Code because they failed to pay Plaintiff and Class Members all wages due and owing to them during
21 their employment within the permissible time periods.

22 37. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should
23 have known that Plaintiff and the Waiting Time Subclass Members were entitled to timely payment of
24 wages upon separation of employment.

25 38. As a result of Defendants' failure to pay all minimum wages, regular wages, overtime and
26 double time wages, and premium payments for non-compliant meal and rest periods to Plaintiff and
27 Waiting Time Subclass Members throughout their employment, as described herein, Defendants also
28

1 violated the Labor Code as a result of their failure to pay the Waiting Time Subclass Members all wages
2 due and owing to them upon termination or resignation.

3 39. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should
4 have known that Plaintiff and Class Members were entitled to receive complete and accurate wage
5 statements as required by California law.

6 40. During the time period relevant to this action, Defendants failed to furnish Plaintiff and
7 Class Members with complete and accurate wage statements showing their total hours worked, number
8 of hours worked at each hourly rate and gross and net wages, among other things, in violation of the
9 Labor Code.

10 41. Defendants unlawfully deducted wages from employees, including Plaintiff and Class
11 Members, without written authorization to do so. For example, Defendants regularly provided employees
12 with payroll advances but did not enter into any type of written agreement with employees as to how to
13 they would repay these advances. Instead, Defendants made unauthorized deductions from employees'
14 earned wages at their discretion to repay the cash advances.

15 42. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should
16 have known that making unauthorized deductions to its employees' earned wages was unlawful and
17 amounted to the secret payment of a lower wage.

18 43. Plaintiff and Class Members incurred necessary business-related expenses and costs that
19 were not fully reimbursed by Defendants, including but not limited to reimbursement for the mileage
20 they incurred in commuting to job sites all over Southern California, as well as tools and equipment
21 purchased without reimbursement.

22 44. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should
23 have known that Plaintiff and Class Members were entitled to receive reimbursement for these business-
24 related expenses under California law.

25 45. Plaintiff is informed and believes, and thereon alleges, that at all times mentioned herein,
26 Defendants knew or should have known that they had a duty to compensate Plaintiff and Class Members
27 as required by law, and that Defendants had the financial ability to pay such compensation but willfully,
28 knowingly and intentionally failed to do so, all in order to increase Defendants' profits.

46. Therefore, Plaintiff brings this lawsuit against Defendants seeking monetary, declaratory, and injunctive relief on behalf of themselves and all Class Members to recover, among other things, unpaid wages, interest, attorneys' fees, penalties, costs and expenses.

FIRST CAUSE OF ACTION

FAILURE TO PAY WAGES FOR ALL HOURS WORKED

(Against All Defendants)

47. Plaintiff incorporates by reference and re-alleges each and every one of the allegations contained in this Complaint as if fully set forth herein.

48. Wage Order No. 16-2001, Section 2, subdivision (J) 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.”

49. Pursuant to Section 4 of Wage Order No. 16-2001, every employer is required to pay each employee at least minimum wage for all hours worked.

50. At all relevant times, Labor Code sections 1194 and 1197 provide that the minimum wage fixed by the IWC is the minimum wage to be paid to employees, and the payment of a wage less than the minimum so fixed is unlawful.

51. During the relevant time period, Defendants failed to pay minimum wage to Plaintiff and Class Members for all hours worked, in violation of Labor Code sections 1194 and 1197.

52. As a result of Defendants' failure to pay Plaintiff and Class Members the minimum wage as required by Labor Code sections 1194 and 1197, Plaintiff and Class Members are entitled to recover the unpaid balance of their minimum wage compensation as well as costs, attorneys' fees, liquidated damages in an amount equal to the wages unlawfully unpaid, and interest thereon.

53. Plaintiff further requests a declaration from the Court adjudging and decreeing that Defendants violated the Labor Code by failing to compensate Plaintiff and Class Members for all hours worked at a rate no less than the legal minimum wage.

SECOND CAUSE OF ACTION

FAILURE TO PAY OVERTIME AND DOUBLE TIME

(Against All Defendants)

1 54. Plaintiff incorporates by reference and re-alleges each and every one of the allegations
2 contained in this Complaint as if fully set forth herein.

3 55. Labor Code section 510 and IWC Wage Order No. 16-2001 provide that it is unlawful to
4 employ persons without compensating them at a rate of pay either one and one-half (1½) times or two
5 (2) times the employee's regular rate of pay, depending on the number of hours worked by the person on
6 a daily or weekly basis.

7 56. Pursuant to Labor Code section 510 and IWC Wage Order No. 16-2001, Defendants were
8 required to pay Plaintiff and Class Members one and one-half (1½) times their regular rate of pay when
9 working more than eight (8) hours in a day or more than forty (40) hours in a workweek and for the first
10 eight (8) hours worked on the seventh day of work in any one workweek.

11 57. Also pursuant to Labor Code section 510 and IWC Wage Order No. 16-2001, Defendants
12 were required to pay Plaintiff and Class Members two (2) times their regular rate of pay for all hours
13 worked in excess of twelve (12) hours in a day and for any hours worked in excess of eight (8) hours on
14 the seventh day of work in any one workweek.

15 58. At all times relevant to this action, Plaintiff and Class Members regularly worked in excess
16 of eight (8) hours in a day, in excess of forty (40) hours in a week, and/or on the seventh consecutive day
17 in a workweek, entitling them to pay at the overtime rate of one and one-half (1½) times their regular
18 rate of pay.

19 59. At all times relevant to this action, Plaintiff and Class Members would also work in excess
20 of twelve (12) hours in a day and/or in excess of eight (8) hours in a day on the seventh consecutive day
21 in a workweek, entitling them to pay at the double time rate of two (2) times their regular rate of pay.

22 60. During the relevant time period, Defendants intentionally and willfully failed to pay
23 overtime and double time wages owed to Plaintiff and Class Members.

24 61. Defendants' failure to pay Plaintiff and Class Members the unpaid balance of overtime
25 and double time compensation violates, at a minimum, Labor Code sections 510 and 1198, as well as
26 IWC Wage Order No. 16-2001, and is therefore unlawful.

27 62. As a result of Defendants' failure to pay overtime and double time wages as required by
28 law, Plaintiff and Class Members are entitled to recover the unpaid balance of their overtime and double

1 time wage compensation as well as costs, attorneys' fees, liquidated damages in an amount equal to the
2 wages unlawfully unpaid, and interest thereon.

3 63. Plaintiff further requests a declaration from the Court adjudging and decreeing that
4 Defendants violated the Labor Code by failing to compensate Plaintiff and Class Members at the proper
5 overtime and double time rates when Plaintiff and Class Members worked the amount of hours and/or
6 days to trigger these rates.

7 **THIRD CAUSE OF ACTION**

8 **FAILURE TO PROVIDE COMPLIANT MEAL PERIODS**

9 **(Against All Defendants)**

10 64. Plaintiff incorporates by reference and re-alleges each and every one of the allegations
11 contained in this Complaint as if fully set forth herein.

12 65. At all times relevant to this action, IWC Wage Order No. 16-2001 and Labor Code
13 sections 226.7 and 512, subdivision (a) were in full force and effect.

14 66. Labor Code sections 226.7 and 512, subdivision (a) provide that no employer shall require
15 an employee to work during any meal period mandated by an IWC Wage Order.

16 67. IWC Wage Order No. 16-2001 and Labor Code section 512, subdivision (a) provide that
17 an employer may not require, cause or permit an employee to work for a work period of more than five
18 (5) hours per day without providing the employee with a meal period of not less than thirty (30) minutes,
19 except that if the total work period per day of the employee is no more than six (6) hours, the meal period
20 may be waived by mutual consent of both the employer and employee.

21 68. IWC Wage Order No. 16-2001 and Labor Code section 512, subdivision (a) further
22 provide that an employer may not require, cause or permit an employee to work for a work period of
23 more than ten (10) hours per day without providing the employee with a second uninterrupted meal period
24 of not less than thirty (30) minutes, except that if the total hours worked is no more than twelve (12)
25 hours, the second meal period may be waived by mutual consent of the employer and the employee only
26 if the first meal period was not waived.

69. During the relevant time period, Plaintiff and Class Members were scheduled to work, and did work, for periods of time in excess of five (5) and six (6) hours without an uninterrupted meal period of not less than thirty (30) minutes that started before the end of the fifth hour of work.

70. During the relevant time period, Plaintiff and Class Members were scheduled to work, and did work, for periods of time in excess of ten (10) and twelve (12) hours without an uninterrupted second meal period of not less than thirty (30) minutes that started before the end of the tenth hour of work.

71. During the relevant time period, Defendants failed to pay Plaintiff and Class Members a meal period premium payment at their regular rate of pay on any day that they did not receive a full, complete, and timely meal period as required by law, in violation of IWC Wage Order No. 16-2001 and Labor Code sections 226.7 and 512, subdivision (a).

72. As a result of Defendants' failure to provide legally compliant meal periods or compensation in lieu thereof, Plaintiff and Class Members are entitled to recover from Defendants one additional hour of pay at their regular rate for each workday that a meal period was not provided, as well as interest, costs, and attorneys' fees.

73. Plaintiff further requests a declaration from the Court adjudging and decreeing that Defendants violated the Labor Code by failing to provide meal periods or compensation in lieu thereof to Plaintiff and Class Members.

FOURTH CAUSE OF ACTION

FAILURE TO PROVIDE REST PERIODS

(Against All Defendants)

74. Plaintiff incorporates by reference and re-alleges each and every one of the allegations contained in this Complaint as if fully set forth herein.

75. At all times relevant to this action, IWC Wage Order No. 16-2001 and Labor Code sections 226.7 were in full force and effect.

76. IWC Wage Order No. 16-2001 provides, with respect to rest periods, that “[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall

1 be in the middle of each work period. The authorized rest period time shall be based on the total hours
2 worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof.”

3 77. Labor Code section 226.7 provides that no employer shall require an employee to work
4 during any rest period mandated by an IWC Wage Order.

5 78. During the time period relevant to this action, Defendants required Plaintiff and Class
6 Members to work three and one-half (3 ½) or more hours without authorizing or permitting a ten (10)
7 minute rest period for each four (4) hour period worked or major fraction thereof.

8 79. During the relevant time period, Defendants failed to pay Plaintiff and Class Members a
9 rest period premium payment at their regular rate of pay on any day that they did not receive at least one
10 rest period, as required by law, in violation of IWC Wage Order No. 16-2001 and Labor Code sections
11 226.7.

12 80. As a result of Defendants’ failure to provide rest periods or compensation in lieu thereof,
13 Plaintiff and Class Members are entitled to recover from Defendants one additional hour of pay at their
14 regular rate for each workday that at least one rest period was not provided, as well as interest, costs, and
15 attorneys’ fees.

16 81. Plaintiff further requests a declaration from the Court adjudging and decreeing that
17 Defendants violated the Labor Code by failing to provide rest periods or compensation in lieu thereof to
18 Plaintiff and Class Members.

19 **FIFTH CAUSE OF ACTION**

20 **FAILURE TO PAY WAGES TIMELY DURING EMPLOYMENT**

21 **(Against All Defendants)**

22 82. Plaintiff incorporates by reference and re-alleges each and every one of the allegations
23 contained in this Complaint as if fully set forth herein.

24 83. At all times relevant to this action, Labor Code sections 204 and 210 were in full force
25 and effect.

26 84. Labor Code section 204 requires employers to pay “all wages . . . earned by any person in
27 any employment” at least “twice during each calendar month.”
28

1 85. Furthermore, Labor Code section 210, subdivision (a), allows an employee to recover
2 statutory penalties from “every person who fails to pay the wages of each employee” as required by Labor
3 Code section 204 as follows:

- 4 (1) For any initial violation, one hundred dollars (\$100) for each failure to pay each
5 employee; and
6 (2) For each subsequent violation, or any willful or intentional violation, two hundred
7 dollars (\$200) for each failure to pay each employee, plus 25 percent of the amount
8 unlawfully withheld.

9 86. During the time period relevant to this action, Defendants intentionally and willfully failed
10 to pay Plaintiff and Class Members all wages due to them within any permissible time period under Labor
11 Code section 204.

12 87. As a result of Defendants’ failure to timely pay Plaintiff and Class Members during their
13 employment, Plaintiff and Class Members are able to recover statutory penalties, as permitted by law.

14 88. Plaintiff further requests a declaration from the Court adjudging and decreeing that
15 Defendants violated the Labor Code by failing to pay Plaintiff and Class Members all wages due and
16 owing to them timely throughout their employment.

17 **SIXTH CAUSE OF ACTION**

18 **WAITING TIME PENALTIES**

19 **(Against All Defendants)**

20 89. Plaintiff incorporates by reference and re-alleges each and every one of the allegations
21 contained in this Complaint as if fully set forth herein.

22 90. At all times relevant to this action, Labor Code sections 201 through 203 were in full force
23 and effect.

24 91. Labor Code sections 201 and 202 provide that if an employer discharges an employee, the
25 wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee
26 quits his or her employment, his or her wages shall become due and payable not later than seventy-two
27 (72) hours thereafter.

92. In addition, Labor Code section 203 provides that if an employer willfully fails to pay wages owed as required by Sections 201 and 202, then the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

93. During the relevant time period, Defendants intentionally and willfully failed to pay Plaintiff and the Waiting Time Subclass Members their earned and unpaid wages within seventy-two (72) hours of resignation or immediately upon termination.

94. Defendants' failure to pay Plaintiff and Waiting Time Subclass Members their earned and unpaid wages within seventy-two (72) hours resignation or immediately upon termination violates Labor Code sections 201 and 202.

95. As a result of Defendants' failure to pay Plaintiff and Waiting Time Subclass Members timely upon discharge, Plaintiff and Waiting Time Subclass Members are entitled to recover from Defendants the statutory penalty wages for each day they were not paid, up to a thirty (30) day maximum, pursuant to Labor Code section 203.

96. Plaintiff further requests a declaration from the Court adjudging and decreeing that Defendants violated the Labor Code by failing to pay Plaintiff and Class Members all wages due and owing to them timely upon resignation or termination of their employment.

SEVENTH CAUSE OF ACTION

FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

(Against All Defendants)

97. Plaintiff incorporates by reference and re-alleges each and every one of the allegations contained in this Complaint as if fully set forth herein.

98. At all times relevant to this action, Labor Code section 226 was in full force and effect.

99. Labor Code section 226, subdivision (a) provides that every employer shall furnish each of his or her employees an accurate itemized statement in writing showing: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned,

1 (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and
2 his or her social security number, (8) the name and address of the legal entity that is the employer, and
3 (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours
4 worked at each hourly rate by the employee. The deductions made from payments of wages shall be
5 recorded in ink or other indelible form, properly dated, showing the month, day, and year, and a copy of
6 the statement or a record of the deductions shall be kept on file by the employer for at least three years at
7 the place of employment or at a central location within the State of California.

8 100. Defendants have intentionally and willfully failed to provide Plaintiff and Class Members
9 with complete and accurate wage statements. The deficiencies include, but are not limited to the failure
10 to include: (1) the correct amount of gross wages earned by Plaintiff and Class Members; (2) the correct
11 amount of total hours worked by Plaintiff and Class Members; (3) the correct amount of net wages earned
12 by Plaintiff and Class Members; and (4) all applicable hourly rates in effect and the correct corresponding
13 number of hours worked at each hourly rate by Plaintiff and Class Members.

14 101. As a result of Defendants' violations of Labor Code section 226, subdivision (a), Plaintiff
15 and Class Members have suffered injury and damage to their statutorily protected rights. More
16 specifically, Plaintiff and Class Members have been injured by Defendants' intentional violation of Labor
17 Code section 226, subdivision (a) because they were denied both their legal right to receive, and their
18 protected interest in receiving, accurate itemized wage statements. In addition, because Defendants failed
19 to provide the correct hours worked and rates of pay on wage statements, Defendants have made it
20 difficult for Plaintiff and Class Members to determine the extent of the underpayments made by
21 Defendants, thereby causing Plaintiff to incur expenses and lost time in order to calculate these amounts.
22 Plaintiff would not have had to engage in these efforts and incur costs if had Defendants provided the
23 accurate number of hours worked and rates of pay on the wage statements provided to Plaintiff and Class
24 Members.

25 102. Defendants' violations of Labor Code section 226, subdivision (a) were intentional and
26 willful. Defendants' violations of Section 226(a) prevented Plaintiff and Class Members from knowing,
27 understanding and disputing the wages paid to them, and resulted in an unjustified economic enrichment
28 to Defendants.

1 103. Plaintiff and Class Members are entitled to recover from Defendants the greater of their
2 actual damages caused by Defendants' failure to comply with Labor Code section 226, subdivision (a),
3 or an aggregate penalty not exceeding four thousand dollars per employee, as well as interest, costs, and
4 attorneys' fees.

5 104. Plaintiff and Class Members are also entitled to injunctive relief to ensure compliance
6 with this Section, pursuant to Labor Code section 226, subdivision (h).

7 105. Plaintiff further requests a declaration from the Court adjudging and decreeing that
8 Defendants violated the Labor Code by failing to provide Plaintiff and Class Members with accurate,
9 itemized wage statements during their employment.

10 **EIGHTH CAUSE OF ACTION**
11 **UNLAWFUL DEDUCTION OF WAGES**
12 **(Against All Defendants)**

13 106. Plaintiff incorporates by reference and re-alleges each and every one of the allegations
14 contained in this Complaint as if fully set forth herein.

15 107. Labor Code section 221 states that it is "unlawful for any employer to collect or receive
16 from an employee any part of wages theretofore paid by said employer to said employee." *See also* Lab.
17 Code § 222.

18 108. "The provisions of Sections 221 [and] 222 . . . shall in no way make it unlawful for an
19 employer to withhold or divert any portion of an employee's wages when the employer is required or
20 empowered so to do by state or federal law or when a deduction is expressly authorized in writing by the
21 employee to cover insurance premiums, hospital or medical dues, or other deductions not amounting to
22 a rebate or deduction from the standard wage arrived at by collective bargaining or pursuant to wage
23 agreement or statute, or when a deduction to cover health and welfare or pension plan contributions is
24 expressly authorized by a collective bargaining or wage agreement." Lab. Code § 224.

25 109. Notwithstanding Sections 221 and 222, Defendants unlawfully deducted wages from
26 employees, including Plaintiff and Class Members, without written authorization to do so. Defendants
27 regularly provided employees with payroll advances but did not enter into any type of written agreement
28 with employees as to how to they would repay these advances. Instead, Defendants made unauthorized

1 deductions from employees' earned wages at their discretion as repayment for the cash advances provided
2 to employees.

3 110. As a result of these violations of Section 221 and 222, and Defendants' failure to pay
4 Plaintiff and Class Members the entire amounts of their earned wages, Plaintiff and Class Members are
5 entitled to recover the wages that were unlawfully deducted from their pay, as well as costs, attorneys'
6 fees, and interest thereon, pursuant to Labor Code section 218.5.

7 111. Plaintiff further requests a declaration from the Court adjudging and decreeing that
8 Defendants violated the Labor Code by unlawfully deducting wages from Plaintiff and Class Members
9 without their written authorization to do so.

10 **NINTH CAUSE OF ACTION**

11 **SECRET PAYMENT OF A LOWER WAGE**

12 **(Against All Defendants)**

13 112. Plaintiff incorporates by reference and re-alleges each and every one of the allegations
14 contained in this Complaint as if fully set forth herein.

15 113. Labor Code section 223 states that "[w]here any statute or contract requires an employer
16 to maintain the designated wage scale, it shall be unlawful to secretly pay a lower wage while purporting
17 to pay the wage designated status by contract."

18 114. "The provisions of Section[] . . . 223 shall in no way make it unlawful for an employer to
19 withhold or divert any portion of an employee's wages when the employer is required or empowered so
20 to do by state or federal law or when a deduction is expressly authorized in writing by the employee to
21 cover insurance premiums, hospital or medical dues, or other deductions not amounting to a rebate or
22 deduction from the standard wage arrived at by collective bargaining or pursuant to wage agreement or
23 statute, or when a deduction to cover health and welfare or pension plan contributions is expressly
24 authorized by a collective bargaining or wage agreement." Lab. Code § 224.

25 115. As stated above, Defendants unlawfully deducted wages from employees, including
26 Plaintiff and other Class Members, without written authorization to do so. Defendants regularly provided
27 employees with payroll advances but did not enter into any type of written agreement with employees as
28

1 to how to they would repay these advances. Instead, Defendants made unauthorized deductions from
2 employees' earned wages at their discretion as repayment for the cash advances provided to employees.

3 116. Thus, Defendants also violated section 223 through these deductions by secretly paying a
4 lower wage to employees while purporting to pay the wage designated by contract.

5 117. As a result of Defendants' policy and practice, which violates Labor Code section 223,
6 Plaintiff and Class Members are entitled to recover the wages that were unlawfully deducted from their
7 pay, as well as costs, attorneys' fees, and interest thereon, pursuant to Labor Code section 218.5.

8 118. Plaintiff further requests a declaration from the Court adjudging and decreeing that
9 Defendants violated the Labor Code by unlawfully deducting wages from Plaintiff and Class Members
10 without their written authorization to do so.

11 **TENTH CAUSE OF ACTION**

12 **FAILURE TO REIMBURSE NECESSARY BUSINESS EXPENSES**

13 **(Against All Defendants)**

14 119. Plaintiff incorporates by reference and re-alleges each and every one of the allegations
15 contained in this Complaint as if fully set forth herein.

16 120. Pursuant to California Labor Code sections 2800 and 2802, an employer must reimburse
17 its employees for all necessary expenditures incurred by the employee in direct consequence of the
18 discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the
19 employer.

20 121. Plaintiff and Class Members incurred necessary business-related expenses and costs that
21 were not fully reimbursed by Defendants, including but not limited to reimbursement for the mileage
22 they incurred in commuting to job sites all over Southern California and supplying their own tools and
23 equipment.

24 122. Defendants were aware of the business-related expenses that Plaintiff and Class Members
25 incurred during their employment and have intentionally and willfully failed to reimburse Plaintiff and
26 Class Members for these expenses.

123. Thus, Plaintiff and Class Members are entitled to recover from Defendants their business-related expenses, as well as the costs they incurred to obtain reimbursement, including attorneys' fees and interest.

124. Plaintiff further requests a declaration from the Court adjudging and decreeing that Defendants violated the Labor Code by failing to reimburse Plaintiff and Class Members for business expenses, as required by Labor Code sections 2800 and 2802.

ELEVENTH CAUSE OF ACTION

UNFAIR AND UNLAWFUL BUSINESS PRACTICES

(Against All Defendants)

125. Plaintiff incorporates by reference and re-alleges each and every one of the allegations contained in this Complaint as if fully set forth herein.

126. Business and Professions Code sections 17200, *et seq.*, prohibit acts of unfair competition, which includes any “unlawful, unfair or fraudulent business act or practice”

127. A violation of Business & Professions Code section 17200, *et seq.* may be predicated on the violation of any state or federal law.

128. In this case, Defendants' policies and practices described herein constitute violations of the Labor Code and IWC Wage Order No. 16-2001, causing injury to Plaintiffs and Class Members. Defendants systematically engaged in unlawful conduct, including but not limited to: (1) failing to compensate Plaintiff and Class Members at least the minimum wage for all hours worked; (2) failing to pay the required overtime and double time rates when Plaintiff and Class Members worked the amount of hours and/or days to trigger these rates; (3) failing to provide Plaintiff and Class Members with legally compliant meal periods; (4) failing to provide Plaintiff and Class Members with proper rest periods; (5) failing to pay Plaintiff and Class Members timely throughout their employment; (6) failing to pay Plaintiff and Waiting Time Subclass Members all wages due upon termination or resignation; (7) failing to provide Paid Sick Days and/or Supplemental Covid-19 Paid Sick Leave to Plaintiff and Class Members, as required by the Labor Code; and (8) failing to provide accurate, itemized wage statements to Plaintiff and Class Members.

129. At all times relevant herein, Defendants intentionally avoided compensating Plaintiff and Class Members for their work, as required by law, thereby creating an artificially lower cost of doing business for Defendants in order to undercut their competitors and establish and/or gain a greater foothold in the marketplace.

130. Defendants' violations of the Labor Code and IWC Wage Order No. 16-2001 and their scheme to lower their payroll costs, as alleged herein, constitute unlawful business practices because they were done in a systematic manner over a period of time to the detriment of Plaintiff and Class Members.

131. Plaintiff and Class Members have been personally injured by Defendants' unlawful business acts and practices, including but not necessarily limited to the loss of wages, money and/or property.

132. Pursuant to Business & Professions Code sections 17200, *et seq.*, Plaintiff and Class Members are entitled to injunctive relief, disgorgement of profits, and restitution of the wages withheld and retained by Defendants during a period that commences four years preceding the filing of this Complaint, all in an amount to be shown according to proof at trial.

133. In addition, Plaintiff seeks to enforce important rights affecting the public interest within the meaning of Code of Civil Procedure section 1021.5. Given Defendants' conduct as alleged herein, Plaintiff and Class Members are entitled to an award of attorneys' fees and costs pursuant to Code of Civil Procedure section 1021.5.

TWELVEVTH CAUSE OF ACTION

VIOLATION OF THE PRIVATE ATTORNEYS GENERAL ACT

(Against All Defendants)

134. Plaintiff incorporates by reference and re-alleges each and every one of the allegations contained in this Complaint as if fully set forth herein..

135. Plaintiff has met all the jurisdictional requirements for proceeding with his cause of action under the Private Attorneys General Act of 2004, Labor Code section 2698, *et seq.* (“PAGA”).

136. On February 1, 2024, Plaintiff provided notice of Defendants’ violations of the Labor Code to both the California Labor & Workforce Development Agency (“LWDA”) and Defendants by certified mail.

137. On January 23, 2026, Plaintiff provided an amended notice of Defendants violations of the Labor Code both to the LWDA and Defendants, which included additional allegations concerning Defendants' violations of Labor Code sections 221, 222, 223, and 224.

138. PAGA permits an aggrieved employee to recover civil penalties for violations of the Labor Code. Plaintiff is an “aggrieved employee,” as that term is defined under Labor Code section 2699, subdivision (c), as Plaintiff was employed by Defendants and suffered one or more of the Labor Code violations set forth herein. Accordingly, Plaintiff seeks to recover on behalf of the State of California, and all Aggrieved Employees, the civil penalties provided by PAGA, plus reasonable attorneys’ fees and costs. Plaintiff has standing to bring a PAGA cause of action on behalf of the State and all Aggrieved Employees, as Plaintiff was employed by Defendants and is thereby affected by one or more of the alleged violations. *See Huff v. Securitas Security Services USA, Inc.* (2018) 23 Cal.App.5th 745, 757. A PAGA plaintiff has authority to seek penalties for all known violations committed by the employer regardless of whether Plaintiff experienced all violations personally.

Failure to Provide Personnel Records

139. Labor Code section 226 requires an employer to furnish to employees and keep accurate, itemized wage statements with specific information related to the payment of an employee’s wages. In addition, Labor Code section 432 requires an employer to provide a copy of “any instrument relating to the obtaining or holding of employment” that an employee signed upon request of the employee. Similarly, Labor Code section 1198.5 provides that an employee has the right to receive a copy of “the personnel records that the employer maintains relating to the employee’s performance or to any grievance concerning the employee” within “30 calendar days” from the date the employer receives the request.

140. On July 11, 2023, Shirin Forootan, Esq. of Forootan Law mailed a letter to EMPIRE seeking specific records relating to Plaintiff's employment. EMPIRE was obligated to timely produce these records upon Plaintiff's request pursuant to Labor Code sections 226, 432, and 1198.5.

141. As of August 12, 2023, it has been 30 days since all records requests have been delivered. On August 10, 2023, EMPIRE mailed Forootan Law some of the employment records it was legally required to produce pertaining to Plaintiff. However, EMPIRE failed to provide Plaintiff's wage

1 statements altogether and failed to provide Plaintiff's time records prior to May 2021, even though
2 Plaintiff worked for Defendants since 2015.

3 142. Defendants' failure to provide all the employment records to which Plaintiff was entitled
4 under Labor Code sections 226, 432, and 1198.5 upon his request constitutes violations of these Sections,
5 which are actionable under PAGA. Thus, Plaintiff is an Aggrieved Employee and has standing to seek
6 civil penalties for Defendants' violations of the Labor Code as discussed herein.

7 **Failure to Keep Accurate Records**

8 143. Labor Code section 1174 requires employers to keep "accurate and complete" payroll
9 records showing, among other things, the hours worked daily by all non-exempt employees. All
10 applicable IWC Wage Orders similarly require employers to keep time records reflecting the times during
11 which all owed meal periods were provided each day.

12 144. At all relevant times, Defendants failed, and continue to fail, to keep accurate and
13 complete records as required by law, including but not limited to the following records: total daily hours
14 worked, applicable rates of pay, time records showing when Plaintiff and other Aggrieved Employees
15 began and ended each work period, time records of meal periods, and accurate itemized wage statements.

16 145. Defendants' failure to keep "accurate and complete" payroll records for Plaintiff and other
17 Aggrieved Employees violates Labor Code sections 1174, 1198, 1199, and all IWC Wage Orders. These
18 violations subject Defendants to civil penalties under Labor Code sections 558.1, 226.6, 1174.5 and 2699.
19 Each violation of Labor Code sections and IWC Wage Orders results in a separate civil penalty, for each
20 Aggrieved Employee for each pay period during which the referenced statutes and Wage Order
21 provisions were violated.

22 **Meal Period Violations**

23 146. California law requires employers to provide employees, a duty-free, uninterrupted thirty-
24 minute meal period when an employee works more than five hours in a workday, and it must be provided
25 within the first five hours the employee works. *See* Lab. Code § 512 (and all applicable IWC Wage
26 Orders); *Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004.

1 154. Labor Code section 226.7 and all applicable IWC Wage Orders require an employer to
2 authorize or permit an employee to take a rest period of ten net minutes for every four hours worked or
3 major fraction thereof. Such rest periods must be in the middle of the four-hour period “insofar as
4 practicable.” In *Brinker v. Restaurant Corp.* v. *Superior Court* (2012) 53 Cal. 4th 1004, the California
5 Supreme Court held that employees are entitled to a 10-minute paid rest period for shifts from 3 ½ to 6
6 hours in a length, two 10-minute rest periods for shifts more than 6 hours up to 10 hours, and three 10-
7 minute rest periods for shifts of more than 10 hours up to 14 hours. The rest period requirement obligates
8 employers to permit and authorize employees to take off-duty rest periods, meaning employers must
9 relieve employees of all duties and relinquish control over how employees spend their time. *Augustus v.*
10 *ABM Security Services, Inc.* (2016) 5 Cal. 5th 257. If the employer fails to provide any required rest
11 period, the employer must pay the employee one hour of pay at the employee’s regular rate of
12 compensation for each workday the employer did not provide at least one legally required rest period,
13 pursuant to Labor Code section 226.7, and the applicable IWC Wage Orders.

14 155. Moreover, under California law, rest periods must be a “net” ten minutes in a suitable rest
15 area. The employer must show that it clearly articulates the right to a net ten minutes, which means it
16 must clearly communicate what “net” ten minutes means (i.e., regardless of what happens along the way
17 to and from a rest area, employees are entitled to a full ten minutes of rest in the rest area). *See Bujil v.*
18 *Dollar Fin. Grp., Inc.* (2008) 162 Cal. App. 4th 1193, 1199 (the “onus is on the employer to clearly
19 communicate the authorization and permission [to take rest periods] to its employees.”).

20 156. Plaintiff and/or the Aggrieved Employees did not receive legally compliant, timely 10-
21 minute rest periods for every four hours worked or major fraction thereof. Plaintiff is informed and
22 believes that many purported rest periods were late, interrupted, cut short, on duty, and/or otherwise
23 subject to Defendants’ control due to the nature and constraints of Aggrieved Employees’ job duties.

24 157. Based on information and belief, Plaintiff and Aggrieved Employees were pressured to
25 complete their work duties such that rest periods were only taken once tasks were completed and/or as
26 time permitted. As a result, Plaintiff and Aggrieved Employees did not receive legally compliant first,
27 second, or third rest periods as required by California law.

1 **Business Expense Violations**

2 166. California law requires employers to indemnify their employees for all necessary
3 expenditures incurred by the employee in direct consequence of the discharge of their duties or of their
4 obedience to the directions of the employer. *See* Lab. Code § 2802. Furthermore, “for purposes of
5 [Section 2802], the term ‘necessary expenditure or losses’ shall include all reasonable costs, including,
6 but not limited to, attorney’s fees incurred by the employee enforcing the rights granted by this section.”
7 Lab. Code § 2802.

8 167. Plaintiff and the Aggrieved Employees were improperly required to pay for business
9 expenses that are legally the responsibility of the employer. Specifically, Plaintiff and Aggrieved
10 Employees drove their own vehicles to job sites in multiple counties throughout California, but
11 Defendants failed to reimburse them for their mileage. Plaintiff and Aggrieved Employees also purchased
12 their own tools and equipment on occasion, which they used to complete their grading and demolition
13 duties, but Defendants did not reimburse them for these expenses.

14 168. Despite being aware of these business expenses, Defendants failed to provide Plaintiff and
15 the Aggrieved Employees with full reimbursement for their reasonable expenses associated with carrying
16 out their duties, which required Plaintiff and Aggrieved Employees to subsidize and/or carry the burden
17 of Defendants’ operating expenses instead of Defendants.

18 169. Defendants’ conduct violated of Labor Code section 2802, and Plaintiff and other
19 Aggrieved Employees have suffered injury in that they were not completely reimbursed for their work-
20 related expenses.

21 170. Plaintiff and Aggrieved Employees are therefore entitled to civil penalties pursuant to
22 PAGA as a result of Defendants’ violations of Labor Code section 2802 and the applicable IWC Wage
23 Orders.

24 **Wage Statement Violations**

25 171. California law requires every employer semi-monthly or at the time of each payment of
26 wages to furnish its employees with an accurate itemized wage statement in writing that contains the
27 following:(1) gross wages earned; (2) total hours worked by the employee; (3) the number of piece-rate
28 units earned and any applicable piece rate if the employee is paid on a piece-rate basis; (4) all deductions;

1 (5) net wages earned; (6) the inclusive dates of the period for which the employee is paid; (7) the name
2 of the employee and only the last four digits of his or her social security number or an employee
3 identification number other than a social security number; (8) the name and address of the legal entity
4 that is the employer; and (9) all applicable hourly rates in effect during the pay period and the
5 corresponding number of hours worked at each hourly rate. Lab. Code § 226.

6 172. Given the Labor Code violations described herein, the wage statements that Defendants
7 issued to Plaintiff and other Aggrieved Employees failed and continue to fail to correctly set forth (a) the
8 gross wages earned, in violation of Labor Code section 226(a)(1); (b) the total hours worked by the
9 employee, in violation of Labor Code section 226(a)(2); (c) the net wages earned, in violation of Labor
10 Code section 226(a)(5); and (d) all applicable hourly rates in effect during the pay period and the
11 corresponding number of hours worked at each hourly rate by the employee, in violation of Labor Code
12 section 226(a)(9).

13 173. Defendants' failure to list all hours worked by Plaintiff and Aggrieved Employees on a
14 wage statement results in a violation of Labor Code section 226(a). *See Maldonado v. Epsilon Plastics,*
15 *Inc.* (2018) 22 CalApp.5th 1308, 1337.

16 174. Furthermore, Defendants' failure to accurately list all hours worked on all wage
17 statements caused confusion to Plaintiff and caused and continues to cause confusion to other Aggrieved
18 Employees as to whether they received all wages owed to them.

19 175. As a result, Plaintiff and other Aggrieved Employees have suffered injury as they could
20 not easily determine whether they received all wages owed to them and whether they were paid for all
21 hours worked. The absence of accurate information on their wage statements has prevented earlier
22 challenges to Defendants' unlawful pay practices, will require discovery and mathematical computations
23 to determine the amount of wages owed, and will cause difficulty and expense in attempting to
24 reconstruct time and pay records.

25 176. Defendants' unlawful conduct has also led to the submission of inaccurate information
26 about wages and amounts deducted from wages to state and federal government agencies. As a result,
27 Plaintiff and Aggrieved Employees are required to incur more difficulty and expense from having to
28

1 reconstruct time and pay records in order to recoup their unpaid wages than if Defendants had complied
2 with their legal obligations.

3 177. These violations of Labor Code section 226 subject Defendants to civil penalties under
4 PAGA.

5 **Sick Leave Violations**

6 178. Defendants violated California's paid sick leave laws, including Labor Code sections 246-
7 247.5, because Defendants either failed to provide sick leave pay to Plaintiff and other Aggrieved
8 Employees or failed to properly accrue paid sick leave.

9 179. Defendants further violated California's paid sick leave laws because they failed to give
10 Plaintiff and other Aggrieved Employees notice of their paid sick leave rights and failed to maintain
11 accurate records of accrued and/or used sick leave and the balance of paid sick leave left to the employees,
12 which affected Plaintiff and Aggrieved Employees' ability to use their paid sick leave.

13 180. But for this failure, Plaintiff and other Aggrieved Employees would have used their paid
14 sick leave at least prior to their respective separations.

15 181. Upon information and belief, Defendants failed and continue to fail to comply with Labor
16 Code section 246, *et seq.*, by failing to provide Plaintiff and all Aggrieved Employees with a wage
17 statement or separate writing containing the amount of paid sick leave available at the time that wages
18 are paid.

19 182. Accordingly, Plaintiff seeks all appropriate relief under the PAGA, including but not
20 limited to civil penalties and attorneys' fees.

21 **Untimely Payment of Wages During Employment**

22 183. Labor Code section 204 provides that all wages earned by any person in any employment
23 between the first and fifteenth days, inclusive, of any calendar month, other than those wages due upon
24 termination of an employee, are due and payable between the 16th and 26th day of the month during
25 which the labor was performed.

26 184. Labor Code section 204 further provides that all wages earned by any person in any
27 employment between the sixteenth and the last day, inclusive, of any calendar month, other than those
28

wages due upon termination of an employee, are due and payable between the first and the tenth day of the following month.

185. Furthermore, Labor Code section 210, subdivision (a), allows an employee to recover statutory penalties from “every person who fails to pay the wages of each employee” as required by Labor Code section 204 as follows:

- (1) For any initial violation, one hundred dollars (\$100) for each failure to pay each employee; and
- (2) For each subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld.

186. During the time period relevant to this action, Defendants intentionally and willfully failed to pay Plaintiff and Aggrieved Employees all wages due to them within any permissible time period under Labor Code section 204.

187. As a result of Defendants’ failure to timely pay Plaintiff and Aggrieved Employees during their employment, Plaintiff and Aggrieved Employees are entitled to recover statutory and/or PAGA penalties, as permitted by law.

Untimely Payment of Final Wages

188. Labor Code section 201, subdivision (a) provides, in relevant part, that “[i]f an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately.” Labor Code section 202, subdivision (a) provides, in relevant part, that “[i]f an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.”

189. Pursuant to Labor Code section 203, an employer that willfully fails to pay wages due an employee who is terminated or resigns must pay (in addition to the unpaid wages) a penalty equal to the employee’s daily wages for each day, not exceeding 30 days, that the wages are unpaid.

190. Based on information and belief, Defendants failed and continue to fail to timely pay final wages to Plaintiff and Aggrieved Employees upon separation of employment in violation of Labor Code sections 201-202. Moreover, any final paychecks provided to Plaintiff and/or Aggrieved Employees did

1 not include all wages owed, as they failed to include all owed minimum wages, overtime wages, premium
2 wages, vacation pay, and all owed sick leave and/or paid time off wages at the properly accrued rates.

3 191. As a result, Defendants violated Labor Code sections 201, 202, and 203, and are subject
4 to civil penalties pursuant to PAGA.

5 **Unlawful Deduction of Wages in Violation of Labor Code Sections 221 and 222**

6 192. Labor Code section 221 prohibits any employer from deducting amounts from an
7 employee's earned wages. (*See also* Lab. Code § 222.)

8 193. "The provisions of Sections 221 [and] 222 . . . shall in no way make it unlawful for an
9 employer to withhold or divert any portion of an employee's wages when the employer is required or
10 empowered so to do by state or federal law or when a deduction is expressly authorized in writing by
11 the employee to cover insurance premiums, hospital or medical dues, or other deductions not amounting
12 to a rebate or deduction from the standard wage arrived at by collective bargaining or pursuant to wage
13 agreement or statute, or when a deduction to cover health and welfare or pension plan contributions is
14 expressly authorized by a collective bargaining or wage agreement." Lab. Code § 224.

15 194. "This prohibition reflects California's strong public policy favoring the protection of
16 employees' wages, including amounts earned through commissions on sales. (*Sciborski v. Pacific Bell*
17 *Directory* (2012) 205 Cal.App.4th 1152, 1166.)

18 195. EMPIRE regularly provided employees with payroll advances, but it did not enter into
19 any type of written agreements with employees as to how they would repay the advances. Instead,
20 EMPIRE took it upon itself to make unauthorized deductions from its employees' earned wages in lump
21 sums to repay itself for the cash advances it provided to them.

22 196. Therefore, Defendants have violated Labor Code sections 221 and 222 by unlawfully
23 deducting wages from Plaintiff and Aggrieved Employees, which allows Plaintiff to seek PAGA penalties
24 on behalf of himself and other Aggrieved Employees.

25 **Secret Payment of a Lower Wage in Violation of Labor Code Section 223**

26 197. Labor Code section 223 states, "[w]here any statute or contract requires an employer to
27 maintain the designated wage scale, it shall be unlawful to secretly pay a lower wage while purporting
28 to pay the wage designated by statute or by contract."

198. “The provisions of Section[] . . . 223 shall in no way make it unlawful for an employer to withhold or divert any portion of an employee's wages when the employer is required or empowered so to do by state or federal law or when a deduction is expressly authorized in writing by the employee to cover insurance premiums, hospital or medical dues, or other deductions not amounting to a rebate or deduction from the standard wage arrived at by collective bargaining or pursuant to wage agreement or statute, or when a deduction to cover health and welfare or pension plan contributions is expressly authorized by a collective bargaining or wage agreement.” Lab. Code § 224.

199. Given the above-described unauthorized deductions EMPIRE also violated Labor Code section 223 by secretly paying a lower wage while purporting to pay the wage designated by statute or by contract.

200. As a result of EMPIRE's secret payment of a lower wage to Plaintiff and Aggrieved Employees through its policies and practices, Plaintiff can recover PAGA penalties for all Aggrieved Employees, in addition to his attorney's fees and costs.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, on behalf of himself and all other similarly situated employees, prays for relief and judgment against Defendants as follows:

1. That this action be certified as a class action under Code of Civil Procedure section 382;
2. That Plaintiff be appointed as the representative of the Class;
3. That counsel for Plaintiff be appointed as Class Counsel;
4. For an award of unpaid minimum, regular, overtime and double time wages to Plaintiff and Class Members in an amount to be shown according to proof;
5. For such additional general and special damages as may be appropriate, including but not limited to any owed and unpaid meal and/or rest period premium payments;
6. For an award of statutory damages and/or penalties in an amount to be shown according to proof;
7. For liquidated damages as requested herein;
8. For declaratory relief as requested herein;

- 1 9. For injunctive relief as requested herein;
- 2 10. For restitutionary relief as may be necessary to restore to Plaintiff the money which
- 3 Defendants have acquired, or of which Plaintiff and Class Members have been deprived,
- 4 by means of the unfair and unlawful business practices described herein;
- 5 11. For attorneys' fees and costs;
- 6 12. For pre-judgment interest and post-judgment interest as allowed by law; and
- 7 13. For such further relief as deemed just and proper.
- 8

9 DATED: January 23, 2026

FOROOTAN LAW | SoCal Employment Lawyer, APC

10 

11 By: _____

12 Shirin Forootan, Esq.
13 Livia Espiritu, Esq.
Morgan E. Podruski, Esq.

14 Attorneys for Plaintiff BRIAN MACIAS, individually, and
15 on behalf of others similarly situated

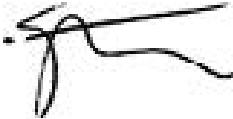
16 **DEMAND FOR JURY TRIAL**

17 Plaintiff hereby demands a jury trial on all issues so triable.

18

19 DATED: January 23, 2026

FOROOTAN LAW | SoCal Employment Lawyer, APC

20 

21 By: _____

22 Shirin Forootan, Esq.
23 Livia Espiritu, Esq.
Morgan E. Podruski, Esq.

24 Attorneys for Plaintiff BRIAN MACIAS, individually, and
25 on behalf of others similarly situated

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