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on behalf of herself and others similarly situated

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SANTA CLARA**

JANE A. BARRETT, an individual, on
behalf of herself and others similarly situated,

Plaintiff,

v.

CALIFORNIA WATER SERVICE GROUP,
a Delaware corporation and DOES 1 through
50, inclusive,

Defendants.

Case No.: 24CV431249

CLASS ACTION

Assigned for All Purposes To:

To: Hon. Charles F. Adams

Department: 7

**DECLARATION OF ENOCH J. KIM IN
SUPPORT OF PLAINTIFF'S MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT AND
RELEASE**

*[Filed concurrently with Notice of Motion;
Memorandum of Points and Authorities; and
Declarations of Jane A. Barrett, Lisa Mullins,
and Jarrett Gorlick]*

Date: September 25, 2025

Time: 1:30 p.m.

Dept.: 7

Original Complaint Filed: February 21, 2024

First Amended Complaint Filed: April 26, 2024

Second Amended Complaint Filed: August 6,
2024

Trial Date: None Set

DECLARATION OF ENOCH J. KIM

I, Enoch J. Kim, declare as follows:

1. I am an attorney licensed and admitted to practice before all courts of the State of California, the United States District Court for the Central, Southern, Eastern, and Northern Districts of California. I am Senior Counsel at D.Law, Inc. and counsel for Plaintiff Jane A. Barrett (“Plaintiff”), on behalf of herself and all other similarly situated employees of Defendant California Water Service Group (“Defendant” or “Cal Water”).

2. All of the matters set forth herein are within my personal knowledge. I submit this Declaration in support of Plaintiff’s Motion for Preliminary Approval of Class Action Settlement and Release (“Motion”). A copy of the Class Action Settlement and Release (“Settlement Agreement”) is attached as **Exhibit 1** hereto, with the Notice of Class and PAGA Action Settlement (“Class Notice”) (attached as **Exhibit A** to the Settlement Agreement).

Procedural History

3. On February 21, 2024, Plaintiff Jane A. Barrett commenced a putative class action by filing a Complaint alleging causes of action against Defendant for: (1) failure to pay minimum wages in violation of Labor Code §§ 1194, 1197; (2) failure to pay all wages and overtime owed in violation of Labor Code §§ 510, 1194, 1197, 1197.1 and 1198; (3) failure to pay meal period premiums at the regular rate of pay in violation of Labor Code §§ 512 and 226.7 and the applicable Industrial Welfare Commission (“IWC”) Wage Order; (4) failure to pay rest break premiums at the regular rate of pay in violation of Labor Code § 226.7 and the applicable IWC Wage Order; (5) failure to pay all wages timely upon separation of employment in violation of Labor Code §§ 201-203; (6) failure to timely pay earned wages during employment in violation of Labor Code § 204; (7) failure to provide complete and accurate wage statements in violation of Labor Code § 226; (8) failure to reimburse and indemnify employees for losses and expenditures in violation of Labor Code §§ 2800 and 2802; (9) unlawful collection of wages in violation of Labor Code § 221; and (10) violations of California Business & Professions Code § 17200 *et seq.* (“the Action”).

4. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff Jane A. Barrett gave timely written notice to Defendant and California’s Labor and Workforce Development Agency

1 (“LWDA”) by sending her PAGA Notice on February 21, 2024 (LWDA-CM-1012307-24). A true
2 and correct copy of her PAGA Notice is attached hereto as **Exhibit 2**. On April 26, 2024, Plaintiff
3 filed a First Amended Complaint adding a cause of action for penalties under PAGA, Labor Code §
4 2698 *et seq.* On August 6, 2024, Plaintiff filed a Second Amended Complaint, amending the putative
5 class definition.

6 5. After meeting and conferring regarding the claims and defenses in the Action, the
7 Parties agreed to explore resolution via mediation and engage in informal and formal discovery prior
8 to mediation.

9 **Plaintiff’s Claims and Defendant’s Denials**

10 6. Plaintiff’s claims are based on Defendant’s alleged failure to pay wages (including
11 overtime), failure to provide meal and rest periods, failure to reimburse business expenses, unlawful
12 deduction of wages, failure to timely pay wages during employment, the resulting failure to pay
13 final wages when required and failure to provide accurate wage statements, and largely derivative
14 claims under the UCL and PAGA.

15 7. Specifically, Plaintiff alleges Defendant’s policy and practice of requiring systematic
16 off-the-clock work flowed in part from their unlawful timekeeping procedures. Plaintiff alleges that
17 Defendant required that Plaintiff and Settlement Class Members clock in via a timekeeping
18 application on their cellphone or on a desktop computer. Plaintiff alleges that Defendant did not
19 require that Plaintiff and Settlement Class Members record their actual time worked to the minute,
20 despite having the capability to do so. Plaintiff also alleges that Defendant required Plaintiff and
21 Settlement Class Members to work prior to the start of their scheduled shifts and after the end of
22 their scheduled shifts, including entering a single-lane gated facility often delayed by utility
23 vehicles, searching for parking in the inner and outer lots prior to clocking in, walking through
24 multiple access points with a badge to get to the desk, organizing files, and waiting for the computer
25 to bootup. Plaintiff further alleges that Defendant implemented an unlawful time policy and practice,
26 which required that Plaintiff and Settlement Class Members reconcile their clock-in and/or clock-
27 out times as much as needed to unlawfully round down their actual timekeeping entries to conform
28 to their scheduled hours in order to avoid overtime pay.

1 8. Defendant contends that these claims are not suitable for class treatment given the
2 individualized issues they raise and the manageability difficulties. Defendant also argues it prohibits
3 off-the-clock work, requires employees to accurately record all hours worked in Defendant's
4 timekeeping system, always instructs its employees to accurately record their time, and that any
5 alleged off-the-clock work was minimal and performed without Defendant's knowledge. Defendant
6 further contends that Plaintiff and Settlement Class Members were paid all overtime wages and that
7 Defendant did not intentionally and improperly round Plaintiff and Settlement Class Members' time
8 to avoid paying overtime wages.

9 9. Plaintiff also alleges that Defendant failed to always provide Plaintiff and Settlement
10 Class Members with compliant meal and/or rest breaks. For instance, Plaintiff alleges that she
11 regularly worked shifts exceeding ten hours. However, she contends that Defendant failed to provide
12 two meal periods as meal periods were contingent on whether coverage was available. In addition,
13 Plaintiff alleges that Defendant's timekeeping record required Plaintiff and Settlement Class
14 Members to reconcile and adjust meal breaks to reflect record-compliant meal breaks without regard
15 to whether they were actually taken on time or for the full duration or were interrupted by
16 management demands and other work requirements. Plaintiff further alleges that Defendant failed
17 to pay the legally required meal break premium at the regular rate of pay whenever meal periods
18 were missed, interrupted, short, and/or late. With regard to rest breaks, Plaintiff similarly alleges
19 that Plaintiff and Settlement Class Members were unable to take two duty-free rest periods during
20 their work shifts of at least eight hours because they were either interrupted or missed. Plaintiff also
21 alleges that on occasions when Defendant authorized and permitted Plaintiff and Settlement Class
22 Members to take a first rest break, they were not permitted to take a second or a third break, and
23 those that were provided were often late and interrupted by job duties and requirements. Plaintiff
24 also alleges that Defendant failed to pay the legally required rest break premium at the regular rate
25 of pay whenever rest periods were missed, interrupted, short, and/or late. Defendant contends that
26 Plaintiff and Settlement Class Members were given a reasonable opportunity to take their meal
27 periods. Defendant further contends that Plaintiff and Settlement Class Members received a full
28 hour for their meal break every day and that Defendant goes above and beyond minimum

1 requirements, on top of paying a meal period premium if an employee is unable to take their meal
2 period before the fifth hour. Similarly, Defendant maintains that it provided the reasonable
3 opportunity for Plaintiff and Settlement Class Members to take duty-free rest breaks.

4 10. Plaintiff additionally alleges Defendant issued wage statements to Plaintiff and the
5 Settlement Class Members that did not accurately list all hours worked by omitting off-the-clock
6 work, unlawful rounding, and inaccurately listing applicable hourly rates. Further, Plaintiff alleges
7 that Defendant failed to provide all legally requisite information on wage statements. For instance,
8 Plaintiff's wage statements list "California Water Service" as her employer; however, the company
9 is listed slightly differently on the California Secretary of State: "California Water Service Group"
10 or California Water Service Company." Defendant challenged Plaintiff's claim for Labor Code §
11 226(e) penalties, including by arguing they were merely derivative of the other claims that lacked
12 merit, and Plaintiff's failure to prove the underlying claims could result in the dismissal of these
13 derivative claims. Defendant also maintains that it did not knowingly and intentionally commit these
14 alleged violations. *See, e.g.*, Labor Code § 226(e) (recovery of penalties requires showing there was
15 "a knowing and intentional failure by an employer").

16 11. Additionally, Plaintiff alleges that Defendant required Plaintiff and Settlement Class
17 Members to use their personal mobile phone devices for work purposes, such as downloading and
18 using a timekeeping mobile application, for which they were not reimbursed. Defendant maintains
19 that Plaintiff and Settlement Class Members were not required to download or use the timekeeping
20 mobile application and that any unreimbursed business expenses pertaining to personal cell phone
21 usage were not necessary expenditures as required by Labor Code section 2802.

22 12. Defendant has denied, and continues to deny, any liability and wrongdoing of any
23 kind associated with any of the allegations in the Action, and further denies that the Action is
24 appropriate for class treatment or representative adjudication for any purpose other than for
25 settlement purposes only. However, after careful consideration, Defendant has concluded that
26 further litigation would require undue cost and burden, and that it is therefore desirable that the
27 Action be fully and finally settled in the manner and upon the terms and conditions herein.

28 ///

Investigation

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

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

Settlement Efforts

15. On February 11, 2025, the Parties participated in an all-day mediation with Mark S. Rudy, Esq., a respected and highly experienced mediator in wage and hour class actions. During mediation, counsel for Plaintiff and Defendant discussed all aspects of the case, including the risks of litigation, the risks to both Parties, and the law and how it applied to the facts of this case. Following a full day of mediation, the mediator issued a mediator's proposal which the Parties accepted on March 10, 2025, and agreed to general settlement terms to resolve the lawsuit. The Parties continued to work together negotiating the long form settlement terms following mediation,

as set forth in the Settlement Agreement.

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

Summary of the Settlement

17. Under the terms of the proposed Settlement Agreement, Defendant has agreed to pay \$650,000.00 (“Gross Settlement Fund”) on a non-reversionary basis to settle and release all claims asserted by Plaintiff in the Operative Complaint on behalf of the proposed Settlement Class. (Exhibit 1, Settlement Agreement, ¶ 16.) The Settlement Agreement defines “Settlement Class Members” as “all current and former hourly non-exempt Cal Water employees within the State of California who were hired by Cal Water at any time on or after August 9, 2022, or hired by Cal Water at any time on or before August 8, 2022, who remained employed by Cal Water on or after December 1, 2022.” (*Id.* at ¶ 36.) The Settlement Class shall not include any individuals hired by Cal Water after May 9, 2025. (*Id.*) The Class Period is from August 9, 2022 to May 9, 2025. (*Id.* at ¶ 7.)¹ The “Net

¹ For those employees hired on or before August 8, 2022 and who are in the Class because they remained employed by Cal Water on or after December 1, 2022, as long as they did not opt out of the settlement class in *Hicks v. California Water Service* (Santa Clara County Superior Court, Case No. 21CV376394), their Workweeks shall be calculated as the number of weeks worked between December 1, 2022 and May 9, 2025, rather than the full Class Period, given the terms of the release in *Hicks*.

Settlement Amount” means the portion of the Gross Settlement Fund remaining after deducting the Class Representative Enhancement Payment, Attorneys’ Fees and Costs, Settlement Administration Costs, and the PAGA Settlement Amount. (*Id.* at ¶ 19.) These amounts are detailed as follows:

- Attorneys’ Fees: Up to one-third (1/3) of the Gross Settlement Fund, or **\$216,667.67**, to Class Counsel (Exhibit 1, Settlement Agreement, ¶ 44);
- Attorneys’ Costs: Up to **\$40,000.00** to Class Counsel for reimbursement of reasonable expenses incurred to prosecute the Action (*Id.* at ¶ 44);
- Class Representative Enhancement Payment: Up to **\$5,000.00** to Plaintiff as an award for her service as the Class Representative (*Id.* at ¶ 8);
- Settlement Administration Costs: Up to **\$20,000.00** to the Settlement Administrator for its fees and costs to administer the Settlement² (*Id.* at ¶ 34); and
- PAGA Settlement Amount: **\$20,000.00** for settlement of claims for civil penalties under PAGA, with 25% allocated to the Individual PAGA Payments (\$5,000.00) and 75% allocated to the LWDA (\$15,000.00) to be paid to the LWDA (“LWDA Payment”) (*Id.* at ¶ 23.)

18. If the Court approves the above allocations from the Gross Settlement Amount, the Net Settlement Amount is estimated to be **\$348,332.33**. Each Settlement Class Member’s share of the Net Settlement Amount (“Individual Settlement Payment”) will be calculated by dividing the final Net Settlement Amount by the Workweeks of all Participating Settlement Class Members to yield the “Final Workweek Value,” and multiplying each Participating Settlement Class Member’s individual Workweeks by the Final Workweek Value to yield his or her Individual Settlement Payment. (Exhibit 1, Settlement Agreement, ¶ 48.b.) For the approximately 775 Settlement Class Members (if no exclusions), the average Individual Settlement Payment, using a straight average, is **\$449.46**. If the Court approves a lesser amount for any of the above requested allocations from the Net Settlement Amount, none of the Gross Settlement Amount would revert to Defendant. (*Id.* at ¶ 43.) Instead, the remainder will be added to the Net Settlement Amount to be distributed to

² The Settlement Administrator’s bid, attached as Exhibit C to the Declaration of Lisa Mullins of ILYM Group, Inc. in Support of Plaintiff’s Motion for Preliminary Approval of Class Action Settlement and Release, states that the estimated fees and expenses for management of this Settlement is \$10,950.00. However, the Parties have included a buffer of \$9,050.00, for a total of \$20,000.00, to account for any unexpected expenses incurred by the Settlement Administrator.

1 Participating Settlement Class Members. (*Id.*)

2 19. Within fifteen (15) calendar days after the entry of the Court’s order granting
3 Preliminary Approval, Defendant will provide the confidential Class List to the Settlement
4 Administrator. (Exhibit 1, Settlement Agreement, ¶ 53.) The Settlement Administrator will mail the
5 Class Notice, attached to the Settlement Agreement as Exhibit A, within fifteen (15) calendar days
6 to all Settlement Class Members identified in the Class List via regular First-Class U.S. Mail, using
7 the most current, known mailing addresses identified by the Settlement Administrator. (*Id.* at ¶ 54.)
8 The Class Notice includes a summary of the case and settlement terms and provides Settlement
9 Class Members with detailed instructions on how to exclude themselves, object to the Settlement,
10 and dispute the number of Workweeks and/or pay periods attributed to each Settlement Class
11 Member per Defendant’s records. (Exhibit 1, Settlement Agreement, Exhibit A, Class Notice.)
12 Settlement Class Members will have sixty (60) calendar days from the mailing of the Class Notice
13 (plus an additional fifteen (15) calendar days for Settlement Class Members whose Class Notice is
14 re-mailed) to submit a Request for Exclusion, Notice of Objection, or Workweeks Dispute
15 (“Response Deadline”). (Exhibit 1, Settlement Agreement, ¶¶ 33, 58, 59, 64.)

16 **Certification for Settlement Purposes Only is Appropriate**

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

28 21. Numerosity and Ascertainability. The putative Settlement Class is so numerous that

joinder of all members is impractical. Settlement Class Members are all current and former hourly non-exempt Cal Water employees within the State of California who were hired by Cal Water at any time on or after August 9, 2022, or hired by Cal Water at any time on or before August 8, 2022, who remained employed by Cal Water on or after December 1, 2022. The Settlement Class shall not include any individuals hired by Cal Water after May 9, 2025. (Exhibit 1, Settlement Agreement, ¶¶ 7, 36.) Defendant has identified 775 Settlement Class Members based on review of its payroll and personnel records. Thus, there is numerosity and ascertainability.

22. Well-Defined Community of Interest. Plaintiff contends, and Defendant does not dispute for settlement purposes only, that common issues of fact and law predominate as to each of the claims alleged by Plaintiff, and the Settlement Class is united in its proof. This action involves, *inter alia*, a determination about Defendant's alleged failure to provide meal and rest periods, failure to pay wages and overtime due to allegedly common off-the-clock work and time rounding policies, failure to reimburse business expenses, unlawful deduction of wages, failure to timely pay wages during employment, the resulting failure to pay final wages when required and failure to provide accurate wage statements, and largely derivative claims under the UCL and PAGA. Plaintiff contends Defendant's practices affected Settlement Class Members in the same way and present questions that are suitable for common adjudication because all Settlement Class Members were subject to the same employment policies and practices. The outcome of litigation in this matter depends upon questions that are common to Settlement Class Members.

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

24. Adequacy. Plaintiff's interests are aligned with those of the Settlement Class Members, as she has suffered the same injuries as the Settlement Class Members and has no conflicts

1 of interest. Plaintiff has not shrunk from this responsibility. Indeed, Plaintiff has devoted a
2 substantial amount of time and energy to litigating this Action and effectuating a settlement.
3 Furthermore, as set forth below, Class Counsel are experienced in wage-and-hour litigation,
4 especially class actions, and have zealously represented the interests of the Settlement Class in
5 litigating this case and have no conflicts of interest. Accordingly, the adequacy requirement is
6 satisfied.

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

16 26. Plaintiff contends that class resolution is superior to other available methods for the
17 fair and efficient adjudication of the controversy as there is little interest or incentive for Settlement
18 Class Members to individually control the prosecution of separate actions. Although the alleged
19 injury resulting from Defendant's policies and practices is significant, the cost of individually
20 litigating each such case against Defendant would easily exceed the value of any relief that could
21 be obtained by any one Settlement Class Member individually. If Settlement Class Members are
22 forced to litigate their claims individually, this would result in over 775 individual actions against
23 Defendant. Here, the alternative methods of resolution are individual suits for relatively small
24 amounts. Hence, an individual suit would prove uneconomical for potential plaintiffs because
25 litigation costs would dwarf a potential recovery.

26 **The Settlement is Fair, Adequate and Reasonable**

27 27. In deciding whether to approve a proposed class action settlement, the Court must
28 find that a proposed settlement is "fair, adequate, and reasonable" and falls within the "range of

1 approval.” *Dunk*, 48 Cal.App.4th at 1801-02. The trial court considers all relevant factors, such as
2 “the strength of plaintiffs’ case, the risk, expense, complexity and likely duration of further
3 litigation, the risk of maintaining class action status through trial, the amount offered in settlement,
4 the extent of discovery completed and the stage of the proceedings, the experience and views of
5 counsel, the presence of a governmental participant, and the reaction of the Class Members to the
6 proposed settlement.” *Id.* The Settlement satisfies all of these requirements.

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

8 28. The proposed settlement was reached as a result of arm’s length negotiations after
9 the completion of pertinent discovery and the exchange of necessary class data. The negotiations
10 have been, at all times, adversarial and non-collusive in nature. *See*, 5 Newberg on Class Actions §
11 13:45 (5th ed.) (due to the preference of settlement over litigation, “a court will presume that a
12 proposed class action settlement is fair when certain factors are present, particularly evidence that
13 the settlement is the product of arms-length negotiation, untainted by collusion.”). Although
14 Plaintiff steadfastly maintains that her claims are meritorious, Plaintiff acknowledges that there were
15 substantial risks and uncertainty in proceeding with litigation. As described above, Defendant
16 presented multiple defenses to Plaintiff’s claims, both on the merits and with respect to class
17 certification. Thus, while Plaintiff was prepared to litigate these claims through class certification,
18 and ultimately trial, success was far from certain. Assistance from a well-respected mediator ensured
19 negotiations between the Parties were non-collusive and well-informed.

20 **B. Extent of Discovery and Stage of Proceedings.**

21 29. As stated above, the Parties engaged in substantial informal and formal discovery,
22 including the deposition of Plaintiff and exchanging information, documents, and voluminous data,
23 before the Settlement was reached to allow them to fully evaluate the class claims and Defendant’s
24 defenses, as well as the likely outcomes, risks, and expense of pursuing litigation. This litigation has
25 reached the stage where the Parties have a clear view of their respective strengths and weaknesses.

26 **C. Strength of Plaintiff’s Case and the Risk, Expense, Complexity and Likely Duration of**
27 **Any Litigation.**

28 30. As stated above, while Plaintiff and Class Counsel contend the claims asserted in the

1 Action have merit, they also acknowledge the expense and delay of continued litigation. Although
2 the Parties engaged in significant informal and formal discovery in advance of mediation, the Parties
3 still had significant discovery to complete had the matter not settled. This would have required
4 expenditure of substantial time and resources by the Parties that would have very likely spanned
5 several years. Even if Plaintiff were to certify the class, the Parties would incur considerably more
6 attorneys' fees and costs through a possible decertification motion, trial, and possible appeal. This
7 Settlement avoids those risks and the accompanying expense.

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

9 31. Plaintiff has not yet filed her motion for class certification, and as such, the extent to
10 which Plaintiff's proposed class is certifiable is somewhat speculative. Absent a settlement, there
11 was a risk that there would not be a certified class at the time of trial, or if there were, it could consist
12 of a significantly smaller group of employees than the proposed Settlement Class resulting in less
13 overall recovery.

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

25 **E. The Presence of a Governmental Participant.**

26 33. Class Counsel will be submitting the Settlement Agreement to the LWDA
27 concurrently with the filing of this motion pursuant to Labor Code § 2699(1)(2).

28 ///

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

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

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

Failure to Pay Regular Wages and Overtime:

36. Plaintiff alleges that Defendant failed to pay Plaintiff and Settlement Class Members at least minimum wages for all hours worked and proper overtime wages for hours worked in excess of eight hours in a day and 40 hours in a week. Plaintiff alleges Defendant's policy and practice of requiring systematic off-the-clock work flowed in part from their unlawful timekeeping procedures. Plaintiff alleges that Defendant required that Plaintiff and Settlement Class Members clock in via a timekeeping application on their cellphone or on a desktop computer. Plaintiff alleges that Defendant did not require that Plaintiff and Settlement Class Members record their actual time worked to the minute, despite having the capability to do so. Plaintiff also alleges that Defendant required Plaintiff and Settlement Class Members to work prior to the start of their scheduled shifts and after the end of their scheduled shifts, including entering a single-lane gated facility often delayed by utility vehicles, searching for parking in the inner and outer lots prior to clocking in, walking through multiple access points with a badge to get to the desk, organizing files, and waiting

1 for the computer to bootup. Plaintiff further alleges that Defendant implemented an unlawful time
2 policy and practice, which required that Plaintiff and Settlement Class Members reconcile their
3 clock-in and/or clock-out times as much as needed to unlawfully round down their actual
4 timekeeping entries to conform to their scheduled hours.

5 37. Defendant contends that these claims are not suitable for class treatment given the
6 individualized issues they raise and the manageability difficulties. Defendant also argues it prohibits
7 off-the-clock work, requires employees to accurately record all hours worked in Defendant's
8 timekeeping system, always instructs its employees to accurately record their time, and that any
9 alleged off-the-clock work was minimal. Defendant further contends that Plaintiff and Settlement
10 Class Members were paid all overtime wages and that Defendant did not intentionally and
11 improperly round Plaintiff and Settlement Class Members' time to avoid paying overtime wages.

12 38. Plaintiff's expert estimated Defendant's exposure on the unpaid wages claims to be
13 approximately \$1,127,865.00 calculated as follows: (14,498 off the clock hours (assuming 3 minutes
14 per shift) x \$47.93 average regular rate of pay (assuming 90.1% of off the clock hours attributable
15 to overtime) plus interest in the amount of \$130,331.00. However, given Defendant's defenses and
16 the potential hurdles facing certification of off-the-clock claims, Class Counsel applied an 80%
17 discount, making for an adjusted realistic exposure of \$225,573.00 for Defendant.

18 Meal Periods and Rest Breaks:

19 39. Plaintiff argues that Defendant failed to always provide Plaintiff and Settlement Class
20 Members with compliant meal breaks. For instance, Plaintiff regularly worked shifts exceeding ten
21 hours. However, Defendant failed to provide two meal periods as meal periods were contingent on
22 whether coverage was available. In addition, Defendant's timekeeping record required Plaintiff and
23 Settlement Class Members to reconcile and adjust meal breaks to reflect record-compliant meal
24 breaks without regard to whether they were actually taken on time or for the full duration or were
25 interrupted by management demands and other work requirements. Plaintiff further alleges that
26 Defendant failed to pay the legally required meal break premium at the regular rate of pay whenever
27 meal periods were missed, interrupted, short, and/or late.

28 40. For each meal period missed, of less than 30 minutes, or taken late for which the employee

1 was not provided a reasonable opportunity to take a complete and timely meal period, an employer
2 must pay the employee an additional one hour of compensation. Labor Code § 226.7. This additional
3 hour of compensation is referred to as “premium pay.” To comply with these laws, every employer
4 must keep, for each employee, accurate time records showing when the employee begins and ends
5 each work period and takes his or her meal periods. See Wage Order 4-2001(7)(A)(3).

6 41. Defendant contends that Plaintiff and Settlement Class Members were given a reasonable
7 opportunity to take their meal periods. Defendant further contends that Plaintiff and Settlement
8 Class Members received a full hour for their meal break every day and that Defendant goes above
9 and beyond minimum requirements, on top of paying a meal period premium, if an employee is
10 unable to take their meal period before the fifth hour.

11 42. Plaintiff’s expert estimated Defendant’s maximum exposure on the meal period claim at
12 approximately \$843,202.00 (assuming an 8.1% violation rate net of the meal premiums paid) plus
13 interest in the amount of \$80,828.00 for a total of \$924,030.00. However, given Defendant’s
14 contentions, Class Counsel applied a 75% discount, making for an adjusted realistic exposure of
15 \$285,007.50 for Defendant.

16 43. Rest Breaks: The same argument applied to rest breaks. Plaintiff contends that she and
17 Settlement Class Members were unable to take two duty-free rest periods during their work shifts
18 of at least eight hours because they were either interrupted or missed. Even on occasions when
19 Defendant authorized and permitted Plaintiff and Settlement Class Members to take a first rest
20 break, they were not permitted to take a second or a third break, and those that were provided were
21 often late and interrupted by job duties and requirements. Plaintiff also alleges that Defendant failed
22 to pay the legally required rest break premium at the regular rate of pay whenever rest periods were
23 missed, interrupted, short, and/or late.

24 44. Defendant maintains that it provided the reasonable opportunity for Plaintiff and
25 Settlement Class Members to take duty-free rest breaks. Plaintiff’s expert estimated Defendant’s
26 maximum liability exposure on the rest break period claim at approximately \$13,531,572.00 using
27 a 100% violation rate plus interest in the amount of \$1,237,711.00 for a total of \$14,769,283.00.
28 However, given Defendant’s contentions and considering a more realistic violation rate for the

1 Settlement Class as well as the potential hurdles facing certification of rest break claims, Class
2 Counsel applied a 95% discount making for an adjusted realistic exposure of \$738,464.20 for
3 Defendant. Owing to the arguments above and the fact that the recording of rest periods is not
4 required, this claim was substantially discounted and was not a major driver of exposure in this case.

5 Inaccurate Wage Statement Violations:

6 45. Under Labor Code § 226(a), Plaintiff and the Settlement Class are entitled to recover \$50
7 for initial violations for inaccurate wage statements and \$100 for subsequent violations, up to a
8 maximum of \$4,000 per employee. Plaintiff alleges Defendant issued wage statements to Plaintiff
9 and the Settlement Class Members that did not accurately list all hours worked by omitting off-the-
10 clock work, unlawful rounding, and inaccurately listing applicable hourly rates. Plaintiff further
11 alleges that Defendant failed to provide all legally requisite information on wage statements. For
12 instance, Plaintiff's wage statements list "California Water Service" as her employer; however, the
13 company is listed slightly differently on the California Secretary of State: "California Water Service
14 Group" or California Water Service Company."

15 46. Defendant challenged Plaintiff's claim for Labor Code § 226(e) penalties, including by
16 arguing they were merely derivative of the other claims that lacked merit, and Plaintiff's failure to
17 prove the underlying claims could result in the dismissal of these derivative claims. Defendant also
18 maintains that it did not knowingly and intentionally commit these alleged violations. *See, e.g.,*
19 Labor Code § 226(e) (recovery of penalties requires showing there was "a knowing and intentional
20 failure by an employer").

21 47. Plaintiff's expert estimated Defendant's maximum total exposure on the section 226
22 claim at approximately \$2,581,000.00 (782 employees from February 21, 2023 to February 11,
23 2025). After considering Defendant's contentions and the potential class certification issues, Class
24 Counsel discounted this amount by 90% to get an adjusted realistic exposure of \$258,100.00.

25 Failure to Pay Final Wages at Termination or Separation:

26 48. In allegedly failing to pay Settlement Class Members their minimum wages, overtime
27 wages, and premium pay for deficiently provided meal periods and rest breaks, all discussed above,
28 Plaintiff alleges that Defendant willfully failed to pay Settlement Class Members all wages due and

1 certain at the time of termination or within seventy-two (72) hours of resignation, as required under
2 Labor Code § 203.

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

9 50. Defendant challenged this claim under Labor Code § 203 with several arguments,
10 including that this claim is merely derivative of the other claims that lacked merit and that under
11 Labor Code § 203, employers are only obligated to pay waiting-time penalties if they "willfully"
12 fail to pay wages due and owing at the time of termination or resignation. As Title 8, California
13 Code of Regulations, § 13520 states: "A willful failure to pay wages within the meaning of Labor
14 Code Section 203 occurs when an employer intentionally fails to pay wages to an employee when
15 those wages are due. However, a good faith dispute that any wages are due will preclude imposition
16 of waiting time penalties under Section 203." Defendant contends that their good faith disputes and
17 lack of willfulness would excuse its violations. Defendant further maintains that Plaintiff and
18 Settlement Class Members timely received all payments, including their final wages.

19 51. Plaintiff's expert estimated Defendant's maximum total exposure on the section 203
20 claim at approximately \$2,466,891.00 (216 terminated employees (commencing on August 9,
21 2022) during the relevant period x 30 days x average hourly rate per year x hours per work day).
22 Given the foregoing arguments, Class Counsel discounted this amount by 90% to get an adjusted
23 realistic exposure of \$246,689.10.

24 Failure to Reimburse for Necessary Business Expenditures:

25 52. Under Labor Code § 2802(a) Defendant must indemnify Plaintiff and Settlement Class
26 Members for all necessary expenditures or losses incurred in direct consequence of the discharge
27 of their duties. As discussed above, Plaintiff alleges that Plaintiff and Settlement Class Members
28 incurred necessary expenditures in the performance of their job duties for Defendant, including the

1 cost of personal cell phone usage for work-related purposes, such as downloading and using a
2 timekeeping mobile application, but were not reimbursed for those expenses by Defendant.
3 Defendant maintains that Plaintiff and Settlement Class Members were not required to download
4 or use the timekeeping mobile application and that any unreimbursed business expenses pertaining
5 to personal cell phone usage were not necessary expenditures as required by Labor Code section
6 2802.

7 53. Plaintiff estimated Defendant's total exposure on the unreimbursed business expenses
8 claim at approximately \$7,750.00 (\$10 x 775 Settlement Class Members). However, given
9 Defendant's contentions and the potential for the need for individualized inquiries, making class
10 certification of this claim difficult, Class Counsel applied a discount of 80% to get an adjusted
11 realistic exposure of \$1,550.00.

12 PAGA Penalties:

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

24 55. The provisions of the Labor Code potentially triggering PAGA penalties in this case
25 include but are not limited to Labor Code §§ 203, 226(a), 226.3, 226.7, 510, and 1194. PAGA
26 penalties are not mandatory and are instead permissive. Labor Code § 2699(e)(2) states that "a court
27 may award a lesser amount than the maximum civil penalty amount specified by this part if, based
28 on the facts and circumstances of the particular case, to do otherwise would result in an award that

1 is unjust, arbitrary and oppressive, or confiscatory.” See *Thurman v. Bayshore* (2012) 203 Cal. App.
2 4th 1112 (substantially reducing PAGA penalties by 30% under this provision). Defendant contested
3 Plaintiff’s claim for PAGA penalties.

4 56. PAGA penalties are also derivative of each and every other claim, and Defendant argued
5 the PAGA claims would be subject to the same defenses as the underlying claims, as well as
6 additional equitable defenses, including substantial compliance. Further, Defendant maintains that
7 Plaintiff has not personally experienced any of the alleged violations she complains of, and is this
8 not an “aggrieved employee,” and lacks standing to prosecute her non-individual claims. Lastly,
9 Defendant contends that the actual injuries, if any, are minor and Defendant acted on good faith
10 belief that it complied with the Labor Code, therefore reducing Plaintiff’s maximum potential
11 recovery due to the Court’s discretion to reduce civil penalties assessed whenever it would be
12 “unjust, arbitrary, oppressive, or confiscatory” to impose the full penalty.

13 57. Plaintiff estimated Defendant’s maximum total exposure on PAGA claims at
14 approximately \$2,620,100.00 (26,201 PAGA Pay Periods x \$100). However, Class Counsel also
15 estimated any PAGA recovery would be substantially reduced and applied discounts in light of the
16 countervailing arguments with regard to the other causes of action, including the Court’s power to
17 award “a lesser amount than the maximum civil liability.” Class Counsel applied a discount of 95%
18 to get an adjusted realistic exposure of \$131,005.00. The PAGA allocation agreed upon by the
19 Parties therefore was \$20,000.00, subject to the Court’s final approval. 75% of that amount
20 (\$15,000.00) will be paid to the LWDA out of the Gross Settlement Fund, and the remaining 25%
21 (\$5,000.00) will remain in the Net Settlement Amount for distribution to the Allegedly Aggrieved
22 Employees.

23 Unfair Business Practices

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

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1 **Class Representative Enhancement Payment is Fair and Reasonable**

2 62. Plaintiff is entitled to a reasonable service payment for her efforts and initiatives in
3 bringing and helping to prosecute this Action. Plaintiff spent significant time better apprising herself
4 of her rights, deciding whether remedial action should be taken and how it should be taken, searching
5 for attorneys, and contacting Class Counsel, who spent many hours with Plaintiff discussing the
6 case and the law.

7 63. Both before and after the filing of this lawsuit, Plaintiff conferred with Class Counsel to
8 discuss every aspect of her case. Plaintiff provided Class Counsel with information about Defendant
9 and about the industry generally, produced and reviewed documents, identified witnesses, consulted
10 with Class Counsel regarding litigation strategy, provided discovery responses and produced
11 documents in response to Defendant's formal discovery request, attended her deposition taken by
12 Defendant, participated in the mediation process, monitored the progress of the litigation with Class
13 Counsel, and reviewed and signed the Settlement Agreement. In light of the foregoing, Class
14 Counsel believes that the Class Representative Enhancement Payment in the amount of \$5,000.00
15 to the Class Representative is fair and reasonable.

16 **Proposed Class Notice Provides Adequate Notice**

17 64. The notification procedure set out in the Settlement Agreement provides the greatest
18 likelihood that each and every Settlement Class Member will receive the Class Notice, attached to
19 the Settlement Agreement as Exhibit A. Under the Settlement, within fifteen (15) calendar days after
20 the entry of the Court's order granting Preliminary Approval, Defendant will provide the
21 confidential Class List to the Settlement Administrator. (Exhibit 1, Settlement Agreement, ¶ 53.)
22 The Settlement Administrator will mail the Class Notice, attached to the Settlement Agreement as
23 Exhibit A, within fifteen (15) calendar days to all Settlement Class Members identified in the Class
24 List via regular First-Class U.S. Mail, using the most current, known mailing addresses identified
25 by the Settlement Administrator. (*Id.* at ¶ 54.) The Class Notice includes a summary of the case and
26 settlement terms and provides Settlement Class Members with detailed instructions on how to
27 exclude themselves, object to the Settlement, and dispute the number of Workweeks and/or pay
28 periods attributed to each Settlement Class Member per Defendant's records. (Exhibit 1, Settlement

1 Agreement, Exhibit A, Class Notice.) Settlement Class Members will have sixty (60) calendar days
2 from the mailing of the Class Notice (plus an additional 15 calendar days for Settlement Class
3 Members whose Class Notice is re-mailed) to submit a Request for Exclusion, Notice of Objection,
4 or Workweeks Dispute (“Response Deadline”). (Exhibit 1, Settlement Agreement, ¶¶ 33, 58, 59,
5 64.) This is the best and most practicable way to ensure the greatest possible number of Settlement
6 Class Members will receive the Class Notice.

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

17 **Qualifications and Adequacy of Class Counsel**

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

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

28 68. D.Law has litigated and successfully resolved many wage and hour class action cases

1 involving failure to pay wages and derivative Labor Code claims and penalties. See e.g. De La Rosa
2 v. The Coca Cola Company et al. (Superior Court of California in Napa, 17CV000787), Harvey v.
3 Bed Bath & Beyond of California Limited Liability Company (Superior Court of California in
4 Alameda, RG17885153), Paredes v. Bottling Group LLC et. al. (Superior Court of California in
5 Kern), Ramirez v. Harris Ranch Beef Company (Superior Court of California in Fresno,
6 16CECG04103), Gates v. Gate Gourmet, Inc. et. al. (Southern District of California, 16-cv-01084-
7 L-AGS), Hargrave v. Antelope Valley Hospital (Superior Court of California in Los Angeles,
8 BC663252), Ramirez v. Milton Roy et. al. (Superior Court of California in Los Angeles, BC 632
9 276), Hawkins v. AvalonBay Communities (Superior Court of California in Santa Clara,
10 17CV316492), Jones Tharpe et al. v. Sprint Corporation et al. (Superior Court of California in Los
11 Angeles, BC644645), Ortega et al. v. Nestle Waters North America, Inc. et al. (Superior Court of
12 California in Los Angeles, BC623610), Schultz v. Jimbo's Natural Family, Inc. (Superior Court of
13 California in San Diego, 37-2017-00022348-CUE-OE-CTL), Ambrose v. Victor Valley Global et
14 al. (Superior Court of California in San Bernardino, CIVDS1709289), Puerta-Gildardo v. Real Time
15 Staffing Services LLC et. al. (Superior Court of California in Los Angeles, BC565445), Vargo v.
16 Pregis Innovative Packaging LLC (Superior Court of California in Tulare, 270836), Conlin v. Aegis
17 Senior Communities LLC (Northern District of California, 17-cv-05534-LHK), Galarza v.
18 Kloeckner Metals Corporation (Central District of California, 2:17-cv-04910-FMO), Estes v. L3
19 Technologies, Inc. et al. (Southern District of California, 3:17-cv-02356-H-JMA), Rowser v. Trunk
20 Club, Inc. (Central District of California, 2:17-cv-05064-DSF-RAO), Leach v. The Claremont
21 Colleges, Inc. (Superior Court of California in Los Angeles, BC686451), Vaesau v. PCT
22 Enterprises, Inc. dba Precision Cabinets (Superior Court of California, County of Contra Costa
23 MSC18-02404), Terry v. TF Louderback, Inc. dba Bay Area Beverage Company (Superior Court
24 of the State of California, County of Contra Costa, MSC18-00859), Roach v. Westcare California,
25 Inc. (Superior Court of California in Kern County, BCV-17-102367-SDS), Patton v. Church &
26 Dwight Co., Inc. (Central District of California, EDCV 18-903-MWF (KKx)), Juarez v. ISL
27 Employees, Inc. (Superior Court of California in Madera, MCV074787), Ferraro v. USC Verdugo
28 Hill s Hospital, et al. (Superior Court of California in Los Angeles, 18STCV09463), Ford v. Account

Control Technology, Inc., et al. (Superior Court of California in Los Angeles, 19STCV09369), Ornelas v. iStorage, et al. (Superior Court of California in San Francisco, CGC-18-571421), Martinez v. Ronpak, Inc. (Superior Court of California in Riverside, RIC1901307), Barrera et al. v. Exclusive Wireless, Inc. (Superior Court of California in Stanislaus, 9000687), Barajas v. Mancha Development Company LLC (Superior Court of California in Orange County, 30-2018-00974707-CU-OE-CXC), Prado v. IMAX Corporation dba IMAC Worldwide Home (Superior Court of California in San Bernardino, CIVDS1820265), Rodriguez v. ND Industries, Inc. (Superior Court of California in Los Angeles, 19STCV38096), Singletary v. Motel 6 Operating LP, et al. (Southern District of California, 3:20-cv-0270-LAB-AHG), Quizon v. CF Watsonville East, LLC, et al. (Superior Court of California in Santa Cruz, 20CV01868), Stephenson v. Bakersfield Dodge, Inc. (Superior Court of California in Kern, BCV-20-102693), Bacerra v. Hugo Boss Retail, Inc. (Superior Court of California in San Diego, 37-2021-00002933-CU-OE-CTL), Walker v. Ariat International, Inc. (Superior Court of California in Alameda, HG19026439), Orr v. Petvet Care Centers (California) Inc. (Superior Court of California in Santa Clara, 19CV354063), Jimenez v. OEC Distribution Services, Inc. (Superior Court of California in San Bernardino, CIVDS1915743), Viridi v. Absolute Security International (Superior Court of California in San Bernardino, CIVDS 1909589), Raj v. First Transit, Inc (Superior Court of California in Sacramento, 34-2021-00295895-CU-OE-GDS), Marchbanks v. Torrid Administration, Inc. (Superior Court of California in San Diego, 37-2020-00008179-CU-OE-NC), among others.

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

70. The collective experience of the D.Law attorneys in litigating employment wage and hour

1 matters has been integral in identifying legal issues, evaluating the strengths and weaknesses of a
2 case, and generally negotiating fair and reasonable class and representative action settlements.
3 Practice in the narrow field of wage and hour litigation requires skill and knowledge concerning the
4 constantly evolving substantive law (state and federal), as well as the procedural law of class and
5 representative action litigation. In this action, the attorneys at D.Law are fully equipped to use the
6 skills and knowledge developed over decades of prosecuting and defending wage and hour class
7 actions to fairly and adequately represent the interests of the Settlement Class Members and
8 aggrieved employees. Therefore, based on our resources, experience, and knowledge, the attorneys
9 at D.Law are well-qualified to act as class counsel and represent the Plaintiff and the putative
10 Settlement Class Members and Allegedly Aggrieved Employees in this Action.

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

20 72. Concurrently with this filing, Plaintiff submitted the Class Action Settlement and
21 Release and Plaintiff's Motion for Preliminary Approval of Class Action Settlement and Release
22 and supporting documents to the LWDA.

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

25
26 Executed this 3rd day of September, 2025, at Glendale, California

27
28 

Enoch J. Kim

EXHIBIT 1

CLASS ACTION SETTLEMENT AND RELEASE

This Class Action Settlement Agreement and Release (“Settlement Agreement” or “Agreement”), is made and entered into by, between, and among Plaintiff Jane Barrett (“Plaintiff”), on behalf of herself and the Settlement Class, as defined in paragraph 35 below, on the one hand, and Defendant California Water Service Company (“Defendant” or “Cal Water”) on the other.

Plaintiff and Defendant (collectively, the “Parties”) enter into this Agreement to effectuate a full and final settlement and preclusive judgment resolving all claims brought or that could have been brought against Cal Water based upon the facts pleaded in *Barrett v. California Water Service Group* (Santa Clara Sup. Ct. Case No. 24CV431249) and all claims based on or related thereto. This Agreement is intended to fully and finally compromise, resolve, discharge, and settle the Released Claims, as defined and on the terms set forth below, and to the full extent reflected herein, subject to the approval of the Court.

I. RECITALS

WHEREAS, on February 21, 2024, Plaintiff filed a putative class action in Santa Clara Superior Court against Cal Water alleging various wage-and-hour violations, *Barrett v. California Water Service Group* (Santa Clara Sup. Ct. Case. No. 24CV431249);

WHEREAS, on April 26, 2024, Plaintiff filed a First Amended Complaint, adding a cause of action under the Private Attorney General Act, California Labor Code § 2698, *et seq.* (“PAGA”);

WHEREAS, on August 6, 2024, Plaintiff filed a Second Amended Complaint, amending the putative class definition;

WHEREAS, on February 11, 2025, the Parties participated in a virtual mediation session with experienced professional mediator, Mark S. Rudy, and, in preparation for the mediation, engaged in extensive discovery, including the deposition of Plaintiff and exchanging information, documents, and voluminous data, which enabled a thorough evaluation of the claims, and the likely outcomes, risks, and expense of pursuing litigation;

WHEREAS, following the mediation, a proposal was discussed that would resolve all of the claims pled in the Action;

WHEREAS, the Parties desire to fully, finally, and forever settle, compromise, and discharge all disputes and claims that exist between them arising from the factual allegations that underlie the Action concerning any and all claims asserted therein, including the alleged: failure to pay all overtime and minimum wages owed in violation of Labor Code §§ 510, 1194, 1197, 1197.1 and 1198; failure to pay meal period premiums at the regular rate of pay in violation of Labor Code §§ 512 and 226.7 and the applicable Industrial Welfare Commission (“IWC”) Wage Order; failure to pay rest break premiums at the regular rate of pay in violation of Labor Code § 226.7 and the applicable IWC Wage Order; failure to pay all wages timely upon separation of employment in violation of Labor Code §§ 201-203; failure to timely pay earned wages during employment in violation of Labor Code § 204; failure to provide complete and accurate wage statements in violation of Labor Code § 226; failure to reimburse and indemnify employees for losses and expenditures in violation of Labor Code §§ 2800 and 2802; unlawful collection of wages in violation of Labor Code § 221; violations of California Business & Professions Code § 17200 *et seq.*; and claims for PAGA penalties under Labor Code § 2698 *et seq.* To achieve a full and complete release of Cal Water (and the “Released Parties” as defined in this Agreement) of such disputes and claims, the Plaintiff, on behalf of herself and Participating Settlement Class Members as defined in this Agreement, acknowledges that this Settlement Agreement is intended to fully and finally resolve the Released Claims (as defined in this Agreement); and

WHEREAS, on March 10, 2025, the Parties agreed to a settlement and release of the Action according to the mediator’s proposal.

II. DEFINITIONS

In addition to the terms defined elsewhere in this Settlement Agreement, capitalized terms used in this Settlement Agreement shall have the meanings set forth below:

1. “Action” means the putative class action captioned *Barrett v. California Water Service*, Santa Clara County Superior Court, Case. No. 24CV431249.

2. “Allegedly Aggrieved Employees” means all current and former non-exempt Cal Water employees who were employed by Cal Water between February 21, 2023 and the earlier of May 9, 2025 or the date of Preliminary Approval, inclusive.

3. “Attorneys’ Fees and Costs” means attorneys’ fees sought by Class Counsel for litigation and resolution of the Action, and all reasonable costs incurred by Class Counsel in the Action. Subject to review and approval by the Court, Class Counsel may request attorneys’ fees of not more than one-third of the Gross Settlement Fund to Class Counsel for its litigation and resolution of this Action (“Attorneys’ Fees”) and reimbursement of actually incurred litigation costs and expenses in an amount not to exceed Forty Thousand Dollars (\$40,000.00) (“Attorneys’ Costs”), which shall be subject to proof filed in support of Final Approval of this Settlement Agreement and shall be paid from the Gross Settlement Fund as set forth in paragraph 43 below.

4. “Class Counsel” means Emil Davtyan, David Yeremian, Enoch Kim, Alvin B. Lindsay, and Arianna Razi of D.Law, Inc., who will seek to be appointed counsel for the Class.

5. “Class List” means a complete list of all Settlement Class Members and Allegedly Aggrieved Employees that Cal Water will diligently and in good faith compile from its records and provide to the Settlement Administrator within fifteen (15) calendar days after entry of an order granting Preliminary Approval of this Settlement. The Class List will be formatted in Microsoft Office Excel and will include each Class Member’s full name; most recent mailing address and telephone number contained in Cal Water’s personnel records; Social Security number; dates worked as hourly-paid or non-exempt employees of Defendant in California during the Class Period; information sufficient to calculate the number of Workweeks that each Class Member worked during the Class Period and the number of Workweeks that each Allegedly Aggrieved Employee worked during the PAGA Period according to Cal Water’s records; and any other information needed to calculate Individual Settlement Payments. The Class List will be treated as confidential information. The Class List will only be shared with the Settlement Administrator. The Class List will not be shared with Class Counsel.

6. “Class Notice” means the Notice of Class Action Settlement, to be sent via First-Class U.S. Mail to the Class, following Preliminary Approval, in substantially the form that is attached hereto as “Exhibit A.” The Class Notice will notify Class Members of the Settlement and explain the basic terms of the Settlement.

7. “Class Period” means the period from August 9, 2022 to May 9, 2025.

8. “Class Representative Enhancement Payment” means the amount to be paid to Plaintiff, subject to Final Approval by the Court, in recognition of her effort and work in prosecuting the Action on behalf of Settlement Class Members, and for her general release of claims under Civil Code section 1542. Subject to the Court granting Final Approval of this Settlement Agreement and subject to the exhaustion of any and all appeals, Plaintiff will request Court approval of a Class Representative Enhancement Payment of Five Thousand Dollars (\$5,000.00) to Plaintiff.

9. “Class Settlement” means the settlement and resolution of all Released Class Claims.

10. “Court” or “Santa Clara Superior Court” means the Superior Court of California for the County of Santa Clara.

11. “Defendant’s Counsel” means Gibson, Dunn & Crutcher LLP.

12. “Effective Date” means the later of: (i) if no timely objections are filed, or if filed, are withdrawn prior to Final Approval, the date upon which the Court enters an order granting Final Approval of the Settlement Agreement; or (ii) if timely objections are filed and not withdrawn, then either five (5) calendar days from the final resolution of any appeals timely filed or the expiration date of the time for filing or noticing any such appeals, provided that the Settlement is finally approved.

13. “Final Approval” means the entry of an order that the Plaintiff and Cal Water will jointly seek from the Court, and the entry of which shall reflect the Court’s Judgment finally approving the Settlement Agreement, disposing of all issues raised in this Action by way of

judgment in conformity with California Rules of Court Rule 3.769, and awarding and ordering the payment of all required amounts pursuant to the terms of this Agreement.

14. “Final Approval Hearing” means the hearing that is to take place after the entry of the Preliminary Approval Order and after the date the Settlement Administrator mails Class Notices to Settlement Class Members for purposes of: (i) entering Final Approval; (ii) determining whether the Settlement Agreement shall be approved as fair, reasonable, and adequate; (iii) ruling upon an application by Class Counsel for Attorneys’ Fees and Costs and Plaintiff’s Class Representative Enhancement Payment; (iv) ruling upon the Individual Settlement Payments, Settlement Administration Costs, PAGA Settlement amount; and (v) any other appropriate or necessary actions.

15. “Funding Date” means sixty (60) calendar days after the Effective Date.

16. “Gross Settlement Fund” means the non-reversionary amount of Six Hundred and Fifty Thousand Dollars (\$650,000.00), to be paid by Cal Water in full satisfaction of all Released Claims, which includes all Individual Settlement Payments to Participating Settlement Class Members, Participating Settlement Class Members’ shares of applicable payroll tax payments (including FICA, FUTA, and SDI contributions), the Class Representative Enhancement Payments to Plaintiff, the PAGA Settlement Amount for release of all Private Attorneys’ General Act claims, Attorneys’ Fees and Costs, and Settlement Administration Costs. In addition to the amount provided as part of the Gross Settlement Fund, Cal Water agrees to pay the employer’s share of applicable payroll tax payments (“Employer’s Payroll Tax Payments”). The Employer’s Payroll Tax Payments shall be calculated by the Settlement Administrator and determined based on the Individual Settlement Payments to Participating Settlement Class Members dispersed as W-2 payments. The Gross Settlement Fund amount is based on Defendant’s representation that there are approximately Sixty-Nine Thousand (69,000) Workweeks worked by Settlement Class Members during the period from August 8, 2022 to May 9, 2025. In the event that the number of qualifying Workweeks as calculated by the Settlement Administrator during the Class Period exceeds Sixty-Nine Thousand (69,000) by more than ten percent (10%) (i.e., exceeds 75,900), Cal

Water shall increase the Gross Settlement Fund proportionally to the percentage increase in the number of Workweeks worked by the Settlement Class Members above ten percent (10%) (e.g., if the total number of qualifying Workweeks is 15% higher than 69,000, the Gross Settlement Fund will increase by 5%). Prior to the filing of the Motion for Preliminary Approval, the Parties shall work to determine whether the Gross Settlement Fund needs to be increased under this paragraph. If the Gross Settlement Fund increases under this paragraph, the Parties agree that the Attorneys' Fees shall be one-third of the increased Gross Settlement Fund.

17. "Individual Settlement Payment" means each Participating Settlement Class Member's respective share of the Net Settlement Amount.

18. "Individual PAGA Payment" means each Allegedly Aggrieved Employee's respective share of the 25% portion of the PAGA Settlement Amount allocated to Allegedly Aggrieved Employees.

19. "Net Settlement Amount" means the portion of the Gross Settlement Fund remaining after deducting the Class Representative Enhancement Payment, Attorneys' Fees and Costs, Settlement Administration Costs, and the PAGA Settlement Amount. The entirety of the Net Settlement Amount will be distributed to Participating Settlement Class Members *pro rata*, on a per Workweek basis. There will be no reversion of the Net Settlement Amount to Cal Water.

20. "Notice of Objection" means a Settlement Class Member's valid and timely written objection to the Settlement Agreement. For the Notice of Objection to be valid, it must include: (i) the case name and number of the Action; (ii) the objector's full name, signature, address, and telephone number; (iii) a clear written statement of all grounds for the objection accompanied by any legal support for such objection; (iv) copies of any papers, briefs, or other documents upon which the objection is based; and (v) a statement whether the objector intends to appear at the Final Approval Hearing. Any Settlement Class Member who does not submit a timely written objection to the Settlement, or who fails to otherwise comply with the specific and technical requirements of this paragraph, will be foreclosed from objecting to the Settlement and seeking any adjudication or review of the Settlement, by appeal or otherwise.

21. "PAGA Period" means the period from February 21, 2023 to May 9, 2025.
22. "PAGA Settlement" means the settlement and resolution of all Released PAGA Claims.
23. "PAGA Settlement Amount" means the amount that will be allocated to penalties under PAGA to be distributed to the Allegedly Aggrieved Employees and the Labor and Workforce Development Agency ("LWDA") in connection with the resolution of the PAGA claims in the Action. Fifteen Thousand Dollars and Zero Cents (\$15,000.00) of the PAGA Settlement Amount will be paid to the California LWDA ("LWDA Payment") and Five Thousand Dollars and Zero Cents (\$5,000.00) of the PAGA Settlement Amount will be distributed to Allegedly Aggrieved Employees on a *pro rata* basis based on their respective number of Workweeks between February 21, 2023 and the earlier of May 9, 2025 ("PAGA Period").
24. "Participating Settlement Class Members" means all Settlement Class Members who do not submit timely and valid Requests for Exclusion.
25. "Preliminary Approval" means entry of the Court order granting preliminary approval of this Settlement Agreement.
26. "Qualified Settlement Fund" means a fund, account, or trust satisfying the requirements of 26 C.F.R. § 1.468B-1, established by the Settlement Administrator for the purpose of distributing the Gross Settlement Fund according to the terms of this Settlement Agreement.
27. "Release Period" means the period from August 8, 2022 through May 9, 2025.
28. "Released Claims" means the Released Class Claims and the Released PAGA Claims, collectively.
29. "Released Class Claims" means all claims under state, federal, or local law during the Release Period that were or reasonably could have been alleged based upon the facts pleaded in the Action, including: (a) failure to provide compliant wage statements violations and/or failure to keep requisite payroll records (Labor Code §§ 226 and 1174); (b) failure to pay minimum wages (Labor Code §§ 1194, 1197, and 1197.1); (c) failure to pay overtime wages (Labor Code §§ 510, and 1197); (d) failure to provide compliant meal periods and associated premiums and compliant

rest periods and associated premiums (Labor Code §§ 226.7, 512, and IWC Wage Order No. 4); (e) failure to reimburse employees for necessary business expenditures (Labor Code § 2802); (f) to timely pay wages during employment (Labor Code § 204); (g) failure to timely pay wages upon termination (Labor Code §§ 201, 202, and 203); (h) unlawful collection of wages (Labor Code § 221); and (i) all claims asserted through California Business & Professions Code §§ 17200 *et seq.* arising out of the aforementioned claims during the Release Period.

30. “Released PAGA Claims” means all claims under PAGA for penalties during the PAGA Period that were or reasonably could have been alleged based upon the facts pleaded in the Action and the notice of Plaintiff’s intent to pursue a representative action pursuant to PAGA, on behalf of herself and the State of California, as well as on behalf of a proposed group of aggrieved employees (“PAGA Notice”), for alleged violations of California Labor Code sections 201, 202, 203, 204, 206.5, 226, 226.2, 226.7, 432.5, 510, 512, 558, 1174, 1174.5, 1185, 1194, 1194.1, 1194.2, 1197, 1197.1, 1198, 1199, 2802 and 2698 *et seq.*, and Industrial Welfare Commission Wage Orders. Plaintiff’s PAGA Notice is attached as **Exhibit B** to this Settlement Agreement.

31. “Released Parties” means Cal Water and any of its former and present parents, subsidiaries, holding companies, investors, sister and affiliated companies, divisions, and other related entities, as well as its and their successors, predecessors, shareholders, officers, directors, partners, assigns, agents, employees, principals, heirs, administrators, attorneys, vendors, accountants, auditors, consultants, fiduciaries, insurers, reinsurers, employee benefit plans, and representatives, both individually and in their official capacities, past or present, as well as all persons acting by, through, under, or in concert with any of these persons or entities, including, but not limited to, entities holding ownership interests in Cal Water.

32. “Request for Exclusion” means a timely letter submitted by a Settlement Class Member indicating a request to be excluded from the Settlement. The Request for Exclusion must: (i) contain the case name and number of the Action; (ii) set forth the full name and address of the Settlement Class Member requesting exclusion; (iii) be signed by the Settlement Class Member; (iv) be sent by mail to the Settlement Administrator at the specified address, postmarked on or

before the Response Deadline; (v) clearly state that the Settlement Class Member does not wish to be included in the Settlement. The date of the postmark on the return mailing envelope on the submission will be the exclusive means to determine whether a Request for Exclusion has been timely submitted.

33. "Response Deadline" means the deadline by which Settlement Class Members must postmark to the Settlement Administrator Requests for Exclusion, Notices of Objection, or Workweeks Disputes. The Response Deadline will be sixty (60) calendar days from the initial mailing of the Class Notices by the Settlement Administrator, unless the sixtieth (60th) day falls on a Sunday or federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline may also be extended by express written agreement between Class Counsel and Defendant's Counsel. Under no circumstances, however, will the Settlement Administrator have the authority to extend the Response Deadline. In the event that a Class Notice is re-mailed to a Class Member, the Response Deadline for that Class Member shall be extended by fifteen (15) calendar days.

34. "Settlement Administration Costs" means the reasonable fees and expenses payable from the Gross Settlement Fund to the Settlement Administrator, subject to Court approval, for administering this Settlement, including, but not limited to, printing, distributing, and tracking Class Notices and other documents for this Settlement; calculating estimated amounts per Settlement Class Member and Allegedly Aggrieved Employees; tax reporting, including issuing of 1099 and W-2 IRS forms and all required tax reporting, filings, withholdings, and remittances; distributing the LWDA Payment, Gross Settlement Fund and Attorneys' Fees and Attorneys' Costs, and providing necessary reports and declarations, and other duties and responsibilities set forth herein to process this Settlement, as requested by the Parties. The Parties have agreed to allocate up to Twenty Thousand Dollars (\$20,000.00) to Settlement Administration Costs. The Settlement Administration Costs will be paid from the Gross Settlement Fund. In the event the allocated Settlement Administration Costs exceed the actual costs incurred by the Settlement

Administrator, the difference shall be a part of the Net Settlement Amount and distributed among the Participating Settlement Class Members.

35. “Settlement Administrator” means ILYM Group Inc., which the Parties have agreed to, subject to approval by the Court for the purposes of administering this Settlement. The Parties each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

36. “Settlement Class Member(s)” or “Settlement Class” means all current and former hourly non-exempt Cal Water employees within the State of California who were hired by Cal Water at any time on or after August 9, 2022, or hired by Cal Water at any time on or before August 8, 2022, who remained employed by Cal Water on or after December 1, 2022. The Settlement Class shall not include any individuals hired by Cal Water after May 9, 2025.

37. “Workweek(s)” means the number of weeks each Settlement Class Member worked for Defendant as an hourly-paid or non-exempt employee in California during the Class Period, which will be calculated by the Settlement Administrator by taking the total number of any calendar weeks that the Settlement Class Member worked at least one day during the Class Period. Each Settlement Class Member shall be credited with at least one (1) Workweek.

38. “Workweeks Dispute” means a written dispute submitted by a Settlement Class Member indicating a dispute of the number of Workweeks attributed to the Settlement Class Member in the Class Notice. The Workweeks Dispute must: (i) contain the case name and number of the Action; (ii) be signed by the Settlement Class Member; (iii) contain the full name, address, telephone number, and the last four digits of the Social Security Number of the disputing Settlement Class Member; (iv) clearly state that the Settlement Class Member disputes the number of Workweeks credited to him or her and what he or she contends is the correct number to be credited to him or her; (v) include information and/or attach documentation demonstrating that the number of Workweeks that he or she contends should be credited to him or her are correct; and (vi) be sent by mail to the Settlement Administrator at the specified address,

postmarked on or before the Response Deadline. The date of the postmark on the return mailing envelope will be the exclusive means to determine whether a Workweeks Dispute has been timely submitted.

III. TERMS OF AGREEMENT

Plaintiff, on behalf of herself and the Settlement Class, and Cal Water agree as follows:

39. Class Certification. For the purposes of this Settlement only, the Parties stipulate to the certification of the following Class: all current and former hourly non-exempt Cal Water employees within the State of California who were hired by Cal Water at any time on or after August 9, 2022, or hired by Cal Water at any time on or before August 8, 2022, who remained employed by Cal Water on or after December 1, 2022. The Settlement Class shall not include any individuals hired by Cal Water after May 9, 2025.

40. Class Certification for Settlement Purposes Only. The Parties stipulate to class certification of any claims not yet certified for purposes of implementing the Settlement only, and in no way is that an admission by Cal Water that class certification is proper under Section 382 of the California Code of Civil Procedure or any other rule or law permitting certification of a class. The Settlement will not be admissible in any proceeding, other than proceedings necessary to seek Court approval of the Settlement, as evidence that (i) a class or collective should be certified as Plaintiff has proposed for any claims, including but not limited to any currently non-certified claims; (ii) the Action should proceed on a representative basis pursuant to PAGA; or (iii) Cal Water is liable to Plaintiff or any other individuals she claims to represent in the Action in connection with any claims that were or could have been asserted in the Action, except as is necessary for obtaining Preliminary Approval and Final Approval of the Settlement.

41. Preliminary Approval Motion. The Parties agree to present the Settlement for Preliminary Approval, and consent to continued jurisdiction if Preliminary Approval is granted, to Judge Charles F. Adams in the Santa Clara Superior Court, and Plaintiff further agrees to endeavor in good faith to file a Motion for Preliminary Approval promptly upon full execution of this Agreement and the Settlement Administrator's receipt of data from Defendant. The Settlement

Administrator will calculate the total number of Settlement Class Members and Workweeks during the Class Period and Allegedly Aggrieved Employees and pay periods during the PAGA Period.

42. Funding of the Gross Settlement Fund and Employer's Payroll Tax Payments. Cal Water will make a one-time deposit of the Gross Settlement Fund of Six Hundred Fifty Thousand Dollars (\$650,000.00) plus Employer's Payroll Tax Payment into a Qualified Settlement Fund to be established by the Settlement Administrator in exchange for the promises set forth in this Settlement Agreement, including the releases by the Participating Settlement Class Members, Allegedly Aggrieved Employees, and Plaintiff for the Released Claims. The Individual Settlement Payments and Individual PAGA Payments are not being made for any other purpose and will not be construed as compensation for purposes of determining eligibility for any health and welfare benefits or unemployment compensation. After the Effective Date, the Gross Settlement Fund will be used to pay: (i) Individual Settlement Payments; (ii) the PAGA Settlement Amount; (iii) the Class Representative Enhancement Payment; (iv) the Attorneys' Fees and Costs; and (v) Settlement Administration Costs. Cal Water will deposit the Gross Settlement Fund and the Employer's Payroll Tax Payment by the Funding Date.

43. Non-Reversionary Settlement. Participating Settlement Class Members are entitled to one hundred percent (100%) of the Net Settlement Amount, to be distributed as outlined in paragraph 47. No portion of the Net Settlement Amount will revert to or be retained by Cal Water. Cal Water maintains no reversionary right to any portion of the Net Settlement Amount, including any increase in the Net Settlement Amount resulting from a reduction in the Class Representative Enhancement Payment, Attorneys' Fees and Costs, the PAGA Settlement Amount, and the Settlement Administration Costs. If there are any timely submitted opt outs or a reduction in the Class Representative Enhancement Payment, Attorneys' Fees and Costs, the PAGA Settlement Amount, and/or the Settlement Administration Costs, the Settlement Administrator shall proportionately increase the Individual Settlement Payments for each Participating Settlement Class Member so that the amount actually distributed to Participating Settlement Class Members equals one hundred percent (100%) of the corresponding Net Settlement Amount.

44. Attorneys' Fees and Costs. Class Counsel shall apply to the Court for attorneys' fees of not more than one-third (1/3) of the Gross Settlement Fund (i.e., Two Hundred Sixteen Thousand Six Hundred Sixty-Seven Dollars and Sixty Seven Cents (\$216,667.67) if the Gross Settlement Fund is \$650,000.00), plus reasonable costs and expenses incurred, not to exceed Forty Thousand Dollars (\$40,000.00) subject to Court approval. These amounts will cover any and all work performed and any and all costs incurred by Class Counsel in connection with the litigation of the Action, including without limitation all work performed and costs incurred to date, and all work to be performed and all costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts received. The Settlement Administrator (and not Cal Water) shall issue an IRS Form 1099 to Class Counsel reflecting the Attorneys' Fees and Costs. Defendant agrees not to oppose Class Counsel's reasonable request for an award of attorneys' fees and costs in the amounts set forth in this paragraph. With respect to the Attorneys' Fees and Costs to Class Counsel, the Settlement Administrator may purchase an annuity to utilize United States Treasuries and bonds or other attorney fee deferral vehicles, for Class Counsel. Any additional expenses for the use of attorney fee deferral vehicles by the Settlement Administrator shall be paid separately by Class Counsel and shall not be included within the Settlement Administration Costs. Defendant and Defendant's counsel shall not be liable for any expenses associated with the use of an attorney fee deferral vehicle by the Settlement Administrator. Any portion of the Attorneys' Fees and Costs not awarded to Class Counsel will remain part of the Net Settlement Amount for distribution to Settlement Class Members.

45. Class Representative Enhancement Payment. In exchange for general releases of all known and unknown claims that she may have against Cal Water and Released Parties based on her employment with Cal Water (including a waiver of claims under Civil Code section 1542), and in recognition of her service to the class and efforts and work in prosecuting the Action,

Plaintiff shall apply for a Class Representative Enhancement Payment of Five Thousand Dollars (\$5,000.00). The Class Representative Enhancement Payment will be paid from the Gross Settlement Fund and will be in addition to Plaintiff's Individual Settlement Payment paid pursuant to the Settlement Agreement. The Settlement Administrator (and not Cal Water) shall issue an IRS Form 1099 to Plaintiff reflecting her Class Representative Enhancement Payment. Plaintiff agrees to assume sole responsibility for remitting to the Internal Revenue Service, the California Franchise Tax Board, and any other relevant taxing authority the amounts required by law, if any, from her Class Representative Enhancement Payment. In addition, Plaintiff shall hold Cal Water and the Released Parties harmless and indemnify and defend Cal Water and the Released Parties for all taxes, interest, penalties, and costs incurred by Cal Water or the Released Parties by any reason of any claims relating to their non-withholding of taxes from the Class Representative Enhancement Payment. Should the Court approve the Class Representative Enhancement Payment to Plaintiff in an amount that is less than that set forth above, the difference between the lesser amount approved by the Court and the amount allocated to the Enhancement Award will remain part of the Net Settlement Amount for distribution to the Settlement Class Members.

46. Settlement Administration Costs. The Settlement Administrator will be paid for the reasonable costs it incurs for purposes of administering the Settlement and distributing payments from the Gross Settlement Fund. These costs, which will be paid from the Gross Settlement Fund, will include, *inter alia*, the required tax reporting on the Individual Settlement Payments, the issuing and collection of 1099 and W-2 IRS Forms, distributing Class Notices, processing Requests for Exclusion, Notices of Objection, and Workweek Disputes, performing single skip trace on Class Notices returned as undeliverable, calculating and distributing from the Gross Settlement Fund, all Individual Settlement Payments, PAGA Settlement Amount, Class Representative Enhancement Payment, and Attorneys' Fees and Costs, and providing necessary reports and declarations, among other tasks set forth in this Agreement.

47. PAGA Settlement Amount. Subject to Court approval, the Parties agree that the amount of Twenty Thousand Dollars (\$20,000.00) from the Gross Settlement Fund will be

allocated from the Gross Settlement Fund to penalties under the Private Attorneys General Act, California Labor Code Section 2698, *et seq.* (i.e., PAGA Payment). Pursuant to PAGA, Fifteen Thousand Dollars (\$15,000.00) of this sum will be paid to the LWDA and Five Thousand Dollars (\$5,000.00) will be distributed to Allegedly Aggrieved Employees on a *pro rata* basis based on the number of Workweeks during the PAGA Period.

48. Individual Settlement Payment Calculations. Settlement Class Members do not need to submit a claim to participate and receive their Individual Settlement Payment. Individual Settlement Payments will be calculated and apportioned from the Net Settlement Amount to Settlement Class Members on a *pro rata* basis depending on the number of Workweeks in which a Settlement Class Member performed at least one day of work for Cal Water, as follows:

a. After Preliminary Approval, the Settlement Administrator will determine the Workweeks of each Settlement Class Member, divide the Net Settlement Amount by the Workweeks of all Settlement Class Members to yield the "Estimated Workweek Value," and multiply each Settlement Class Member's individual Workweeks by the Estimated Workweek Value to yield his or her estimated Individual Settlement Payment that he or she may be eligible to receive under the Settlement.

b. After Final Approval, the Settlement Administrator will divide the final Net Settlement Amount by the Workweeks of all Settlement Class Members to yield the "Final Workweek Value," and multiply each Settlement Class Member's individual Workweeks by the Final Workweek Value to yield his or her Individual Settlement Payment.

49. Individual PAGA Payment Calculations. Individual PAGA Payments will be calculated and apportioned from the 25% portion of the PAGA Settlement Amount allocated to Allegedly Aggrieved Employees on a *pro rata* basis depending on the number of Workweeks in which an Allegedly Aggrieved Employee performed at least one day of work for Cal Water in the same manner as the Individual Settlement Payment. Allegedly Aggrieved Employees do not need

to submit a claim to participate in the PAGA portion of the Settlement and also may not opt out or object to the resolution of the PAGA claim.

50. No Credit Toward Benefit Plans. The Individual Settlement Payments made to Participating Settlement Class Members and Individual PAGA Payments made to Allegedly Aggrieved Employees under this Settlement, as well as any other payments made pursuant to this Settlement, will not be utilized to calculate any additional benefits under any benefit plans to which any Settlement Class Members may be eligible, including, but not limited to, profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, paid time off or PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Settlement Class Members may be entitled under any benefit plans. For the avoidance of doubt, no Settlement Class Member shall be entitled to any additional right, contribution, or amount under any benefit plan as a result of this Settlement or payments made hereunder.

51. Administration Process. The Parties agree to cooperate in the administration of the settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in the administration of the Settlement.

52. Notice to Labor and Workforce Development Agency. Class Counsel will notify the LWDA of entry of the Court's order granting Preliminary Approval consistent with this Agreement and Labor Code sections 2699(l)(2)–(3).

53. Preparation of the Class List. Within fifteen (15) calendar days of the entry of the Court's order granting Preliminary Approval, Cal Water will provide the confidential Class List to the Settlement Administrator. Within fifteen (15) calendar days after the Response Deadline, the Settlement Administrator will provide to counsel for Cal Water and Class Counsel the list of Participating Settlement Class Members, which, unless the Court orders otherwise, shall exclude individuals who filed a timely Request for Exclusion. The Settlement Administrator shall not provide social security numbers or contact information with this list.

54. Notice by First-Class U.S. Mail. Prior to mailing the Class Notice, the Settlement

Administrator will perform a search based on the National Change of Address Database or any other similar services available for information to update and correct for any known or identifiable address changes. Within fifteen (15) calendar days after receiving the Class List from Cal Water, the Settlement Administrator will mail a Class Notice to all Settlement Class Members via regular First-Class U.S. Mail, using the most current, known mailing addresses identified by the Settlement Administrator.

55. Non-Deliverable Class Notices. Any Class Notices returned to the Settlement Administrator as non-deliverable on or before the Response Deadline will be sent promptly via regular First-Class U.S. Mail within five (5) calendar days of receipt to the forwarding address affixed thereto and the Settlement Administrator will indicate the date of such remailing on the Class Notice. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace or other search using the name, address, and/or Social Security number of the Settlement Class Member involved, and will then perform a single re-mailing within five (5) calendar days of receipt. Settlement Class Members will have until the later of fifteen (15) calendar days from the date of the re-mailing or the Response Deadline, to submit a Notice of Objection, Request for Exclusion, or Workweeks Dispute.

56. Class Notices. All Settlement Class Members will be mailed a Class Notice. Each Class Notice will provide: (i) information regarding the nature of the Action; (ii) a summary of the Settlement Agreement's principal terms; (iii) the Settlement Class definition; (iv) the total number of Workweeks each respective Settlement Class Member worked for Cal Water during the Class Period; (v) each Settlement Class Member's estimated Individual Settlement Payment and the formula for calculating Individual Settlement Payments; (vi) the total number of Workweeks each respective Allegedly Aggrieved Employee worked for Cal Water during the PAGA Period; (vii) each Allegedly Aggrieved Employee's estimated Individual PAGA Payment and the formula for calculating Individual PAGA Payments; (viii) the dates which comprise the Class Period, the PAGA Period, and the Release Period; (ix) instructions on how to submit Requests for Exclusion or Notices of Objection or Workweeks Disputes; (x) the deadlines by which the Settlement Class

Member must postmark Requests for Exclusion, Notices of Objection, and Workweeks Disputes; (xi) the claims to be released; and (xii) the Settlement Administrator's contact information, including the website address where the electronic versions of the materials in the Class Notice will be available. The Parties' proposed Class Notice is attached hereto as **Exhibit A**.

57. Posting of Settlement Agreement on Settlement Administrator's Website. Within ten (10) calendar days of entry of the order granting Preliminary Approval, the Settlement Administrator shall post the Settlement Agreement and any other Court-approved forms to its website.

58. Dispute Regarding Workweeks. Settlement Class Members will have an opportunity to dispute the number of Workweeks for which they have been credited, as reflected in their Class Notices. In order to dispute the number of credited Workweeks on record, Settlement Class Members must submit a timely and valid Workweeks Dispute to the Settlement Administrator that: (i) contains the case name and number of the Action; (ii) is signed by the Settlement Class Member; (iii) contains the full name, address, telephone number, and the last four digits of the Social Security Number of the disputing Settlement Class Member; (iv) clearly states that the Settlement Class Member disputes the number of Workweeks during the Class Period and/or PAGA Period credited to him or her and what he or she contends is the correct number to be credited to him or her; (v) includes information and/or attaches documentation demonstrating that the number of Workweeks that he or she contends should be credited to him or her are correct; and (vi) is sent by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline. The date of the postmark on the return mailing envelope on the submission will be the exclusive means to determine whether a Workweeks Dispute has been timely submitted. Settlement Class Members may produce evidence to the Settlement Administrator showing that such information is inaccurate by the Response Deadline. Cal Water's records will be presumed correct, but the Settlement Administrator will evaluate the evidence submitted by the Settlement Class Member and will make the final decision as to the merits of the dispute. If a Settlement Class Member produces information and/or documents that contradict Cal

Water's records, the Settlement Administrator will evaluate the materials submitted by the Settlement Class Member, and the Settlement Administrator will resolve and determine the number of eligible Workweeks that the disputing Settlement Class Member should be credited with under the Settlement. All disputes will be decided by the Settlement Administrator within fifteen (15) calendar days of the Response Deadline.

59. Request for Exclusion Procedures. Any Settlement Class Member wishing to opt out of the Class Settlement must sign and mail a written Request for Exclusion to the Settlement Administrator by the Response Deadline. In the case of Requests for Exclusion that are mailed to the Settlement Administrator, the postmark date will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendant's Counsel the Requests for Exclusion that were timely submitted. Consistent with California law, Allegedly Aggrieved Employees may not opt out of the PAGA Settlement. Any Settlement Class Member who submits a timely and valid Request for Exclusion is prohibited from making any objection to the Settlement. A Settlement Class Member who does not submit a timely and valid Request for Exclusion will be deemed a Settlement Class Member and will be bound by all terms of the Settlement and any judgment that may be entered by the Court if the Settlement is granted Final Approval by the Court. Allegedly Aggrieved Employees will still receive an Individual PAGA Payment representing their portion of the PAGA Settlement Amount and will be bound to the PAGA Settlement and will release the Released PAGA Claims irrespective of whether they submit a Request for Exclusion. All signatories and their counsel must not encourage opt-outs. The Parties specifically agree not to solicit opt-outs, directly or indirectly, through any means. Objective statements to Settlement Class Members who call Class Counsel with inquiries regarding the Settlement Agreement, or the exercise of Class Counsel's ethical obligations, shall not be deemed a violation of the prohibitions contained herein.

60. Defective Submissions. If a Settlement Class Member's Request for Exclusion is defective as to the requirements listed herein, that Settlement Class Member will be given an opportunity to cure the defect(s). The Settlement Administrator will mail the Settlement Class

Member a cure letter within three (3) business days of receiving the defective submission to advise the Settlement Class Member that his or her submission is defective and that the defect must be cured to render the Request for Exclusion valid. The Settlement Class Member will have until the later of (i) the Response Deadline or (ii) ten (10) calendar days from the date of the cure letter to postmark a revised Request for Exclusion. If the revised Request for Exclusion is not postmarked within that period, it will be deemed untimely.

61. Cancellation of Settlement Agreement. Within fourteen (14) calendar days of the Response Deadline, as defined in the Court's Order granting Preliminary Approval of the Settlement, Cal Water will have the option, in its sole discretion, to void the Settlement Agreement in its entirety if three percent (3%) or more of all individuals eligible to become members of the Settlement Class submit timely and valid Requests for Exclusion or are otherwise deemed by the Court not to be bound by the Settlement. If Cal Water exercises this option, it shall be responsible for all Settlement Administration Costs incurred to the date of cancellation.

62. Releases.

a. Release of Class Claims by Settlement Class Members. The Parties agree that upon the Effective Date and Defendant's full funding of the Gross Settlement Fund, in exchange for the consideration provided by this Settlement Agreement, Plaintiff and all Participating Settlement Class Members, will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Class Claims against the Released Parties, as fully described in paragraph 29, arising during the Release Period.

b. Release of PAGA Claims by Allegedly Aggrieved Employees. The Parties agree that upon the Effective Date and Defendant's full funding of the Gross Settlement Fund, in exchange for the consideration provided by this Settlement Agreement, Plaintiff and all Allegedly Aggrieved Employees, will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and

discharged the Released PAGA Claims against the Released Parties, as fully described in paragraph 30, arising during the PAGA Period.

c. Release of Claims by Plaintiff. Upon the Effective Date and Defendant's full funding of the Gross Settlement Fund, in addition to the claims being released by all Participating Settlement Class Members and Allegedly Aggrieved Employees, Plaintiff will fully, finally, and forever release and discharge the Released Parties, to the fullest extent permitted by law, of and from any and all claims, known and unknown, asserted and not asserted, which Plaintiff has or may have against the Released Parties based in any way on, or otherwise related to or arising from, her employment with Cal Water as of the date of her execution of this Settlement Agreement. The releases include, but are not limited to, all disputes relating to or arising out of any state, local, or federal statute, ordinance, regulation, order, or common law, including, but not limited to, Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. §§ 2000(e), *et seq.*; the Civil Rights Act of 1866, as amended, 42 U.S.C. §§ 1981, *et seq.*; the Equal Pay Act, as amended, 29 U.S.C. § 206(d); the Fair Labor Standards Act of 1939, as amended, 29 U.S.C. §§ 201, *et seq.* and Code of Federal Regulations; the Orders of the California Industrial Welfare Commission regulating wages, hours and working conditions; the California Fair Employment & Housing Act, as amended, Cal. Govt. Code §§ 12900, *et seq.*; the California Family Rights Act of 1991, as amended; Cal. Govt. Code § 12945.2; the California Unruh Civil Rights Act, as amended, Cal. Civ. Code §§ 51, *et seq.*; the California Labor Code (including any claim for civil penalties under the California Labor Code Private Attorneys General Act); the California Government Code; Article 1 of the California Constitution; the Rehabilitation Act of 1973, as amended, 29 U.S.C. §§ 701 *et seq.*; the Americans with Disabilities Act of 1990, 42 U.S.C. §§ 12100, *et seq.*; the Family and Medical Leave Act of 1993, 29 U.S.C. §§ 2601, *et seq.* and any state law equivalent; the Employee Retirement

Income Security Act of 1974, 29 U.S.C. §§ 1001, *et seq.*; the National Labor Relations Act, as amended, 29 U.S.C. §§ 151, *et seq.*; California Business and Professions Code §§ 17200, *et seq.*; other statutory and common law claims; statutory or common law rights to attorneys' fees and costs, penalties/fines, and/or punitive damages; any action based on contract, quasi-contract, quantum meruit, implied contract, tort, wrongful or constructive discharge, breach of the covenant of good faith and fair dealing, defamation, libel, slander, immigration issues, infliction of emotional distress, negligence, assault, battery, conspiracy, harassment, retaliation, discrimination on any basis prohibited by statute or public policy, conversion, any interference with business opportunity or with contract or based upon any other theory; and/or similar causes of action. Upon the execution of the Settlement Agreement, to the extent allowed by California law, the Plaintiff waives all rights and benefits afforded by section 1542 of the California Civil Code as to any Released Claims. Section 1542 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.

Plaintiff understands and agrees that claims or facts in addition to or different from those which are now known or believed by her to exist may hereafter be discovered. It is Plaintiff's intention to settle fully and release all claims she now has against the Released Parties, whether known or unknown, suspected or unsuspected. Notwithstanding the above, the general release by Plaintiff shall not extend to

claims for workers' compensation benefits, claims for unemployment benefits, or other claims that may not be released by law.

63. Settlement Terms Bind All Class Members Who Do Not Opt Out. Any Settlement Class Member who does not affirmatively opt out of the Settlement Agreement by submitting a timely and valid Request for Exclusion (i.e., Participating Settlement Class Members) will be bound by all of its terms, including those pertaining to the Released Claims, as well as any Judgment that may be entered by the Court if it grants Final Approval of the Settlement. The Settlement Agreement shall constitute, and may be pleaded as, a complete and total defense to any Released Claims currently pending or raised in the future. All Allegedly Aggrieved Employees—regardless of whether they submit a Request for Exclusion—shall receive a check for their share of the PAGA Settlement Amount when settlement payments are delivered, and they will be bound by a release of the Released PAGA Claims as outlined in paragraphs 30 and 62.

64. Notice of Objection Procedures. To object to the Settlement Agreement, a Settlement Class Member must mail a valid Notice of Objection to the Settlement Administrator on or before the Response Deadline. The Notice of Objection must be signed by the Settlement Class Member and contain all information required by this Settlement Agreement. The postmark date will be deemed the exclusive means for determining that the Notice of Objection is timely. The Settlement Administrator will notify any person from whom it receives a Notice of Objection that is not timely and/or valid if, in fact, such Notice of Objection is not timely and/or valid. Any disputes regarding the timeliness, validity, or effectiveness of a Notice of Objection shall be decided by the Settlement Administrator consistent with the terms of this Agreement, and with the Parties' input, if appropriate. Settlement Class Members who submit timely Notices of Objection may also appear at the Final Approval Hearing in order to have their objections heard by the Court. Alternatively, Settlement Class Members who have not submitted a written Notice of Objection in compliance with the Settlement Agreement may still appear at the Final Approval Hearing and present their objections. Settlement Class Members who fail to object in the manner specified above will be deemed to have waived all objections to the Settlement and will be foreclosed from

making any objections, whether by appeal or otherwise, to the Settlement Agreement. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Settlement Class Members to submit written objections to the Settlement Agreement or appeal from the Final Approval Order and Judgment. Class Counsel will not represent any Settlement Class Members with respect to any such objections to this Settlement.

65. Certification Reports Regarding Individual Settlement Payment Calculations. The Settlement Administrator will provide Defendant's Counsel and Class Counsel a weekly report that certifies (i) the number of Settlement Class Members who have submitted timely and valid Requests for Exclusion or objected to the Settlement, as provided in paragraphs 58 or 63, (ii) whether any Settlement Class Member has submitted Workweeks Dispute as provided in paragraphs 57, and (iii) the number of undeliverable and re-mailed Class Notices. Additionally, the Settlement Administrator will immediately notify the Parties when it receives a request from an individual or any other entity regarding exclusion from or inclusion in the Class and provide counsel for both Parties with any updated reports regarding the administration of the Settlement Agreement as needed or requested, as consistent with the terms of the Settlement Agreement.

66. Distribution Timing of Individual Settlement Payments. The Settlement Administrator will distribute the funds in the Gross Settlement Fund within the time period set forth with respect to each category of payment.

a. Individual Settlement Payment and PAGA Settlement Amount: Within fourteen (14) days of the Funding Date, the Settlement Administrator will issue the LWDA Payment to the LWDA, the Individual Settlement Payments to the Participating Settlement Class Members, and the Individual PAGA Payments to the Allegedly Aggrieved Employees. Settlement Class Members and Allegedly Aggrieved Employees will be issued their Individual Settlement Payments and Individual PAGA Payments by way of a single check.

b. Attorneys' Fees and Costs and: Within fourteen (14) days of the Funding Date, the Settlement Administrator will issue the Attorneys' Fees and Costs to Class Counsel in the amounts awarded by the Court.

c. Class Representative Enhancement Payments: Within fourteen (14) days of the Funding Date, the Settlement Administrator will issue the Class Representative Enhancement Payment to Plaintiff in the amount awarded by the Court.

d. Settlement Administration Costs: Within fourteen (14) days of the Funding Date, the Settlement Administrator will issue the Settlement Administration Costs to itself in the amount awarded by the Court.

67. Un-cashed Settlement Checks. Individual Settlement Payment and/or Individual PAGA Payment checks will be valid and negotiable for a period of one hundred and eighty (180) calendar days from the date of issuance of the check. Checks remaining un-cashed for more than one hundred eighty (180) calendar days after issuance will be cancelled and deemed void. Funds associated with such uncashed checks shall be transmitted to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code Section 1500, *et seq.*, in the names of those Allegedly Aggrieved Employees and Participating Settlement Class Members who did not cash their checks until such time they claim their property. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code § 384, as the entire Net Settlement Amount (plus the PAGA Settlement Amount) will be paid out to Allegedly Aggrieved Employees and Participating Settlement Class Members, whether or not they all cash their Individual Settlement Payment and/or Individual PAGA Payment settlement checks. The Settlement Administrator shall undertake amended and/or supplemental tax filings and reporting, required under applicable local, state, and federal tax laws, that are necessitated due to the cancellation of any settlement checks. Settlement Class Members whose settlement checks are cancelled shall, nevertheless, be bound by this Settlement Agreement. Under no circumstances will any portion of the Gross Settlement Fund revert to Defendant.

68. Certification of Completion. Upon completion of the administration of the Settlement, the Settlement Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties.

69. Treatment of Individual Settlement Payments. For tax purposes, the Individual PAGA Payments from the PAGA Settlement Amount will be treated as 100% penalties and will be reported on IRS Form 1099. Individual Settlement Payments will be allocated as follows: (i) Thirty Percent (30%) to settlement of wage claims and (ii) Seventy Percent (70%) to settlement of claims for interest, statutory penalties, and non-wage damages. The portion allocated to wages shall be reported on an IRS Form W-2 and the portion allocated to interest and penalties shall be reported on an IRS Form 1099 by the Settlement Administrator. The Settlement Administrator will withhold the Settlement Class Members' share of taxes and withholdings with respect to the wages portion of the Individual Settlement Payments, and issue checks to Settlement Class Members for their Individual Settlement Payments. Participating Settlement Class Members shall be responsible for remitting to state and/or federal taxing authorities any applicable other taxes due. Neither this Agreement, nor any of its attachments, should be interpreted to contain or constitute representations or advice regarding any U.S. federal or state tax issue. Settlement Class Members and Allegedly Aggrieved Employees will be specifically informed that neither Cal Water nor Class Counsel make any representations regarding the tax implications of any amounts paid under this Settlement Agreement and that if Settlement Class Members or Allegedly Aggrieved Employees have any questions regarding those implications, they can and should consult a tax expert.

70. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiff, Participating Settlement Class Members, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement. The Settlement Administrator will also be responsible for forwarding all Participating Settlement Class Member payroll taxes and penalties to the appropriate government authorities. All Settlement Class Members, including Participating

Settlement Class Members and Allegedly Aggrieved Employees, shall be solely and exclusively responsible for remitting to state and/or federal taxing authorities any applicable other taxes due, except for Cal Water's payment of the Employer's Payroll Tax Payments, and shall hold Cal Water and the Released Parties harmless for any taxes, penalties, interest, liabilities, costs, and expenses caused by any such taxing authority relating in any way to the Allegedly Aggrieved Employees', Settlement Class Members' and Participating Settlement Class Members' tax treatment of payments made to them pursuant to this Agreement or failure to timely or properly pay any taxes owed on their respective Individual Settlement Payment.

71. Tax Liability. Plaintiff, Class Counsel, Cal Water, and Defendant's Counsel make no representations or warranties as to the tax consequences, treatment, or legal effect of the payments called for hereunder, do not intend anything contained in this Settlement Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement Agreement be relied on as such. Plaintiff and Participating Settlement Class Members are not relying on any statement, representation, or calculation by Cal Water or by the Settlement Administrator in this regard. Plaintiff understands and agrees that, except for Cal Water's payment of the Employer's Payroll Tax Payments, Plaintiff and Settlement Class Members will be solely responsible for correctly characterizing any compensation received under the settlement on his/her personal income tax returns and paying any and all taxes due for any and all amounts paid to them under the settlement.

72. Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY," AND EACH PARTY TO THIS SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS SETTLEMENT AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE

RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS SETTLEMENT AGREEMENT, (B) HAS NOT ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING 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 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS SETTLEMENT AGREEMENT.

73. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.

74. Nullification of Settlement Agreement. In the event that: (i) the Court does not finally approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other reason, then this Settlement Agreement, except as expressly agreed upon in writing by the Parties, will be null and void. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will likewise be treated as void from the beginning.

75. Termination of Settlement Agreement. Either Party will have the right to unilaterally terminate this Settlement Agreement by providing written notice of its election to do so (“Termination Notice”) to all other Parties hereto within ten (10) business days of any of the following occurrences; provided, however, that the Parties agree to cooperate in good faith to address any issues the Court raises in connection with issuing Preliminary and/or Final Approval of the Settlement:

- a. the Court rejects, materially modifies, materially amends or changes, or declines to issue a Preliminary Approval Order or a Final Approval Order with respect to the Settlement Agreement and the Parties are not permitted to remedy any deficiencies the Court identifies; or
- b. an appellate court reverses the Final Approval Order, and the Settlement Agreement is not reinstated without material change by the Court on remand.

76. Reversion *Nunc Pro Tunc*. If this Settlement Agreement is terminated pursuant to its terms, or the Effective Date for any reason does not occur: (a) all Orders certifying the Settlement Class for purposes of effecting this Settlement, and all preliminary and/or final findings regarding the Settlement Class, shall be void *ab initio* and automatically vacated upon notice to the Court, (b) the Action shall proceed as though the Settlement Class had never been certified pursuant to this Settlement Agreement and such findings had never been made, (c) the Action shall revert *nunc pro tunc* to the procedural status quo as of the date and time immediately before the execution of the Settlement Agreement, in accordance with this Settlement Agreement, (d) the Settlement Agreement shall be void and shall have no force or effect, and no Party shall be bound by any of its terms, (e) Defendant shall have no obligation to make any payments to any Party, Settlement Class Member, or Class Counsel, (f) The Preliminary Approval Order, Final Approval Order and Judgment, including any order certifying the Class, shall be vacated; (g) the Settlement Agreement and all negotiations, statements, and proceedings relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be restored to their respective positions in the Action prior to the execution of the Settlement Agreement; (h) neither this

Settlement Agreement, nor any ancillary documents, actions, statements, or filings in furtherance of the Settlement (including all matters associated with the mediation) shall be admissible or offered into evidence in the Action or any other action for any purpose whatsoever; and (i) any documents generated to bring the Settlement into effect, will be null and void, and any order or judgment entered by the Court in furtherance of this Settlement Agreement will likewise be treated as void from the beginning. The Parties further agree that, by assenting to the filing of a Second Amended Complaint for purposes of this Settlement only, Cal Water does not admit any facts or waive any defenses.

77. Preliminary Approval Hearing. Plaintiff will promptly obtain a hearing before the Court to request the Preliminary Approval of the Settlement Agreement and the entry of an order: (i) conditionally certifying the Settlement Class for settlement purposes only; (ii) granting Preliminary Approval to the proposed Settlement Agreement; (iii) granting approval of the PAGA Settlement Amount; (iv) preliminarily appointing Plaintiff as representative of the class; (v) preliminarily appointing Class Counsel as counsel for the Class; (vi) approving, as to form and content, the Class Notice and directing its mailing to the Settlement Class by First-Class U.S. Mail; (vii) approving the manner and method for Settlement Class Members to request exclusion from the Settlement as contained herein and within the Class Notice; (viii) setting a deadline for Class Counsel to file an application for attorney's fees and costs and an application for a Class Representative Enhancement Payment for Plaintiff; and (ix) setting a date for a Final Approval Hearing. In conjunction with the Preliminary Approval hearing, Plaintiff will submit this Settlement Agreement, which sets forth the terms of this Settlement and will include the proposed Class Notice, attached hereto as **Exhibit A**. Class Counsel will be responsible for drafting all documents necessary to obtain preliminary approval. Class Counsel will provide Defendant's Counsel a draft of the Motion for Preliminary Approval and all supporting documents at least five (5) calendar days before the filing deadline. Defendant agrees not to oppose the Motion for Preliminary Approval consistent with this Settlement Agreement.

78. Final Approval Hearing and Entry of Judgment. Upon expiration of the deadlines to postmark Requests for Exclusion or Notices of Objection (and no earlier than one hundred (100) calendar days after the date on which Plaintiff files her Motion for Preliminary Approval or thirty (30) calendar days after the Response Deadline) and with the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to determine the Final Approval of the Settlement Agreement along with the amounts properly payable for: (i) Individual Settlement Payments; (ii) Individual PAGA Payments and the PAGA Settlement Amount; (iii) the Class Representative Enhancement Payment; (iv) the Attorneys' Fees and Costs; and (v) all Settlement Administration Costs. Class Counsel will provide Defendant's Counsel a draft of the Final Approval Motion at least three (3) calendar days before the filing deadline, and Defendant agrees not to oppose the Final Approval Motion consistent with this Settlement Agreement.

79. Judgment and Continued Jurisdiction. The Parties will present a proposed form of Judgment to the Court for its approval, which Class Counsel shall submit to the Court that (i) approves the Settlement Agreement, adjudging the terms thereof to be fair, reasonable, adequate, and directing consummation of its terms and provisions; (ii) certifying the Settlement Class for purposes of settlement only; (iii) approving Class Counsel's application for Attorneys' Fees and Costs; (iv) approving the Class Representative Enhancement Payment; (v) approving the PAGA Settlement Amount; (vi) approving the Settlement Administrator's fees from the Gross Settlement Amount; (vii) setting a date when the Settlement Administrator shall report to the Court the completion of the distribution process and the total amount that was actually paid to the Settlement Class Members; (viii) directing Cal Water to fund all amounts due under the Settlement Agreement and ordered by the Court, in accordance with the Settlement Agreement; and (ix) entering judgment in this Action, while maintaining continuing jurisdiction, in conformity with California Rules of Court 3.769 and the Settlement Agreement, whereby all Allegedly Aggrieved Employees will release the Released Parties of the Released PAGA Claims, and all Participating Settlement Class Members will release the Released Parties of the Released Class Claims. As required by California Rule of Court 3.769(h), after entry of the Judgment, the

Court will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement; (ii) Settlement administration matters; and (iii) such post-Judgment matters as may be appropriate under court rules or as set forth in this Settlement Agreement.

80. Older Workers' Benefit Protection Act Waiver.

a. Plaintiff specifically intends that the claims she is releasing herein include any claims that Plaintiff may have under the Age Discrimination in Employment Act of 1967, as amended by the Older Workers' Benefit Protection Act of 1990.

b. Plaintiff is advised to consult with her counsel before signing this Settlement Agreement because Plaintiff is permanently giving up significant legal rights. Plaintiff acknowledges that she has been so advised.

c. Plaintiff acknowledges that she has been given at least twenty-one (21) calendar days to execute and return this Settlement Agreement and has been advised that, after she executes this Settlement Agreement, Plaintiff has seven (7) calendar days to reconsider and revoke the Settlement Agreement, recognizing that Plaintiff will not be provided anything under this Settlement Agreement until at least that seven (7)-day revocation period has expired. The general release will then become effective on the eighth (8th) calendar day after it is signed, provided that Plaintiff does not revoke it.

d. In order to effectively revoke this general release, the Parties agree that Plaintiff must provide written notice of such revocation within seven (7) calendar days after Plaintiff executes this Settlement Agreement to counsel for Cal Water, Catherine A. Conway and Cynthia Chen McTernan, via email to cconway@gibsondunn.com and cmcternan@gibsondunn.com.

81. Exhibits Incorporated by Reference. The terms of this Settlement Agreement include the terms set forth in any attached exhibits, which are incorporated by this reference as

though fully set forth herein. Any exhibits to this Settlement Agreement are an integral part of the Settlement.

82. Entire Agreement. This Settlement Agreement and any attached exhibits constitute the entirety of the Parties' settlement terms and, should this Settlement Agreement receive Final Approval, its terms will supersede all prior written or oral agreements between the Parties. The Parties expressly recognize California Civil Code § 1625 and California Code of Civil Procedure § 1856(a), which provide that a written agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written representations or terms will modify, vary or contradict the terms of this Settlement Agreement.

83. Amendment or Modification. Prior to the filing of the Motion for Preliminary Approval of the Settlement, the Parties may not amend or modify any provision of this Settlement Agreement except by written agreement signed by counsel for all Parties. After the filing of the Motion for Preliminary Approval of the Settlement, the Parties may not amend or modify any provision of the Settlement Agreement except by written agreement signed by counsel for all of the Parties and subject to Court approval. A waiver or amendment of any provision does not constitute a waiver of any other provision.

84. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to reach an agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

85. Signatories. It is agreed that because the members of the Settlement Class are so numerous, it is impossible or impractical to have each Settlement Class Member execute this Settlement Agreement. The Class Notice will advise all Settlement Class Members of the binding nature of the release as to the Settlement Class Members, and the release shall have the same force and effect as if this Settlement Agreement were executed by each Settlement Class Member.

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

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

88. Execution and Counterparts. This Settlement Agreement is subject to the execution of all Parties. The Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including facsimile, electronic, and scanned copies of the signature page, will be deemed to be one and the same instrument.

89. Acknowledgement that the Settlement Is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement. In addition, the Mediator may execute a declaration supporting the Settlement and the reasonableness of the Settlement and the Court may, in its discretion, contact the Mediator to discuss the Settlement and whether the Settlement is objectively fair and reasonable.

90. Invalidity of Any Provision. If the Court indicates that it believes that a provision of this Settlement Agreement may be invalid, the Parties will attempt to amend the provision so that it is consistent with the material terms of the Settlement Agreement and also valid and

enforceable under applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

91. Plaintiff's Waiver of Right to Be Excluded. Plaintiff agrees to sign this Settlement Agreement and, by signing this Settlement Agreement, is hereby bound by the terms herein.

92. Non-Admission of Liability. The Parties enter into this Settlement Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of continued litigation. In entering into this Settlement, Cal Water does not admit, and specifically denies, that it violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to its employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, will be construed as an admission or concession by Cal Water of any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Settlement, this Settlement Agreement and its terms and provisions will not be offered or received as evidence in any action or proceeding to establish any liability or admission on the part of Cal Water or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local, or other applicable law.

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

94. Media Restrictions. The Parties and their counsel agree that they will not issue any press releases or initiate any contact with the media about the fact, amount, or terms of the Settlement. Unless required by applicable law, neither the Plaintiff nor Class Counsel shall publicize the terms of this Settlement Agreement in any medium, or initiate or issue any press release or have any communications to the press or media concerning the Action, the Settlement of the Action, and/or this Settlement Agreement, except as posted by the Settlement Administrator

as ordered by the Court. Class Counsel shall not include, and shall affirmatively remove, any reference to any of the foregoing subjects in any advertising, mass mailing, website, or other communication. Nothing herein will restrict Class Counsel from including publicly available information regarding this Settlement in future judicial submissions regarding Class Counsel's qualifications and experience. If counsel for either Party receives an inquiry about the Settlement from the media, counsel may respond only after the Motion for Preliminary Approval has been filed and only by confirming the terms of the Settlement. Notwithstanding the foregoing, nothing will prevent Class Counsel from communicating confidentially with Settlement Class Members as necessary to fulfill their obligations as Class Counsel. Plaintiff and Class Counsel will undertake any disclosures required to be made to the LWDA in conformity with PAGA.

95. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in the Action, including with respect to California Code of Civil Procedure section 583.310, except such proceedings necessary to implement and complete the Settlement Agreement, pending the Final Approval hearing to be conducted by the Court.

96. Confirmatory Discovery. If necessary, Defendant and Defendant's counsel shall cooperate with Plaintiff and her counsel with respect to confirmatory discovery.

97. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such party of the same or any other condition, covenant, right, or remedy.

98. Enforcement Actions. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

99. Disputes Regarding Settlement Agreement. In the event that there are any disputes arising out of or relating to this Settlement Agreement, any such dispute will be submitted to

mediator Mark S. Rudy. If the Parties are unable to resolve any disputes with Mark S. Rudy, they will present the issue to the Honorable Charles F. Adams, whose decision will bind the Parties.

100. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed more strictly against one party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

101. Representation by Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this Settlement Agreement has been executed with the advice of counsel, and reviewed in full. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

102. Notices. All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by overnight mail at the addresses set for below, or such other addresses as either Party may designate in writing from time to time:

To Plaintiff and Class Counsel:

Emil Davtyan, Esq.
David Yeremian, Esq.
Enoch Kim, Esq.
Alvin B. Lindsay, Esq.
Arianna Razi, Esq.
D.LAW, INC.
450 North Brand Blvd. Suite 840
Glendale, California 91203
emil@d.law
d.yeremian@d.law
e.kim@d.law
a.lindsay@d.law
m.rodriguez@d.law

To Defendant:

Catherine Conway, Esq.
Cynthia Chen McTernan, Esq.
GIBSON, DUNN & CRUTCHER LLP
333 South Grand Avenue
Los Angeles, California 90071
cconway@gibsondunn.com
cmcternan@gibsondunn.com

103. All Terms Subject to Final Court Approval. All amounts and procedures described in this Settlement Agreement herein will be subject to Final Approval by the Court.

104. Final Judgment. Plaintiff and Class Counsel shall provide the Settlement Administrator with a copy of the Final Judgment once it is entered by the Court, and the Settlement Administrator shall post the Final Judgment on its website within three (3) business days of receipt. No individualized notice to the Settlement Class will be required.

105. Cooperation and Execution of Necessary Documents. All Parties and their counsel will cooperate in good faith and their best efforts to implement the Settlement, including and not limited to, executing all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

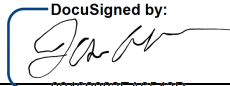
106. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement Agreement, and further intend that this Settlement Agreement will be fully enforceable and binding on all parties, with retention of jurisdiction by the Court as provided therein, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms.

SIGNATURE PAGE FOLLOWS

READ CAREFULLY BEFORE SIGNING

Dated: July ¹⁵ __, 2025

Plaintiff and Class Representative

By:  DocuSigned by: 00469082EA6543D...
Jane Barrett

Dated: June __, 2025

California Water Service Company

By: _____
Martin A. Kropelnicki
Chief Executive Officer

By: _____
Shawn C. Bunting
SVP and General Counsel

APPROVED AS TO FORM

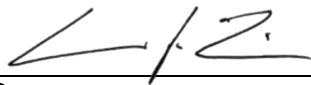
Dated: June __, 2025

Gibson, Dunn & Crutcher LLP

By: _____
Catherine A. Conway
Cynthia Chen McTernan
Attorneys for Defendant California Water
Service Company

Dated: July 15, 2025

D.Law, Inc.

By:  _____
Emil Davtyan
David Yeremian
Enoch Kim
Alvin B. Lindsay
Arianna Razi
Attorneys for Plaintiff Jane Barrett

Dated: July __, 2025

Plaintiff and Class Representative

By: _____
Jane Barrett

Dated: July 22, 2025

California Water Service Company

By: _____
Martin A. Kropelnicki
Chief Executive Officer

By: _____
Shawn C. Bunting
SVP and General Counsel

APPROVED AS TO FORM

Dated: July 22, 2025

Gibson, Dunn & Crutcher LLP

By: _____
Catherine A. Conway
Cynthia Chen McTernan
Attorneys for Defendant California Water
Service Company

Dated: July __, 2025

D.Law, Inc.

By: _____
Emil Davtyan
David Yeremian
Enoch Kim
Alvin B. Lindsay
Arianna Razi
Attorneys for Plaintiff Jane Barrett

EXHIBIT A

*Barrett v. California Water Service Group
Santa Clara County Superior Court, Case No. 24CV431249*

*A court has authorized this notice. This is not a solicitation.
This is not a lawsuit against you and you are not being sued.
You do not need to take any action to receive a settlement and, unless you request to be excluded from the
settlement, your legal rights may be affected.*

NOTICE OF CLASS AND PAGA ACTION SETTLEMENT

To: All current and former hourly non-exempt Cal Water employees within the State of California who were hired by Cal Water at any time on or after August 9, 2022, or hired by Cal Water at any time on or before August 8, 2022, who remained employed by Cal Water on or after December 1, 2022. The Settlement Class shall not include any individuals hired by Cal Water after May 9, 2025 (“Settlement Class Member(s)”).

YOU MAY BE ELIGIBLE TO RECEIVE PAYMENT FROM THE CLASS AND PAGA SETTLEMENT DESCRIBED IN THIS NOTICE.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	To receive a settlement payment, you do not need to do anything. Your payment will be mailed to you, automatically, after the Court grants final approval of the Settlement. <i>You must, however, keep a current address on file with the Settlement Administrator to ensure receipt of your check.</i>
CHANGE CONTACT AND ADDRESS INFORMATION	Update your address with the Settlement Administrator to ensure your check is sent to the correct address.
EXCLUDE YOURSELF FROM THE CLASS SETTLEMENT	If you do not want to participate in the Class Settlement, you may exclude yourself (opt out) from the class portion of the Settlement. If you exclude yourself from the Class Settlement, you will not receive any payment from the Net Settlement Amount (defined below). This is the only option that allows you to pursue your own claims (in your own lawsuit) against Defendant about the legal claims in this case. However, even if you exclude yourself from the Class Settlement, you will still receive a portion of the PAGA Settlement and be bound by it.
OBJECT	Write to the Court if you think the Settlement is not fair or you can appear at a hearing to explain to the Court why you think the Settlement is not fair.

- **YOUR RIGHTS AND OPTIONS – AND THE DEADLINES TO EXERCISE THEM – ARE EXPLAINED IN THIS NOTICE.**
- **CALIFORNIA WATER SERVICE COMPANY WILL NOT RETALIATE IN ANY MANNER AGAINST ANYONE FOR PARTICIPATING OR NOT PARTICIPATING IN THIS SETTLEMENT.**

BACKGROUND ON THE ACTION

1. Why did I get this notice?

You received this notice because Defendant California Water Service Company's ("Cal Water" or "Defendant") records identify you as someone who worked for Cal Water in California as a current or former hourly non-exempt Cal Water employee within the State of California who was hired by Cal Water at any time on or after August 9, 2022, or hired by Cal Water at any time on or before August 8, 2022, who remained employed by Cal Water on or after December 1, 2022, making you a "Class Member" during the "Class Period." The Settlement will resolve all Settlement Class Members' claims, which are described below, during the Class Period. The Settlement will also resolve claims for civil penalties brought under the California Private Attorneys General Act ("PAGA"). If you are a Settlement Class Member, you are also an "Allegedly Aggrieved Employee" during the "PAGA Period," which is from February 21, 2023 to May 9, 2025.

The purpose of this notice is to explain the Action, the pending Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the Superior Court of the State of California, County of Santa Clara, and the case is known as *Jane A. Barrett v. California Water Service Group* - Case No. 24CV431249 ("Action"). There was a hearing on [REDACTED], in Santa Clara County Superior Court. The Honorable Charles F. Adams preliminarily approved the Settlement and directed that you receive this notice. The Court will hold a Final Approval hearing concerning the proposed settlement on [REDACTED], 2026 at [REDACTED], in Department 7 of the Santa Clara County Superior Court located at the Downtown Superior Court on 191 N. First Street, San Jose, CA 95113. The Final Approval Hearing may be continued to another date without further notice.

2. What is this Class and PAGA Action About?

Plaintiff Jane A. Barrett initiated this wage and hour class and representative action against Cal Water on February 21, 2024. The Second Amended Complaint filed on August 6, 2024, alleges causes of action for purported violations of the California Labor Code: (1) Failure to Pay Minimum Wages (Lab. Code §§ 1194, 1197); (2) Failure to Pay Wages and Overtime (Lab. Code §§ 510, 1194, 1197, 1197.1, and 1198); (3) Meal Period Violations (Lab. Code §§ 512 and 226.7); (4) Rest Break Violations (Lab. Code § 226.7); (5) Non-Complaint Wage Statements (Lab. Code § 226); (6) Unlawful Collection of Wages (Lab. Code § 221); (7) Failure to Timely Pay Wages During Employment (Lab. Code § 204); (8) Failure to Pay All Wages Timely Upon Separation of Employment (Lab. Code §§ 201-203); (9) Failure to Reimburse Necessary Business Expenses (Lab. Code §§ 2800 and 2802); (10) Unfair Business Practices (Bus. & Prof. Code § 17200, *et seq.*); and (11) Penalties under PAGA (Lab. Code § 2698, *et seq.*). Plaintiff's class and representative claims are on behalf of Settlement Class Members who worked for Defendant in California during the Class Period.

Cal Water denies all allegations in the Second Amended Complaint or that it violated any law and contends that at all times it has fully complied with all applicable federal, state, and local laws.

On February 11, 2025, through arms-length negotiations with an experienced wage and hour mediator, Mark S. Rudy, the Parties reached a class and PAGA settlement ("Settlement"), which was preliminarily approved by the Court on [REDACTED]. The Court has appointed ILYM Group, Inc. as the administrator of the Settlement ("Settlement Administrator"), Plaintiff Jane A. Barrett as representative of the Class ("Class Representative"). The Settlement represents a compromise and Settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Cal Water that the claims in the Action have merit or that Cal Water has any liability to Plaintiff or to Settlement Class Members. Plaintiff and Cal Water, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and that the Settlement is in the best interests of the Settlement Class Members.

3. Why is there a settlement?

The Court has not decided in favor of Plaintiff Jane A. Barrett, or in favor of Cal Water, or made any decision as to whether this case could proceed on a class or representative basis. There was no trial. Instead, both sides agreed to a no-fault settlement of the Action.

4. Who are the Parties in this Action?

Plaintiff Jane A. Barrett was employed by Cal Water as an hourly employee in California. Defendant is Cal Water and released parties as addressed in the Settlement Agreement.

5. Who are the Attorneys for the Parties?

Counsel for Plaintiff and the Class

Emil Davtyan, Esq.

Emil@d.law

David Yeremian, Esq.

d.yeremian@d.law

Enoch J. Kim, Esq.

e.kim@d.law

Alvin Lindsay, Esq.

a.lindsay@d.law

Arianna Razi, Esq.

a.razi@d.law

D.LAW, INC.

450 North Brand Boulevard, Suite 840

Glendale, CA 91203

Telephone: (818) 962-6465

Fax: (818) 962-6469

Counsel for Cal Water

Catherine Conway, Esq.

cconway@gibsondunn.com

Cynthia Chen McTernan, Esq.

cmcternan@gibsondunn.com

GIBSON, DUNN & CRUTCHER LLP

333 South Grand Avenue

Los Angeles, California 90071

Telephone: (213) 229-7000

Fax: (213) 229-7520

THE TERMS OF THE SETTLEMENT

6. What is the Gross Settlement Fund?

The proposed Settlement provides for a maximum payment of Six Hundred and Fifty Thousand Dollars and Zero Cents (\$650,000.00) (referred to as the “Gross Settlement Fund”). From the Gross Settlement Fund, Class Counsel will apply to the Court for attorneys’ fees of Two Hundred Sixteen Thousand Six Hundred Sixty-Seven Dollars and Sixty-Seven Cents (\$216,667.67) (“Attorneys’ Fees”) and Forty Thousand Dollars and Zero Cents (\$40,000.00) in costs (collectively, “Attorneys’ Fees and Costs”); an enhancement payment in the amount of Five Thousand Dollars and Zero Cents (\$5,000.00) to Plaintiff Jane A. Barrett for her work and efforts prosecuting this case (“Class Representative Enhancement Payment”); the allocation of Twenty Thousand Dollars and Zero Cents (\$20,000.00) to settle all claims under PAGA (“PAGA Settlement Amount”), of which 75%, or Fifteen Thousand Dollars and Zero Cents (\$15,000.00), will be paid to the California Labor and Workforce Development Agency (“LWDA”) and the remaining 25%, or Five Thousand Dollars and Zero Cents (\$5,000.00), will be distributed to Allegedly Aggrieved Employees; and settlement administration costs in an amount not to exceed Twenty Thousand Dollars and Zero Cents (\$20,000.00) to the Settlement Administrator (“Settlement Administration Costs”). The exact amount of the Attorneys’ Fees, Attorneys’ Costs, Class Representative Enhancement Payment, and Settlement Administration Costs will be determined by the Court at the Final Approval hearing. The remaining portion of the Gross Settlement Fund, the “Net Settlement Amount” is currently estimated to be approximately **\$348,332.33**. The Net Settlement Amount will be apportioned and

paid out as Individual Settlement Payments to the Participating Settlement Class Members, who are all Settlement Class Members who do not request to be excluded (“opt-out”) from the Settlement.

7. **How will the Individual Settlement Payments to Participating Settlement Class Members be calculated?**

Participating Settlement Class Members will receive Individual Settlement Payments as a proportional amount of the Net Settlement Amount. **A claim form is not required.** Settlement Class Members who opt out of the Class Settlement will not receive an Individual Settlement Payment and will not be bound by the class portion of this Settlement.

Each Settlement Class Member’s Individual Settlement Payment will be a pro-rata share of the Net Settlement Amount based on the number of workweeks worked during the Class Period (“Workweeks”). Please note that if you were a Cal Water employee hired on or before August 8, 2022, who remained employed at Cal Water as of December 1, 2022 and did not opt out of the settlement class in *Hicks v. California Water Service* (Santa Clara County Superior Court, Case No. 21CV376394), your Workweeks will be calculated as the number of weeks worked between December 1, 2022 and May 9, 2025, rather than the full Class Period because the settlement release period for *Hicks* ended on December 1, 2022. The Settlement Administrator will calculate the total Workweeks for all Settlement Class Members. After Final Approval, the Settlement Administrator will divide the final Net Settlement Amount by the Workweeks of all Participating Settlement Class Members to yield the “Final Workweek Value,” and multiply each Participating Settlement Class Member’s individual Workweeks by the Final Workweek Value to yield his or her Individual Settlement Payment.

All Individual Settlement Payments to Participating Settlement Class Members shall be allocated as follows for tax purposes: (i) Thirty Percent (30%) to the settlement of wage claims and (ii) Seventy Percent (70%) to the settlement of claims for interest, statutory penalties, and non-wage damages. The portion allocated to wages is subject to tax withholding and will be reported on an IRS Form W-2, and the portion allocated to interest, statutory penalties, and non-wages is not subject to tax withholdings and will be reported on an IRS Form 1099. Settlement Class Members will receive an IRS Form 1099 for the portion of the Individual Settlement Payment attributable to alleged interest, statutory penalties, and non-wage damages if required by law. The Settlement Administrator will be responsible for issuing to Participating Settlement Class Members an IRS Form W-2 for amounts deemed wages and an IRS Form 1099 for the amounts deemed interest, statutory penalties, and non-wage damages. Participating Settlement Class Members assume full responsibility and liability for any employee taxes owed on their Individual Settlement Payment.

Your total estimated Workweeks is [REDACTED]. Based on that, your anticipated approximate Individual Settlement Payment is [REDACTED].

8. **How will the PAGA Settlement Amount be allocated to the LWDA and Allegedly Aggrieved Employees?**

The Parties will ask the Court to approve the Twenty Thousand Dollars and Zero Cents (\$20,000.00) PAGA Settlement Amount to settle all claims for civil penalties under PAGA. As required under PAGA, 75% of the PAGA Settlement Amount, or Fifteen Thousand Dollars and Zero Cents (\$15,000.00), will be paid to the LWDA. The remaining 25% of the PAGA Settlement Amount, or Five Thousand Dollars and Zero Cents (\$5,000.00), will be distributed to Allegedly Aggrieved Employees (defined as all current and former non-exempt Cal Water employees who were employed by Cal Water during the PAGA Period as Individual PAGA Payments).

No claim form is required to receive an Individual PAGA Payment. Because Allegedly Aggrieved Employees cannot opt out of the PAGA Settlement, if you are an Allegedly Aggrieved Employee and you opt out of the Class Settlement, you will still receive an Individual PAGA Payment and be bound by the PAGA Settlement.

Each Allegedly Aggrieved Employee's Individual PAGA Payment will be a pro-rata share of the 25% of the PAGA Settlement Amount to be distributed to Allegedly Aggrieved Employees. It will be based on the number of pay periods that each Allegedly Aggrieved Employee worked for Cal Water during the PAGA Period as a proportion of all pay periods for all Allegedly Aggrieved Employees ("pay periods"). For tax purposes, 100% of the Individual PAGA Payments will be allocated as penalties for which an IRS Form 1099 will be issued if required by law.

Your total estimated pay periods are [REDACTED]. Based on that, your anticipated Individual PAGA Payment is [REDACTED].

HOW TO GET A PAYMENT

9. **How can I get a settlement payment?**

If you want to receive money from the Settlement, you do not have to do anything. You will automatically receive your Individual Settlement Payment and Individual PAGA Payment (if any) unless you decide to exclude yourself from the Settlement. Unless you elect to exclude yourself from the Settlement, you will be bound by the terms of the Settlement and any judgment that may be entered by the Court based thereon, and you will be deemed to have released the Released Parties for the Released Claims (as defined below). As a Settlement Class Member, you will not be separately responsible for the payment of attorney's fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney's fees and expenses. You must notify the Settlement Administrator of any change in your name, mailing address, and/or telephone number if the information shown on this is not correct.

It is your responsibility to keep the Settlement Administrator informed of any change in your address. Settlement payments will be mailed to the last known address the Settlement Administrator has on file for you. You can contact the Settlement Administrator by U.S. Mail, email, or phone at [REDACTED] if you need to update contact information.

10. **What do I do if I believe my Workweeks or pay periods are incorrect?**

If you believe the Workweeks and pay periods above are not correct, you may send a letter to the Settlement Administrator indicating what you believe to be the correct information. Your letter must be postmarked on or before [REDACTED], 2025. *[60 days within mailing of Notice]* You should include any documents or other information that you believe supports that you worked a different number of Workweeks or pay periods. The Settlement Administrator will resolve any dispute regarding these issues based on Cal Water's records and any information you provide.

11. **When can I expect to receive a settlement check?**

Individual Settlement Payments and Individual PAGA Payments will be mailed to Participating Settlement Class Members and Allegedly Aggrieved Employees within fourteen (14) days of the Funding Date, which is sixty (60) calendar days after the Effective Date, which is the later of: (i) if no timely objections are filed, or if filed, are withdrawn prior to Final Approval, the date upon which the Court enters an order granting Final Approval of the Settlement Agreement; or (ii) if timely objections are filed and not withdrawn, then either five (5) calendar days from the final resolution of any appeals timely filed or the expiration date of the time for filing or noticing any such appeals, provided that the Settlement is finally approved.

Settlement checks should be cashed promptly upon receipt. Checks remaining un-cashed for more than one hundred and eighty (180) calendar days after issuance will be cancelled and deemed void. Funds associated with

such uncashed checks shall be transmitted to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code Section 1500, *et seq.*, in the names of those Allegedly Aggrieved Employees and Participating Settlement Class Members who did not cash their checks until such time they claim their property. If your settlement check is lost or misplaced, you should contact the Settlement Administrator immediately.

WHAT HAPPENS IF THE COURT APPROVES THE SETTLEMENT

12. **What am I giving up getting an Individual Settlement Payment?**

If the Court approves this Settlement and unless you exclude yourself, you will become a Participating Settlement Class Member, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against Cal Water concerning the legal claims being resolved in this Settlement. Specifically, you will be giving up or “releasing” the claims described below:

Released Class Claims: Upon the Effective Date and Defendant’s full funding of the Gross Settlement Fund, in exchange for the consideration provided by the Settlement Agreement, Plaintiff and all Participating Settlement Class Members, will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Class Claims against the Released Parties, which are all claims under state, federal, or local law during the Release Period that were or reasonably could have been alleged based upon the facts pleaded in the Action, including: (a) failure to provide compliant wage statements violations and/or failure to keep requisite payroll records (Labor Code §§ 226 and 1174); (b) failure to pay minimum wages (Labor Code §§ 1194, 1197, and 1197.1); (c) failure to pay overtime wages (Labor Code §§ 510, and 1197); (d) failure to provide compliant meal periods and associated premiums and compliant rest periods and associated premiums (Labor Code §§ 226.7, 512, and IWC Wage Order No. 4); (e) failure to reimburse employees for necessary business expenditures (Labor Code § 2802); (f) to timely pay wages during employment (Labor Code § 204); (g) failure to timely pay wages upon termination (Labor Code §§ 201, 202, and 203); (h) unlawful collection of wages (Labor Code § 221); and (i) all claims asserted through California Business & Professions Code §§ 17200 *et seq.* arising out of the aforementioned claims during the Release Period, which is the period from August 8, 2022 through May 9, 2025.

“Released Parties” means Cal Water and any of its former and present parents, subsidiaries, holding companies, investors, sister and affiliated companies, divisions, and other related entities, as well as its and their successors, predecessors, shareholders, officers, directors, partners, assigns, agents, employees, principals, heirs, administrators, attorneys, vendors, accountants, auditors, consultants, fiduciaries, insurers, reinsurers, employee benefit plans, and representatives, both individually and in their official capacities, past or present, as well as all persons acting by, through, under, or in concert with any of these persons or entities, including, but not limited to, entities holding ownership interests in Cal Water.

13. **What PAGA Claims are released by this Settlement?**

If the Court approves this Settlement, upon the Effective Date and Defendant’s full funding of the Gross Settlement Fund, in exchange for the consideration provided by the Settlement Agreement, Plaintiff and all Allegedly Aggrieved Employees, will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released PAGA Claims against the Released Parties, which are all claims under PAGA for penalties during the PAGA Period that were or reasonably could have been alleged based upon the facts pleaded in the Action and the notice of Plaintiff’s intent to pursue a representative action pursuant to PAGA, on behalf of herself and the State of California, as well as on behalf of a proposed group of aggrieved employees (“PAGA Notice”), for alleged violations of California Labor Code sections 201, 202, 203,

204, 206.5, 226, 226.2, 226.7, 432.5, 510, 512, 558, 1174, 1174.5, 1185, 1194, 1194.1, 1194.2, 1197, 1197.1, 1198, 1199, 2802 and 2698 *et seq.*, and Industrial Welfare Commission Wage Orders.

Defendant and Released Parties will be entitled to assert this release of the PAGA claims in this Action as a defense to future claims against it for penalties by the LWDA or under the PAGA on behalf of the LWDA with respect to the Released PAGA Claims.

EXCLUDING YOURSELF FROM THE CLASS SETTLEMENT

14. How do I opt out of the Class Settlement?

If you do not wish to participate in the Settlement, you may seek exclusion from (or “opt out” of) the Settlement by submitting a timely, written request for exclusion from the Settlement to the Settlement Administrator. To opt out of the class portion of the Settlement and the release of Released Class Claims, you must provide a signed and dated letter to the Settlement Administrator requesting to be excluded (“Request for Exclusion”). The Request for Exclusion should include your reasons for excluding yourself and sufficient identifying information, and must state in substance:

“I want to opt out of the class action settlement in the lawsuit entitled *Barrett v. California Water Service Group*, Santa Clara County Superior Court Case No. 24CV431249, filed in the Superior Court of California, County of Santa Clara.”

The Request for Exclusion must (i) contain the case name and case number of the Action; (ii) set forth your full name and address; (iii) be signed by you; (iv) be sent by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline; and (v) clearly state that you do not wish to be included in the Settlement. The Request for Exclusion must be postmarked and mailed to the Settlement Administrator at the following address (or in the enclosed envelope) on or before [REDACTED], 2025. [60 days within mailing of Notice] Opt-out requests postmarked after the deadline will be invalid.

Jane A. Barrett v. California Water Service Group
Settlement Administrator
c/o ILYM Group Inc.

P. O. Box _____

_____, _____

If the Court grants final approval of the Settlement, any Settlement Class Member who submits a timely and valid Request for Exclusion from the Settlement will not be entitled to receive any payment from the Settlement, will not be bound by the Settlement, and will not have any right to object to, appeal, or comment on the Settlement. Any Settlement Class Members who do not submit a timely and valid Request for Exclusion from the Settlement will be deemed Participating Settlement Class Members and will be bound by all terms of the Settlement, as well as any judgment that may be entered by the Court based thereon.

Notwithstanding the above, all Settlement Class Members will receive their share of the 25% share of the PAGA Settlement Amount and will be bound to the Released PAGA Claims, irrespective of whether they submit a Request for Exclusion.

15. If I don't exclude myself from the Class Settlement, can I sue Cal Water for the same thing later?

No. Unless you exclude yourself, you give up any right to sue the Cal Water for the claims being released by this Settlement, the Released Class Claims. If you have a claim or lawsuit already filed against Cal Water or any of the Released Parties, you should speak to your lawyer in that case immediately. You may need to exclude yourself from this Settlement to continue your own lawsuit. You cannot exclude yourself from the PAGA portion of the Settlement.

OBJECTING TO THE SETTLEMENT

16. How do I tell the Court that I don't like the Settlement?

If you don't think the Settlement is fair, you can object to some or all of the Settlement, as long as you have not submitted a Request for Exclusion. You can either object to the Settlement in person at the Final Approval Hearing or you can submit a written objection ("Notice of Objection"). Notices of Objection and notices of intent to appear at the Final Approval Hearing must be mailed to the Settlement Administrator and postmarked on or before [REDACTED], 2025, [60 days within mailing of Notice] at the following address:

Jane A. Barrett v. California Water Service Group
Settlement Administrator
c/o ILYM Group Inc.,
P. O. Box _____
_____, _____

The Notice of Objection must include: (i) the case name and number of the Action; (ii) your full name, signature, address, and telephone number; (iii) a clear written statement of all grounds for the objection accompanied by any legal support for such objection; (iv) copies of any papers, briefs, or other documents upon which the objection is based; and (v) a statement whether you intend to appear at the Final Approval Hearing. If the Court overrules the objection at the Final Approval Hearing, the Settlement Agreement will be approved, and you will receive your settlement share. If you do not submit a written objection, you may still appear at the Final Approval Hearing to voice your objection or to otherwise observe the proceedings. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. Although Settlement Class Members may appear in person, the judge overseeing this case encourages remote appearances. (As of August 15, 2022, the Court's remote platform is Microsoft Teams.) Settlement Class Members who wish to appear remotely should contact Class Counsel at least three days before the hearing if possible. Instructions for appearing remotely are provided at https://www.sccscourt.org/general_info/ra_teams/video_hearings_teams.shtml and should be reviewed in advance. Settlement Class Members may appear remotely using the Microsoft Teams link for Department 7 (Afternoon Session) or by calling the toll-free conference call number for Department 7.

THE COURT'S FINAL APPROVAL HEARING

17. When and where will the Court decide whether to grant final approval of the Settlement?

The Court will hold a Final Approval hearing in Department 7 of the Santa Clara County Superior Court located at 191 N. First Street, San Jose, CA 95113 on [REDACTED] 2026, at _____ a.m./p.m. At this hearing, the Court will determine whether the Settlement should be finally approved as fair, reasonable, and adequate.

The Court will also be asked to approve Class Counsel's request for Attorneys' Fees and Costs, the Class Representative Enhancement Payment, and the Settlement Administration Costs.

The Court may reschedule the Final Approval Hearing without further notice to Settlement Class Members. You can also check the Santa Clara County Superior Court website at <https://portal.scscourt.org/> for changes to the hearing schedule. Any Settlement Class Member who files a notice of intent to appear at the Final Approval Hearing will be notified by Class Counsel of any rescheduling of the date and time of the Final Approval Hearing.

18. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Judge may have. But you are welcome to come at your own expense. If you timely submit a written objection, you don't have to come to Court to talk about it, but you may. You may also hire and pay your own lawyer to attend if you so desire.

GETTING MORE INFORMATION

19. Whom may I contact if I have questions about the Settlement?

You may contact Class Counsel at the contact information listed above in Paragraph 5 if you have any questions about the Settlement. You may also contact the court-appointed Settlement Administrator, ILYM Group, Inc., by calling toll-free 1-800 _____, or you can write to *Jane A. Barrett v. California Water Service Group*, Settlement Administrator at [address].

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

EXHIBIT 2

February 21, 2024

VIA ON-LINE SUBMISSION ONLY TO:

<https://dir.tfaforms.net/128>

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

VIA CERTIFIED MAIL TO:

(by certified mail to California Water Service Group)

California Water Service Group
1720 North First Street,
San Jose, CA 95112
Certified Mail Tracking Number: 9414 8112 0620 4985 1658 53

Michelle R. Mortensen
Agent for Service of Process for California Water Service Group
1720 North First Street,
San Jose, CA 95112
Certified Mail Tracking Number: 9414 8112 0620 4985 1675 29

**Re: Labor Code § 2698, *et seq.* Penalties - PAGA Notice Letter to LWDA
Jane A. Barrett v. California Water Service Group
Superior Court for the County of Santa Clara**

Gentlepersons:

This office represents Plaintiff Jane A. Barrett (“Plaintiff”) and other similarly aggrieved employees employed as non-exempt, hourly workers and in related positions at Defendants’ facilities and office locations in California during the relevant period (collectively “Aggrieved Employees”) for, *inter alia*, violations of California Labor Code §§ 201, 202, 203, 204, 210, 221, 226, 226.7, 246, 248.1, 248.2, 248.5, 510, 512, 558, 558.1, 1174, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2810.5, 2698, and 2699, *et seq.*; provisions of the Industrial Welfare Commission (IWC) Wage Order(s); and California Business & Professions Code § 17200 *et seq.*

The purpose of this letter is to comply with the Private Attorneys General Act of 2004, pursuant to California Labor Code § 2698 *et. seq.* (“the Act”). Plaintiff would like to bring a representative action, pursuant to the Act, on behalf of herself and all other similarly situated Aggrieved Employees, and the State of California, against Defendants California Water Service Group, and Does 1 through 50 inclusive (all defendants being referred to herein collectively as “Defendants”).

We also set forth herein the facts and theories and the California Labor Code violations which Defendants engaged in with respect to Plaintiff and all of their Aggrieved Employees in



California. The attached Class Action Complaint provides the details of Plaintiff's class-wide claims and claims under the Act, and the applicable California law governing them. It, along with this Notice Letter, addresses in detail numerous violations that subject Defendants to civil and statutory penalties under the Act.

Relevant Facts

Plaintiff during the time period relevant to this Complaint, was employed by Defendants as a non-exempt hourly employee within the State of California placed at Defendant California Water Service Group's location in Chico, California and within the County of Butte. Plaintiff and the other similarly situated Employees of Defendants worked in Defendants' facilities at Defendants' behest and without being paid all wages due and without being provided all their required meal periods and rest breaks.

Upon information and belief, Plaintiff was employed by Defendants and (1) shared similar job duties and responsibilities; (2) was subjected to the same policies and practices; and (3) endured similar violations at the hands of Defendants as the other Aggrieved Employees who served in similar and related positions at the California Water Group facilities and locations in Santa Clara County and Butte County and throughout California.

Defendants required Plaintiff and the Aggrieved Employees to work off the clock and failed to record accurate time worked by these Employees, including by requiring off the clock work and unlawful time shaving and rounding, failed to pay them at the appropriate rates for all hours worked, failed to pay all wages due and owing at termination or resignation, and provided Aggrieved Employees with inaccurate wage statements that prevented them from learning of these unlawful pay practices. Defendants also failed to provide Aggrieved Employees with lawful meal and rest periods, as Employees were required to remain under Defendants' control and take shortened meal periods and were not provided with the opportunity to take full uninterrupted and duty-free rest periods and meal breaks, as required by the Labor Code and the applicable paragraphs of the IWC Wage Orders.

Defendant CALIFORNIA WATER SERVICE GROUP is a Delaware stock corporation that lists its principal address in San Jose, California with the California Secretary of State. It lists a registered corporate agent who lists addresses in San Jose, California and in Santa Clara County. California Water Service Group lists its type of business as "water utility." The wage statements issued to Plaintiff list California Water Service as her employer with an address in San Jose, California.

Plaintiff was generally scheduled to work five to six days per week for eight hours per shift, with shift times generally spanning from 10:00 a.m. through 6:00 p.m. Overtime was virtually prohibited. However, Plaintiff was required by Defendants to endure substantial off-the-clock work before and after her scheduled shift hours.

Defendants' policy and practice of requiring systematic off-the-clock work flowed in part from their unlawful timekeeping procedures. Before Plaintiff was permitted by Defendants to begin



working, Plaintiff had to first contend with Defendants' large, gated facility to park her car. The entrance/exit was a single-lane gate accessed with a remote where everyone parked, including utility vehicles. As a result, Plaintiff was often delayed at the gate waiting for utility trucks to exit the building. Once she entered the gated facility, Plaintiff would search for parking at the inner parking lot (the lot closest to the office building). If Plaintiff was able to find parking at the inner lot, she would use a timekeeping app to clock in on her personal cell phone after parking. To get to her desk had to walk through an interior gate she accessed with a badge then walk to the office building and use her badge to access the office door to get to her desk. However, several times a week, the inner lot would be full, and Plaintiff would have to park in the outer lot. When this happened, Plaintiff had to access an additional exterior gate with a key, then badge through the interior gate and the office door to get to her desk. When parking at the outer lot, she could not login on the timekeeping app on her personal cell phone because it was outside the GPS range for the app. Therefore, on the occasions she parked in the outer lot, she could not clock in until she got to her desk. This process was further complicated by the fact the timekeeping system required Plaintiff to clock in and out with the same device, meaning if Plaintiff clocked in on her desktop she had to also clock out on her desktop. Upon leaving, it was the same process in reverse. However, if Plaintiff was the last person to leave, she had to wait for the gate to close completely before she left, which took several minutes. If the gate was manually locked, it would take up to an hour before she could leave.

Additionally, Defendants generally discouraged employees from incurring overtime, as they scheduled shifts for no more than eight hours a day or forty in a week. When Plaintiff worked beyond her scheduled shift hours, Defendants required Plaintiff to "reconcile" her time records to reflect no overtime. Upon information and belief, the other Aggrieved Employees were subjected to similar common policies and practices and were subjected to similar scheduling requirements and off-the-clock work requirements.

Defendants also instructed Plaintiff and the Aggrieved Employees to input into the timekeeping system that they took a meal period and did so before the fifth hour of work as required under the Labor Code and Wage Orders. Defendants' managers instructed Plaintiff and the Aggrieved Employees to reconcile and adjust meal breaks to reflect record-compliant meal breaks without regard to whether they were actually taken on time or for the full duration or were interrupted by management demands and other work requirements. Additionally, by deducting 30 minutes for a meal period that was generally not lawfully provided if at all, Defendants effectively and unlawfully deducted at least 30 minutes of hours worked from each Employee's daily work shifts. Upon information and belief, Defendants required Plaintiff to reconcile and modify her time records to avoid incurring and paying meal period premium penalty wages.

Defendants also required Plaintiff to be prepared to begin work at her scheduled shift start time, and she would be reprimanded if she was not. However, for Plaintiff to do so she had to arrive at the facility well before that start time. Plaintiff's work shifts generally were scheduled to start at 10:00 a.m., and to be prepared to start working, she had to arrive at the office by at least 10 minutes prior so she could navigate through the parking lot, walk through an interior gate, access the office building with a badge, get her workstation, get her files situated, turn on her computer



and wait for it to boot up and then log in. In order to avoid overtime, Defendants' required Plaintiff to reconcile her clock-in times to later ones as much as needed to offset any unapproved overtime or to make a late meal period timely.

Plaintiff was also required to work off the clock after her scheduled shift end times. Plaintiff was instructed to clock out and then put her computer in restart mode at the end of each shift. Plaintiff had to wait for the computer to restart before she could return to her car. On several occasions, the gate was manually locked and Plaintiff could not leave until someone unlocked it, which typically spanned up to an hour. Additionally, on occasions where Plaintiff was the last to leave the work facility, she had to close the gate, which generally took about a minute.

Overtime hours were generally not allowed, and if Plaintiff worked beyond her scheduled hours, Defendants instructed her to "reconcile" her time records each day so that the time records did not register any late meal breaks or overtime. Plaintiff felt harassed and pressured by her manager and work demands placed upon her to do as she was told and to work off the clock, and feared being terminated if she did otherwise. The pressure and instruction from Defendant compelled Plaintiff to work many hours off the clock and without compensation. Additionally, to whatever extent Defendants paid performance-based bonuses and any other form of remuneration to Aggrieved Employees, such as shift differentials and the like, Defendants failed to include it in the regular rate used to calculate and pay the overtime that Defendants did pay.

Plaintiff was therefore not paid for all her hours worked at the required minimum, overtime, and double time wage rates due to Defendants' uniformly applied and unlawful policy and practice of requiring her to work off the clock and without pay. Defendants systematically underpaid Plaintiff and the Aggrieved Employees by failing to pay them at the required overtime rates for all hours over eight in a work shift or over forty in a work week, and all hours over twelve in a day at the required double time rate. Upon information and belief, the Aggrieved Employees were bound by similar scheduling and timekeeping policies and endured similar violations at Defendants' hands as Plaintiff.

Defendants have either failed to maintain timekeeping records for Plaintiff that would permit Plaintiff to discover the nature and extent of the off-the-clock work Defendants required and the actual hours Plaintiff worked or the breaks she received or have otherwise declined to produce them to Plaintiff in response to a timely and lawful records request. By failing to pay for all hours worked, and by under-recording regular hours to the detriment of the Aggrieved Employees, Defendants have committed knowing and intentional ongoing violations of the record keeping requirements under the Labor Code, including section 1174, by either failing to maintain records or retaining inaccurate ones.

The failure to pay for all hours worked and underpayment of wages to Plaintiff and the Aggrieved Employees is and has been a direct consequence of Defendants' unlawful compensation policies and practices, which upon information and belief applied uniformly to the Aggrieved Employees based out of Defendants' locations and facilities throughout California. As a result of the above-described unlawful requirements to work off the clock, the failure to



accurately record all hours worked and pay wages at the correct rates, and the other wage violations they endured at Defendants' hands, Plaintiff and the Aggrieved Employees were not properly paid all wages earned and all wages owed to them by Defendants, including when working more than eight hours in any given day and/or more than forty hours in any given week.

Therefore, Defendants had a consistent policy or practice of failing to pay Employees for all hours worked and failing to pay minimum wages for all time worked, as required by California law. Also, from at least four years prior to the filing of this lawsuit and continuing to the present, Defendants had a consistent policy or practice of failing to pay Employees overtime compensation at premium overtime rates for all hours worked in excess of eight hours a day and/or forty hours a week and double-time rates for all hours worked in excess of twelve hours a day, in violation of Labor Code § 510 and the corresponding sections of IWC Wage Orders.

Defendants also failed to provide Plaintiff and the Aggrieved Employees with their required meal periods and the at least two ten-minute rest breaks as required at a minimum for Plaintiff's scheduled shift durations. The above-described off-the-clock work contributed to Defendants' common policy of failing to provide lawful meal periods to Plaintiff and the Aggrieved Employees, as required under the Labor Code and Paragraph 11 of the IWC Wage Order(s). Defendants similarly failed to authorize and permit Plaintiff and the employee Aggrieved Employees to take all required 10-minute rest breaks, as required under the Labor Code and Paragraph 12 of the IWC Wage Order(s).

More specifically, Plaintiff worked shifts that entitled her to at least one meal period, but as addressed above, Defendants' managers required Plaintiff and the Aggrieved Employees to input a timely and compliant meal period and would deduct that time from hours worked for the shift. Given the time it took to get back to their workstations, log back into the timekeeping program, and record a break start and end time, meal periods were impermissibly shortened and provided untimely. In order to comply with the meal and rest break policies and to avoid scrutiny from managers, Plaintiff and, upon information and belief, the other Aggrieved Employees would return from breaks before their required end time and continue working at their workstations until the scheduled end time arrived, at which point they would clock back into the system.

Additionally, Defendants instructed Plaintiff and the Aggrieved Employees to input into the timekeeping system that they took a compliant meal period and did so before the fifth hour of work as required under the Labor Code and Wage Orders. Defendants instructed Plaintiff and the Aggrieved Employees to thus record compliant meal breaks without regard to whether they were actually taken on time or for the full duration or were interrupted by work demands and requirements. Additionally, as addressed above, whenever Plaintiff's time records reflected a non-compliant meal period, Defendants required Plaintiff to reconcile and adjust her time records to reflect a compliant meal period. Thus, Defendant deducted time for a meal period from Plaintiff's hours worked without regard to whether it was actually taken or was unlawful.

Therefore, meal period violations systematically occurred ongoing throughout all of Plaintiff's work shifts where Defendants both failed to provide a lawful meal period or penalty payment



and then also unlawfully deducted 30 minutes from Plaintiff's hours worked for the day. To the extent Defendants ever did pay Plaintiff a meal period premium, they failed to include all forms of remuneration beyond hourly wages in the regular hourly rate used to pay the one-hour premium payment. Upon information and belief, the other Aggrieved Employees were subjected to similar unlawful policies and practices and endured similar violations as Plaintiff.

Defendants thus failed to provide all the legally required unpaid, off-duty meal periods and all the legally required paid, off-duty rest periods to Plaintiff and the other Aggrieved Employees, as required by the applicable Wage Order and Labor Code. Plaintiff and other Aggrieved Employees were required to perform work as ordered by Defendants for more than five hours during a shift without receiving compliant meal periods. Additionally, as addressed above, Defendants followed a practice of requiring off-the-clock work in a manner that would impact when Employees were to receive meal periods and rest breaks and required them to respond to work calls and inquiries and other demands during breaks, thus leading to further violations.

Defendants' systems did not automatically generate a meal period premium under Labor Code § 226.7 for meal periods that commenced after five hours into a work shift or in the event the time punch records reflected a meal period of less than thirty minutes. However, upon information and belief, in the event Defendants did pay any meal period premiums, they did so at the employee's customary regular rate of hourly compensation without including all forms of remuneration in that hourly rate calculation, for example by omitting performance-based bonuses and the like from the rate at which meal premiums were paid.

Defendants thus followed uniformly applied policies of not providing all required meal periods to their Employees. Meal periods were often not properly provided, as Defendants' meal period policies shortened their breaks. Even when Plaintiff and the Aggrieved Employees were able to take a meal period, it was generally interrupted by work demands or was taken after the fifth hour of work. Additionally, as addressed above, Defendants followed a practice of requiring off the clock work in a manner that would impact when Employees were to receive meal periods and rest breaks, thus leading to further violations.

As a result, Defendants' failure to provide Plaintiff and the Aggrieved Employees with all legally required off-duty, unpaid meal periods and all the legally required off-duty, paid rest periods is and will be evidenced by Defendants' business records, or lack thereof. As further detailed above, Defendants also failed to pay Employees "premium pay," i.e. one hour of wages at each Employee's effective regular hourly rate of compensation for each meal period or rest break that Defendants failed to provide or deficiently provided.

Therefore, Plaintiff and the Aggrieved Employees were unable to take off-duty breaks or were otherwise not provided with the opportunity to take required breaks as required under the Labor Code and Wage Orders due to Defendants' policies and practices. On the occasions when Plaintiff and the Aggrieved Employees were provided with a meal period, it was often untimely or interrupted, or was impermissibly shortened, and Employees were not provided with one hour's wages in lieu thereof.



Similar violations resulted from Defendants' failure to authorize and permit Plaintiff and the Aggrieved Employees to take duty-free, net ten minute rest breaks for every four hours of shift work, or major fraction thereof. Plaintiff and the other similarly situated Aggrieved Employees were either not authorized permitted the opportunity to take a rest break, or were required to remain under Defendants' control and respond to calls and instructions from management and job demands if and when they even attempted to take one. Upon information and belief, Defendants thus also failed to authorize and permit employees to leave the premises during rest breaks, evidencing Defendants' policy and practice of requiring Plaintiff and the Aggrieved Employees to remain under their control during required off-duty rest break times.

Rest breaks were neither authorized or permitted by Defendants. Additionally, as detailed above, in addition to failing to authorize and permit rest breaks, Defendants unlawfully deducted up to 30 minutes for meal periods that were rarely provided or otherwise received without violation.

Defendants' uniformly applied policies and practices thus resulted in untimely and shortened or on-duty rest breaks when they were authorized and permitted. Plaintiff and the Aggrieved Employees worked shifts of at least eight hours, which required at least two rest breaks, and often worked shifts over ten hours, which required at least three rest breaks. Even on the occasions when Defendants authorized and permitted Plaintiff to take a first rest break, she was not permitted to take a second or a third break, and those that were provided were often late and generally interrupted by job duties and requirements.

During rest periods, employers must relieve employees of all duties and relinquish control over how employees spend their time. Plaintiff and the Aggrieved Employees were and are under Defendants' control when they are working through rest breaks and remaining under Defendants' control. Defendants have also provided either impermissibly shortened or untimely meal and rest breaks to Plaintiff and the Aggrieved Employees. Plaintiff and the Aggrieved Employees were thus not authorized and permitted to take lawful rest periods, were systematically required by Defendants to work through or during breaks, and were not provided with one hour's wages in lieu thereof. They were required to remain on-duty during breaks or portions of their breaks, thus making them either untimely or shortened and on-duty, and they were also prevented from leaving the premises and otherwise remain under Defendants' control during rest breaks under Defendants' uniformly applied policies and practices.

Defendants have also consistently violated Labor Code § 221 by unlawfully collecting or deducting the Employees' earned wages, including by the above-described off-the-clock work and on-duty work while on unpaid meal breaks. In addition to failing to authorize and permit rest breaks, Defendants unlawfully deducted up to 30 minutes for meal periods that were rarely provided or otherwise received without violation. Thus, by deducting 30 minutes for a meal period that was generally not lawfully provided if at all, Defendants effectively and unlawfully deducted at least 30 minutes of hours worked from each Employee's daily work shifts. In order to avoid overtime, Defendants' managers would also move Plaintiffs' clock in times to later ones as much as needed to offset any unapproved overtime or to make a late meal period timely. By



not compensating Employees for all hours worked, Defendants unlawfully deducted wages earned in violation of Labor Code § 221.

Defendants also failed to provide Employees such as Plaintiff at the time of her employment and thereafter with written notice complying with all the requirements of Labor Code § 2810.5, which provides that: “At the time of hiring, an employer shall provide to each employee a written notice, in the language the employer normally uses to communicate employment-related information to the employee, containing” specific required information. Upon information and belief, Defendants failed to provide this information to the Aggrieved Employees as required under Labor Code § 2810.5. Defendants were required to provide Plaintiff and the aggrieved employee Aggrieved Employees certain specific information upon hiring pursuant to California Labor Code § 2810.5. Defendants failed to provide Plaintiff with any such information when she was hired, or have failed to produce them, and upon information and belief Defendants committed similar violations in connection with similarly situated and Aggrieved Employees.

Defendants have also consistently failed to provide Aggrieved Employees with timely, accurate, and itemized wage statements, in writing, as required by California wage-and-hour laws, including by the above-described requirement of off-the-clock work, failure to pay all overtime and double time wages owed and failure to pay them at the appropriate premium rates, and failure to pay premium wages for unprovided or otherwise unlawful meal and rest breaks, or by miscalculating any overtime or meal period or rest break premium wages and by the systematic and unlawful deductions Defendants took from Employee wages. Defendants have also made it difficult to account with precision for the unlawfully withheld wages and meal and rest period compensation owed to Plaintiff and the Aggrieved Employees, during the liability period, including because they did not calculate the regular rate of pay correctly when paying overtime or meal period premiums and because they did not implement and preserve a record-keeping method as required for non-exempt employees by California Labor Code §§ 226, 1174(d), and paragraph 7 of the applicable California Wage Orders. Upon information and belief, time clock punches were not maintained or were not accurately maintained for work shifts and meal periods, which were automatically presumed by Defendants to have been lawfully provided when they were not. Defendants also failed to accurately record and pay for all regular and overtime hours worked and submitted by Plaintiff and the Aggrieved Employees, including by failing to pay all overtime hours at the correctly calculated overtime premium rate.

Defendants have thus also failed to comply with Labor Code § 226(a) by inaccurately reporting total hours worked and total wages earned by Plaintiff and the Aggrieved Employees, along with the appropriate applicable rates, among others requirements. Plaintiff and Aggrieved Employees are therefore entitled to penalties not to exceed \$4,000.00 for each employee pursuant to Labor Code § 226(b). Defendants have also failed to comply with paragraph 7 of the applicable California IWC Wage Orders by failing to maintain time records showing when the employee begins and ends each work period, meal periods, and wages earned pursuant to Labor Code § 226.7, and total daily hours worked by itemizing in wage statements all deductions from payment of wages and accurately reporting total hours worked.



Defendants also required Plaintiff and the Aggrieved Employees to work hours off the clock for which they were not compensated. They were required to endure off-the-clock work addressed above during interrupted or otherwise on-duty meal and rest periods and were not provided with sick pay and supplemental sick leave and were subjected to systematic off the clock work. Defendants also failed to pay all overtime premium wages owed for work conducted on a work shift and a workday or failed to pay it at the correct rate, as addressed above. Therefore, Defendants have also followed a uniform and consistent policy of failing to pay all wages owed to Plaintiff and other similarly situated Employees at the time of their termination or within seventy-two hours of their resignation, as required by California wage-and-hour laws.

Additionally, Defendants have regularly required Plaintiff and the Aggrieved Employees to incur necessary business expenses in the course of performing their required job duties without reimbursement. These included the cell phone related expenses Plaintiff incurred in accessing the internet to utilize a timekeeping application that Defendant required for clocking in and clocking out. Plaintiff and the Aggrieved Employees must be reimbursed for these necessary business expenses under Labor Code § 2802 and Defendants systematically failed to do so.

PAGA Claim Details, Legal Bases for Violations and Penalties:

As addressed above and in further detail in the attached Class Action Complaint, Plaintiff and the Aggrieved Employees complain of the following violations committed by Defendants:

Failure to Pay Minimum Wages

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

Defendants failed to pay Employees minimum wages they were owed, including by their consistent policy of failing to pay Employees for all hours worked. Employees would work hours and not receive wages, including as alleged above in connection with off the clock work, including all the time required to remain on duty and under Defendants’ control during breaks and due to the work demands placed upon them by Defendants’ management and due to unlawful rounding. Defendants, and each of them, intentionally and improperly required Plaintiff to round, change, adjust, and/or modify their hours, which resulted in off the clock work and underpayment of all wages owed to Employees over a period of time, while benefiting Defendants. During the relevant time period, Defendants thus regularly failed to pay minimum wages to Aggrieved Employees, including by requiring systematic off the clock work. Defendants’ uniform pattern of unlawful wage and hour practices manifested, without limitation, applicable to the Aggrieved Employees as a whole, as a result of implementing a uniform policy and practice that denied accurate compensation to Plaintiff and the other Aggrieved Employees as to minimum wage pay.



In light of the forgoing, the Aggrieved Employees seek to recover wages and penalties. Aggrieved Employees are entitled to recover the unpaid minimum wages (including double minimum wages), liquidated damages in an amount equal to the minimum wages unlawfully unpaid, interest thereon and reasonable attorney's fees and costs of suit pursuant to California Labor Code § 1194(a). Plaintiff and the other Aggrieved employees further request recovery of all unpaid wages, according to proof, interest, statutory costs, as well as the assessment of any statutory and civil penalties against Defendants, in a sum as provided by the California Labor Code and/or other applicable statutes, including pursuant to Labor Code § 558, and Wage Order provisions. To the extent minimum wage compensation is determined to be owed to the Aggrieved Employees who have terminated their employment, Defendants' conduct also violates Labor Code §§ 201 and/or 202, and therefore these individuals are also be entitled to waiting time penalties under California Labor Code § 203, which penalties are sought herein on behalf of these Aggrieved Employees. Defendants' failure to timely pay all wages owed also violated Labor Code § 204 and resulted in violations of Labor Code § 226 because they resulted in the issuance of inaccurate wage statements. Defendants' conduct as alleged herein was willful, intentional, and not in good faith. Further, Plaintiff and other Aggrieved Employees are entitled to seek and recover statutory costs.

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

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

Defendants violated the law by failing to pay Aggrieved Employees earned wages and overtime. Specifically, Defendants had a consistent policy of not paying Employees wages for all hours worked, including hours at their required regular, overtime, and double-time rates. Defendants, and each of them, have intentionally and improperly rounded, changed, adjusted and/or modified certain employees' hours, including Plaintiff's, or required Aggrieved Employees to do so, or otherwise caused them to work off the clock to avoid paying Aggrieved Employees all earned and owed straight time and overtime wages and other benefits, in violation of the California Labor Code, the California Code of Regulations and the IWC Wage Orders and guidelines set forth by the Division of Labor Standards and Enforcement. Defendants have also violated these provisions by requiring Plaintiff and other similarly situated non-exempt employees to work through meal periods when they were required to be clocked out or to otherwise work off the clock to complete their daily job duties or to attend and participate in company required activities or remain under Defendant's control. When considered in combination with the unlawful rounding to their detriment, Aggrieved Employees were not properly compensated, nor were they paid overtime rates or the correct overtime rate (addressed above) for hours worked in excess of eight hours in a given day, and/or forty hours in a given week. Based on information and belief, Defendants did not make available to Employees a reasonable protocol for correcting time records when Employees worked overtime hours or to fix incorrect time entries or those that Defendants unlawfully under-recorded to the Employee's detriment. Defendants have also violated these provisions by requiring Plaintiff and other similarly situated Aggrieved Employees



to work through meal periods when they were required to be clocked out or to otherwise work off the clock to complete their daily job duties.

In light of the forgoing, Aggrieved Employees seek to recover wages and penalties pursuant to the California Labor Code, including Labor Code §§ 204, 510, 558, 1174, 1194, 1198, 1199, and the relevant paragraphs of the IWC Wage Orders, including paragraphs 2(K), 2(S), 3(A), 4, and 20. Defendants are liable to Employees for the full amount of all their unpaid wages and overtime compensation, with interest, plus their reasonable attorneys' fees and costs, as well as the assessment of any statutory penalties against Defendants, and each of them, and any additional sums as provided by the Labor Code and/or other statutes and Wage Order provisions. Under the PAGA, and following exhaustion of the notice period, Plaintiff is seeking all civil and statutory penalties available and applicable under Labor Code §§ 510, 558, 1194.2, 1197.1, 1199, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Meal-Period Liability Under Labor Code § 226.7 and Penalties

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

On the occasions when Aggrieved Employees were provided with a meal period, it was often untimely or interrupted by having to respond to work demands or remain under Defendant's control, in violation of the Labor Code and applicable Wage Orders. On shifts over ten hours, second meal periods were not provided. Defendants also failed to pay Aggrieved Employees "premium pay," i.e., one hour of wages at each Aggrieved Employee's effective regular rate of pay, for each meal period that Defendants failed to provide or deficiently provided. Therefore, pursuant to Labor Code § 226.7 and paragraphs 11 and 20 of the applicable IWC Wage Order, Aggrieved Employees are entitled to damages in an amount equal to one (1) hour of wages at their effective hourly rates of pay for each meal period not provided or deficiently provided, as well as the assessment of any statutory penalties against the Defendants, and each of them, in a sum as provided by the Labor Code, including Labor Code § 558 and other applicable statutes and Wage Order provisions.

Under the PAGA, and following exhaustion of the notice period, Plaintiff is seeking all civil and statutory penalties and wages as available and applicable under Labor Code §§ 226.7, 512, 558, including sections 558(a)(1)-(3), 1199, 2699(f)(2) and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

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Rest-Break Liability and Penalties

Defendants have consistently failed to provide Aggrieved Employees with paid rest breaks of not less than ten minutes for every work period of four or more consecutive hours, as required under Labor Code § 226.7. Specifically, Defendants provided rest periods untimely or for shortened durations due to the work demands placed upon them by Defendants' management, and Defendants' policy discouraged and effectively prevented Aggrieved Employees to from leaving Defendants' premises. Defendants also failed to pay Aggrieved Employees premium pay for each day on which requisite rest breaks were not provided or were deficiently provided.

Therefore, pursuant to Labor Code § 226.7 and paragraphs 12 and 20 of the applicable IWC Wage Order, Aggrieved Employees are entitled to damages in an amount equal to one hour of wages at their effective hourly rates of pay for each meal period not provided or deficiently provided, as well as the assessment of any statutory penalties against the Defendants, and each of them, in a sum as provided by the Labor Code, including Labor Code § 558 and other applicable statutes and Wage Order provisions. Under the PAGA, and following exhaustion of the notice period, Plaintiff is seeking all civil and statutory penalties and wages as available and applicable under Labor Code §§ 226.7, 512, 558, including sections 558(a)(1)-(3), 1199, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

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

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

Defendants failed to provide Aggrieved Employees with accurate itemized wage statements in writing, as required by the Labor Code. Specifically, the wage statements given to Aggrieved Employees failed to accurately account for unpaid wages, overtime, premium pay for deficiently provided meal periods and rest breaks, and unlawfully received or collected wages, as discussed above, and failed to list accurate rates of pay due to miscalculations of overtime and premium pay. They also included facial violations of sections 226(a)(1)-(8), including by failing to list the correct and accurate hours worked and rates of pay and failing to list the correct name of the employer. In light of these violations, and pursuant to Labor Code §§ 226(a) and 226(e) and paragraphs 4(b), 7, and 20 of the applicable IWC Wage Orders, Aggrieved Employees are entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) for each violation in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars (\$4,000). They are also entitled to an award of costs and reasonable attorneys' fees.



Under the PAGA, and following exhaustion of the notice period, Plaintiff asserts PAGA claims for failure to provide Aggrieved Employees with accurate, itemized wage statements and failure to maintain employment records for Plaintiff and Aggrieved Employees under Labor Code §§ 226, 1174, and 1198.5, and Sections 7(A), 7(B), and 7(C) of the applicable IWC Wage Order(s) seeking all civil and statutory penalties and wages available and applicable under Labor Code §§ 226(e), 226.3, 558, 1199, and 2699(f)(2), and paragraph 20 of the applicable IWC Wage Order, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1). More specifically, by providing inaccurate wage statements and failing to maintain records as required under Labor Code § 226(a), Defendants committed ongoing violations giving rise to civil penalties under Labor Code § 226.3, which in addition to other penalties provided by law, subjects Defendants to "a penalty in the amount of two hundred fifty dollars (\$250) per employee per violation in an initial citation and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, ..."

Unlawfully Collecting or Receiving Wages in Violation of Labor Code § 221

Labor Code § 221 provides, "It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee." As discussed above, Defendants have consistently violated Labor Code § 221 by unlawfully collecting or deducting the Employees' earned wages, including by the above described off the clock work and unlawful rounding and overtime miscalculation. By not compensating Employees for all hours worked, Defendant unlawfully deducted wages earned by and owed to Aggrieved Employees, in violation of Labor Code § 221. In light of the foregoing, Plaintiff and Aggrieved Employees seek to recover penalties pursuant to Labor Code § 558. Under the PAGA, and following exhaustion of the notice period, Plaintiff seeking all civil and statutory penalties available and applicable under Labor Code §§ 510, 558, 1194, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

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

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



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

Waiting Time Penalties Pursuant to Labor Code § 203

Some Aggrieved Employees no longer work for Defendants; they either resigned or were terminated from Defendants' employ. Based on the foregoing, Defendants have had a consistent policy of failing to pay all wages earned by and owed to Aggrieved Employees at the time of their termination of within seventy-two hours of their resignation, as required by California under Labor Code § 203. In light of the foregoing, Plaintiff and Aggrieved Employees seek to recover wages and penalties pursuant to Labor Code § 558 and further specifically seek penalties and wages under Labor Code § 203, which provides that an employee's wages shall continue until paid for up to thirty (30) days from the date they were due. Under the PAGA, and following exhaustion of the notice period, Plaintiff asserts PAGA claims for failure to timely pay all wages owed, including at least semi-monthly and upon separation or termination, under Labor Code §§ 201, 201, 203, 204, 1197.5, 2926, and 2927 seeking all civil penalties available and applicable under Labor Code §§ 201, 202, 203, 210, 558, 1197, 1198, 1199, 2699(f)(2), 2699.5, and paragraph 20 of the applicable IWC Wage Orders, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Failure to Provide Information Upon Hiring Pursuant to Labor Code § 2810.5:

Labor Code § 2810.5 provides that: "At the time of hiring, an employer shall provide to each employee a written notice, in the language the employer normally uses to communicate employment-related information to the employee, containing" specific required information. Upon information and belief, Defendants failed to provide this information to the Aggrieved Employees as required under Labor Code § 2810.5. Under the PAGA, and following exhaustion of the notice period, Plaintiff seeks all civil and statutory penalties available and applicable under Labor Code §§ 2810.5, 1198, and 2699(f)(2), and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Failure to Reimburse Necessary Business Expenses Under Labor Code § 2802

Defendants required Plaintiff and the Aggrieved Employees to pay for necessary work-related expenses they incurred. These included the cell phone-related expenses Plaintiff incurred in accessing the internet to download and utilize the timekeeping application required by Defendant to clock in and out. Defendants thus uniformly failed to reimburse those lawful and necessary work-related expenses or losses incurred in the direct discharge of their job duties during employment with Defendants and at the direction of the Defendants pursuant to Labor Code § 2802(a) and the applicable IWC Wage Orders, paragraph 9. Defendants are liable for PAGA penalties resulting from their failure to reimburse necessary business expenses incurred by the Aggrieved Employees.



Accordingly, Aggrieved Employees are entitled to recover, and hereby seek through this Representative Action, all civil and statutory penalties authorized for violations of California Labor Code §§ 1198 and 2802, and Section 9(B) of the applicable IWC Wage Orders, and Plaintiff seeks all civil and statutory penalties available and applicable under Labor Code §§ 2802 and 2699(f)(2), and also attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Unfair Competition Under Business and Professions Code § 17200, et seq.

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

Plaintiff's PAGA Claim under Labor Code § 2698 et seq. and Recovery Bases:

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

Plaintiff and the Aggrieved Employees seek penalties under Labor Code §§ 2698 and 2699 for Defendants' violation of Labor Code provisions included under Labor Code § 2699.5, including the penalty provisions, without limitation, based, *inter alia*, on the following California Labor Code sections: 201, 202, 203, 204, 226, 226.7, 246, 248.1, 248.2, 248.5, 510, 512, 558, 1174, , 1185, 1194, 1194.1, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2802, 2810.5, and 2698 et seq., including as follows:

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

(b) **Meal and Rest Period Claims:** For failure to provide Plaintiff and the Aggrieved Employees off-duty, timely, and unpaid meal periods and failure to authorize and permit them to take off-duty, timely, and paid rest periods, or pay one hour of regular pay in lieu thereof, under Labor Code §§ 512, 1198, and 226.7, and Sections 11, 12(A), and 12(B) of the applicable IWC Wage Order(s) seeking all civil and statutory penalties available and applicable, including under paragraph 20 of the applicable IWC Wage Orders, and wages under Labor Code §§ 226.7, 512, 558, including sections 558(a)(1)-(3), 1199 and 2699(f)(2), and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);



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

(d) Unlawful Deductions and Failure to Reimburse Business Expenses: For Defendants' unlawful deductions from wages and for Defendants' failure to reimburse the necessary work-related expenses incurred under Labor Code §§ 221, 1197, 1197.1, 1198, and 2802, and Sections 2(K), 4, 9, and 20 of the applicable IWC Wage Order(s), seeking civil penalties available and applicable under Labor Code §§ 221, 1197, 1197.1, 1198, 2802, 2699.5, and 2699(f)(2) and paragraph 9 and 20 of the IWC Wage Orders, and also attorneys' fees and costs pursuant to Labor Code § 2699(g)(1); and

(e) All Other Alleged Violations of the Labor Code and IWC Wage Orders: For Labor Code § 2810.5 and any above-addressed violation of the applicable provisions of the Labor Code and IWC Wage Orders constituting violations of Labor Code § 1198 and Labor Code § 2699.5, and seeking penalties available and applicable under Labor Code § 2699(f)(2) and paragraph 20 of the applicable IWC Wage Orders, and for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

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

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

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

Regards,

D.LAW INC.

A handwritten signature in black ink, appearing to read "Alvin B. Lindsay", with a horizontal line drawn underneath the signature.

Alvin B. Lindsay

a.lindsay@d.law

Melissa Rodriguez

m.rodriguez@d.law

Cc: California Water Service Group