

HAINES LAW GROUP, APC

Paul K. Haines (SBN 248226)
phaines@haineslawgroup.com
Fletcher W. Schmidt (SBN 286462)
fschmidt@haineslawgroup.com
Matthew K. Moen (SBN 305956)
mmoen@haineslawgroup.com
2155 Campus Drive, Suite 180
El Segundo, California 90245
Tel: (424) 292-2350
Fax: (424) 292-2355

Attorneys for Plaintiffs

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF NAPA

VICTOR FIGUEROA, ALDEN PEREZ,
CYNTHIA IZQUIERDO, and KENNETH
ZIEG on behalf of themselves and all others
similarly situated,

Plaintiffs,

vs.

MULTI-COLOR CORPORATION, an Ohio
Corporation; WS PACKAGING GROUP, INC.;
and DOES 1-50, inclusive,

Defendants.

Case No. 24CV000347

*[Assigned to the Hon. Joseph J. Solga,
Dept. B]*

**DECLARATION OF MATTHEW K.
MOEN IN SUPPORT OF PLAINTIFFS'
MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION AND
PAGA SETTLEMENT**

Date: October 20, 2026
Time: 8:30 a.m.
Dept.: B

Action Filed: March 7, 2024
Trial Date: None Set

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

I, Matthew K. Moen, declare as follows:

1. I am a Senior Associate with Haines Law Group, APC, and co-counsel for the named Plaintiffs Victor Figueroa, Alden Perez, Cynthia Izquierdo, and Kenneth Zieg (“Plaintiffs”) in the above-captioned matter. I am a member in good standing of the bar of the State of California and am admitted to practice in this Court. I have personal knowledge of the facts stated in this declaration and could testify competently to them if called upon to do so.

2. I received a Bachelor of Arts degree from UCLA in 2011, and a Juris Doctor from Loyola Law School, Los Angeles, in 2015. Both before and during law school, I worked for the law firm of Prindle, Amaro, Goetz, Hillyard, Barnes & Reinholtz LLP (now known as Prindle, Goetz, Barnes & Reinholtz LLP), located in Long Beach, California. Both before and during law school, I also worked for Jill McBride Baxter, Certified Sports Agent and Sports Law Attorney.

3. From January 2016 to December 2017, I worked as an associate at Baltodano & Baltodano LLP, a law firm dedicated exclusively to the practice of Plaintiff-side employment law located in San Luis Obispo, California. After the founding partner and senior litigation partner at Baltodano & Baltodano LLP, Justice Hernaldo J. Baltodano, was appointed to the California judiciary in December 2017, the firm dissolved on December 31, 2017. Since January 1, 2018, I have worked as an associate at my current firm, Haines Law Group, APC.

4. During my time with both Baltodano & Baltodano LLP and Haines Law Group, APC, my practice has been solely devoted to litigating plaintiff-side employment related cases in both state and federal court, including wage and hour class actions arising under the California Labor Code and the Fair Labor Standards Act. I am currently responsible for overseeing over forty (40) active wage and hour class action and/or PAGA representative actions in which I am integrally involved in all aspects of the litigation. I also supervise the work of several junior attorneys staffed on the same wage and hour actions.

5. I have been appointed as Class Counsel in over fifty (50) class action settlements that have been granted final approval. The following is a non-exhaustive list of the recent wage and hour class actions in which I have been named as Class Counsel and awarded attorney's fees

1 following a lodestar cross-check: *In Re: Stanislaus Food Products Company Employment Cases*,
2 Lead Case No. CV-23-001433, Stanislaus County Superior Court, Honorable John D. Freeland,
3 presiding (using an hourly rate of \$725 for work performed in 2023-2025); *Samantha Vvanti, et*
4 *al. v. O'Reilly Auto Enterprises, LLC*, Case No. 19STCV00091, Los Angeles County Superior
5 Court, Honorable Timothy Patrick Dillon, presiding (using an hourly rate of \$725 for work
6 performed in 2022-2025); *John Ledbetter, et al. v. CJ Logistics America, LLC*, Case No.
7 CIVSB2207118, San Bernardino County Superior Court, Honorable David E. Driscoll, presiding
8 (using an hourly rate of \$725 for work performed in 2022-2025); *Vicente Sandoval v. Cybex*
9 *Security Solutions, LLC, et al.*, Case No. 30-2024-01398109-CU-OE-CXC, Orange County
10 Superior Court, Honorable Layne H. Melzer, presiding (using an hourly rate of \$775 for work
11 performed in 2024-2026); *Falcao Rivelino Hernandez, et al. v. LDI Mechanical, Inc.*, Case No.
12 CVRI2401542, Riverside County Superior Court, Honorable Harold W. Hopp, presiding (using
13 an hourly rate of \$775 for work performed in 2024-2026); *Jose Fuentes v. Southwest Material*
14 *Handling, Inc.*, Case No. CVRI2404365, Riverside County Superior Court, Honorable Harold
15 W. Hopp, presiding (using an hourly rate of \$775 for work performed in 2024-2026); *Brianna*
16 *McCulin, et al. v. South Coast Children's Society, Inc.*, Case No. 25STCV09319, Los Angeles
17 County Superior Court, Honorable Elaine Lu, presiding (using an hourly rate of \$775 for work
18 performed in 2025-2026); *Jose Moran vs. Araca Merchandise, L.P., et al.*, Case No.
19 24STCV02003, Los Angeles County Superior Court, Honorable William F. Highberger,
20 presiding (using an hourly rate of \$775 for work performed in 2024-2026); *Jose Vasquez v. Santa*
21 *Clarita Valley Committee on Aging Corporation, dba SCV Senior Center*, Case No.
22 25STCV06096, Los Angeles County Superior Court, Honorable Laura A. Seigle, presiding (using
23 an hourly rate of \$775 for work performed in 2025-2026); *Darren Cain v. Bellhops Moving, LLC*,
24 Case No. 24STCV09965, Los Angeles County Superior Court, Honorable Theresa M. Traber,
25 presiding (using an hourly rate of \$775 for work performed in 2024-2026); and *George Gomez v.*
26 *The Bedrock Company*, Case No. CIVDS1824255, San Bernardino County Superior Court,
27 Honorable Kevin C. Lee, presiding (using an hourly rate of \$775 for work performed in 2018-
28 2026).

1 6. I have also been appointed as Class Counsel following a contested motion to
2 certify one or more classes in the following cases:

- 3 • *Staublein v. Wells Fargo Bank, National Association*, Case No. CIVDS1712267, San
4 Bernardino Superior Court, Honorable David Cohn presiding (certifying a wage
5 statement class);
- 6 • *George Gomez v. The Bedrock Company*, Case No. CIVDS1824255, San Bernardino
7 County Superior Court, Honorable David Cohn, presiding (certifying claims for
8 unpaid overtime and minimum wage violations, meal period violations, rest period
9 violations, wage statement violations, and waiting time penalties); and
- 10 • *Aurora Gatica v. Valley Ag, Inc. et al.*, Case No. 19CECG03018, Fresno County
11 Superior Court, Honorable D. Tyler Tharpe, presiding (certifying claims for meal
12 period violations, unpaid rest period violations, wage statement violations, and waiting
13 time penalties).

14 7. In every year from 2020 to 2025, Thomson Reuters and Los Angeles Magazine
15 recognized me as a Top Young Attorney in Southern California in the annual Rising Star Edition
16 of Super Lawyers. This is an honor awarded to no more than two-and-a-half percent (2.5%) of
17 attorneys under the age of forty in Southern California each year.

18 8. As counsel for Plaintiffs, I have been actively involved in all aspects of this
19 litigation since its inception.

20 9. I confirm that I do not have any interest or involvement in, and am not affiliated
21 with, the proposed settlement administrator, ILYM Group, Inc. I also confirm that I do not have
22 any interest or involvement in, and am not affiliated with, the proposed *cy pres* recipient, Legal
23 Aid at Work.

24 10. Class Counsel have entered into a written fee-splitting agreement. Plaintiffs were
25 fully notified of the fee-splitting agreement in writing and consented to the fee-splitting agreement
26 in writing, in compliance with California Rules of Professional Conduct, Rule 1.5.1.

27 11. I played an integral part in the negotiation and resolution of the claims at issue in
28 this lawsuit. This settlement is a reasonable compromise of all claims at issue in this action, and

1 Plaintiffs now apply for preliminary approval of the proposed Class Action and PAGA Settlement
2 Agreement (“Settlement Agreement” or “Settlement”), entered into between Plaintiffs and
3 Defendants Multi-Color Corporation and W/S Packaging Group, LLC (collectively,
4 “Defendants”), (Plaintiffs and Defendants are referred to collectively herein as the “Parties”). A
5 true and correct copy of the Parties’ Settlement Agreement is attached hereto as **Exhibit 1**. A
6 true and correct copy of the proposed Court Approved Notice of Class Action Settlement and
7 Hearing Date for Final Court Approval (“Class Notice”) is attached to the Settlement Agreement
8 as Exhibit A.

9 12. Defendants manufacture label solutions for branded consumer products. Plaintiffs,
10 like all Settlement Class members, were employed by Defendants as non-exempt employees in
11 California during the Class Period, and were subject to Defendants’ allegedly unlawful wage and
12 hour policies and practices.

13 13. If the Court preliminarily approves this settlement, Defendants will pay a non-
14 reversionary Gross Settlement Amount (“GSA”) of \$2,490,000.00. Based upon the data provided
15 by Defendants, there are approximately 902 potential Settlement Class members. Settlement
16 Class members can be easily identified using Defendants’ employment and payroll records. After
17 Court-approved deductions for Plaintiffs’ Class Representatives Service Payments, settlement
18 administrator costs, the PAGA Payment to the Labor & Workforce Development Agency
19 (“LWDA”), and attorneys’ fees and costs to Class Counsel, the remaining Net Settlement Amount
20 (“NSA”) is estimated to be no less than \$1,450,000.00. This results in average Individual Class
21 Payments of approximately \$1,607.53, with the lowest possible estimated Individual Class
22 Payment of \$13.75 (in the event a Settlement Class member worked only one workweek during
23 the Class Period) and the highest possible estimated Individual Class Payment of \$3,877.88 (in
24 the event a Settlement Class member performed work in every workweek during the Class
25 Period). Further, an additional \$25,000.00 will be paid to all non-exempt hourly employees who
26 work or worked for Defendants in California at any time between March 7, 2023 through August
27 5, 2025 (the “PAGA Period”) (collectively, the “PAGA Members”) for the release of claims under
28 PAGA. Average additional Individual PAGA Payments are projected to be approximately \$43.85.

14. A true and correct copy of Plaintiffs’ respective pre-filing PAGA notice letters to Defendants and the LWDA are attached hereto as **Exhibit 2**.

15. On March 7, 2024, Plaintiffs Victor Figueroa and Alden Perez initiated the instant action against Defendants, alleging Defendants failed to: (i) pay all minimum wages owed; (ii) pay all overtime wages owed; (iii) pay all sick time wages; (iv) provide all lawful meal periods; (v) authorize and permit all lawful rest periods; (vi) issue accurate itemized wage statements; (vii) timely pay all final wages upon separation; (viii) reimburse necessary business expenses; and (ix) comply with California’s Unfair Competition laws. On April 12, 2024, Defendants removed the action to federal court, and on September 15, 2025, the action was remanded back to Napa County Superior Court.

16. On March 25, 2024, Plaintiff Cynthia Izquierdo filed a separate class action complaint against Defendants, Orange County Superior Court Case No. 30-2024-01388573-CU-OE-CXC, alleging the same and/or similar causes of action as in the instant action, and later filed a separate complaint under the Private Attorneys General Act, Labor Code section 2698, *et seq.* (“PAGA”), Orange County Superior Court Case No. 30-2024-01403003-CU-OE-CXC, based on the same underlying Labor Code violations (the “*Izquierdo Actions*”). On April 18, 2024, Plaintiff Kenneth Zieg filed a separate class action complaint against Defendants, Orange County Superior Court Case No. 30-2024-01394886-CU-OE-CXC (the “*Zieg Action*”), alleging the same and/or similar causes of action against Defendants as in the instant action.

17. On July 9, 2026, as a material term of the Settlement, Plaintiffs filed the operative First Amended Complaint in this action, adding Plaintiffs Cynthia Izquierdo and Kenneth Zieg as named plaintiffs, consolidating all causes of action and factual allegations in the *Izquierdo Actions* and *Zieg Action* into this action, and consolidating all claims under the PAGA based on the facts alleged in Plaintiffs’ respective PAGA Notice Letters to the LWDA.

18. Plaintiffs assert that Defendants maintained an unlawful rounding practice that recorded Plaintiffs’ and Settlement Class members’ clock in and clock out time punches to the minute, but rounded Plaintiffs’ and Settlement Class members’ timekeeping entries in an uneven

manner to the employees' detriment, resulting in Defendants systematically underpaying Plaintiffs and Settlement Class members all earned wages.

19. In response, Defendant contend that their timekeeping practices are lawful and its rounding practice is neutral and operates in an even-handed way, which Defendant asserts is lawful under the court's ruling in *See's Candy Shops, Inc. v. Superior Court* (2012) 210 Cal.App.4th 889. Moreover, Defendants contend that Plaintiffs could not certify this claim, as it would require individualized inquiries into each employee on a pay period by pay period basis as to whether the employee actually started working after clocking in, and whether the employee was overpaid or underpaid based on Defendants' rounding practice, resulting in an unmanageable series of mini-trials. Finally, because *Camp v. Home Depot U.S.A., Inc.* has been granted review by the California Supreme Court, the decision is only persuasive, not binding authority, and Plaintiffs face the risk that the *Camp* holding could be reversed, and Defendants claim that under *See's Candy*, their rounding practice is lawful.

20. Plaintiffs assert that Defendants failed to maintain accurate records of the hours actually worked by Settlement Class members, resulting in unpaid minimum and overtime wages. Specifically, Defendants required Plaintiffs and other non-exempt employees to don protective gear, such as gloves, hearing protection, boots, and eye protection, prior to clocking in for their shifts, and to doff their protective gear after clocking out at the end of their shift. Moreover, for a portion of the relevant time period, Defendants maintained a single timeclock located inside one of two possible entrances to Defendants' facility, which required Plaintiffs and other non-exempt employees to walk approximately two minutes through Defendants' facility to reach the timeclock, without being paid for this time.

21. In response, Defendants maintain their timekeeping policies/practices comply with California law, and that they properly compensate Settlement Class members for all hours worked. Further, Defendants assert that this claim is not suitable for class treatment, as it requires individualized inquiries into whether any employee was subject to Defendants' control while off the clock, and exactly how much time each employee purportedly spent while off-the-clock on

any given day, which is increasingly difficult since off-the-clock time is inherently not recorded, resulting in an unmanageable series of mini-trials.

22. Plaintiffs assert that Defendants miscalculated Plaintiffs' and other non-exempt employees' regular rates of pay for overtime purposes, sick pay wages, and meal period premiums by paying Plaintiffs and other non-exempt employees non-discretionary incentive bonus payments, but failing to include the value of this earned incentive pay when calculating the regular rate of pay. In response, Defendants argue that most bonus payments made were purely discretionary, and therefore are properly excluded from the regular rate of pay, and those that were non-discretionary had been properly included in the regular rate of pay. As such, Defendants contend this claim fails on the merits. Further, Defendants assert that this claim is unmanageable, as it requires individualized inquiries into whether each bonus payment made by Defendants was discretionary or non-discretionary, resulting in an unmanageable series of mini-trials.

23. Plaintiffs further assert that Defendants failed to provide the Settlement Class members with all timely duty-free, uninterrupted 30-minute meal periods to which they were entitled. Specifically, due to work demands imposed by Defendants, Plaintiffs and other non-exempt employees were regularly provided with untimely or interrupted first meal periods. Further, Plaintiffs claim Defendants required employees to carry a radio and/or walkie-talkie on their persons at all times, and respond to any incoming radio calls regardless of when the call came in, including during Plaintiffs' and the other non-exempt employees' purported meal periods. Plaintiffs also allege that Defendants failed to provide *any* second meal periods when employees worked shifts in excess of 10.0 hours. Further, Plaintiffs assert that Defendants paid meal period premiums at the employees' respective base rates of pay, rather than at the regular rate of pay.

24. In response, Defendants contend it maintained lawful meal period policies/practices throughout the class period. Defendants further assert that Settlement Class members signed second meal period waivers at virtually all locations during the class period, and therefore, if Settlement Class members did not take second meal periods it was due to employee choice. Defendants also contend that this claim is not suited for class certification as individual

inquiries would be required to assess whether an employee waived or was not provided with a meal period on any given day, resulting in an unmanageable series of mini-trials.

25. Plaintiffs further allege that Defendants failed to authorize and permit the Settlement Class members to take a “net” rest period of 10-minutes beginning when the employee reaches a rest area away from his or her workstation, instead only providing exactly 10 minute rest periods beginning the moment an employee leaves their workstation and ending the moment the employee returns to their workstation, without accounting for the time required for the employee to walk to and from the designated breakroom from their workstation. Plaintiffs also allege that, due to work demands imposed by Defendants, Plaintiffs and other non-exempt employees were regularly not authorized or permitted to take rest periods, or rest periods were interrupted due to work requirements. Further, Plaintiffs claim Defendants required employees to carry a radio and/or walkie-talkie on their persons at all times, and respond to any incoming radio calls regardless of when the call came in, including during Plaintiffs’ and the other non-exempt employees’ purported rest periods.

26. Defendants maintain they authorized and permitted the Settlement Class members to take all lawful rest periods to which they are entitled. Defendants assert that employees are not required to go to the breakrooms for rest periods, and are authorized and permitted to take 10-minute rest periods wherever they choose, and therefore Plaintiffs’ claim will fail on the merits. Defendants also assert that this claim is unmanageable and not suited for class certification, as it requires individualized inquiries into whether each employee was authorized and permitted to take a lawful rest period and on which days, which Defendants argue Plaintiffs will be unable to substantiate with any common, documentary evidence, as rest periods are not required to be recorded, resulting in an unmanageable series of mini-trials.

27. Plaintiffs further allege that, for a portion of the relevant time period, Defendants required Plaintiffs and other non-exempt employees to communicate with coworkers and their supervisors regarding work-related matters through their personal cellular phones and use the “Dayforce” mobile application to record their hours worked, but failed to reimburse the Settlement Class members for these necessary business expenses. In response, Defendants argue

1 they maintained a policy to reimburse all reasonable and necessary business expenditures and
2 that, to the extent that any expenses were not reimbursed, it was the result of the employees failing
3 to submit expense reimbursement requests. Defendants also maintain that this claim is not suited
4 for class certification, as it would require an unmanageable series of mini-trials to determine
5 which employees incurred expenses, if any, whether those expenses were reasonable and
6 necessary, and why the employee had not previously submitted an expense reimbursement
7 request.

8 28. As a result of Defendants' alleged failure to pay all overtime and minimum wages,
9 sick pay wages, and meal and rest period premiums, Plaintiffs assert that Defendants also failed
10 to maintain accurate payroll records, issue accurate and itemized wage statements, and failed to
11 timely pay all final wages at the time of separation. As a result of these alleged Labor Code
12 violations, Plaintiffs also seek PAGA civil penalties on behalf of all aggrieved employees. In
13 response, Defendants argue that Plaintiffs' underlying claims will fail and, as a result, these
14 derivative claims will also fail. Defendants also maintain that Plaintiffs cannot show that the wage
15 statement violations were "knowing and intentional," or that the putative class members
16 "suffer[ed] injury" as a result of the alleged violations, as required by Labor Code § 226(e) for
17 the imposition of wage statement penalties. Moreover, Defendants maintain that their good faith
18 defenses to Plaintiffs' underlying claims would preclude the recovery of waiting time penalties,
19 which are only available for the "willful" failure to pay wages, and that this Court would exercise
20 its discretion to substantially reduce any PAGA penalties awarded.

21 29. Prior to mediation, Defendants provided Plaintiffs with timekeeping and payroll
22 records for an approximately 93% sample of Settlement Class members spanning the entire Class
23 Period, as well as key policy documents and data points. Plaintiffs then retained an expert to
24 analyze the produced data and conduct a comprehensive analysis to create a class-wide exposure
25 model for the claims at issue. On November 26, 2024, the Parties participated in a full-day
26 mediation session with Michael Loeb, Esq., an experienced wage and hour mediator, during
27 which the Parties exchanged divergent views on Defendants' liability and exposure valuations,
28 their legal positions, and the likelihood of certification of Plaintiffs' claims. Although the Parties

1 adjourned mediation without reaching a settlement, they agreed to return for a second, full-day
2 mediation with Mr. Loeb on May 28, 2025. Following the second mediation session, Mr. Loeb
3 made a mediator's proposal that the Parties ultimately accepted. Over the following months, the
4 Parties finalized the terms of the proposed Settlement now before the Court for preliminary
5 approval.

6 30. At the time of seeking final settlement approval, Plaintiffs will apply for Class
7 Representatives Service Payments in the amount of \$10,000 each for their service to the
8 Settlement Class and general release of all claims. Plaintiffs' requested class representative
9 Service Payments are intended to recognize the significant time and effort that Plaintiffs expended
10 on behalf of the Settlement Class, including searching for relevant documents for use in the
11 lawsuit, providing factual information and relevant documents to their attorneys, communicating
12 with other class members, holding dozens of phone calls with their attorneys to discuss the claims
13 in the lawsuit and Defendants' practices, discussing the status of the case and general case strategy
14 with their attorneys on multiple occasions, providing valuable input to assist their attorneys to
15 prepare for both mediations, making themselves available during both full-day mediations to
16 assist and answer factual questions posed by the mediator, reviewing and providing input
17 regarding the Settlement, and otherwise assisting their attorneys in moving this case towards
18 resolution, the significant risks Plaintiffs undertook by serving as the named plaintiffs, and the
19 fact that they agreed to a general release of all claims subject to a waiver of Civil Code § 1542.

20 31. Class Counsel will also apply for an attorneys' fee award of up to one third of the
21 GSA (currently estimated at \$830,000.00), and up to \$50,000.00 in reimbursement for actual
22 litigation costs. Plaintiffs submit that the requested fee is fair compensation for undertaking
23 complex, risky, expensive, and time-consuming litigation on a purely contingent fee basis. Class
24 Counsel has incurred substantial attorneys' fees conducting pre-filing investigation, analyzing
25 Plaintiffs' claims, conducting legal research and analysis, reviewing substantial class documents
26 and data produced by Defendants, extensively evaluating the produced timekeeping and payroll
27 records with the assistance of a retained expert to build a comprehensive damages model,
28 preparing for and attending two full-day mediation sessions, negotiating and drafting the

Memorandum of Understanding, long-form Settlement Agreement, and Class Notice documents, preparing this motion for preliminary approval, and otherwise litigating the case. Class Counsel will also expend future attorney time attending the hearing on this Motion, overseeing the Notice process, drafting the Final Approval Motion and supporting documents, attending the Final Approval hearing, and completing other tasks, such as fielding questions from Settlement Class members. Class Counsel will seek an award of attorneys' fees when seeking final approval.

32. Class Counsel carefully vetted the claims at issue, reviewed Settlement Class member timekeeping and payroll data spanning the entire Class Period, reviewed all relevant policy documents, retained an expert to assist in analyzing the data, and created a comprehensive damages model for Defendants' liability. Although the Parties engaged in substantial informal discovery and information exchange prior to mediation, the Parties had agreed to refrain from engaging in formal written and deposition discovery until after exhausting their settlement efforts at mediation. Absent settlement, the Parties will be required to expend substantial time and resources conducting additional formal written and deposition discovery. Moreover, Plaintiffs have not yet filed for class certification, and thus, absent settlement, the Parties would face the prospect of appeals in the wake of a disputed class certification ruling and/or an adverse summary judgment ruling. Even if Plaintiffs succeeded in certifying one or more classes, the Parties would incur considerably more attorneys' fees and costs through a possible decertification motion, trial, and possible appeal. This Settlement avoids these considerable costs, risks, and the accompanying burden of continued litigation on the Court.

33. At the time of the proposed Settlement, Plaintiffs had not filed their motion for class certification. Had the Court certified any claims, Plaintiffs anticipated that Defendants would seek decertification. Defendants also contend that a substantial portion of the putative class members had entered into arbitration agreements with class-action waivers, and there was also a risk that Defendants would engage in a campaign pursuant to *Chindarah v. Pick Up Stix, Inc.* (2009) 171 Cal.App.4th 796, that could affect Plaintiffs' ability to maintain the numerosity required to proceed as a class action, or significantly reduce the size of the putative class for a fraction of what Settlement Class members are receiving through this Settlement. Therefore,

absent the Settlement, there was a serious risk that Plaintiffs would be unable to move forward on a class-wide basis.

34. Plaintiffs' expert's data analysis revealed that Defendants' rounding practice resulted in the Settlement Class members being underpaid for an aggregate of 6,808 recorded hours of work during the putative class period. Therefore, Plaintiffs calculated Defendants' maximum potential exposure on this claim at \$183,475 (6,808 unpaid hours * \$26.95 average rate of pay). Defendants argue that its timekeeping practice was neutral, both on its face and in practice, and that such a policy is lawful under *See's Candy*. Moreover, because *Camp v. Home Depot* has been granted review by the California Supreme Court, there is tangible risk that *Camp* will be overturned, rendering Plaintiffs' damages analysis substantially overstated. Plaintiffs therefore discounted the maximum potential exposure by 30% for the risk of non-certification and 35% for the risk of being unsuccessful on the merits, to arrive at an estimated exposure of \$83,481.

35. Plaintiffs' expert's data analysis determined that Settlement Class members worked an aggregate total of 393,210 shifts during the relevant time period. Plaintiffs estimate that Settlement Class members were required to spend approximately 5 minutes per shift donning and/or doffing safety equipment and traveling through Defendants' facility before being able to clock in during each scheduled shift. Accordingly, Plaintiffs calculated Defendants' maximum potential exposure for this claim at approximately \$465,626 (393,210 shifts * 5 minutes per shift * \$14.21 weighted minimum wage). Defendants, however, maintain that they properly compensated Settlement Class members for all time worked and assert that this claim is unmanageable, as it requires individualized inquiries into whether and exactly how much time each employee purportedly spent while off-the-clock on any given day. Plaintiffs therefore discounted the maximum exposure by 45% for the risk of non-certification, and by an additional 40% for risk of losing on the merits, to arrive at a reasonable exposure of \$153,657.

36. Plaintiffs' expert's data analysis determined that Settlement Class members were underpaid approximately \$337,088 as a result of Defendants' failure to properly include the value of non-discretionary bonus payments when calculating the employees' respective regular rates of

1 pay for overtime purposes. Defendants, however, argues that the majority of bonuses in question
2 were discretionary, and therefore did not need to be included in the regular rate of pay. Defendants
3 also argue that this claim is unmanageable, as it requires individualized inquiries into whether
4 each bonus payment was discretionary or non-discretionary. Plaintiff therefore discounted the
5 maximum exposure by 30% for the risk of non-certification, and by an additionally 35% for the
6 risk of losing on the merits, to arrive at a reasonable exposure of approximately \$153,375.

7 37. Plaintiffs' expert's data analysis determined that Settlement Class members
8 worked an aggregate total of 144,553 shifts in excess of 5.0 hours during the Class Period that
9 contained a facially unlawful first or second meal period, whether late, short or missed, and were
10 not waiver eligible. Accordingly, Plaintiffs calculated Defendants' liability on this claim at
11 \$3,612,351 ((144,553 meal period violations – 10,514 premiums paid) * \$26.95 average
12 premium). Defendants assert, however, that they maintained lawful meal period policies/practices
13 at all times during the Class Period, including paying meal period premiums to employees when
14 meal periods were not provided. Defendants further assert that Plaintiffs' meal period claim is not
15 suited for class certification as individual inquiries would be required to assess whether each facial
16 violation in the records was the result of employee choice and waiver rather than company policy,
17 resulting in an unmanageable series of mini trials. Given these defenses, Plaintiffs discounted the
18 maximum exposure by 45% for the risk of non-certification, and by an additional 40% for risk of
19 losing on the merits, to arrive at a reasonable exposure of \$1,192,076.

20 38. Plaintiffs' expert's data analysis determined that non-exempt employees worked
21 an aggregate total of 393,210 shifts in excess of 3.5 hours during the Class Period. Plaintiffs
22 attribute a rest period violation for 50% of work shifts in excess of 3.5 hours due to Defendants'
23 unlawful rest period policy/practice that failed to authorize and permit 10-minutes "net rest".
24 Accordingly, Plaintiffs calculated Defendants' maximum potential exposure on this claim at
25 \$5,298,504 (195,605 rest period violations * \$26.95 average premium). However, Defendants
26 argue they have always authorized and permitted rest periods in accordance with California law,
27 and assert that employees' rest periods begin once the employee arrived at the breakroom. Further,
28 Defendants assert that this claim is not amenable to class certification given the individual

1 inquiries required to determine whether and why each employee missed a rest period on any given
2 shift, whether the employee chose to take a rest period at an area other than the provided
3 breakroom, and for how long each and every rest period lasted for every employee on any given
4 day throughout the entire Class Period, particularly given that rest periods are not recorded. Given
5 these defenses, Plaintiffs discounted the maximum exposure by 60% for the risk of non-
6 certification, and by an additional 65% for risk of losing on the merits, to arrive at an estimated
7 exposure of \$741,791.

8 39. Plaintiffs' expert's data analysis determined that the Settlement Class members
9 worked a total of approximately 12,179 aggregate months during the Class Period. Using a
10 conservative estimate of \$25 per month for reimbursement of work-related use of personal
11 cellular phones, Plaintiffs calculate Defendants' maximum exposure for this claim at
12 approximately \$304,475 ($\$25.00/\text{month} \times 12,179 \text{ work-months}$). Defendants maintain that
13 Settlement Class members were not required to use their personal cellular phones as part of their
14 job and that this claim would require individual inquiries into whether Settlement Class members
15 actually used their personal cellular phones for work purposes. Therefore, Plaintiffs discounted
16 the maximum potential exposure by 45% for the risk of non-certification and 45% for the risk of
17 being unsuccessful on the merits, to arrive at an estimated exposure of \$92,104.

18 40. According to Plaintiffs' expert's data analysis, approximately 570 Settlement
19 Class members are eligible for wage statement penalties, and a total of 22,345 wage statements
20 were issued during the relevant period. Plaintiffs calculated Defendants' maximum possible wage
21 statement exposure as approximately \$2,206,000 ($(570 \text{ initial violations} \times \$50 \text{ per pay period}) +$
22 $(21,775 \text{ subsequent pay periods} \times \$100 \text{ per pay period})$). However, Defendants raised numerous
23 defenses, including that the alleged violations, if any, were not "knowing and intentional," and
24 that Plaintiffs could not show that the Settlement Class members "suffer[ed] injury" as a result of
25 any alleged violations. Defendants further argued that Plaintiffs' underlying claims would fail,
26 and, therefore, their derivative wage statement claim would also fail. Therefore, Plaintiffs
27 discounted the maximum exposure by 50% for the risk of non-certification of the underlying
28 claims and 75% for a risk of being unsuccessful on the merits, including failing to prove the

violations were “knowing and intentional,” that the Settlement Class members “suffer[ed] injury,” or that the Court would find that Defendants had a reasonable, good faith belief that of compliance with wage and hour laws precluding the imposition of wage statement penalties, for an estimated reasonable recovery of \$275,750.

41. Plaintiffs’ expert’s data analysis determined that 463 Settlement Class members separated their employment during the relevant period applicable to this claim and were entitled to recover waiting time penalties. Therefore, Plaintiffs calculated Defendants’ maximum potential exposure on this claim at \$2,994,684 (463 former employees * average waiting time penalty of \$6,468 (\$26.95 average hourly rate * 8 hours * 30 days)). Defendants maintain that waiting time penalties are not appropriate because Plaintiffs’ claims fail on the merits, and given their good-faith defenses, Plaintiffs cannot show that any failure by Defendants to pay all final wages was willful. Plaintiffs discounted this claim by 50% for the risk of non-certification and by an additional 75% for risk of being unsuccessful on the merits, failing to establish willfulness, or that the Court would find a reasonable, good faith dispute over whether any wages are due precluding the imposition of waiting time penalties, for an estimated recovery of \$374,336.

42. Plaintiffs allege that PAGA civil penalties would be recoverable for each pay period in which they could prove an underlying Labor Code violation. According to Plaintiffs’ expert’s data analysis, the Settlement Class members worked a combined total of 22,345 pay periods during the PAGA liability period in which at least one of Plaintiffs’ alleged Labor Code violations occurred. Plaintiffs therefore calculate Defendants’ maximum PAGA exposure at \$2,234,500 (22,345 pay periods * \$100 per violation). However, these penalties are exclusively derivative of the underlying violations that Defendants vigorously dispute, both as to certification and the merits. Plaintiffs also recognize that the Court has discretion to substantially reduce any award of PAGA penalties. Therefore, Plaintiffs discounted the maximum figure by 45% for the risk of losing on the merits of all underlying claims and by 90% for the likely possibility that this Court would reduce the PAGA penalties awarded, to arrive at an estimated exposure of \$122,898.

43. Using these estimated figures, Plaintiffs estimated that the potential reasonable recovery for the Settlement Class would be approximately \$3,189,466. Thus, the proposed

1 recovery to the Settlement Class of \$2,490,000 represents approximately 78.07% of Plaintiffs'
2 reasonably forecasted class-wide recovery, which is well within the range approved by courts as
3 being fair, reasonable and adequate, while also avoiding further expense and risk of proceeding
4 towards class certification and trial.

5 44. Concurrently with the filing of this Motion, Plaintiffs provided notice of this
6 proposed Settlement to the LWDA, including providing copies of all documents filed in support
7 hereof. A true and correct copy of Plaintiffs' settlement submission and the LWDA's
8 confirmation of receipt is attached hereto as **Exhibit 3**.

9
10 I declare under penalty of perjury under the laws of California and the United States that
11 the foregoing is true and correct. Executed on September 23, 2026, at El Segundo, California.

12 

13 _____
14 Matthew K. Moen
15
16
17
18
19
20
21
22
23
24
25
26
27
28

EXHIBIT 1

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiffs Victor Figueroa, Alden Perez, Cynthia Izquierdo, and Kenneth Zieg (“Plaintiffs”) and Defendants Multi-Color Corporation and W/S Packaging Group, LLC (“Defendants”). The Agreement refers to Plaintiffs and Defendants collectively as “Parties” or individually as “Party.”

1. DEFINITIONS.

- 1.1 “Action” means Plaintiffs’ various lawsuits alleging wage and hour violations against Defendants, captioned:
 1. *Figueroa et al. v. Multi-Color Corporation*, Napa County Superior Court, Case No. Case No. 24CV000347
 2. *Cynthia Izquierdo v. Multi-Color Corporation, et al.*, Orange County Superior Court Case Nos. 30-2024-01388573-CU-OE-CXC and 30-2024-01403003-CU-OE-CXC
 3. *Kenneth Zieg v. W/S Packaging Group, Inc., et al.*, Orange County Superior Court Case No. 30-2024-01394886-CU-OE-CXC
- 1.2 “Administrator” means ILYM Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3 “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4 “Class” means all individuals who are or were employed by Defendants as non-exempt hourly employees in California during the Class Period.
- 1.5 “Class Counsel” means Mehrdad Bokhour of Bokhour Law Group, P.C., Joshua S. Falakassa of Falakassa Law, P.C., Brian Makin and Misty Lauby of Lauby, Mankin & Lauby LLP, and Paul K. Haines, Fletcher Schmidt, and Matthew K. Moen of Haines Law Group, APC.
- 1.6 “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.7 “Class Data” means the class member's identifying information in Defendants’ possession, including the class member’s name, last-known mailing address, social security number, and number of class period workweeks and PAGA pay periods.

- 1.8 “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as a PAGA Member).
- 1.9 “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods, and means, including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.10 “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.11 “Class Period” means the period from March 7, 2020, through August 5, 2025.
- 1.12 “Class Representatives” means the named Plaintiffs in the operative complaint in the Action seeking Court approval to serve as Class Representatives.
- 1.13 “Class Representatives Service Payments” means the payment to the Class Representatives for initiating the Action and providing services in support of the Action.
- 1.14 “Court” means the Superior Court of California, County of Napa, or any court of competent jurisdiction.
- 1.15 “Defendants” means the named Defendants, Multi-Color Corporation and W/S Packaging Group, LLC.
- 1.16 “Defense Counsel” means Alexander M. Chemers of Ogletree Deakins, Nash, Smoak & Stewart, P.C.
- 1.17 “Effective Date” means the date by when both the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final when the following occurs: (1) if no timely objections are submitted or if all objections are withdrawn, the date upon which the Court enters the Judgement; (2) if an objection is submitted and not withdrawn, the date for filing an appeal and no such appeal being filed; or (3) if any timely appeals are filed, the date of the resolution (or withdrawal) of any such appeal in a way that does not alter the terms of the Settlement
- 1.18 “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.19 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.20 “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.

- 1.21 “Gross Settlement Amount” means \$2,490,000, which is the total amount Defendants agree to pay under the Settlement except as provided in Paragraph 10 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representatives' Service Payments, and the Administrator's Expenses. Defendants shall be separately responsible for the cost of their share of employer-side payroll taxes. The Settlement is non-reversionary.
- 1.22 “Individual Class Payment” means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
- 1.23 “Individual PAGA Payment” means the PAGA Member's pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.
- 1.24 “Individual Settlement Shares” means each Class Member's pro rata share of the Net Settlement Amount that will be distributed to the Class Members.
- 1.25 “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.26 “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.27 “LWDA PAGA Payment” means 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.28 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representatives Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The Net Settlement Amount is to be paid to Participating Class Members as Individual Class Payments.
- 1.29 “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.30 “PAGA Member” means any non-exempt hourly employee who works or worked for Defendants in California at any time during the PAGA Period.
- 1.31 “PAGA Pay Period” means any Pay Period during which a PAGA Member worked for Defendants for at least one day during the PAGA Period.
- 1.32 “PAGA Period” means the period from March 7, 2023, through August 5, 2025.
- 1.33 “PAGA” means the Private Attorneys General Act (Labor Code § 2698 et seq.).

- 1.34 “PAGA Notice” means Plaintiffs’ letters to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.35 “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the PAGA Members (\$25,000) and 75% to the LWDA (\$75,000) in settlement of the PAGA claims.
- 1.36 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.37 “Plaintiffs” means Victor Figueroa, Alden Perez, Cynthia Izquierdo, and Kenneth Zieg, the named Plaintiffs in the Action.
- 1.38 “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.39 "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.40 “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.
- 1.41 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.42 “Released Parties” means Defendants, and any of its or their former and present directors, officers, shareholders, owners, attorneys, insurers, predecessors, successors, assigns, parents, subsidiaries, and affiliates.
- 1.43 “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.44 “Response Deadline” means 45 days after the Administrator mails Notice to Class Members and PAGA Members and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
- 1.45 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.46 “Workweek” means any week during which a Class Member worked for Defendants during the Class Period. If possible based on Defendants’ records, Defendants may exclude weeks during which a Class Member did not perform any work for Defendant, *i.e.*, no time was recorded in Defendants’ timekeeping system.

2. **RECITALS.**

- 2.1 Plaintiffs Alden Perez, Victor Figueroa, Cynthia Izquierdo, and Kenneth Zieg filed and have prosecuted the following wage-and-hour class and representative actions: (a) *Figueroa et al. v. Multi-Color Corporation*, United States District Court, Northern District of California, Case No. 4:24-cv-02208-DMR; (b) *Cynthia Izquierdo v. Multi-Color Corporation, et al.*, Orange County Superior Court, Case Nos. 30-2024-01388573-CU-OE-CXC and 30-2024-01403003-CU-OE-CXC; and (c) *Kenneth Zieg v. W/S Packaging Group, Inc., et al.*, Orange County Superior Court, Case No. 30-2024-01394886-CU-OE-CXC (collectively, the “Actions”). The Actions allege various violations of the California Labor Code and the California Unfair Competition Law, including claims for civil penalties under the Labor Code Private Attorneys General Act of 2004 (“PAGA”).
- 2.2 Plaintiffs plan to file a First Amended Complaint in the *Figueroa* Action to consolidate and incorporate all claims, causes of action, and parties from the Actions into a single operative pleading, and the Parties agree to remand the *Figueroa* Action to the Superior Court of California, County of Napa.
- 2.3 The First Amended Complaint in the *Figueroa* Action is the operative complaint in the Action (the “Operative Complaint”).
- 2.4 Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in the Operative Complaint, and deny any and all liability for the causes of action alleged.
- 2.5 Pursuant to Labor Code section 2699.3, subd.(a), Plaintiffs gave timely written notice to Defendants and the LWDA by sending the PAGA Notice.
- 2.6 On November 26, 2024, and again on May 28, 2025, the Parties participated in all-day mediation sessions presided over by Michael Loeb, Esq., which ultimately led to this Agreement.
- 2.7 Prior to mediation, Plaintiffs obtained, through informal discovery, all time records and corresponding pay records for nearly all Class Members, relevant Defendants’ policies, and data reflecting the total number of Class Period employees and the total workweeks worked during the Class Period.
- 2.8 The Court has not granted class certification.

3. **MONETARY TERMS.**

- 3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendants promise to pay \$2,490,000.00, no more than the Gross Settlement Amount, and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendants have no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in

Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or PAGA Members to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

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

1. To Plaintiffs: Class Representatives Service Payments to the Class Representatives of not more than \$10,000 each (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representatives are entitled to receive as a Participating Class Member). Defendants will not oppose Plaintiffs' request for a Class Representative's Service Payments that do not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class Representatives' Service Payments by no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative's Service Payments less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representatives' Service Payments using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on the Class Representatives' Service Payments.
2. To Class Counsel: A Class Counsel Fees Payment of not more than \$830,000 (representing 33.33% of the Gross Settlement Amount), and a Class Counsel Litigation Expenses Payment of not more than \$50,000. Defendants will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiffs' Counsel arising from any claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.
3. To the Administrator: An Administrator Expenses Payment not to exceed \$20,000, except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less, or the Court approves payment of less than

\$20,000, the Administrator will retain the remainder in the Net Settlement Amount.

4. To Each Participating Class Member: An Individual Class Payment is calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

3.2.4.1 Tax Allocation of Individual Class Payments. 10% of each Participating Class Member's Individual Class Payment will be allocated to the settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. 90% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for all interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

5. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis according to their respective workweeks.

6. To the LWDA and Covered Employees: PAGA Penalties in the amount of \$100,000 will be paid from the Gross Settlement Amount, with 75% allocated to the LWDA PAGA Payment and 25% allocated to the Individual PAGA Payments.

3.2.6.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the PAGA Member's 25% share of PAGA Penalties (\$25,000) by the total number of PAGA Period Pay Periods worked by all PAGA Members during the PAGA Period and (b) multiplying the result by each PAGA Member's PAGA Period Pay Periods. PAGA Members assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.6.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1 Class Workweeks and PAGA Member Pay Periods. Based on a review of its records to date, Defendants estimate that the Settlement Class consists of approximately 902

class members who worked a total of approximately 105,444 workweeks from March 7, 2020 through May 28, 2025.

- 4.2 Class Data. No later than seven days after the Court grants Preliminary Approval of the Settlement, Defendants will deliver the Class Data to the Administrator in a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify Class Counsel if they discover that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.
- 4.3 Funding of Gross Settlement Amount. Defendants shall fund the Gross Settlement Amount within thirty days of the Effective Date.
- 4.4 Payments from the Gross Settlement Amount. Within ten days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representatives Service Payments. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representatives Service Payments shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.
1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all PAGA Members including Non-Participating Class Members who qualify as PAGA Members (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
 2. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without a USPS

forwarding address. Within seven days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

3. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and canceled after the void date, the Administrator shall donate the funds represented by such checks to Legal Aid at Work, subject to the requirements of California Code of Civil Procedure Section 384, sub. (b).
4. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

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

- 5.1 **Release by Plaintiffs.** In consideration of Plaintiffs' awarded Class Representatives Service Payments, Plaintiffs' Individual Class Payment, and the other terms and conditions of the Settlement, as of the date the Settlement becomes Final and is fully funded, Plaintiffs, on behalf of herself and her respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, releases any and all known and unknown claims that arose on or before the date she signs this agreement against Defendants and the Released Parties. Expressly excluded from Plaintiffs' release are any claims for workers' compensation benefits, unemployment insurance benefits, and any other claims that cannot be released by law.
- 5.2 **Release by Participating Class Members.** In consideration for their awarded Individual Settlement Shares, as of the date the Settlement becomes Final and has been fully funded, all Participating Class Members release all claims arising out of or related to the allegations set forth in the operative complaint and/or PAGA notice to the California Labor and Workforce Development Agency that arose during the Class Period and/or PAGA Period, including claims for: **(1)** failure to pay minimum wages in violation of Labor Code section 1197 and the applicable IWC Wage Order(s); **(2)** failure to pay overtime wages in violation of Labor Code sections 510, 1197, and 1198, and the applicable IWC Wage Order(s); **(3)** failure to pay sick wages at the proper legal rate; **(4)** failure to provide compliant rest periods and pay missed rest break premiums in violation of Labor Code section 226.7 and the applicable IWC Wage Order(s); **(5)** failure to provide compliant meal periods and pay missed meal

period premiums in violation of Labor Code sections 226.7 and 512, and the applicable IWC Wage Order(s); **(6)** failure to pay all wages due and owing during employment and at separation in violation of Labor Code sections 201-204 and 227.3; **(7)** failure to provide complete and accurate wage statements in violation of Labor Code sections 226 and 226.3; **(8)** failure to reimburse business expenses in violation of Labor Code section 2802; **(9)** deceptive, fraudulent, or otherwise unlawful business practices based on the foregoing in violation of California's Unfair Competition Law (Bus. & Prof. Code, §§ 17200–17210); **(10)** statutory penalties based on the foregoing pursuant to PAGA (Lab. Code, §§ 2698-2699.6); and **(11)** all claims for liquidated damages, penalties, interest, fees, costs based on the foregoing or the primary rights associated with those claims.

- 5.3 Release by PAGA Members. In consideration for their awarded Individual Settlement Shares, as of the date the Settlement becomes Final, Plaintiffs and the LWDA will release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns any and all claims for civil penalties under PAGA against Defendants and the Released Parties that arise out of or reasonably relate to the claims alleged in the Action or that could have been alleged based on the factual allegations in the Action (the “Released PAGA Claims”). All PAGA Members who worked for Defendants during the PAGA Period will release the PAGA claims described herein and will receive a portion of the amount set aside as PAGA penalties, regardless of whether they opt out of the release of the Class Claims.
- 5.3 With respect to the Plaintiffs’ released claims only (as set forth in Paragraph 5.1, above), the Parties stipulate and agree that the Plaintiffs shall have, by operation of the judgment and approval order entered by the Court, waived and relinquished, to the fullest extent permitted by law, the provisions, rights, and benefits of section 1542 of the California Civil Code, which provides:

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

The Plaintiffs shall be deemed to have acknowledged that this Settlement Agreement is intended to waive and release all released claims that she does not know or suspect to exist in her favor at the time of the approval of this Settlement Agreement.

6. **MOTION FOR PRELIMINARY APPROVAL.** Within a reasonable time, Plaintiffs will move for an order giving preliminary approval of the Settlement (“Motion for Preliminary Approval”) that complies with the Court’s current checklist for Preliminary Approvals.

- 6.1 **Plaintiffs’ Responsibilities.** Plaintiffs will prepare all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from Plaintiffs confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; and (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members, and its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), and this Agreement (Labor Code section 2699, subd. (l)(2))).
- 6.2 **Responsibilities of Counsel.** Class Counsel is responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 45 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court’s Preliminary Approval order to the Administrator.
- 6.3 **Duty to Cooperate.** If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court’s concerns.

7. **SETTLEMENT ADMINISTRATION.**

- 7.1 **Selection of Administrator.** The Parties have jointly selected ILYM Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, ILYM agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

- 7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.
- 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund under U.S. Treasury Regulation section 468B-1.
- 7.4 Notice to Class Members.
1. No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.
 2. Using best efforts to perform as soon as possible, and in no event later than 15 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
 3. Not later than five (5) business days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
 4. The deadlines for Class Members’ written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 45 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline by re-mailing the Class Notice.
 5. If the Administrator, Defendants or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the

Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5 Requests for Exclusion (Opt-Outs)

1. Class Members who wish to exclude themselves from (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.
2. The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.
3. Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Release under Paragraph 5.2 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.
4. Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are PAGA Members are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.
5. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review Requests for Exclusion on a rolling basis to ascertain their validity. Not later than 10 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of

Class Members who have timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

- 7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator’s determination of each Class Member’s allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to the calculation of Workweeks and/or Pay Periods to Defendants’ Counsel and Class Counsel and the Administrator’s determination of the challenges.

7.7 Objections to Settlement.

1. Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representatives Service Payments.
2. Participating Class Members may send written objections to the Administrator by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 60 days after the Administrator’s mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).
3. Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

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

1. Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the

Preliminary Approval order, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representatives Service Payments, the Final Approval order and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

2. Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.
3. Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.
4. Administrator’s Declaration. Not later than 14 days before the date by which Plaintiffs is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.
5. Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare and submit to Class Counsel and Defense Counsel a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. **ESCALATOR CLAUSE**. Defendants have represented that the actual number of weeks worked by the Settlement Class through May 28, 2025 is approximately 105,444. If the

number of workweeks worked by the Class Members is greater than 10% above that estimated by Defendants, then the portion of the GSA attributable to non-PAGA claims (i.e., the GSA less the PAGA penalties) shall be increased proportionately for each additional Workweek above the 10% buffer.

9. **DEFENDANTS' RIGHT TO WITHDRAW.** If five percent (5%) or more of the Class Members, or a number of Class Members whose Individual Settlement Shares represent 5% or more of the total of all Individual Settlement Shares, validly elect not to participate in the Settlement, Defendants will have the right to rescind the Settlement, and the Settlement and all actions taken in its furtherance will be null and void. Defendants must exercise this right within 15 days after the Settlement Administrator notifies the parties of the number of opt-outs, which the Settlement Administrator will do within 10 days after the deadline for submission of opt-outs. If Defendants exercise the right to rescind, they will be responsible for the costs of administration of the Settlement incurred through that time.
10. **MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the scheduled Final Approval Hearing, Plaintiffs will file in Court a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiffs shall provide drafts of these documents to Defense Counsel not later than 10 days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.
 - 10.1 **Response to Objections.** Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
 - 10.2 **Duty to Cooperate.** If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to attempt to address the Court's concerns. The Court's decision to award less than the amounts requested for the Class Representatives Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.
 - 10.3 **Continuing Jurisdiction of the Court.** The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.
 - 10.4 **Waiver of Right to Appeal.** The parties and all Participating Class Members who did not object to the Settlement as provided in this Agreement waive all appeals from the final approval of the Settlement unless the Court materially modifies the Settlement,

except that Plaintiffs and Class Counsel may appeal from an order by the Court that reduces the amounts sought for the Class Representatives Payment or the Class Counsel Fees or Expenses Payment. Such an order or affirmance of such an order will not entitle Plaintiffs or the Class to avoid the Settlement. Defendants' payment obligation under the Settlement will be suspended pending an appeal of the Judgment.

10.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to attempt to address the appellate court's concerns, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representatives' Service Payments or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged

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

12. **ADDITIONAL PROVISIONS.**

12.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendants' in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendants reserves the right to contest certification of any class for any reasons, and Defendants reserves all available defenses to the claims in the Action, and Plaintiffs reserves the right to move for class certification on any grounds available and to contest Defendants' defenses. The Settlement, this Agreement and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

12.2 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 12.3 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement, together with its attached exhibits, shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 12.4 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 12.5 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement as agreed by the Parties, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 12.6 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 12.7 No Tax Advice. Neither Plaintiffs, Class Counsel, Defendants nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 12.8 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 12.9 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.10 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 12.11 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

- 12.12 Confidentiality. Plaintiffs and their attorneys agree not to issue any press or other media releases or talk to the press or media regarding the Settlement, and Plaintiffs' attorneys agree not to publicize the Settlement on their website or social media. In addition, prior to filing of the Motion for Preliminary Approval, Plaintiffs and their attorneys will not have any communication with anyone other than family members, clients, Class Members, financial advisors, retained experts, and vendors related to settlement administration, regarding the Settlement. If, before the filing of the Motion for Preliminary Approval, Plaintiffs or her attorneys disclose to any unauthorized party (a) that a settlement has been reached or (b) any of the terms of the Settlement except as required by law or to effect the Settlement, Defendants may rescind the Settlement, rendering it null and void.
- 12.13 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiffs shall destroy all paper and electronic versions of Class Data received from Defendants unless, prior to the Court's discharge of the Administrator's obligation, Defendants makes a written request to Class Counsel for the return, rather than the destruction of, Class Data.
- 12.14 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 12.15 Calendar Days. Unless otherwise noted, all references to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter:
- 12.16 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiffs and the Settlement Class:

Joshua S. Falakassa
josh@falakassalaw.com
FALAKASSA LAW, P.C.
1901 Avenue of the Stars, Suite 920
Los Angeles, California 90067

Mehrdad Bokhour
mehrdad@bokhourlaw.com
BOKHOUR LAW GROUP, P.C.
1901 Avenue of the Stars, Suite 920
Los Angeles, California 90067

To Defendants:

ALEXANDER M. CHEMERS
zander.chemers@ogletree.com
OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.
400 South Hope Street, Suite 1200
Los Angeles, California 90071

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

12.18 Stay of Litigation. The Parties agree that upon the execution of this Agreement and the remand of the Action to state court, the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree upon signing this Agreement, pursuant to California Civil Procedure Code section 583.330, to extend the date to bring a case to trial under California Civil Procedure Code section 583.310 for the entire period of this settlement process.

10/14/2025
Dated: October __, 2025

Signed by:

54D04808157349B...
Plaintiff Victor Figueroa

10/14/2025
Dated: October __, 2025

Signed by:

78D77F6C5555462
Plaintiff Alden Perez

Dated: October 14, 2025


Cynthia Izquierdo (Oct 14, 2025 09:20:43 PDT)
Plaintiff Cynthia Izquierdo

Dated: October __, 2025

Plaintiff Kenneth Zieg

Mehrdad Bokhour
mehrdad@bokhourlaw.com
BOKHOUR LAW GROUP, P.C.
1901 Avenue of the Stars, Suite 920
Los Angeles, California 90067

To Defendants:

ALEXANDER M. CHEMERS
zander.chemers@ogletree.com
OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.
400 South Hope Street, Suite 1200
Los Angeles, California 90071

- 12.17 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign), or email, which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 12.18 Stay of Litigation. The Parties agree that upon the execution of this Agreement and the remand of the Action to state court, the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree upon signing this Agreement, pursuant to California Civil Procedure Code section 583.330, to extend the date to bring a case to trial under California Civil Procedure Code section 583.310 for the entire period of this settlement process.

Dated: October __, 2025

Plaintiff Victor Figueroa

Dated: October __, 2025

Plaintiff Alden Perez

Dated: October __, 2025

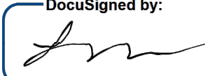
Plaintiff Cynthia Izquierdo

Dated: Nov 28, 2025

Kenneth Zieg
Kenneth Zieg (Nov 28, 2025 21:14:40 PST)

Plaintiff Kenneth Zieg

14-Nov-2025
Dated: October __, 2025

DocuSigned by:

AF5A2696F30419...
Defendants Multi-Color Corporation and W/S
Packaging Group, LLC

Approved As to Content:

Dated: October __, 2025

BOKHOUR LAW GROUP, P.C.

Mehrdad Bokhour
Attorneys for Plaintiffs

Dated: October __, 2025

FALAKASSA LAW, P.C.

Joshua Falakassa
Attorneys for Plaintiffs

Dated: October __, 2025

LAUBY, MANKIN & LAUBY LLP

Brian Mankin
Attorneys for Plaintiffs

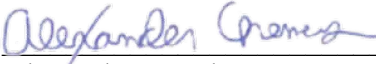
Dated: October __, 2025

HAINES LAW GROUP, APC

Paul Haines
Attorneys for Plaintiffs

Dated: October __, 2025

**OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.**


Alexander M. Chemers
Attorneys for Multi-Color Corporation and W/S
Packaging Group, LLC

Dated: October __, 2025

Defendants Multi-Color Corporation and W/S
Packaging Group, LLC

Approved As to Content:

10/15/2025

Dated: October __, 2025

BOKHOUR LAW GROUP, P.C.

Signed by:

Mehrdad Bokhour

D8D3643F271940F...

Mehrdad Bokhour
Attorneys for Plaintiffs

10/14/2025

Dated: October __, 2025

FALAKASSA LAW, P.C.

Docusigned by:

Joshua Falakassa

15A628B2C5A149C...

Joshua Falakassa
Attorneys for Plaintiffs

Dated: October 14, 2025

LAUBY, MANKIN & LAUBY LLP

Brian Mankin

Brian Mankin
Attorneys for Plaintiffs

Dated: October __, 2025

HAINES LAW GROUP, APC

Paul Haines
Attorneys for Plaintiffs

Dated: October __, 2025

**OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.**

Alexander M. Chemers
Attorneys for Multi-Color Corporation and W/S
Packaging Group, LLC

Dated: October __, 2025

Defendants Multi-Color Corporation and W/S
Packaging Group, LLC

Approved As to Content:

Dated: October __, 2025

BOKHOUR LAW GROUP, P.C.

Mehrdad Bokhour
Attorneys for Plaintiffs

Dated: October __, 2025

FALAKASSA LAW, P.C.

Joshua Falakassa
Attorneys for Plaintiffs

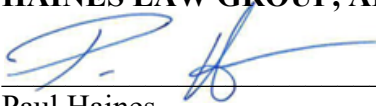
Dated: October __, 2025

LAUBY, MANKIN & LAUBY LLP

Brian Mankin
Attorneys for Plaintiffs

Dated: November 28, 2025

HAINES LAW GROUP, APC



Paul Haines
Attorneys for Plaintiffs

Dated: October __, 2025

**OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.**

Alexander M. Chemers
Attorneys for Multi-Color Corporation and W/S
Packaging Group, LLC

EXHIBIT A

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF NAPA**

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

Figueroa, et al. v. Multi-Color Corporation and W/S Packaging Group, LLC

Case No. CV-24CV000347

*The Superior Court for the State of California authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.*

You may be eligible to receive money from an employee class action lawsuit (“Action”) against Defendants Multi-Color Corporation and W/S Packaging Group, LLC (“Defendants”) for alleged wage and hour violations. The Action was filed by former employees, Victor Figueroa, Alden Perez, Cynthia Izquierdo, and Kenneth Zieg (“Plaintiffs”) and seeks payment of (1) back and premium wages, statutory penalties, and interest for a class of non-exempt hourly employees who work or worked for Defendants in California during the Class Period (March 7, 2020, through August 5, 2025) (“Class Members”); and (2) penalties under the California Private Attorneys General Act (“PAGA”) for all non-exempt hourly employees who work or worked for Defendants in California during the PAGA Period (March 7, 2023, through August 5, 2025) (“PAGA Members”).

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendants to fund Individual Class Payments, and (2) a PAGA Settlement requiring Defendants to fund Individual PAGA Payments and to make a payment to the California Labor and Workforce Development Agency (“LWDA”).

Based on Defendants’ records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$ _____ (less withholding), and your Individual PAGA Payment is estimated to be \$ _____**. The actual amount you receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendants’ records, you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on Defendants’ records showing that **you worked _____ workweeks** during the Class Period and **you worked _____ pay periods** during the PAGA Period. The “workweeks” and “pay periods” may exclude periods when you did not work, including for vacations or leaves of absence. If you believe that you worked more during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or do not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiffs and Plaintiffs’ attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment

that requires Defendants to make payments under the Settlement and requires Class Members and PAGA Members to give up their rights to assert certain claims against Defendants.

If you worked for Defendants during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

- (1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendants.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Defendants. You cannot opt-out of the PAGA portion of the proposed Settlement, and thus, if you are a PAGA member, remain eligible for an Individual PAGA Payment regardless of whether you opt out of the Class Settlement.

Defendants will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member . This means you will be eligible to receive an Individual Class Payment and, if applicable, an Individual PAGA Payment. In exchange, you will release (give up) your right to pursue the wage-and-hour claims against Defendants that are covered by this Settlement ("Released Claims").
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is _____	If you do not want to fully participate in the Class Settlement, you may exclude yourself ("opt out") by sending the Settlement Administrator a written Request for Exclusion by the deadline above. If you opt out, you will be a Non-Participating Class Member and will not receive an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the Class Settlement. You cannot opt out of the PAGA portion of the Settlement. The law requires that PAGA Payments be distributed to all PAGA Members, and all PAGA Members must release their PAGA claims against Defendants (Defendants deny all liability for these claims).

Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by 	If you are a Participating Class Member (you did not opt out), you may object to any aspect of the Class Settlement, including the amounts requested by Class Counsel for attorney’s fees and costs and the service awards requested for Plaintiffs. The Court will consider all timely and proper objections before deciding whether to grant final approval of the Settlement. You are not personally responsible for paying Class Counsel or Plaintiffs; however, any amounts awarded to them will reduce the funds available for distribution to Participating Class Members. See Section 7 of this Notice.
You Can Participate in the Final Approval Hearing	The Court’s Final Approval Hearing is scheduled to take place on _____. You do not have to attend the Final Approval Hearing to participate in the Settlement. However, you have the right to attend and speak at the hearing (or have an attorney appear for you at your own expense), either in person, by telephone, or by using the Court’s virtual appearance platform. Participating Class Members may also verbally object to the Class Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by 	The amount of your Individual Class Payment and PAGA Payment (if any) depends on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number of Class Period Workweeks and the number of PAGA Period Pay Periods you worked according to Defendants’ records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by _____. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiffs are former employees of Multi-Color Corporation and/or W/S Packaging Group, LLC. The Action accuses Defendants of violating California labor laws, asserting claims based on Defendants’ alleged: (1) failure to pay minimum and overtime wages; (2) failure to provide meal and/or rest periods; (3) failure to pay all sick time; (4) failure to provide accurate itemized wage statements; and (5) failure to pay all wages during employment and upon separation of employment; and (6) failure to reimburse necessary business expenses. Plaintiffs also asserted a violation of California’s Unfair Competition Law (“UCL”). Based on the same claims, Plaintiffs have also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”). Plaintiffs are represented by attorneys in the Action: Mehrdad Bokhour of Bokhour Law Group, P.C., Joshua S. Falakassa of Falakassa Law, P.C., Brian Mankin and Misty Lauby of Lauby, Mankin & Lauby LLP, and Paul K. Haines, Fletcher Schmidt, and Matthew K. Moen of Haines Law Group, APC (“Class Counsel.”)

Defendants strongly deny violating any laws or failing to pay any wages and contend that they

complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Defendants or Plaintiffs are correct on the merits. In the meantime, Plaintiffs and Defendants hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an agreement to settle the case rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiffs and Defendants have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendants do not admit any violations or concede the merit of any claims.

The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Defendants Will Pay \$2,490,000 as the Gross Settlement Amount (Gross Settlement). Defendants have agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representatives' Service Payments, Class Counsel’s attorney’s fees and expenses, the Administrator’s expenses, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, Defendants will fund the Gross Settlement not more than 30 days after the Judgment entered by the Court becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$830,000 (33% of the Gross Settlement) to Class Counsel for attorneys’ fees and up to \$50,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$10,000 as a Class Representative’s Award for filing the Action, working with Class Counsel, and representing the Class. A Class Representatives Award will be the only money Plaintiffs will receive other than Plaintiffs’ Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$20,000 will be paid to the Administrator for services administering the

Settlement.

- D. Up to \$100,000 for PAGA Penalties, 75% allocated to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the PAGA Members based on their PAGA Period Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the “Net Settlement”) by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.
4. Taxes Owed on Payments to Class Members. Plaintiffs and Defendants are asking the Court to approve an allocation of 10% of each Individual Class Payment to taxable wages (“Wage Portion”) and 90% to interest and penalties (“Non-Wage Portion”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendants will separately pay the employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiffs and Defendants have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor, at your own expense, if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don’t cash it by the void date, your check will be automatically cancelled, and the money will be deposited with the California Controller’s Unclaimed Property Fund in your name.

If the monies represented by your check are sent to the Controller’s Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than _____, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the _____ Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member’s name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members)

will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Defendants.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendants based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Defendants have agreed that, in either case, the Settlement will be void: Defendants will not pay any money and Class Members will not release any claims against Defendants.
8. Administrator. The Court has appointed a neutral company, ILYM Group, Inc. (the “Administrator”), to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.
9. Participating Class Members’ Release. After the Judgment is final and Defendants has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendants or related entities for the claims that were alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

In consideration for their awarded Individual Settlement Shares, as of the date the Settlement becomes Final and has been fully funded, all Participating Class Members release all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint that arose during the Class Period.

10. PAGA Members’ PAGA Release. After the Court’s judgment is final, and Defendants has paid the Gross Settlement (and separately paid the employer-side payroll taxes), all PAGA Members will be barred from asserting PAGA claims against Defendants, whether or not they exclude themselves from the Settlement. This means that all PAGA Members, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendants or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The PAGA Members' Releases for Participating and Non-Participating Class Members are as follows:

All Participating and Non-Participating Class Members who are PAGA Members are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, any and all claims for civil penalties under PAGA against Defendants and the Released Parties that arise out of or reasonably relate to the claims alleged in the Action or that could have been alleged based on the factual allegations in the Action.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$25,0000.00 by the total number of PAGA Pay Periods worked by all PAGA Members and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual PAGA Member.
3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendants' records, are stated in the first page of this Notice. You have until _____ to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendants' calculation of Workweeks and/or Pay Periods based on Defendants' records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendants' Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as PAGA Members. The single check will combine the Individual Class Payment and the Individual PAGA Payment.

2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every PAGA Member who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request to be excluded. Be sure to personally sign your request, identify the Action as *Figueroa v. Multi-Color Corporation and W/S Packaging Group, LLC*, Case No. 24CV000347, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by____, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiffs and Defendants are asking the Court to approve. At least 16 days before the_____Final Approval Hearing, Class Counsel and/or Plaintiffs will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiffs is requesting as a Class Representatives Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website

_____(url)_____ or the Court's website _____(url)_____.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiffs are too high or too low. **The deadline for sending written objections to the Administrator is_____.** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action *Figueroa, et al. v. Multi-Color Corporation and W/S Packaging Group, LLC*, Case No. 24CV000347, and include your name, current address, telephone number, and approximate dates of employment for Defendants and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. 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. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing at (time) in Department B of the Napa County Superior Court, located at Napa County Superior Court, 825 Brown Street, Napa, California 94559. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiffs, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defendants' Counsel before making a decision. You can attend (or hire a lawyer, at your own expense, to attend) either personally or virtually via Zoom. Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website _____ beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendants and Plaintiffs have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to _____ (specify entity) _____'s website at _____ (url). You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<https://napa.courts.ca.gov/online-services/case-information-and-calendars>) and entering the Case Number for the Action, Case No. 24CV000347.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel:

Joshua S. Falakassa josh@falakassalaw.com FALAKASSA LAW, P.C. 1901 Avenue of the Stars, Suite 920 Los Angeles, California 90067	Mehrdad Bokhour mehrdad@bokhourlaw.com BOKHOUR LAW GROUP, P.C. 1901 Avenue of the Stars, Suite 920 Los Angeles, California 90067
---	---

Settlement Administrator:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.

EXHIBIT 2



MEHRDAD BOKHOUR
Attorney at Law

1901 Avenue of the Stars | Suite 450
Los Angeles | California 90067

tel 310 975 1493
fax 310 675 0861

March 7, 2024

SUBMITTED VIA LWDA'S PAGA CLAIM NOTICE ONLINE PORTAL

COPY SENT VIA CERTIFIED MAIL TO:

MULTI-COLOR CORPORATION
4053 CLOUGH WOODS DR.
BATAVIA, OH 45103

C/O UNITED AGENT GROUP INC.
7801 FOLSOM BOULEVARD #202,
SACRAMENTO, CA 95826

Re: *Victor Figueroa & Alden Perez v. Multi-Color Corporation*
Notice of Intent to File Suit for California Labor Code § 2698 et seq. Penalties

To Whom It May Concern:

This office, along with Falakassa Law, P.C., represents Victor Figueroa ("Mr. Figueroa") and Alden Perez ("Mr. Perez") (collectively "Plaintiffs") and a proposed group of current and former aggrieved employees working for Multi-Color Corporation ("Multi-Color") and any of its affiliated, predecessor, and merged entities in the State of California for violations of the California Labor Code §§ 201-203, 204, 210, 221, 226(a), 226(e), 226.3, 226.7, 227.3, 246, 510, 512, 516, 1174, 1174.4, 1194, 1194.2, 1197.1, 1199, 2802-2804, and all applicable Industrial Welfare Commission Wage Orders ("Wage Order").

This letter shall serve as notification under Labor Code § 2699.3 (hereinafter "PAGA Notice"). The \$75 filing fee payable to the California Labor and Workforce Development Agency for the Private Attorneys General Act Notice ("PAGA Notice") was paid online. A copy of this PAGA Notice was submitted electronically to the Department of Industrial Relations.

Plaintiffs wish to bring a representative action on behalf of themselves and the State of California as well as on behalf of the following group of "aggrieved employees":

All current and former non-exempt hourly employees who work or worked for Multi-Color Corporation in California during the one year immediately preceding the filing of this PAGA Notice and continuing into the present and ongoing ("aggrieved employees")

Multi-Color is a manufacturer of label solutions for branded consumer products. The Company manufactures labels for various products, including liquid detergents, fabric softeners, food products, liquid cleaners, anti-freeze, and chewing gum.

Mr. Figueroa was employed by Multi-Color as a non-exempt employee with the title of “Set-Up Technician” out of its Napa, California location, beginning in 2020, until his separation from employment in October 2023. Mr. Perez was employed by Multi-Color as a non-exempt employee with the title of “Rotoflex Operator” out of its Napa, California location, beginning on February 2, 2022, until his separation from employment on February 2, 2024.

Plaintiffs and other aggrieved employees (including Machine Operator, Press Operator, Production Associate, Finisher, Quality Technician, and all other non-exempt positions) were responsible for all of Multi-Color’s business across California.

At all relevant times, Plaintiffs and other aggrieved employees regularly worked various shifts, many of which were in excess of 8.0 hours in a workday and 40.0 hours in a workweek. Plaintiffs allege that other aggrieved employees were also subjected to the same policies, procedures, practices, working conditions, and corresponding wage and hour violations to which they were subjected during their employment.

First, at all relevant times, Multi-Color has consistently failed to record and pay for all time accurately worked, including time under which aggrieved employees were under the employer’s control. This included a policy and practice of unevenly rounding and/or editing Plaintiffs’ and other aggrieved employees’ time entries to the nearest 15-minute interval. As a result of this company-wide policy/practice, Plaintiffs and other aggrieved employees were not compensated for all the hours that they worked and all of the overtime hours they worked, in violation of Labor Code §§ 204, 210, 510, 1194, 1197.1, 1199, and applicable Wage Orders.

California courts have held that rounding time policies can be lawful “if the rounding policy is fair and neutral on its face and ‘it is used in such a manner that it will not result, over a period of time, in failure to compensate the employees properly for all the time they have actually worked. *See’s Candy Shops v. Superior Court* (2012) 210 Cal.App.4th 889, 907 (29 C.F.R. § 785.48; see DLSE Manual, *supra*, §§ 47.1, 47.2).”

Here, Multi-Color’s rounding time policy/practice is not neutral on its face or in its application. Plaintiffs and other aggrieved employees were subject to discipline, including termination for being tardy in reporting to work or returning from a meal period. Moreover, because Multi-Color can easily track the time worked by aggrieved employees to the minute, the policy exists not for the convenience or benefit of the employees who are trying to report their exact time on timecards or otherwise but for Multi-Color’s benefit.

As a result, Plaintiffs and other aggrieved employees were not adequately paid for all hours worked in violation of Cal. Labor Code §§ 204, 210, 1194, 1197.1, 1199, and applicable Wage

Orders. Additionally, due to the unlawful rounding policy/practices, Plaintiffs and other aggrieved employees were not correctly paid at the correct overtime rate for hours worked in excess of eight hours per shift in violation of Labor Code § 510.

Labor Code § 1197.1 authorizes employees who are paid less than the minimum fixed by an applicable state or local law or by an order of the commission a civil penalty, restitution of wages, and liquidated damages as follows: (1) for any initial violation that is intentionally committed, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee is underpaid....[and] (2) [f]or each subsequent violation for the same specific offense, two hundred fifty dollars (\$250) for each underpaid employee for each pay period for which the employee is underpaid regardless of whether the initial violation was intentionally committed.

Labor Code § 510 requires an employer to compensate an employee who works more than eight (8) hours in one workday, forty (40) hours in a workweek, and for the first eight (8) hours worked on the seventh consecutive day, no less than one and one-half times (1 1/2) the regular rate of pay. In addition, Labor Code § 510 obligates employers to compensate employees at no less than twice the regular rate of pay when an employee works more than twelve (12) hours in a workday or more than eight (8) hours on the seventh consecutive day of work. Pursuant to Section 3 of the applicable Wage Orders, non-exempt employees shall not be employed more than eight (8) hours in any workday or more than 40 hours in any workweek unless the employee receives one and one-half (1 1/2) times such employee's regular rate of pay for all hours worked over 40 hours in the workweek.

Accordingly, through PAGA and to the extent permitted by law, Plaintiffs and other aggrieved employees are entitled to recover penalties for violations of Labor Code §§ 204, 210, 510, 1194, 1197.1, 1199 1197.1 under Labor Code § 1197.1, 1199, or Labor Code § 2699(f)(2) and for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Furthermore, at all relevant times, Plaintiffs and other aggrieved employees worked regular shifts that lasted longer than 8.0 hours in a workday. This resulted in aggrieved employees regularly working more than 40 hours in a workweek. However, Plaintiffs and other aggrieved employees were not properly paid at the correct overtime rate for all overtime hours worked due to Multi-Color's uniform failure to include all forms of compensation/remuneration, including, but not limited to, commissions, incentives, non-discretionary bonuses, and all other forms of remuneration in calculating the "regular rate of pay" for purposes of overtime compensation.

Under the California Labor Code (as well as the FLSA), courts have consistently held that regularly paid non-discretionary bonuses (and other forms of pay) must be included in determining an employee's "regular rate of pay" for purposes of calculating overtime. (See *Haber v. The Americana Corp.* 378 F. 2d 854, 855-856 (9th Cir. 1967) [holding that regularly paid efficiency bonuses must be included in calculating the "regular rate"]; *Wang v. Chinese Daily News, Inc.* 435 F. Supp. 2d 1042, 1055-1057 (C.D. Cal. 2006) [granting summary judgment to Plaintiff under California and federal law on the grounds that Defendant improperly calculated overtime by

excluding annual bonuses paid to employees from the “regular rate of compensation”]; see *Walling v. Youngerman-Reynolds Hardwood Co.* (1945) 65 S.Ct. 1242, 1245. (“The regular rate by its very nature must reflect all payments which the parties have agreed shall be received regularly during the workweek, exclusive of overtime payments. It is not an arbitrary label chosen by the parties but an actual fact. Once the parties have decided upon the amount of wages and the mode of payment, the determination of the regular rate becomes a matter of mathematical computation, the result of which is unaffected by any designation of a contrary ‘regular rate’ in the contracts.”); see also 29 CFR §§ 778.110 (“production bonus”) and 778.111 (“piece-rate”).

Labor Code § 510 requires an employer to compensate an employee who works more than eight (8.0) hours in one workday, forty (40.0) hours in a workweek, and for the first eight (8.0) hours worked on the seventh consecutive day, no less than one and one-half times (1 1/2) the regular rate of pay. In addition, Labor Code § 510 obligates employers to compensate employees at no less than twice the regular rate of pay when an employee works more than twelve (12.0) hours in a workday or more than eight (8.0) hours on the seventh consecutive day of work. Pursuant to Section 3 of the applicable Wage Orders, non-exempt employees shall not be employed more than eight (8.0) hours in any workday or more than 40.0 hours in any workweek unless the employee receives one and one-half (1 1/2) times such employee’s regular rate of pay for all hours worked over 40 hours in the workweek.

By their policy of requiring aggrieved employees to work in excess of eight (8) hours in a workday and/or forty (40.0) hours in a workweek without compensating them at the rate of one-half (1 1/2) their “regular rate of pay,” Multi-Color willfully violated the provisions of Labor Code § 510 and the applicable Wage Orders.

Accordingly, through PAGA and to the extent permitted by law, Plaintiffs and other aggrieved employees are entitled to recover penalties for violations of Labor Code §§ 204, 210, 510, 1194, 1197.1, 1199 1197.1 under Labor Code § 1197.1, 1199, or Labor Code § 2699(f)(2) and for attorneys’ fees and costs pursuant to Labor Code § 2699(g)(1).

Similarly, at all relevant times, Multi-Color also failed in its obligation to provide Plaintiffs and other aggrieved employees the legally required paid sick days at the legal rate pursuant to Labor Code §§ 246(a),(b), which requires that “[a]n employee who, on or after July 1, 2015, works in California for the same employer for 30 or more days within a year from the commencement of employment is entitled to paid sick days. . . at the rate of not less than one hour per every 30 hours worked, beginning at the commencement of employment.” Labor Code § 246(l)(1) provides that paid sick time for non-exempt employees must be “calculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek.”

Additionally, Labor Code § 246(l)(2) states that the paid sick time must be “calculated by dividing the employee’s total wages, not including overtime premium pay, by the employee’s total hours worked in the full pay periods of the prior 90 days of employment.” Finally, Labor Code

§246(i) requires employers to “provide an employee with written notice that sets forth the amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, for use on either the employee’s itemized wage statement described in Section 226 or in a separate writing provided on the designated pay date with the employee’s payment of wages.”

Here, at all relevant times, Multi-Color failed in its obligation to provide Plaintiffs and other aggrieved employees the legally required paid sick days at the appropriate “regular rate of pay,” including all forms of compensation, pursuant to Labor Code §§ 246(a), (b). As such, Multi-Color paid sick time below his base rate of pay rather than the “regular rate of pay” as required by Labor Code §§ 246(l) (1-2).

Based on the foregoing Labor Code violations, Plaintiffs seek all civil and statutory penalties available and applicable under Labor Code § 2699(f)(2) and for attorneys’ fees and costs pursuant to Labor Code § 2699(g)(1).

Moreover, at all relevant times, Plaintiffs and other aggrieved employees were denied compliant and timely 30-minute off-duty meal periods as mandated by California law. Due to Multi-Color’s uniform meal period policies/practices, operational requirements, and work demands, Plaintiffs and other aggrieved employees often could not take timely and uninterrupted net 30-minute first meal periods before the end of the fifth hour of work. Further, when Plaintiffs and other aggrieved employees worked more than 10.0 hours in a shift, they were not allowed and permitted to take a mandated second meal period before the end of the tenth hour of work in violation of the Labor Code and applicable Wage Orders. Indeed, Plaintiffs’ and other aggrieved employees’ meal periods were often interrupted and lasted fewer than 30 minutes due to Multi-Color’s meal period policies/procedures, operational requirements, and work demands.

In addition, for each missed or non-compliant meal period, Multi-Color failed and continues to fail to maintain a mechanism by which aggrieved employees were paid meal period premiums at the “regular rate of pay” pursuant to *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 5th 858 and Labor Code § 226.7.

Accordingly, due to Multi-Color’s uniform meal period practices, Plaintiffs and other aggrieved employees were also regularly denied legally compliant meal periods in violation of Labor Code 226.7, 510, 516, and applicable IWC Wage Orders and are entitled to penalties under Labor Code § 2699(f)(2).

Next, at all relevant times, Plaintiffs and other aggrieved employees were not provided with all 10-minute rest periods for every four hours worked, or a major fraction thereof, due to Multi-Color’s uniform rest period policies/practices, operational requirements and work demands. As a result, Plaintiffs and other aggrieved employees were and are often unable to take a net 10-minute duty-free rest period for every major fraction of four hours worked. This includes a second rest period for shifts in excess of six hours and a third rest period for shifts in excess of 10.0 hours in a workday.

By not relieving all non-exempt employees of all duties during rest periods, Multi-Color failed to provide legally compliant rest periods. See *Augustus v. ABM Security Services, Inc.* (2016) 2 Cal. 5th 257, 269 [concluding that “during rest periods employers must relieve employees of all duties and relinquish control over how employees spend their time.”]. In *Augustus*, the California Supreme Court expressly rejected the employer’s assertion that it could provide an on-duty rest period to employees who worked as security guards and further explained: “that employers [must] relinquish any control over how employees spend their break time and relieve their employees of all duties.” *Id.* at 273. Each time Plaintiffs and other aggrieved employees were unable to take a compliant rest period, Multi-Color failed and continues to fail to adequately pay rest period premium payments at the “regular rate of pay” as required by Labor Code § 226.7.

Accordingly, due to Multi-Color’s uniform rest period policies/practices and work demands, Plaintiffs and other aggrieved employees were also regularly denied legally compliant rest breaks in violation of Labor Code §§ 226.7, 512, and applicable Wage Orders and would be entitled to penalties under Labor Code § 2699(f)(2).

As a result of Multi-Color’s failure to pay Plaintiffs and other aggrieved employees for all hours they were subject to the control of Multi-Color Corporation, including all minimum, overtime and sick wages, and Multi-Color’s failure to pay for meal and rest period premiums at the “regular rate of pay,” Multi-Color issued wage statements which failed to identify the gross wages earned accurately, the total hours worked, the net wages earned, and the correct corresponding number of hours worked at each hourly rate, in violation of Labor Code § 226(a)(1, 2, 5, and 9).

Labor Code § 226.3 provides that “[a]ny employer who violates subdivision (a) of Section 226 shall be subject to a civil penalty in the amount of two hundred fifty dollars (\$250) per employee per violation in an initial violation and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage deduction statement or fails to keep the required in subdivision (a) of Section 226.”

Thus, for the violations of Labor Code section 226 described above, Plaintiffs and other aggrieved employees may also recover Labor Code § 226.3 penalties for Multi-Color’s violations of Labor Code § 226(a). Consequently, because Multi-Color failed to comply with Labor Code § 226(a), Plaintiffs and other aggrieved employees would be entitled to recover penalties under Labor Code §§ 226(e) or Labor Code § 2699(f)(2).

Furthermore, because Multi-Color failed to pay all minimum wages, overtime wages, and meal and rest period premiums at the “regular rate of pay,” Multi-Color also failed and continues to fail to pay the aggrieved employees all wages owed at their time of separation from employment in violation of Labor Code §§ 201-203. Thus, aggrieved employees would be entitled to recover penalties under Labor Code §§ 201-203 or Labor Code § Labor Code § 2699(f)(2).

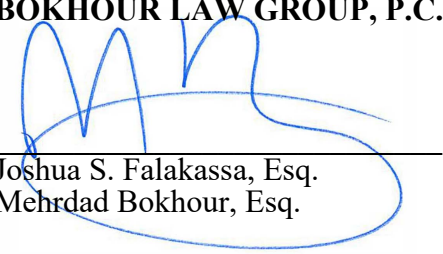
Finally, at all relevant times, Multi-Color required Plaintiffs and other aggrieved employees to incur necessary business expenses but did not reimburse aggrieved employees adequately for these necessary expenditures in violation of Labor Code §§ 2802-2804. Here, Multi-Color uniformly failed to reimburse aggrieved employees for the necessary expenses incurred in discharging their duties, including but not limited to expenses incurred for personal cell phone use for work purposes. Accordingly, due to Multi-Color's uniform failure to adequately reimburse for necessary business expenditures in violation of Labor Code §§ 2800-2802 and applicable Wage Orders, Plaintiffs and other aggrieved employees would be entitled to civil penalties under Labor Code § 2699(f)(2).

Pursuant to Labor Code § 2699.3(a)(2)(A), please advise within sixty-five (65) calendar days of the date of this notice whether your office intends to investigate the violations alleged herein above. We understand that if we do not receive a response from your office within sixty-five (65) calendar days of this PAGA Notice, Plaintiffs may thereafter pursue their interests and the interests of similarly aggrieved employees with a civil complaint against Multi-Color for its violations of the California Labor Code and applicable Wage Orders.

While we intend to pursue a PAGA representative and/or Class Action lawsuit against Multi-Color for unpaid wages and civil penalties under Labor Code § 2699, it is our firm's policy to attempt to negotiate an early resolution of all matters where possible and beneficial to all aggrieved employees. If Multi-Color is interested in resolving this matter, please get in touch with me or have your lawyer contact our office to discuss an informal discovery plan and the possibility of early mediation on or before **May 6, 2024**.

Respectfully submitted,

FALAKASSA LAW, P.C.
BOKHOUR LAW GROUP, P.C.



Joshua S. Falakassa, Esq.
Mehrdad Bokhour, Esq.

HAINES LAW GROUP
EMPLOYMENT ATTORNEYS

April 18, 2024

VIA LWDA WEBSITE

Labor and Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

Re: *Kenneth Zieg v. W/S Packaging Group, Inc., et al.*

To Whom It May Concern:

Please be advised that this law firm represents Kenneth Zieg (“Mr. Zieg”) in claims arising from his employment with W/S Packaging Group, Inc., a Wisconsin Corporation; Multi-Color Corporation, an Ohio Corporation; and Does 1 through 100 (“Defendants”). Mr. Zieg is an “aggrieved employee” within the meaning of Labor Code section 2699.3 as to all of the violations alleged herein. *See Huff v. Securitas Security Services USA, Inc.* (2018) 23 Cal.App.5th 745, 754 (“any Labor Code penalties recoverable by state authorities may be recovered in a PAGA action by a person who was employed by the alleged violator and affected by at least *one* of the violations alleged in the complaint.”) (emphasis added). The purpose of this letter is to comply with Labor Code § 2699.3, which requires aggrieved employees to notify their employer and the Labor and Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated. For purposes of this letter, “aggrieved employees” includes all of Defendants’ employees who worked for Defendants in California during the one year immediately preceding the date of this letter through the present.

Defendants operate an international network of label manufacturing and packaging facilities, including three locations within California. Mr. Zieg was employed by Defendants as an aggrieved employee at Defendants’ Fullerton, CA location from approximately October 2021, until commencing a medical leave of absence in approximately February 2024. Mr. Zieg’s primary job duties include maintaining and operating industrial label printing machines.

Throughout Mr. Zieg’s employment with Defendants, Defendants have failed to pay Mr. Zieg and other aggrieved employees for all hours actually worked, including all hours subject to the control of Defendants and/or suffered or permitted to work. Specifically, Defendants require Mr. Zieg and other aggrieved employees to don protective gear, such as gloves, hearing protection, boots, and eye protection, prior to clocking in for their shifts, and require Mr. Zieg and other aggrieved employees to doff their protective gear after clocking out at the end of their shift. Moreover, for a portion of the relevant time period, Defendants have maintained a single timeclock that is located inside one of two

possible entrances to Defendants' facility, which Mr. Zieg and other aggrieved employees are required to use to clock in/out. However, in instances when Mr. Zieg and other aggrieved employees enter or exit Defendants' facility through the entrance without the timeclock, the employees are required to walk approximately two (2) minutes through Defendants' facility to reach the other entrance to clock in and out without being paid for this time. As a result, Defendants require Mr. Zieg and other aggrieved employees to perform work while off-the-clock, resulting in Defendants' failure to compensate Mr. Zieg and other aggrieved employees for all minimum and overtime wages owed.

Throughout Mr. Zieg's employment, Defendants have failed to provide Mr. Zieg and other aggrieved employees with all legally compliant meal periods due to Defendants' unlawful meal period policies/practices, which have resulted in late (commencing after the fifth hour of work), short (less than 30 minutes of net rest) and missed meal periods. Specifically, Defendants require Mr. Zieg and other aggrieved employees to don and doff their protective gear while off-the-clock during purported meal periods. *See Kaanaana v. Barrett Business Services, Inc.* (2018) 29 Cal.App.5th 778, 808 (holding that requiring employees to work through any portion of meal period entitles them to payment for actual time worked as well as an additional hour of pay for the meal period premium). Further, Defendants also fail to provide Mr. Zieg and other aggrieved employees with meal periods that are "net" 30 minutes in length, as required by law for the same reasons discussed below pertaining to rest periods. Defendants have also failed to provide Mr. Zieg and other aggrieved employees with any second meal periods, even though Mr. Zieg and other aggrieved employees frequently worked shifts in excess of 10.0 hours. On those occasions when Defendants fail to provide Mr. Zieg and other aggrieved employees with all legally compliant meal periods to which they are entitled, Defendants failed to always compensate Mr. Zieg and other aggrieved employees with an additional hour of premium pay at the employees' regular rate of pay for each workday there was a meal period violation, as mandated by Labor Code § 226.7.

Moreover, throughout Mr. Zieg's employment, Defendants have maintained an unlawful practice/policy whereby Mr. Zieg and other aggrieved employees are required to carry a radio and/or walkie-talkie on their persons at all times, and respond to any incoming radio calls regardless of when the call came in, including during Mr. Zieg's and the other aggrieved employees' purported meal periods and rest periods. If a call comes in over the radio, Defendants require Mr. Zieg and other aggrieved employees to immediately respond and inform Defendants of their whereabouts and status, even during their meal period or rest periods. However, Defendants have failed to provide Mr. Zieg and other aggrieved employees with an alternative opportunity to take a lawful meal period or rest period. This policy fails to relinquish all control over how Mr. Zieg and other aggrieved employees spend their meal and rest periods, in violation of *Augustus v. ABM Security Services, Inc.* (2016) 2 Cal.5th 257.

Defendants pay Mr. Zieg and other aggrieved employees shift differential incentive pay, "Premium," and/or other forms of pay that are not excludable from an employee's "regular rate" of pay (hereinafter the aforementioned forms of pay are collectively referred

to as “Incentive Pay”). However, Defendants fail to properly incorporate the value of all earned Incentive Pay into the employees’ “regular rate” of compensation when paying meal period premiums, instead paying meal period premiums at the base rate of pay, thereby underpaying Mr. Zieg’s and other aggrieved employees’ meal period premiums under Labor Code § 226.7. *See Ferra v. Loews Hollywood Hotel, LLC*, 11 Cal.5th 858 (2021) (holding “regular rate of compensation” in Labor Code § 226.7 to be synonymous with “regular rate of pay” in Labor Code § 510, and encompasses not only hourly wages but all nondiscretionary payments for work performed by the employee.). As a result, Defendants have failed to pay Mr. Zieg and other aggrieved employees an additional hour of premium pay at their respective regular rates of pay for each workday in which a meal period violation occurred, as required by Labor Code § 226.7.

Defendants have also failed to authorize and permit all lawful rest periods of at least 10 minutes for every four hours worked, or major fraction thereof for Mr. Zieg and other aggrieved employees due to Defendants’ unlawful rest period policies/practices. As with meal periods, Defendants failed to authorize and permit Mr. Zieg and other aggrieved employees to take rest periods for a full ten minutes of “net rest” in an area appropriate for rest away from the workstation. Under California law, Defendants are required to authorize and permit a “net” rest period of 10-minutes that begins when the employee reaches a rest area away from his or her workstation and must be uninterrupted during the duration of the rest period. *See e.g.*, Division of Labor Standards Enforcement Manual (“DLSE Manual”) §45.3.3; *Vaquero v. Stoneledge Furniture LLC*, (2017) 9 Cal.App.5th 98, 111-112 (citing DLSE Manual § 45.3.3 for the proposition that “the rest period begins when the employee reaches an area away from the workstation that is appropriate for rest”); *Augustus v. ABM Security Services, Inc.*, (2016) 2 Cal.5th 257, 260 (“[D]uring required rest periods, employers must relieve their employees of all duties and relinquish any control over how employees spend their break time”). Defendants only authorize and permit Mr. Zieg and other aggrieved employees to take rest periods of exactly 10 minutes in length, beginning the moment they leave their workstation and requiring Mr. Zieg and other aggrieved employees to return to their workstations by the completion of the 10-minutes. However, after leaving their workstations, Mr. Zieg and other aggrieved employees are required to walk to and from the breakroom, a distance that could take up to nearly two minutes to traverse, thereby shortening their purported rest periods to less than 10 minutes “net” in the designated rest area away from the employee’s workstation. Furthermore, on occasions when Mr. Zieg and other aggrieved employees are not authorized and permitted to take all lawful rest periods to which they are entitled, Defendants fail to compensate Mr. Zieg and other aggrieved employees with an additional hour of rest period premium pay at their respective regular rates of pay for each workday in which a rest period violation occurs, as mandated by Labor Code § 226.7.

Defendants have also failed to reimburse Mr. Zieg and other aggrieved employees for the use of their personal cellular phones for necessary work activities, as required by Labor Code § 2802. Specifically, for a portion of the relevant time period, Defendants required Mr. Zieg and other aggrieved employees to communicate with coworkers and their supervisors regarding work-related matters through their personal cellular phones and

use the “Dayforce” mobile application to record their hours worked. However, Defendants fail to reimburse Mr. Zieg and other aggrieved employees for a reasonable portion of their monthly cellular phone bills despite requiring the use of their personal cellular phones for business purposes, as required by *Cochran v. Schwan’s Home Service, Inc.*, (2014) 228 Cal.App.4th 1137.

Defendants also fail to pay Mr. Zieg and other aggrieved employees all sick pay wages owed to them. Defendants’ policies and practices dictate that sick pay payments be made at an employee’s base rate of pay, as opposed to their regular rate of pay. Because Mr. Zieg and other aggrieved employees receive Incentive Pay that is required to be included when calculating their respective regular rates of pay, but were not, Mr. Zieg and other aggrieved employees have not been paid all sick pay wages owed to them.

As a result of Defendants’ failure to accurately compensate Mr. Zieg and other aggrieved employees for all minimum and overtime wages, all meal and rest period premium wages, and sick pay wages, Defendants have maintained inaccurate payroll records, failed to issue accurate itemized wage statements, and failed to pay other aggrieved employees all final wages owed upon their respective separations from employment. Moreover, Defendants also issue facially deficient wage statements to Mr. Zieg and other aggrieved employees that fail to list the complete address of the legal entity that is the employer in violation of Labor Code § 226(a)(8).

As described above, Defendants committed the following violations of the Labor Code and Industrial Welfare Commission Wage Order No. 1 (“Wage Order 1”):

Minimum Wage Violations

Wage Order 1, § 4 and California Labor Code §§ 1197 and 1182.12 establish the right of employees to be paid minimum wages for all hours worked, in amounts set by state law. Labor Code §§ 1194(a) and 1194.2(a) provide that an employee who has not been paid the legal minimum wage as required by Labor Code § 1197 may recover the unpaid balance together with attorneys’ fees and costs of suit, as well as liquidated damages in an amount equal to the unpaid wages and interest accrued thereon. Defendants failed to conform their pay practices to the requirements of the law by failing to pay Mr. Zieg and other aggrieved employees for all hours worked including, but not limited to, all hours they were subject to the control of Defendants and/or suffered or permitted to work under the California Labor Code and Wage Order 1.

Overtime Wage Violations

Defendants were required to properly pay Mr. Zieg and other aggrieved employees for all overtime hours worked pursuant to California Labor Code § 1194 and Wage Order 1. Wage Order 1, § 3 requires an employer to pay an employee “one and one-half (1½) times the employee’s regular rate of pay for all hours worked in excess of eight (8) hours” per work day and/or in excess of 40 hours of work in the workweek. Defendants caused

Mr. Zieg and other aggrieved employees to work overtime hours but did not compensate Mr. Zieg or other aggrieved employees at one and one-half times their regular rate of pay for all such hours.

Meal Period Violations

As alleged above, Defendants failed to provide Mr. Zieg and other aggrieved employees with all required and compliant meal periods. See Labor Code §§ 226.7 and 512; Wage Order 1, § 11. As a result, Mr. Zieg and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. See Labor Code § 226.7 (“If an employer fails to provide an employee a meal or rest or recovery period in accordance with ... [an] order of the Industrial Welfare Commission ... the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest or recovery period is not provided.”).

Rest Period Violations

As described above, Defendants also failed to authorize and permit Mr. Zieg and other aggrieved employees to take all required and compliant rest periods. See Labor Code §§ 226.7 and 516; Wage Order 1, § 12. As a result, Mr. Zieg and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that all rest periods were not authorized and permitted. See Labor Code § 226.7.

Failure to Reimburse Necessary Business Expenses

Defendants failed to indemnify Mr. Zieg and other aggrieved employees for all necessary business expenses incurred, including, among other things, personal cellular phone usage. As a proximate result of Defendants’ policies and/or practices in violation of Labor Code §§ 2802 and 2804, Mr. Zieg and other aggrieved employees are entitled to damages, attorneys’ fees and costs of suit, and interest thereon, in sums to be shown according to proof at trial, pursuant to Labor Code § 2802.

Wage Statement Violations

Defendants knowingly and intentionally, as a matter of uniform policy and practice, failed to furnish Mr. Zieg and other aggrieved employees with complete and accurate wage statements with respect to gross wages earned, total hours worked, net wages earned, all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee, in violation of Labor Code § 226 *et seq.* Defendants’ failures in furnishing Mr. Zieg and other aggrieved employees with complete and accurate itemized wage statements resulted in actual injury, as said failures led to, among other things, the non-payment of all overtime and minimum wages as well as meal and rest period premium wages and deprived them of the information necessary to identify the discrepancies in Defendants’ reported data

and whether they have been paid all wages earned.

Sick Time Pay Violations

Defendants were required to properly pay Mr. Zieg and other aggrieved employees for all vested sick time at their regular rate of compensation pursuant to Labor Code § 246. Defendants compensated Mr. Zieg and other aggrieved employees at their base rate of pay but did not compensate Mr. Zieg or other aggrieved employees at their regular rate of pay for all such hours.

Waiting Time Penalties

Labor Code §§ 201 and 202 require that employees receive all of their final wages at the time of their separation of employment. Defendants failed to timely pay other aggrieved employees all of their final wages at the time of separation, which included all overtime, and minimum wages as well as all meal and rest period premium wages. Pursuant to Labor Code § 203, Defendants' failure to pay all final wages due to other aggrieved employees was willful and, consequently, entitles aggrieved employees to waiting time penalties equal to one day of wages at their standard hourly rate for each day Defendants failed to pay their final wages after their separation, up to a maximum of thirty days.

As an "aggrieved employee", Mr. Zieg will initiate a civil action on behalf of himself and other aggrieved employees to recover damages, statutory penalties, and civil penalties (including an amount equal to the unpaid wages) resulting from the wage and hour violations alleged herein. Based on Mr. Zieg's own investigation, and on information and belief, Defendants committed and continue to commit the following Labor Code violations:

- a. Defendants violated Labor Code §§ 1182.12, 1194, 1194.2, and 1197 by failing to pay Mr. Zieg and other aggrieved employees the statutory minimum wage for all hours worked;
- b. Defendants violated Labor Code §§ 204, 510, 558, 1194 and 1198 by failing to pay Mr. Zieg and other aggrieved employees all overtime compensation earned;
- c. Defendants violated Labor Code §§ 226.7, 512, and 558, by failing to provide meal periods as required by law and failing to pay meal period premiums to Mr. Zieg and other aggrieved employees at these employees' respective regular rates of compensation for meal period violations;
- d. Defendants violated Labor Code §§ 226.7, 516, and 558 by failing to authorize and permit Mr. Zieg and other aggrieved employees to take all lawful rest periods to which they are entitled, and failing to pay rest period premiums to

Mr. Zieg and other aggrieved employees at these employees' respective regular rates of compensation for rest period violations;

- e. Defendants violated Labor Code §§ 2802 and 2804 by failing to reimburse Mr. Zieg and other aggrieved employees for all work-related expenses incurred;
- f. Defendants violated Labor Code § 226 by failing to furnish Mr. Zieg and other aggrieved employees with accurate and compliant itemized wage statements;
- g. Defendants violated Labor Code § 246 by failing to pay Mr. Zieg and other aggrieved employees sick time pay at their regular rate of compensation;
- h. Defendants violated Labor Code §§ 558 and 1174 by failing to maintain accurate records on behalf of Mr. Zieg and other aggrieved employees;
- i. Defendants violated Labor Code §§ 201, 202, and 203 by failing to timely pay the aggrieved employees all final wages owed upon separation from employment; and
- j. Defendants violated Labor Code § 204 by failing to pay Mr. Zieg and other aggrieved employees all wages earned at least twice during each calendar month.

Pursuant to Labor Code § 2699.3, please notify us and Defendants if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,
HAINES LAW GROUP, APC



Fletcher W. Schmidt

cc: W/S Packaging Group, Inc., United Agent Group, Inc., 7801 Folsom Boulevard,
#202 Sacramento, CA 95826, Agent For Service Of Process (Via Certified Mail)
Multi-Color Corporation, United Agent Group, Inc., 7801 Folsom Boulevard, #202
Sacramento, CA 95826, Agent For Service Of Process (Via Certified Mail)



LAUBY, MANKIN & LAUBY LLP

March 25, 2024

Submitted Via Online Filing to the LWDA

California LWDA
Attn: PAGA Administrator
455 Golden Gate Ave., 9th Fl.
San Francisco, CA 94102

Sent Via U.S. Mail and Certified Mail

Multi-Color Corporation
4053 Clough Woods Dr.
Batavia, OH 45103

WS Packaging Group, Inc.
531 Airpark Dr.
Fullerton, CA 92833

**Re: PAGA Civil Penalty Claim
Cynthia Izquierdo v. Multi-Color Corporation, et al.**

To the Labor and Workforce Development Agency, Multi-Color Corporation and WS Packaging Group, Inc.:

Pursuant to the Private Attorneys General Act of 2004 (“PAGA”), Labor Code §§ 2699, *et seq.*, this letter shall serve as notification of the PAGA civil penalty claim of aggrieved employee Cynthia Izquierdo (“Claimant”), on behalf of the State of California and all Aggrieved Employees, against her former employers, Multi-Color Corporation, WS Packaging Group, Inc., and any affiliated entities (collectively, the “Company”), for violations of Labor Code §§ 200, 201, 202, 203, 204, 208, 210, 218.6, 226, 226.3, 226.7, 246, 510, 512, 558, 1194, 1194.2, 1197, 1197.1, 1198, and 1199, among possibly other sections inadvertently omitted, and/or sections of the applicable IWC Wage Order(s).

FACTUAL BACKGROUND

Claimant was employed by the Company from approximately February 2023 through October 2023. Claimant alleges that she and all other employees employed by the Company in California (the “Aggrieved Employees”) were subjected to the same policies, working conditions, and corresponding wage and hour violations to which Claimant was subjected during her employment.

For instance, at all relevant times, Claimant and the Aggrieved Employees were not provided proper minimum and overtime wages due to the Company’s failure to accurately record and compensate for all hours worked. As one such example, at all relevant times, the Company utilized a rounding policy and practice that routinely undercompensated Claimant and resulted in a net benefit to the Company and a net loss for Claimant. In other words, the Company’s rounding policy is not neutral and results in systematic undercompensation for the Aggrieved Employees. As one such example, at all relevant times, Defendants also failed to properly pay the actual number of hours worked at the correct rates of pay, failed to pay for all on-duty breaks, and required off-the-clock work, resulting in an underpayment of wages to Claimant and Aggrieved Employees.

Mailing Address

5198 Arlington Avenue, PMB 513, Riverside, CA 92504



Toll Free
888.959.8508

Physical Address

11801 Pierce Street, Suite 200, Riverside, CA 92505

Claimant was also not provided 30-minute off-duty meal periods, as mandated by California law, during employment with the Company. As a result of the Company's policies and practices, as well as the hectic and demanding workload, Claimant was subjected to meal period violations when: (1) unable to take a meal period due to workload, (2) forced to take an on-duty meal period while under the control of the Company, (3) forced to take a shortened meal period, (4) forced to take a meal period after the 5th hour of work, and (5) not provided a mandated second meal period for shifts in excess of 10 hours.

The Company also failed to provide Claimant with 10 minutes of net rest break time for every 4 hours worked, or major fraction thereof, as mandated by California law. The Company did not schedule Claimant's rest breaks, Claimant was not permitted to leave the premises for rest breaks, and Claimant was often not authorized and/or permitted to take mandated rest breaks. Furthermore, on occasions when Claimant worked 10 hours or more in a shift, the Company failed to authorize and/or permit the mandated additional rest breaks.

The Company also failed to comply with the mandates of Labor Code §§ 204 and 210 regarding the timing of the payment of wages to its employees each period, including minimum and overtime wages, as well as meal and rest period premiums. Also, the Company failed to comply with the mandates of Labor Code §§ 201–203 regarding timing of payment of final wages and failed to pay all wages due and owing upon separation of employment including minimum wages, overtime, meal and rest break premiums, and the Company further failed to pay the Aggrieved Employees for mandated sick time at a rate “calculated in the same manner as the regular rate of pay.”

Finally, during employment with the Company, Claimant received inaccurate and incomplete wage statements that failed to accurately state all necessary items required under Labor Code § 226(a).

Claimant alleges that she worked under the joint direction and control of the entities listed herein and is informed and believes that each of them acted in all respects pertinent to this action as the agent of the others, carried out a joint scheme, business plan or policy in all respect pertinent hereto, and the acts of each are legally attributable to the others. On information and belief, a unity of interest and ownership between each exists such that the entities listed herein acted as a single employer of Claimant and the Aggrieved Employees. Furthermore, on information and belief, the entities listed herein are an integrated enterprise and should be treated as a single employer because the entities share an interrelation of operations, with common human resources and personnel policies and shared common offices and facilities. Upon information and belief, the entities listed herein share common management, a centralized control of labor operations, and common ownership or financial control. Claimant also alleges the entities listed herein were merely the alter-ego of the others in that there existed a unity of interest and ownership such that any separateness between them ceased to exist and each exercised undue dominance, control, influence, and management over the others.

As a result of these violations, and others described below, Claimant alleges that she and other Aggrieved Employees were denied specific rights to which they are/were entitled under California law and the rules promulgated by the IWC Wage Orders, including the following:

///

///

///

Mailing Address

5198 Arlington Avenue, PMB 513, Riverside, CA 92504



Toll Free
888.959.8508

Physical Address

11801 Pierce Street, Suite 200, Riverside, CA 92505

**PAGA ASSESSMENT FOR FAILURE TO
PAY ALL MINIMUM, REGULAR, AND OVERTIME WAGES**

(Labor Code §§ 204, 210, 221-223, 510, 558, 1194, 1194.2, 1197, 1197.1, 1198; IWC Wage Order §§ 3, 4(B))

As discussed above, the Company failed to pay all required minimum, regular, and overtime wages to Claimant and the Aggrieved Employees due to the Company's failure to accurately record and compensate for all hours worked and the failure to pay proper overtime. This resulted in earned, but unpaid, wages due and owing to Claimant and the Aggrieved Employees. Therefore, Claimants and the Aggrieved Employees performed work for the Company without receiving proper payment of the requisite minimum, overtime, and/or doubletime wages.

Accordingly, Labor Code §§ 210, 558, 1194.2, 1197.1, and 2699, among possibly others, impose various penalties upon the Company for each employee and each pay period in which it failed to pay all wages including, but not limited to, minimum, regular, and overtime wages in violation of the Labor Code and/or the IWC Wage Orders.

**PAGA ASSESSMENT FOR DENIAL OF MEAL PERIODS,
REST BREAKS, AND WAGE PREMIUMS**

(Labor Code §§ 226.7(b) & (c), 512, 558; Cal. Admin. Code, Title 8, § 11090)

Labor Code § 226.7(b) states that “[a]n employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission ...” Labor Code § 512(a) states in pertinent part: “[A]n employer may not employ an employee for a work period of more than 5 hours per day without providing the employee with an uninterrupted meal period of not less than 30 minutes [...] [a]n employer may not employ an employee for a work period of more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes.” Section 12 of applicable IWC Wage Order states in pertinent part: “Every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period. The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof.”

Here, Claimant and other Aggrieved Employees were regularly not provided compliant mandatory meal periods and paid rest breaks due to the Company's policies described above. Although the Company was required to pay Claimant and all Aggrieved Employees premium wages equal to an additional hour of pay at the employee's regular rate of pay for each violation under Labor Code § 226.7(c), the Company did not pay the mandatory one-hour wage premiums and did not do so at the proper rate. Labor Code § 558 imposes a penalty for each violation, plus an amount sufficient to recover the underpaid wages. Additionally, the civil assessment set forth in Labor Code § 2699 applies to these violations.

FAILURE TO PAY SICK TIME AT PROPER RATE OF PAY

(Labor Code § 246)

Labor Code § 246(l)(1) provides that paid sick time for non-exempt employees must be “calculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek.” Additionally, Labor Code § 246(l)(2) states that the paid sick time must be “calculated by dividing the employee's total wages, not

Mailing Address

5198 Arlington Avenue, PMB 513, Riverside, CA 92504



Toll Free
888.959.8508

Physical Address

11801 Pierce Street, Suite 200, Riverside, CA 92505

including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment."

Here, Claimant and the Aggrieved Employees were compensated on an hourly basis plus additional compensation in the form of shift differentials and/or nondiscretionary bonuses. However, on the occasions that the Aggrieved Employees took sick time and received paid sick leave, the Company only paid sick time at the base rate of pay (not factoring in the additional compensation as required by Labor Code §§ 246(l)(1-2). As such, penalties may be assessed pursuant to Labor Code § 2699.

**PAGA ASSESSMENT FOR FAILURE TO PAY ALL WAGES DUE AND OWING
EACH PAYROLL PERIOD WITHIN THE TIME REQUIRED BY LAW**

(Labor Code §§ 204, 204.1, 208, 210, 256 and 2699)

Labor Code § 204(a) states that all wages earned by a person are due and payable twice during each calendar month, and further states that wages earned during the first through fifteenth days of the month must be paid no later than the twenty-sixth day of the month, and that wages earned between the sixteenth and last day of the month must be paid by the tenth day of the following month. Labor Code § 204(d) states "[t]he requirements of this section shall be deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven calendar days following the close of the payroll period."

As a result of the Company's failure to pay Claimant and the Aggrieved Employees all compensation to which they were entitled, the Company had a pattern and practice of failing to pay all wages due and owing to Claimant and the Aggrieved Employees within the time mandated by Labor Code § 204. As a result of these violations, penalties may be assessed pursuant to Labor Code §§ 210 and/or 2699.

PAGA ASSESSMENT FOR FAILURE TO TIMELY PAY FINAL WAGES

(Labor Code §§ 201, 202, 203, 256 and 2699)

Labor Code § 201(a) provides in pertinent part: "If an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately." Labor Code § 202(a) states in pertinent part "If an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours' previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting." Labor Code § 203(a) states "If an employer willfully fails to pay, without abatement or reduction, [...] any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced; but the wages shall not continue for more than 30 days."

The Company did not pay the Aggrieved Employees all wages that were due and owing within the required time following the end of their employment in accordance with Labor Code §§ 201-202. As a result, all such Aggrieved Employees are entitled to 30 days of wages as a "waiting time penalty." (Labor Code § 203.) Labor Code § 2699 also imposes a penalty.

///

///

Mailing Address

5198 Arlington Avenue, PMB 513, Riverside, CA 92504



Toll Free
888.959.8508

Physical Address

11801 Pierce Street, Suite 200, Riverside, CA 92505

**PAGA ASSESSMENT FOR FAILURE TO PROVIDE ACCURATE,
ITEMIZED WAGE STATEMENTS**

(Labor Code §§ 226, 226.3, and 1174)

Labor Code § 226(a) requires an employer to provide its employees with itemized wage statements accurately stating gross wages earned, total hours worked, all deductions, net wages earned, the inclusive dates of the pay period, the employee's name and the last four digits of his or her Social Security number (or employee identification number), the name and address of the legal entity that is the employer, and all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.

At all times pertinent hereto, the Company failed to provide accurate itemized wage statements due to violations including: failure to accurately state total hours worked (the paystubs failed to accurately reflect total compensable hours); failure to accurately state gross wages earned, all deductions, and net wages earned (due to, for example, the failure to pay all required minimum and overtime wages); failure to state the applicable hourly rates (including the accurate overtime rate of pay); failure to state the accurate start and end dates of the pay period; failure to accurately state the name and address of the legal entity that is the employer, and; failure to accurately state the corresponding number of hours worked at each hourly rate. Additionally, the Company's wage statements directly violated Labor Code § 226(a) each period due to the failure to pay and report premium wages for denied meal/rest breaks under § 226.7. Accordingly, Labor Code §§ 226.3 and 2699 impose civil penalties for these violations.

PAGA ASSESSMENT FOR VIOLATIONS OF LABOR CODE § 1199

(Labor Code § 1199)

An employer violates Labor Code § 1199 if said employer: (a) requires or causes an employee to work for longer hours than those fixed, or under conditions of labor prohibited by an order of the commission; (b) pays or causes to be paid to any employee a wage less than the minimum fixed by an order of the commission; or, (c) violates or refuses or neglects to comply with any provision of this chapter or any order or ruling of the commission. Labor Code § 2699.5 specifically enumerates Labor Code § 1199 as a section to which the civil penalties under the PAGA apply. Therefore, as a result of the Company's violations described herein, the Company is subject to civil penalties in accordance with Labor Code § 2699.

ATTORNEYS' FEES, INTEREST, AND PENALTIES

(Labor Code §§ 2699(f)(2), 2699(g)(1), 2699.5)

Labor Code § 2699(g)(1), give employees the right to recover in a civil action the unpaid balance of the full amount of wages, including interest thereon, penalties and other damages, as applicable, reasonable attorneys' fees, and costs of suit. Additionally, Claimant seeks the assessment of penalties, including civil penalties, under Labor Code §§ 203, 210, 225.5, 226.3, 1174.5, 1197.1, 2699, and/or § 20 of the IWC Wage Orders, among possibly other provisions inadvertently omitted herein. Furthermore, Claimant is entitled to bring a wage/hour claim on behalf of all current and former similarly situated employees of the Company. Thus, the Company is exposed to these same penalties for violations involving all Aggrieved Employees. Additionally, Claimant seeks attorney's fees pursuant to C.C.P. § 1021.5. Please construe this correspondence as Claimants' notification of alleged wrongdoing and attempted resolution in accordance with C.C.P. § 1021.5 and *Graham v. DaimlerChrysler Corp.* (2004) 34 Cal.4th 553.

Mailing Address

5198 Arlington Avenue, PMB 513, Riverside, CA 92504



Toll Free
888.959.8508

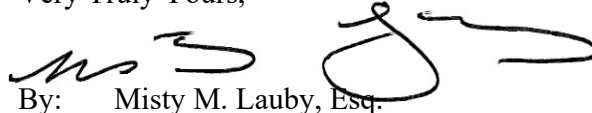
Physical Address

11801 Pierce Street, Suite 200, Riverside, CA 92505

CONCLUSION

Based on the foregoing, the Company may be liable for civil penalties related to the foregoing claims and remedies. If Claimant becomes aware of any additional claims for Labor Code violations related to her employment and/or other employees of the Company, she reserves the right to add new claims by supplementing this notice letter. Should you have any questions, please feel free to give me a call.

Very Truly Yours,



By: Misty M. Lauby, Esq.

E-mail: misty@lmlfirm.com

EXHIBIT 3