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Attorney for Plaintiff,
GIUSEPPE LOSAVIO, individually and
on behalf of all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES – STANLEY MOSK COURTHOUSE

(UNLIMITED JURISDICTION)

GIUSEPPE LOSAVIO,

Plaintiff,

vs.

362NCD BEVERLY HILLS LLC; and DOES 1 to 25, inclusive,

Defendants.

Case No.: 24STCV30619

[Assigned for all purposes to Honorable Doreen B. Boxer, Judge]

DECLARATION OF HAROUT MESSRELIAN IN SUPPORT OF PLAINTIFF'S UNOPPOSED MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT

[Filed Concurrently with Notice of Motion, Memorandum of Points and Authorities, Declaration of Giuseppe Losavio, Proposed Order]

Hearing Date: August 24, 2026
Time: 8:30 a.m.
Department: 311

Complaint Filed: November 20, 2024

DECLARATION OF HAROUT MESSRELIAN

I, Harout Messrelian, declare as follows:

1. I am an attorney duly licensed to practice law in the State of California and am an attorney of record for Plaintiff Giuseppe Losavio ("Plaintiff") in his lawsuit against Defendant 362NCD Beverly Hills LLC ("Defendant"). Plaintiff and Defendant are collectively referred to as the "Parties".

2. Except as otherwise indicated, I have personal knowledge of all matters set forth herein and, if called as a witness, could and would competently testify thereto under oath.

3. The Settlement Agreement of Class Action and Representative Action Claims (the "Settlement"), which includes the Class Notice as Exhibit "**A**" to the Settlement, is attached hereto as **Exhibit 1**.

Factual and Procedural Background

4. Defendant first employed Plaintiff on or around January 2024 as a waiter at its restaurant known as Cipriani's Beverly Hills. Plaintiff's employment with Defendant ended on or around April 2024. Throughout his employment, Plaintiff was classified as an hourly, non-exempt employee.

5. Plaintiff alleges that, during the relevant time period, Defendant engaged in common and uniform policies and practices that resulted in wage-and-hour violations affecting Plaintiff and other similarly situated employees. Specifically, Plaintiff alleges that Defendant failed to pay Plaintiff and other hourly, non-exempt employees for all hours worked, including the statutory minimum wage for all hours worked, "off the clock" work, and overtime compensation, in violation of Labor Code sections 1194, 1194.2, 1197, 1197.1, and 510.

6. Plaintiff further alleges that Defendant failed to properly compensate employees for overtime worked, including by failing to account for off-the-clock work and by failing to include bonuses and incentive payments in the calculation of employees' regular rates of pay for overtime and premium pay purposes, as required under California law. In addition to these unpaid wage violations, Defendant failed to provide legally compliant meal and rest periods in violation of Labor Code sections 226.7 and 512 as well as Wage Order No. 5-2001 and

applicable Industrial Welfare Commission provisions. According to Plaintiff, Defendant did not consistently relieve employees of all duties during rest and meal periods, and staffing practices and workplace culture made it difficult or impossible for employees to take timely, uninterrupted breaks.

7. Moreover, Plaintiff alleges Defendant failed to provide accurate and complete itemized wage statements in violation of Labor Code section 226(a), including failing to accurately list hours worked, applicable rates of pay, overtime compensation, premium wages, gross and net wages, employer information, and other required information. Plaintiff also alleges Defendant failed to timely pay all wages during employment and upon separate in violation of Labor Code section 204 and 203 and keep accurate and complete payroll records in violation of Labor Code section 1174(d). In addition, Plaintiff alleges Defendant failed to reimburse employees for necessary business expenses, including cell phone usage, mileage, uniforms, tools, safety equipment, medical examinations, deposits, and other work-related costs, in violation of Labor Code sections 2800 and 2802.

8. Finally, Plaintiff alleges Defendant failed to provide proper sick leave and sick pay in violation of Labor Code sections 233 and 246. Plaintiff also alleges Defendant engaged in unfair competition in violation of Business and Professions Code section 17200.

9. With letters dated April 4, 2024, and amended on January 8, 2026, Plaintiff notified Defendant and the California Labor and Workforce Development Agency (“LWDA”), pursuant to the California Private Attorneys General Act of 2004, California Labor Code sections 2698, et seq. (“PAGA”), of alleged Labor Code violations committed by Defendant. A true and correct copy of the letters are attached to **Exhibit 1** as Exhibit “**C**”. On November 20, 2024, Plaintiff filed a PAGA Complaint in the Los Angeles Superior Court, Case No. 24STCV30619. Defendant filed its Answer to the Complaint on May 8, 2025. Then, on February 4, 2026, amended the Complaint to add class claims on behalf of himself and others similarly situated alleging Defendant’s failures to pay all wages earned for all hours worked at the correct rates of pay, provide rest breaks, provide meal periods, indemnify, pay wages when employment ends, and pay wages owed every pay period, in addition to violation of Labor

Code section 227.3, civil penalties under the California Private Attorneys General Act of 2004 ("PAGA"), and unfair competition under Business and Professions Code section 17200, *et seq*. ("Operative Complaint"). A true and correct copy of the complaint is attached is attached to **Exhibit 1** as Exhibit "**B**".

10. After the commencement of the action, the Parties met and conferred and agreed that it may be in their mutual interests to explore resolution of Plaintiff's claims without engaging in prolonged and costly litigation. The Parties participated in informal discovery and exchanged information relevant to the claims and defenses in the action, including written policies, timekeeping and payroll records, and other employment-related documents. On May 21, 2025, the Parties participated in a private mediation with Honorable Ann Jones, a neutral and experienced mediator. The mediation was conducted at arm's length and in good faith. Following negotiations facilitated by the mediator, the Parties reached agreement on the material terms of a proposed class and PAGA settlement. Defendant continues to deny any liability or wrongdoing of any kind. After further negotiations, the Parties finalized a written settlement agreement. Plaintiff now submits the proposed Settlement to the Court for preliminary approval. The Parties seek to fully and finally resolve all claims asserted or that could have been asserted in the Action, subject to Court approval.

Ascertainable and Numerous Class

11. Plaintiff maintains that the above-defined Class is ascertainable because its members may be identified by reference to Defendant's records and Defendant has agreed to share the relevant information from its records to facilitate the settlement process. Therefore, the Settlement Class is ascertainable.

12. Defendant estimates that it employed approximately 240 employees for the period of December 25, 2023, through July 27, 2025. Plaintiff maintains that it would be impractical and economically inefficient to require each Settlement Class Member to separately maintain an individual action or be joined as a named plaintiff in this action.

Predominant Common Questions

13. The Parties agree that for the purposes of the Settlement only, the claims of the

Settlement Class Members all stem from the same sources. Plaintiff asserts that all Settlement Class Members were subject to the same or similar operations and employment policies, practices, and procedures. The claims arise from Defendant's alleged uniform policy of failing to: provide all off-duty meal periods, authorize and permit rest periods, pay one hour's pay for each missed meal and rest period, pay all wages, pay accrued vacation pay, indemnify for necessary business expenditures, provide accurate and complete wage statements, and pay all earned and unpaid wages at the end of employment. Plaintiff asserts that common questions include, but are not limited to: (1) Whether Defendant failed to pay all wages earned to Settlement Class Members for all hours worked, including off-the-clock work and at the correct rates of pay, including minimum, regular, overtime, double-time, meal period premium and rest period premium wages; (2) Whether Defendant failed to provide the Settlement Class Members with all meal periods in compliance with California law; (3) Whether Defendant failed to authorize and permit the Settlement Class Members to take all rest periods in compliance with California law; (4) Whether Defendant failed to indemnify the Settlement Class Members for the reasonable expenses they incurred during the course of performing their duties; (5) Whether Defendant knowingly and intentionally failed to provide the Settlement Class Members with accurate and complete itemized wage statements; (6) Whether Defendant willfully failed to provide the Settlement Class Members with timely wages during and upon termination of employment; (7) Whether Defendant failed to provide Settlement Class Members with paid sick leave; (8) Whether Defendant engaged in unfair competition within the meaning of Business and Professions Code sections 17200, et seq., with respect to the Settlement Class Members; and (9) Whether Settlement Class Members are entitled to restitution of money or property that Defendant may have acquired from them through alleged Labor Code violations.

Typicality

14. Plaintiff contends that his claims are typical for the purposes of certifying the Settlement Class. Plaintiff asserts that he, like other Settlement Class Members, was subject to the same relevant policies and procedures governing his compensation, hours of work, and

meal and rest periods. Because Plaintiff contends that he was subject to the same general course of conduct as absent Settlement Class Members, resolving the common questions as they apply to Plaintiff will determine Defendant's *prima facie* liability to all Settlement Class Members. Moreover, Plaintiff's claims could potentially be subject to the same primary affirmative defenses as those of absent Settlement Class Members. Accordingly, Plaintiff's claims are typical of the class.

Adequacy

15. Where the plaintiff has adequate counsel, the plaintiff may represent the entire class absent any disabling conflicts of interest that might hinder the plaintiff's ability to represent the class.

16. To the best of my knowledge, neither Plaintiff nor I have any conflicts of interest with the absent Settlement Class Members. Plaintiff contends that he is an adequate class representative. Plaintiff and the Settlement Class Members have strong and co-extensive interests in this litigation because they all worked for Defendant during the relevant time period, allegedly suffered the same alleged injuries from the same alleged course of conduct, and there is no evidence of any conflict of interest between Plaintiff and the Settlement Class Members. Moreover, Plaintiff has demonstrated his commitment to the Settlement Class by, among other things, retaining experienced counsel, providing counsel with documents and extensively speaking with them to assist in identifying the claims asserted in this case, and exposing himself to the risk of attorneys' fees and costs awards against him if this lawsuit had been unsuccessful.

Background of Class Counsel

17. I received my Juris Doctorate degree from Loyola Law School in 2010.

18. In December of 2010, the Supreme Court for the State of California admitted me as an Attorney and Counselor at Law and licensed me to practice law in all the Courts of this State. Thereafter, I started my own law firm in 2011 – the Law Offices of Harout Messrelian.

19. Since 2016, I have been the founder and principal attorney at Messrelian Law,

Inc.

20. In my representation of employees, I have prosecuted hundreds of lawsuits and claims on behalf of employees with claims of minimum wage violations, overtime violations, rest and meal period violations, and other wage claims.

21. Since 2011, I have filed and handled over 350 civil actions and/or claims involving representative actions under the Private Attorneys General Act ("PAGA") and/or wage and hour claims on behalf of my clients and have been appointed Class Counsel in various class action cases, including:

a. *Zohrab Mekhitarian v. Triple Play Motors dba Bob Smith Toyota*, Los Angeles Superior Court Case No. 19STCV22411 (ADR Services, Inc., Case Number 20-2668-RWT)

b. *Carina Camberos, on behalf of herself and others similarly situated, v. Great American Chicken Corp, Inc.*, Los Angeles Superior Court Case No. 21STCV32015

c. *Robert Garcia, on behalf of himself and others similarly situated v. HD Supply Management Inc.*, San Bernardino Superior Court Case No. CIVSB2028067

d. *Alfredo Betancourt v. L3 Technologies, Inc.*, San Mateo County Superior Court, Case no. 23-CIV-05704

e. *Mario Cabral v. Sentry Insurance Company*, Los Angeles County Superior Court, Case No. 22STCV21484

f. *Jenica Cole et al v. Strategic Green Partners LLC, et al.*, Yolo County Superior Court, Case No. CV2021-0426

g. *Thomas Brown, et al. v. Fidelity Security Services, Inc.*, Los Angeles County Superior Court, Case No. 21STCV31617

h. *Steven Arreola, et al. v. JBT Aerotech Corporation, et al.*, San Bernardino County Superior Court, Case No. CIVSB2407032

i. *Noe Sandoval-Orozco v. Northwest Landscape Maintenance Company*, Santa Clara County Superior Court, Case No. 24CV445484

j. *Gregorio Regalado, et al. v. R.A.H. Industries, Inc.*, Los Angeles County Superior Court, Case No. 24STCV00839

k. *Michael Walker, et al. v. Life Alert Emergency Response, Inc.*, Los Angeles County Superior Court, Case No. 23VECV02182

l. *Joanna Ramirez v. The Village Family Services, Inc.*, Los Angeles County Superior Court, Case No. 24STCV07214

m. *Aurora Garcia Jimenez, et al. v. Kind Op Corp., et al.*, Monterey County Superior Court, Case No. 22CV001723

n. *Guadalupe Perez v. Spacetel LLC*, Santa Clara County Superior Court, Case No. 22CV397513

o. *Tannia Ayala v. RHR California Services, L.L.C., et al.*, San Mateo County Superior Court, Case No. 23-CIV-02830

I have a practice that encompasses cases in the Los Angeles Superior Courts, the Orange County Superior Courts, the Riverside County Superior Courts, the San Bernardino County Superior Courts, the Alameda County Superior Courts, Santa Clara County Superior Courts, San Mateo County Superior Courts, and the Monterey County Superior Courts.

Class Action Treatment is Superior

22. A class action is also superior to other means of adjudicating the issues in this action. The predominance of common legal and factual questions shows that this Court could fairly adjudicate the claims of Settlement Class Members through a single class action. In view of the *theoretical* alternatives that the proposed Settlement Class Members could potentially utilize—representative PAGA action (where there is less relief available), individual civil lawsuits or wage claims through the Division of Labor Standards Enforcement (where there would be relatively little money at stake, but the claims would be time-consuming to litigate)—a class action is plainly superior to all of them. Thus, this consideration supports conditional class action treatment for purposes of this Settlement only.

The Settlement is Presumptively Fair

23. The class settlement here satisfies all of the *Kullar* factors. The Settlement

resulted from thorough, arm's-length, negotiations between experienced counsel with the assistance of a respected mediator after sufficient discovery was exchanged to assess the relative strengths and weaknesses of their respective cases and Defendant's estimated exposure. Both Defense counsel and I are particularly experienced in employment law and wage and hour class/PAGA actions. We are experienced and qualified to evaluate the class and PAGA claims, the viability of the defenses, and the risks and benefits of settlement versus trial on a fully informed basis. I have negotiated many wage and hour class/PAGA settlements, including many involving the same issues presented here. Counsel on both sides share the view that the Settlement is a fair and reasonable settlement in light of the complexities of the case and uncertainties of class certification and litigation, and a fair result for the Settlement Class Members.

Evaluation of Plaintiff's Case

24. The Parties reached the Settlement through arm's-length bargaining with the aid of a respected mediator. The Parties conducted sufficient investigation and discovery to allow Counsel and the Court to act intelligently. Plaintiff considered various sources of information in the lead-up to, during, and beyond the private mediation of May 21, 2025, that enabled Plaintiff to achieve the Settlement at issue.

- Defendant produced and I reviewed Plaintiff's payroll records.
- I requested that Defendant produce any and all policies on "off the clock" work, meal and rest periods, sick leave, and reimbursement of expenses in effect during the relevant time period. Defendant produced policies as part of its employee handbook.
- I requested that Defendant provide the total number of employees, paychecks, and the pay cycles during the relevant period. Defendant provided the answers to each of these questions.
- I analyzed the state of caselaw on meal and rest break claims, claims for off-the-clock work, claims for unreimbursed expenses, and claims for not providing sick leave.
- I requested sample time and payroll records for the relevant time period. Defendant produced time and pay records for all of its employees from December 25, 2023, to July 27, 2025.
- I then retained a professional data analyst, James Toney, to examine the records and determine if there was any pay discrepancy in timesheet hours versus paid hours, meal and rest break violations, and if there was any rounding/time shaving issues. Plaintiff is prepared to provide the Court with the data analysis for *in camera* inspection upon its request.

25. Defendant disclosed that there were approximately 9,082 workweeks during the Settlement Class Period. Based on this information and with the aid of the data analyst, I prepared "damages" estimates to determine Defendant's maximum exposure in connection with the settlement negotiations. I calculated the maximum potential damages for meal period violations and rest period violations to be approximately $829,534.14 (exclusive of penalties and interest) and maximum damages for derivative claims of $676,147.20 for waiting time penalties and $353,000.00 for wage statement penalties. The estimates are in essence "home run" projections that do not factor in any of the risks involved in litigating this Action and are not in line with reality, especially when considering Defendant's policies and its position on the issues. A detailed explanation of Plaintiff's valuation is set forth below.

a. <u>Meal Break Violations</u>

Plaintiff alleges that Defendant failed to provide Plaintiff and Settlement Class Members lawful meal breaks. Expert analysis of the sample time and payroll records revealed a 9.7% unique violation rate for shifts greater than 5 hours. Accordingly, Plaintiff calculates the maximum potential damages for meal break violations as follows:

	37,988 (class shift count = 39,961 x 95.1% (shifts > 5.0 hours in sample))
x	9.7% (unique violation rate in sample)
x	$19.84 (standard hourly rate)
–	$28,545.86 (premiums paid)
	$44,564.54

b. <u>Rest Break Violations</u>

Plaintiff also contends that Defendant failed to authorize and permit lawful rest breaks. Based on information provided by Plaintiff, Plaintiff estimates a 100.0% unique violation rate. Plaintiff calculates the maximum potential damages for rest break violations as follows:

	39,565 (class shift count = 39,961 x 99.0% (shifts > 3.5 hours in sample))
x	100.0% (violation rate in sample)
x	$19.84 (standard hourly rate)
	$784,969.60

c. Failure to Timely Pay Wages Upon Termination

Plaintiff alleges that Defendant failed to pay employees premium wages for meal and rest period violations and failed to pay all wages owed. As a result, discharged and quitting employees were not paid in full as required by the Labor Code. Plaintiff calculates the maximum value of this claim as follows:

	142 (termination count)
x	$4,761.60 (amount per termination = 240.00 (waiting hours) x $19.84 (standard hourly rate))
	$676,147.20

d. Failure to Furnish Accurate Itemized Wage Statements

Plaintiff alleges that because Defendant required employees to work off the clock, Class Members' hours worked and wages earned were not accurately listed on the wage statements. Plaintiff calculates the maximum value of this claim as follows:

	$12,000.00 (first violation total = 240 (period count) x $50.00 (first violation amount))
+	$451,000.00 (subsequent violation total = 4,510 (remaining period count) x $100.00 (subsequent violation amount))
–	$110,000.00 (violations under $4,000)
	$353,000.00

e. Civil Penalties Under PAGA

Under Labor Code § 2699, Defendant is subject to a civil penalty in the amount of $100 for each aggrieved employee per pay period for the initial violation, and $200 for each subsequent violation for each aggrieved employee for each pay period. Defendant represented that there were approximately 4,750 total pay periods for all of the Aggrieved Employees during the PAGA Period. Applying the same violation rates to the total pay periods, Plaintiff calculates the maximum value of the strongest PAGA claims as follows:

PAGA Amounts

	Meal Breaks LC § 512/226.7	Rest Breaks LC § 512/226.7	Paystub Penalty LC § 226(a)	Waiting Time Penalties LC § 203	Total
Period Count	1,716	4,750	4,750	142	
Penalty	$50.00	$100.00	$100.00	$100.00	
Total	$85,800.00	$475,000.00	$475,000.00	$14,200.00	$1,009,100.00

This figure is calculated by stacking each of the maximum recoverable civil penalty estimates for the strongest PAGA claims. This estimate represents a “homerun” scenario and does not reflect the practical realities of this case. It also fails to account for the risks discussed below and assumes a violation occurred in every single pay period.

26. The Settlement obviates the significant risk that this Court may deny certification of some or all of Plaintiff’s claims. Even if Plaintiff obtained certification of some or all of the claims, continued litigation would be expensive, involving a trial and possible appeals, and would substantially delay and reduce any recovery by the Settlement Class Members. While Plaintiff is confident in the merits of his case, a legitimate controversy exists as to each cause of action. To illustrate this consideration, below is brief summary of some of Defendant’s arguments and some of the issues Plaintiff’s counsel discovered while analyzing the class data and expert findings, all of which Plaintiff disputes, but nevertheless acknowledges as potential threats to the Settlement Class’s claims.

- Defendant contends that as of April 2024, forward, all of Defendant’s employees physically signed binding arbitration agreements with class and representative action waivers. Defendant therefore contends, the true number of individuals of whom Plaintiff could represent is reduced by approximately 70%.
- Defendant contends Plaintiff’s meal break claims fails because auto premiums are paid for all short, late, or missed meals. Plaintiff alleged he worked off the clock during his meal and rest periods. Defendant contends this theory is unsupported by the written policies and timekeeping practices, including Defendant’s practice of automatically paying meal period premiums for all meals that are late, missed, or interrupted irrespective of the cause. Defendant contends it affirmatively enforces its meal period and rest break policies. Defendant first paid a meal premium penalty in January 2024, and continues to pay premiums. Defendant’s automatic premium payment results in overpayment of meal premium penalties, especially because Defendant has valid meal period waivers in place for almost all of its employees, yet auto pays premiums without considering those waivers. As of October 29, 2024, Defendant began offering “family meals” for staff two times per shift, from approximately 10:30-11:30 and 4:30-5:30 each day. Defendant encourages its employees to schedule their breaks to overlap with at least part of this time, so that each employee may take a 30-minute meal period and receive free food on-site, rather than having to leave the premise and spend additional money. After accounting for the premiums paid during the relevant period, the data reveals Defendant has a 96.5% compliance rate for non-waivable meal periods. Defendant also contends that, to establish a violation for missed meal periods, a plaintiff must do more than show that a meal break was not taken. *Brinker Restaurant Corp. v. Superior Court*, 53 Cal. 4th 1004 (2012). So long as an employer provides employees with a “reasonable opportunity” to take a duty-free meal period, it has no further duty to “police meal breaks and ensure no work thereafter is performed.”

Id. at 1040-41. Instead, a plaintiff must show the employer impeded, discouraged, or prohibited the employee from taking a proper break, or otherwise failed to release the employee of all control. Id. “Thus, the crucial issue with regard to the meal break claim is the reason that a particular employee may have failed to take a meal break.” *Washington v. Joe's Crab Shack*, 271 F.R.D. 629, 641 (N.D. Cal. 2010). Defendant contends that individualized proof will be needed to establish liability on Plaintiff’s meal period claims. Defendant argues that Settlement Class Members will testify that they were clearly advised by Defendant and fully understood—that they were authorized to take meal periods within each five-hour work period and were required to take those breaks before the end of the fifth hour. As it relates to rest breaks, Defendant contends Plaintiff’s rest break claims fails because Defendant uses an attestation system to track non-compliant rest periods. At the end of every shift, Defendant’s timekeeping software requires employees attest to whether they took their rest periods – if an employee attests that they did not receive a rest period, a rest period premium is paid out automatically, without further questioning of the employee. This attestation system was in place as of April 22, 2024, meaning there is no liability for missed rest periods at least as of April 22, 2024. Though employees are required to inform their manager(s) when they would like to take a meal or rest period, this is simply to ensure adequate coverage – managers do not refuse to allow employees to take breaks. From April 29, 2024, to March 16, 2025, Defendant paid 131 rest period premiums in response to the attestation system. Furthermore, there is no documentary proof that rest period violations occurred, which is also the reason that Plaintiff’s counsel used the alleged meal period violation rate and extrapolated it for rest period violations in the class exposure calculation. Defendant also contends that individualized proof will be needed to establish liability on Plaintiff’s rest period claims.

- Defendant contends Plaintiff’s off-the-clock, unpaid overtime, and unpaid wage claims fail because Defendant required that all employees accurately report their time – which they did. Defendant’s employees clock in and out of work from tablets located around the restaurant. While Defendant provides its employees with a voluntarily downloadable cell-phone application to use to record time entries, given the multiple time tablets around the restaurant, no employee is required to use this application. Defendant’s employees are instructed to clock in upon entering the restaurant, and clock out upon completing their duties. This practice is followed at the beginning and the end of each shift as well as for meal periods. There is little reason for Defendant’s employees to work off-the-clock before or after their shift. Furthermore, the data demonstrates that overtime was readily paid: Defendant paid 7,230 hours of overtime during the statutory period. To the extent an employee disobeys Defendant’s requirements and does not record their work time, there is no means for Defendant to know of or have reason to know of the off-the-clock work. At a minimum, for the rank-and-file employee it is a highly individualized issue as to whether the employee worked off-the-clock in the first instance and whether management would have known or have reason to know of the work. Defendant further contends that there is no common proof for Plaintiff’s claim that he was required to work off-the clock (“OTC”) and that some of that OTC work, if properly accounted for, would have resulted in work to be compensated at overtime rates. Defendant argues, time records do not provide common proof because, by definition, they do not show such time. Defendant argues that one would have to examine, and cross-examine for credibility, each individual's separate claims of supposed OTC work. Further, Defendant argues, each Settlement Class Member would need to overcome this credibility hurdle in the face of his/her own time records, which show no OTC work and further would have to prove that his/her individual manager knowingly suffered or permitted the work. Additionally, as a matter of company policy, Defendant required supervisors to meet with employees to review their "punch cards" for accuracy, including verification of hours worked and confirmation of whether employees performed any OTC work. The stated purpose of this policy was to ensure that Defendant compensated for any OTC work if an employee reported having performed such work during the pay period. Moreover, Plaintiff's data expert noted that there was no rounding of work hours and that work hours were out to the second decimal point.

- Defendant contends that any theory of off-the-clock, unpaid overtime, and unpaid wages due to rounding fails because Defendant never rounded any of its employees' reported time and paid for all hours reported. As such, Defendant contends that to the extent Plaintiff's off-the-clock claim is premised on rounding, it is meritless.
- Defendant contends that Plaintiff's failure to pay reporting time pay and split shifts fails because any instance was due to employee choice. Defendant does not regularly schedule employees such that this is an issue. To the extent there may be gaps in time worked during a shift, such instances do not account for employee choices, such as doctor visits, long lunches, or going home early—which likely accounts for the majority, if not all, of the occurrences. Therefore, Defendant contends there is no systemic issue that can be adjudicated on a representative basis.
- Defendant contends Plaintiff's claim for unlawful deduction of tips also fails because Defendant maintains a compliant tip-distribution policy and managers do not share in tips. At all relevant times, Defendant's lawful tip sharing policy specifically excludes management. In practice, managers do not receive distributions from tips left at the table at the end of a meal, or from the general tip pool at the end of the night. Since at least June 2024, all tips, including credit-card tips, are meticulously recorded by Defendant. Defendant contends that to the extent Plaintiff believes that managers may have received tips directly from customers, such tips are not unlawful. Defendant contends California law does not prohibit a manager from keeping tips provided directly to the manager for services the manager renders to the customer. For example, managers sometimes greet customers and are responsible for locating an open table. Given the restaurant's clientele of wealthy individuals with strong dining preferences, it is not uncommon for a customer to give management and non-management employees handshake tips in an effort to secure a "better" table. To the extent Plaintiff claims he did not receive credit card tips, Plaintiff, and the other allegedly aggrieved employees (who share in the tip pool), receive their credit card tips on the next regular payday. Taken together, even if Plaintiff contends, he witnessed a manager unlawfully receive tips, it was in violation of Defendant's policy, and was an isolated event, not due to Defendant's actions. As such, Defendant contends such instances are far too remote and sporadic to allow for Plaintiff to continue on a representative basis.
- Defendant's practice of tip pooling negates common claimed causes of missed meal or rest breaks. Taking meal and/or rest breaks during a shift has no negative impact on Defendant's employees because employees pool tips. Thus, employees can hand off tasks at break time to another employee, and because tips are pooled, there is no

pressure of lost tips while on breaks. Further, Defendant's employees are required to take their breaks away from the guest eating areas of the restaurant to ensure that there is no way their breaks are interrupted. Moreover, at any given time, there are multiple individuals performing the same or similar job duties, meaning that if an employee needs to take a break, there is typically someone to fill in immediately. In sum, Defendant contends there is no reason for employees to be interrupted during breaks, much less for Defendant to know that they are interrupted.

- Defendant contends Plaintiff's sick pay claim is limited to a couple of months, and even then, Defendant remedied the issues. While Defendant and its payroll processing company admittedly incorrectly calculated sick time accrual for a brief period of time, the issue was remedied in March 2024, with retroactive payments and reclassification of time off as protected sick time being done across all employees. As such, Defendant claims the claim is meritless.
- Defendant contends that Plaintiff cannot recover waiting time or wage statement penalties based upon the failure to pay Labor Code section 226.7 premium wages for meal and rest period violations. *see Naranjo v. Spectrum Sec. Servs., Inc*., 40 Cal. App. 5th 444 (2019) (review granted Jan. 20, 2020) (actions for violations of Labor Code's meal break provisions do not entitle employees to pursue derivative waiting time and itemized wage statement penalties). Defendant contends Plaintiff's waiting time penalties claim fails because Defendant acted in good faith. Where there is a "good faith dispute" as to whether wages are owed or where the non-payment was not "knowing and intentional," no waiting time penalties will be assessed. Defendant contends it always acted in good faith. Defendant also contends Plaintiff's wage statement claim fails because Defendant provided accurate wage statements, acted in good faith and Plaintiff did not suffer any harm. First, Defendant provided Plaintiff and the allegedly aggrieved employees with wage statements in compliance with Labor Code section 226. Second, where there is a "good faith" effort to comply with California law on wage statements, penalties will not be assessed. Defendant contends it always acted in good faith. Finally, Defendant contends Plaintiff cannot show that he, or other allegedly aggrieved employees suffered any harm from allegedly inaccurate wage statements.
- As it relates to any potential regular rate issues, Plaintiff's data expert did not observe any bonuses, commission payments, etc. in the sample provided by Defendant. As such, the regular rate claims alleged by Plaintiff are not at issue.
- Defendant contends Plaintiff's expense reimbursement claim also fails. All employees are reimbursed for any personal expenses that they incur on behalf of their work. Specifically, Defendant only requires that front of house workers wear a tuxedo. All parts of the tuxedo are provided to employees free of charge (some employees receive more than one tuxedo), and Defendant contracts with a dry-cleaning service located less than two miles away from the restaurant, which provides dry-cleaning to Defendant's employees free of charge. Employees receive reimbursement for costs incurred in connection with their uniforms. Moreover, Defendant provides uniforms and dry cleaning, at no charge. Schedules are accessible in-person, and Defendant provides ample tablets for individuals to clock in and out. Therefore, if there were any instance of employees not being reimbursed, it was in violation of Defendant's policy and wholly due to their own failure to request a reimbursement, and not due to any policy at Defendant. As such, Defendant contends this theory of liability is too individualized to proceed on a

representative basis. There is a risk that the Court may consider Plaintiff's claims as to Defendant's alleged failure to indemnify for business expenses to be individual in nature and unfit for class wide resolution. Additionally, Defendant did not require any specific uniforms to be worn for work purposes, therefore there is no evidence that uniforms would need to be reimbursed.

- Defendant contends Plaintiff's suitable seating claim fails because of the nature of the work does not allow for Defendant to provide every employee a seat at all times, and Defendant did provide suitable seating. First, all Defendant's hourly positions require employees to be constantly moving from one task to another. By way of example, even a dishwasher or a cook is constantly moving from one location of the kitchen to another; for a server, the necessity of moving around is abundantly clear. Regardless, from its opening until October 29, 2024, Defendant provided employees with a tented area behind the restaurant with folding chairs and tables in the event an employee needed to sit, or to take breaks. As of October 29, 2024, employees have a dedicated space, completely furnished, in which to take breaks, including when an employee needs to sit for a minute or two.
- There is also a risk in proving Defendant's failure to pay unused vested paid vacation time in violation of Labor Code sections 221, 222, 223, and 227.3 because there is no evidence that Defendant did not pay.

27. As noted above, Defendant contests liability, as well as the propriety of certification, and is prepared to vigorously oppose certification and to defend against all of Plaintiff's claims if the Action is not settled. Given the potential damages, as well as the substantial risks to recovery discussed herein, including the uncertainties in achieving class certification, Plaintiff's Counsel had to discount the value of the claims during settlement negotiations. For the Class claims, Plaintiff's Counsel estimates a 60 percent likelihood of obtaining and maintaining certification, which reduces the value of these claims from approximately $1,858,681.34 to approximately $1,115,208.80. Defendant, however, asserts that there are significantly lower prospects of certification. Plaintiff's Counsel further estimates that there is a 60 percent chance that Plaintiff will prevail at trial on his Class claims, further reducing the value of the claims to approximately $669,125.28. For the PAGA claims, Plaintiff's Counsel understands that the chances of recovering penalties are low, especially for waiting time penalties, and paystub violations. Moreover, Plaintiff's Counsel is unaware of any California State court decision awarding a plaintiff and the other Aggrieved Employees he represents received multiple civil penalties (i.e. stacking penalties) for the same pay period under different Labor Code provisions. As such, one of the risks Plaintiff faces is that the Court would refuse to "stack" civil penalties arising under the various Labor Code statutes.

Additionally, PAGA states a court has discretion to award a lesser amount than the maximum penalty. In addition to stacking potential penalties, this calculated maximum exposure also presumes that the Court will not reduce the penalty award as unjust, arbitrary, oppressive, or confiscatory. Given this, Plaintiff's Counsel concluded it was appropriate to substantially discount the value of these claims in the settlement negotiations for this and a variety of other reasons. At best, Plaintiff could only reasonably hope to recover one penalty for each pay period (regardless of the different Labor Code violations that potentially occurred for the same employee, during the same pay periods). Accordingly, Plaintiff estimated Defendant's maximum realistic potential penalty exposure to be approximately $1,009,100, based on approximately 4,750 PAGA Pay Periods and the statutory $100 per-pay-period penalty for any alleged violation. All in all, considering all of the risks detailed above, as well as potential manageability issues, the risk of not prevailing at trial, the risk that, even if Plaintiff prevailed, the damages would be limited due to the largely discretionary nature of the damages, and taking into account Defendant's defenses, Plaintiff applied a 60 percent discount to the maximum realistic potential PAGA exposure of $1,009,1000, leaving 60 percent of that amount, or $605,460, as the risk-discounted realistic potential exposure. Therefore, if this case advanced to trial and Class Counsel succeeded on all of Plaintiff's claims, attorney's fees and costs may have significantly reduced the recovery awarded to the Class. Furthermore, there is always a risk that a trial of this magnitude can become unmanageable. Defendant's maximum exposure on Plaintiff's Class and PAGA claims total approximately $2,333,681.34 and potential recovery totals approximately $954,125.28. *Id*. Thus, a settlement of $175,000.00 (approximately 7.5% of the maximum exposure and 18.34% of the potential recovery) is a great result and a proportion sanctioned by existing case law. *Id*., *see In re Cendant Corp., Derivative Action Litig*., 232 F. Supp. 2d 327 (D.N.J. 2002) (approving settlement that only provided a 2% recovery based on the estimated liability exposure).

28. While Plaintiff believes the evidence gathered through Plaintiff's discovery supports the merits of the claims asserted in this lawsuit, Plaintiff recognizes that continued litigation presents significant risks that support a downward departure from Defendant's

estimated liability exposure. In view of the risks, the Settlement reflects my estimate of the total amount of damages, monetary penalties or other relief that the class could reasonably expect to be awarded at trial, taking into account the likelihood of prevailing and other attendant risks. It also represents a fair, adequate, and reasonable compromise amount for these claims and warrants preliminary approval.

Allocation of the PAGA Payment

29. The settlement of PAGA penalties in the sum of $10,000, of which 75% ($7,500) will be paid to the LWDA and 25% ($2,500) will be distributed to the PAGA Employees as PAGA Employee Payments, is reasonable and appropriate under the circumstances. The Parties negotiated a good faith amount for PAGA penalties to be paid to the LWDA and to the PAGA Employees. The portion to be paid to the LWDA was not the result of self-interest at the expense of other PAGA Employees. Where, as here, the parties reach a substantial settlement providing employees with monetary compensation for underlying Labor Code violations, many of PAGA's underlying policy objectives are satisfied. Accordingly, there exists a substantial likelihood that the Court would exercise its discretion and reduce the amount awarded for PAGA penalties even if Plaintiff proved successful at trial. Additionally, PAGA's shorter statute of limitations justifies a limited allocation when compared to the amount allocated for Labor Code violations. Here, the $10,000 PAGA Payment is well within the range approved by California courts and therefore should be approved.

Attorneys' Fees and Costs

30. I intend to request Class Counsel Attorneys' Fees which collectively shall not exceed Thirty-Three and One Third percent (33.33%) of the Gross Settlement Amount, including the Escalator Amount, if any, plus reasonable costs/expenses not to exceed Twelve Thousand Five Hundred Dollars and Zero Cents ($12,500.00), subject to approval by the Court. In addition, based on my experience in wage and hour class action matters, fee awards of approximately one-third of the settlement fund are routinely approved as reasonable. I have been awarded attorneys' fees equaling approximately one-third of the fund in several recent wage and hour class actions.

31. The amount of fees and costs requested are commensurate with (1) the risk O took in bringing the case, (2) the extensive time, effort and expense I dedicated to the case, (3) the skill and determination I have shown, (4) the results I achieved, (5) the value of the Settlement I achieved for the class, and (6) the other cases I turned down to devote time to this matter. I met and conferred with Defendant's counsel on numerous occasions, reviewed and analyzed hundreds of pages of data and documents provided by Defendant, researched applicable law, prepared estimates of "damages" for purposes of settlement discussions, and engaged in a full day of mediation, among other tasks.

32. I have borne all the risks and costs of litigation and will receive no compensation until recovery is obtained. I am well-experienced in wage-and-hour class action and PAGA litigation and used that experience to obtain a fair result for the Class. Considering the amount of the attorney fees requested, the work performed, and the risks incurred, the requested fees and costs are reasonable and should be awarded.

Service Award to Plaintiff

33. The Settlement provides that Plaintiff may seek an Enhancement Award of $10,000.00. This amount is entirely reasonable given Plaintiff's efforts in this Action and the risks he undertook on behalf of Qualified Class Members. Plaintiff has devoted many hours advancing the interests of the Qualified Class Members. Plaintiff has done this by, among other things, retaining experienced counsel, providing them with information about his work history with Defendant and Defendant's policies and practices with respect to the wage and hour claims at issue, assisting counsel in identifying witnesses, and being actively involved in the settlement process to ensure a fair result for the Qualified Class Members as a whole. In doing this, Plaintiff has been exposed to significant risks, including the risk of an order to pay Defendant's attorneys' fees and costs if this action had been unsuccessful (*See* Labor Code §§ 218.5-218.6). The efforts and risks that Plaintiff undertook on behalf of the Qualified Class Members show that the proposed Enhancement Award is fair, adequate, and reasonable, and thus warrant preliminary approval.

Individual Settlement Payments

34. After the deduction of the amounts approved for the Enhancement Award to the Named Plaintiff, the PAGA Payment, the Settlement Administrator's costs, Settlement Class Counsel's fees and expenses from the Gross Settlement Amount, including the Escalator Amount, if any, the remainder shall be referred to as the Net Settlement Amount. The Net Settlement Amount shall be divided among the Qualified Class Members on a pro-rata basis based on each Qualified Class Member's workweek count, which shall be the sum of the total number of Workweeks the Qualified Class Member worked during the Settlement Class Period, divided by the combined sum of all Qualified Class Members' workweek counts, and multiplied by the value of the Net Settlement Amount. Since this method compensates Qualified Class Members based on the extent of their potential injuries, in that Qualified Class Members who worked for Defendant longer would have been subject to more alleged violations, it is fair, adequate, and reasonable.

Notice By First Class U.S. Mail Only (No Email)

35. The Settlement provides that the Settlement Administrator shall be responsible for preparing, printing, mailing, and emailing the Settlement Notice to all Settlement Class Members. The Settlement Administrator will also create a website for the Settlement, which will allow Settlement Class Members to view the Class Notice (in generic form), this Settlement Agreement, and all papers filed by Settlement Class Counsel to obtain preliminary and final approval of the Settlement Agreement. Additionally, the Settlement website will provide contact information for Class Counsel and the Settlement Administrator. (*see* Settlement, ¶¶ 50-54). The Class Notice (attached as Exhibit "**A**" to the Settlement Agreement) provides Class Members with all pertinent information that they need to fully evaluate their options and exercise their rights under the Settlement. Specifically, it clearly and concisely explains, among other things: (1) what the Settlement is about; (2) who is a Settlement Class Member; (3) how Class Counsel will be paid; (4) how to submit an exclusion request not to be bound by the Settlement; (5) how to object to the Settlement; (6) how the Settlement will be allocated; (7) how payments to Class Members will be calculated; (8) how the disputes will be

resolved; and (9) the estimated Individual Settlement Payment for each Class Member. Additionally, the Notice will include the number of Workweeks a Class Member had during the Class Period and the number of PAGA Periods an Aggrieved Employee had during the PAGA Period. Accordingly, the Class Notice should be approved because it describes the Settlement with sufficient clarity and specificity to explain to Class Members what this action is about, their rights under the Settlement, and how to exercise those rights. As such, the parties' proposed Class Notice fully complies with California Rules of Court 3.766(d) and 3.769(f) and will allow Class Members to make informed responses to the proposed settlement.

Settlement Administration Duties

36. The Settlement Administrator's duties are outlined in paragraphs 40-42, 45, 48, 50-54, and 57 of the Settlement and in the bid provided by Apex Class Action Administration, a true and correct copy of which is attached hereto as **Exhibit 2**. *See also* Declaration of Michael Sutherland.

Settlement Administration Costs

37. The Settlement Administration cost is reasonable. Before agreeing to APEX Class Action Administration's $4,490.00 proposal, the Parties sought and reviewed bids from other reputable third-party administrators and compared the bids. First, the Parties obtained an estimate from Phoenix Class Action Administration Solutions, totaling $6,591.45, then another estimate from ILYM Group, Inc., totaling $6,250.00. The bid provided by APEX Class Action Administration was the lowest, so the Parties agreed to proceed with APEX Class Action Administration. Since receiving the initial bid from APEX, the number of Settlement Class Members increased, which consequently increased APEX's bid to $6,490.00. A true and correct copy of the latest bid from APEX Class Action Administration is attached hereto as **Exhibit 2**.

Uncashed Checks

38. If any checks remain uncashed or not deposited by the expiration of the ninety (90) day period after mailing the reminder notice, the Settlement Administrator will, within two hundred (200) calendar days after the checks are mailed, cancel the checks. All funds associated with the Individual Settlement Payment checks and PAGA Employee Payment

checks returned as undeliverable and funds associated with those Individual Settlement Payment checks and PAGA Employee Payment checks remaining uncashed, shall be delivered to the State of California's State Controller Unclaimed Property Fund with an identification of the amount of unclaimed funds attributable to each Qualified Class Member and PAGA Employee. (*see* Settlement, ¶ 42f).

Notice of Settlement to the LWDA

39. Pursuant to Labor Code § 2699(l)(2), Plaintiff submitted a copy of the Settlement with the Labor and Workforce Development Agency ("LWDA") at the same time Plaintiff's Motion is being filed with the Court. A true and correct copy of Plaintiff's submission with the LWDA and a confirmation email is attached hereto as **Exhibit 3**.

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

Executed on July 21, 2026 at Los Angeles, California.

/s/Harout Messrelian
Harout Messrelian,
Declarant

EXHIBIT 1

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Attorneys For Defendant
362NCD BEVERLY HILLS LLC

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

GIUSEPPE LOSAVIO, Plaintiff, v. 362NCD BEVERLY HILLS LLC; and DOES 1 to 25, inclusive, Defendants.	Case No. 24STCV30619 **JOINT STIPULATION AND SETTLEMENT AGREEMENT OF CLASS ACTION AND REPRESENTATIVE CLAIMS** ASSIGNED FOR ALL PURPOSES TO HON. DOREEN B. BOXER DEPT. 19 Trial Date: None Set Complaint Filed: November 20, 2024

This Joint Stipulation and Settlement Agreement of Class Action and Representative Action Claims ("Stipulation of Settlement" or "Settlement" or "Settlement Agreement") is made and entered into by and between Plaintiff Giuseppe Losavio ("Named Plaintiff") and Defendant 362NCD Beverly Hills LLC ("Defendant") (Named Plaintiff and Defendant are referred to together as the "Parties").

THE PARTIES STIPULATE AND AGREE as follows:

DEFINITIONS

1. "**Court**" means the Superior Court of the State of California for the County of Los Angeles.

2. "**Defendant's Counsel**" means Elizabeth Staggs-Wilson, Esq., and Jyoti Mittal, Esq. of Littler Mendelson, P.C.

3. "**Effective Date**" shall have the meaning ascribed to it in Paragraph 38 below.

4. "**Enhancement Award**" means the payment made to Named Plaintiff in his capacity as class representative, which sum is over and above his Individual Settlement Payment.

5. "**Escalator Election**" means the amount Defendant will pay in addition to the Gross Settlement Amount if the total number of Workweeks exceeds 8,312 Workweeks by 10% or more (*e.g.*, the Workweek count is greater than 9,143 Workweeks) and if Defendant elects to (1) increase the Gross Settlement Amount proportionately for each additional Workweek over 9,143 Workweeks rather than (2) select an end date for the Settlement Class Period and PAGA Period wherein the total number of Workweeks is less than or equal to 9,143 Workweeks ("**Escalator Amount**").

6. "**FEHA Lawsuit**" means the separate lawsuit filed by Plaintiff on January 28, 2025, entitled *Giuseppe Losavio v. 362NCD Beverly Hills LLC,* in the Los Angeles County Superior Court, Case No. 25STCV02261 which asserts individual claims for alleged violations of California Government Code section 12940 ("FEHA"). The FEHA Lawsuit is subject to a separate confidential settlement agreement.

7. "**Final Approval Hearing**" means the hearing whereat the Court shall consider, without limitations, any timely objections to the Settlement from Settlement Class Members, testimony from the Parties or their counsel, declarations regarding the claims process from the Settlement Administrator, and otherwise make a final determination regarding the fairness of the Settlement as set forth herein.

8. "**Final Order and Judgment**" means the Final Order Approving Class Action and PAGA Settlement and Judgment in a form to be agreed upon by the Parties and approved by the Court.

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9. “**Gross Settlement Amount**” means One Hundred and Seventy-Five Thousand Dollars and Zero Cents ($175,000.00). With the exception of Defendant’s share of employment taxes, which shall be paid separately by Defendant, the Class and PAGA Gross Settlement Amount will include all payments to be made to Settlement Class Members, the LWDA, the PAGA Employees, attorneys’ fees, costs approved by the Court, fees to be paid to a settlement administrator, and the enhancement award to Plaintiff. In no event shall Defendant be liable for the payment of any amounts exceeding the Gross Settlement Amount with the exception of the employer’s share of payroll taxes due and payable as a result of this Gross Settlement, which shall be paid separately from the Gross Settlement Amount, or, if applicable, the Escalator Amount.

10. “**Individual Settlement Payment**” means the portion of the Net Settlement Amount payable to a Qualified Class Member.

11. “**LWDA**” means the California Labor & Workforce Development Agency.

12. “**Operative Complaint**” means the First Amended Complaint filed by Named Plaintiff in the Lawsuit within ten days of the full execution of this Settlement Agreement, a copy of which is attached hereto as **Exhibit B.**

13. “**Net Settlement Amount**” has the meaning ascribed to it in Paragraph 42, below.

14. “**Notice**” or “**Class Notice**” means the Notice of Pendency of Class Action in substantially the form attached hereto as **Exhibit A**, and as approved by the Court.

15. “**PAGA Employees**” means the Settlement Class Members who worked at any time in California during the PAGA Period.

16. “**PAGA Employee Payment**” means the payment issued to each PAGA Employee for his/her/their share of the PAGA Payment.

17. “**PAGA Notice**” means Named Plaintiff’s Notice of Labor Code Violations California Labor Code Sections 2698 *Et. Seq.* that was sent to the LWDA on or about on April 19, 2024, and amended within ten days of the full execution of this Settlement Agreement, a copy of which is attached hereto as **Exhibit C**, LWDA Case Number: LWDA-CM-1020408-24.

18. “**PAGA Payment**” means the payment to the LWDA and the PAGA Employees in settlement of all claims for PAGA penalties

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19. "**PAGA Period**" means the time period from December 25, 2023, to the date of preliminary approval, or an earlier date pursuant to Escalator Election.

20. "**Qualified Class Members**" means the Settlement Class Members who did not opt out of the Settlement Agreement and who will receive a share of the Net Settlement Amount.

21. "**Released Parties**" collectively shall encompass Defendant and any of its past, present and future direct or indirect parents, subsidiaries, predecessors, successors and affiliates, including but not limited to Cipriani USA, Inc., as well as each of its past, present and future officers, directors, employees, partners, members, shareholders and agents, attorneys, insurers, reinsurers, and any individual or entity which could be jointly liable with Defendant.

22. "**Settlement Administrator**" means Apex Class Action Administration.

23. "**Settlement Class Counsel**" means Harout Messrelian, Esq., of Messrelian Law Inc.

24. "**Settlement Class Members**" means all current and former non-exempt California employees of Defendant during the Settlement Class Period.

25. "**Settlement Class Period**" means the time period from December 25, 2023, through the date of preliminary approval, or an earlier date pursuant to or an earlier date pursuant to the Escalator Election.

26. "**Lawsuit**" means the action entitled *Giuseppe Losavio v. 362NCD Beverly Hills LLC*, pending in Los Angeles County Superior Court, Case No. 24STCV30619.

27. "**Workweeks**" means any week where a Settlement Class Member performed work.

RECITALS

28. On May 21, 2025, following exchange and extensive review of relevant documents and class data, the Parties engaged in a full-day mediation with experienced wage and hour class action mediator Hon. Ann I. Jones (Ret.). With the assistance of Judge Jones, the Parties reached this Settlement.

29. Defendant denies any liability or wrongdoing of any kind whatsoever associated with the claims in the Lawsuit, and the FEHA Lawsuit, and further denies that, for any purpose other than settling the Lawsuit, class action or representative treatment is appropriate for the Lawsuit.

30. It is the Parties' desire to fully, finally, and forever settle, compromise, and discharge all disputes and claims alleged in the Lawsuit and FEHA Laswsuit.

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31. It is the Parties' intention that this Stipulation of Settlement shall constitute a full and complete settlement and release of all Released Claims (as defined in Paragraphs 62, 63, and 64) against all Released Parties.

32. It is the Parties' intention that this Settlement shall not become effective until the Effective Date, as defined in Paragraph 38, below.

33. Settlement Class Counsel have conducted a thorough investigation into the facts of the Lawsuit, including an extensive review of relevant documents and data, and have diligently pursued an investigation of the Settlement Class Members' claims against Defendant. Based on their own independent investigation and evaluation, Settlement Class Counsel are of the opinion that the Settlement with Defendant is fair, reasonable and adequate and is in the best interest of the Settlement Class Members in light of all known facts and circumstances, including the risks of significant delay, the class not being certified, and the defenses asserted by Defendant. Defendant and Defendant's Counsel also agree that the Settlement is in the best interests of the Settlement Class Members. Counsel for the Parties further agree that the Settlement is fair, reasonable and adequate with respect to civil penalties sought pursuant to PAGA.

34. The Parties agree to cooperate and take all steps necessary and appropriate to consummate this settlement in accordance with the terms of this Stipulation of Settlement.

TERMS OF SETTLEMENT

35. In consideration of the mutual covenants, promises and agreements set forth herein, the Parties agree, subject to the Court's approval, to the terms herein.

36. It is agreed by and between Named Plaintiff and Defendant that the Lawsuit and any claims, demands, liabilities, penalties, damages or causes of action of any kind whatsoever claimed by Named Plaintiff on behalf of himself, the Settlement Class Members, and/or the PAGA Employees arising out of the disputes which are the subject of the Lawsuit, be settled and compromised, subject to the terms and conditions set forth in this Stipulation of Settlement and the Court's approval.

37. As a condition of this Settlement, Named Plaintiff will timely file a First Amended Class Action and Representative Complaint in the Lawsuit and which shall be the Operative Complaint, a copy of which is attached as **Exhibit B**. Named Plaintiff will amend the complaint such that the Operative

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Complaint encompasses all of Named Plaintiff's respective claims comporting with the specific labor code previsions and claims in Paragraph 62, including a claim for violation of the Fair Labor Standards Act (Violation of 29 U.S.C. §§ 201, *et seq.* "FLSA"), and adds Cipriani USA, Inc. as a Defendant. Defendant and Cipriani USA, Inc. will not be required to file an answer to the Operative Complaint. Named Plaintiff Giuseppe Losavio will also submit an amended PAGA Notice so that his letter includes all violations released in Paragraph 63 below, and adds Cipriani USA, Inc.

38. Effective Date: The Settlement embodied in this Stipulation of Settlement shall become effective when all of the following events have occurred ("Effective Date"): (i) this Stipulation of Settlement has been executed by Named Plaintiff, Defendant, Settlement Class Counsel, and Defendant's Counsel; (ii) the Court has given preliminary approval to the Settlement; (iii) the Notice has been sent to the Settlement Class Members, providing them the opportunity to object to the Settlement, and the opportunity to opt out of the Settlement; (iv) the Notice has been sent to the LWDA; (v) the Court has held a formal fairness hearing and entered the Court's Final Order and Judgment, and notice of entry of judgment is filed; and (vi) the later of the following events: five (5) calendar days after the period for filing any appeal, writ, or other appellate proceeding opposing the Final Order and Judgment has elapsed without any appeal, writ, or other appellate proceeding having been filed, *i.e.*, 65 days from the date the Court grants final approval and enters judgment, and notice of entry of judgment is served; or, if any appeal, writ, or other appellate proceeding opposing final approval has been filed within that timeframe; five (5) business days after any appeal, writ, or other appellate proceedings opposing the Settlement has finally and conclusively dismissed with no right to pursue further remedies or relief. If the Court declines to approve the Settlement, the entire Stipulation of Settlement is deemed void and unenforceable as if no settlement of any claim was ever reached. All negotiations, statements and proceedings and data relating thereto shall be protected by California Evidence Code §1152 and shall be without prejudice to the rights of any of the Parties.

39. Gross Settlement Amount: To implement the terms of this Settlement, Defendant agrees to pay a maximum total payment of One Hundred Seventy-Five Thousand Dollars and Zero Cents ($175,000.00), which includes payments to Settlement Class Members (excluding any appropriate and lawfully required employer-side payroll taxes owed by Defendant on such payments which Defendant

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shall be separately responsible for apart from the Gross Settlement Amount), Enhancement Award to the Named Plaintiff, the PAGA Payment, the Settlement Administrator's fees and costs, approved attorneys' fees and litigation costs, and any other payments provided by this Settlement. Except as otherwise specified herein, Defendant shall not be required to pay any additional monies beyond the amount of the Gross Settlement Amount other than the employer-side payroll taxes and the Escalator Amount, if any. Further, no portion of the Gross Settlement Amount and the Escalator Election, if any, shall revert to Defendant, and any amount of the Gross Settlement Amount and the Escalator Election, if any, not required for paying the above-referenced amounts shall be paid to the Qualified Class Members on a pro rata basis according to the formula contained herein.

a. Defendant represents that the extrapolated total number of Workweeks worked by Settlement Class Members as of May 21, 2025, is approximately 8,312 Workweeks. If the total number of Workweeks exceeds this total by 10% or more (*e.g.*, the Workweek count is greater than 9,143 Workweeks) for the Settlement Class Period, Defendant shall have the following options:

i. Pay the Escalator Amount which is calculated by increasing the Gross Settlement Amount proportionately for each additional Workweek over 9,143 Workweeks (for example, if the Workweek count is 9,227, *i.e.*, 11% of 8,312 Workweeks, the Escalator Amount will equal $1,750, *i.e.*, 1% of the Gross Settlement Amount); or

ii. Select an end date for the Settlement Class Period and PAGA Period wherein the total number of Workweeks is less than or equal to 9,143 Workweeks.

40. Tax Treatment of the Gross Settlement Amount: The Parties agree that the Gross Settlement Amount, including the Escalator Amount, if any, will qualify as a settlement fund pursuant to the requirements of section 468(B)(g) of the Internal Revenue Code of 1986, as amended, and section 1.468B-1 *et seq*. of the income tax regulations. Furthermore, the Settlement Administrator is hereby designated as the "Administrator" of the qualified settlement funds for purposes of section 1.46B-2(k) of the income tax regulations. As such, all taxes imposed on the gross income of the Gross Settlement Amount, including the Escalator Amount, if any, and any tax-related expenses arising from any income

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tax return or other reporting document that may be required by the Internal Revenue Service or any state or local taxing body will be paid from the Gross Settlement Amount.

41. Funding of Gross Settlement Amount: Within thirty (30) calendar days of the Effective Date, Defendant shall transfer to the Settlement Administrator an amount equal to the Gross Settlement Amount and the Escalator Amount, if any, plus the employer's share of payroll taxes. The delivery of these sums and the employer's share of payroll taxes to the Settlement Administrator shall constitute full and complete discharge of the entire obligation of Defendant under this Settlement. Once Defendant has made such payments, it will be deemed to have satisfied all terms and conditions under this Settlement, shall be entitled to all protections afforded to Defendant under this Settlement, and shall have no further obligations under the terms of the Settlement regardless of what occurs with respect to those sums.

42. Allocation of the Gross Settlement Amount: After the deduction of the amounts approved for the Enhancement Award to the Named Plaintiff, the PAGA Payment, the Settlement Administrator's costs, Settlement Class Counsel's fees and expenses from the Gross Settlement Amount, including the Escalator Amount, if any, the remainder shall be referred to as the Net Settlement Amount.

a. The Net Settlement Amount shall be divided among the Qualified Class Members on a pro-rata basis, based upon the following:

i. Each Qualified Class Member's workweek count, which shall be the sum of the total number of Workweeks the Qualified Class Member worked during the Settlement Class Period;

ii. Divided by the combined sum of all Qualified Class Members' workweek counts; and

iii. Multiplied by the value of the Net Settlement Amount.

b. The Parties agree that if any Qualified Class Member disputes the basis for determining their share of the Settlement, Defendant's records shall presumptively control unless the Qualified Class Member can produce documentation evidence of other workweeks worked during the relevant time period. The Parties further agree that any dispute that cannot be resolved by Settlement Class Counsel and Defendant's Counsel may be brought before the Court before final approval of the Class Settlement.

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c. To the extent that amounts for attorneys' fees and costs and the Enhancement Award outlined below are not approved by the Court, such amounts will be reallocated to the Net Settlement Amount unless allocated otherwise by agreement of the Parties, with approval of the Court.

d. The Parties agree that all of the Net Settlement Amount distributed to each Qualified Class Member will be allocated as follows: twenty percent (20%) as alleged unpaid wages and eighty percent (80%) as alleged penalties and unpaid interest. The Settlement Administrator will issue an IRS W-2 to each Qualified Class Member for the portion of each Individual Settlement Payment allocated as alleged unpaid wages and subject to applicable tax withholdings. The Settlement Administrator shall issue an IRS Form 1099-MISC to each Qualified Class Member for the portion of each Individual Settlement Payment allocated as alleged unpaid non-wage penalties and interest and not subject to payroll tax withholdings. The Parties further agree that the PAGA Payment distributed to each PAGA Employee will be treated entirely as civil penalties and will be reported as such to each PAGA Employee on an IRS Form 1099-MISC, if applicable.

e. Within ten (10) calendar days of the transfer of the Gross Settlement Amount, including the Escalator Amount, if any, to the Settlement Administrator, and only upon the Effective Date being met, the Settlement Administrator shall disburse: (1) the Net Settlement Amount to be paid to Qualified Class Members; (2) the Attorney Fee Award and Cost Award to Settlement Class Counsel for attorneys' fees and costs, as approved by the Court; (3) the Enhancement Award paid to the Named Plaintiff, as approved by the Court; (4) Administrative Costs, as approved by the Court; and (5) the PAGA Payment to the LWDA and PAGA Employees, as approved by the Court.

f. Qualified Class Members and PAGA Employees must cash or deposit their Individual Settlement Payment and PAGA Employee Payment checks within one hundred eighty (180) days from the date of issuance of the check. If any checks are not redeemed or deposited within ninety (90) calendar days after mailing, the Settlement Administrator will send a reminder postcard indicating that unless the check is redeemed or deposited in the next ninety (90) days, it will expire and become non-negotiable. If any checks remain uncashed or not deposited by the expiration of the ninety (90) day period after mailing the reminder notice, the Settlement Administrator will, within two hundred (200) calendar days after the checks are mailed, cancel the checks. All funds associated with the Individual Settlement

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Payment checks and PAGA Employee Payment checks returned as undeliverable and funds associated with those Individual Settlement Payment checks and PAGA Employee Payment checks remaining uncashed, shall be delivered to the State of California's State Controller Unclaimed Property Fund with an identification of the amount of unclaimed funds attributable to each Qualified Class Member and PAGA Employee.

43. PAGA Payment: Subject to the Court's Approval, up to a maximum of Ten Thousand Dollars and Zero Cents ($10,000.00) shall be allocated from the Gross Settlement Amount as the PAGA Payment. Seven Thousand Five Hundred Dollars and Zero Cents ($7,500.00), representing 75% of the PAGA Payment, shall be paid to the LWDA. Two Thousand Five Hundred Dollars and Zero Cents ($2,500.00), representing 25% of the penalties paid pursuant to PAGA, shall be distributed to the PAGA Employees as PAGA Employee Payments. The PAGA Employees shall release their PAGA claims in their entirety and may not opt out of or object to the PAGA release. To arrive at the PAGA Employee Payments, the portion of the PAGA Payment allocated to the PAGA Employees shall be divided among the PAGA Employees on a pro-rata basis, based upon the following:

a. Each PAGA Employee's pay period count, which shall be the sum of the total number of pay periods the PAGA Employee worked during the PAGA Periods;

b. Divided by the combined sum of all PAGA Employees' pay period counts; and

c. Multiplied by the value of the portion of the PAGA Payment allocated to the PAGA Employees.

44. Individual Settlement Payments Do Not Trigger Additional Benefits: All Individual Settlement Payments, PAGA Employee Payments, and the Enhancement Award shall not be utilized to calculate any additional benefits under any benefit plans to which Named Plaintiff, Settlement Class Members and/or PAGA Employees may be eligible including, but not limited to: retirement plans, profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, paid time off, sick leave plans, PTO plans, pension plans, or any other benefit plan. It is the Parties' intention that this Settlement will not affect any rights, contributions, or amounts to which Named Plaintiff, Settlement Class Members, and PAGA Employees may be entitled under any benefit plans.

45. Settlement Administrator: The Settlement Administrator shall be Apex Class Action

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Administration (the "Settlement Administrator"). The Settlement Administrator will maintain acceptable electronic and physical security protocols to adequately protect and safeguard the private employee information it will have access to as a result of the claims process. The fees and expenses of the Settlement Administrator, which is currently estimated at approximately Six Thousand Four Hundred Ninety Dollars and Zero Cents ($6,490.00), shall be paid through the Gross Settlement Amount.

46. Attorneys' Fees and Attorneys' Costs: Subject to the Court's approval, Settlement Class Counsel may petition the Court for attorneys' fees, which collectively shall not exceed Thirty-Three and One Third percent (33.33%) of the Gross Settlement Amount, including the Escalator Amount, if any, plus reasonable costs/expenses not to exceed Twelve Thousand Five Hundred Dollars and Zero Cents ($12,500.00), subject to approval by the Court. Defendant will not object to Settlement Class Counsel's application for attorneys' fees and costs in these amounts. The amount set forth above will cover all work performed and all fees and costs incurred to date, and all work to be performed and all fees and costs to be incurred in the future in connection with the approval by the Court of this Stipulation of Settlement, and the administration of the Settlement. Should Settlement Class Counsel collectively request a lesser amount, or should the Court approve a lesser amount of attorneys' fees and/or attorneys' costs, the difference between the lesser amount and the maximum amount set forth above shall be added to the Net Settlement Amount. Settlement Class Counsel shall not be entitled to further fees or costs from Defendant if they elect to appeal any reduction in the requested fee or cost award. Any reduction by the Court of Settlement Class Counsel's claimed attorneys' fees and/or reasonable costs/expenses shall not be sufficient grounds to void the Settlement. Named Plaintiff and Defendant shall bear their own attorneys' fees and costs, except as provided herein.

47. Named Plaintiff's Enhancement Award: Settlement Class Counsel will not seek more than Ten Thousand Dollars and Zero Cents ($10,000.00) for Named Plaintiff, respectively, in recognition for his service as class and PAGA representative, which shall be paid from the Gross Settlement Amount. It is understood that the Enhancement Award are in addition to any claimed Individual Settlement Payment or PAGA Employee Payment to which Named Plaintiff is entitled. The Enhancement Award shall not be deemed wages and will be reported on an IRS Form 1099-MISC, if applicable.

48. Tax Forms: The Settlement Administrator shall be responsible for issuing the payments

and withholding all required state and federal taxes in accordance with this Stipulation of Settlement. The Settlement Administrator will issue an IRS W-2 to each Qualified Settlement Class Member for the portion of each Individual Settlement Payment allocated as alleged unpaid wages and subject to applicable tax withholdings. The Settlement Administrator shall issue an IRS Form 1099-MISC to each Qualified Settlement Class Member for the portion of each Individual Settlement Payment allocated as alleged unpaid non-wage penalties and interest and not subject to payroll tax withholdings. The Settlement Administrator will also issue IRS Forms 1099 to: (1) Named Plaintiff for the Enhancement Award; (2) the PAGA Employees for their portion of the PAGA Payment; and (3) Settlement Class Counsel for the amount paid for approved fees and costs. The Settlement Administrator will be responsible for preparing these forms correctly. The Settlement Administrator shall also be responsible for submitting Defendant's share of payroll taxes to the appropriate government agencies on behalf of Defendant. Named Plaintiff and Settlement Class Counsel will be responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts received.

49. Indemnification: Named Plaintiff and Settlement Class Counsel acknowledge and agree that they are and will be responsible for the payment of any and all Federal, State, and Local taxes or penalties associated with their respective allocated portions of the payments described herein, and agree to indemnify, defend, and hold the Released Parties harmless from any and all claims by any Federal, State, or Local taxing authority that Named Plaintiff or Settlement Class Counsel failed to pay or underpaid his or their share of taxes associated with the payments set forth in this Settlement. The Parties acknowledge and agree that Settlement Class Counsel is not responsible for the payment of any Federal, State, and Local taxes or penalties associated with payments to Named Plaintiff and Qualified Settlement Class Members.

NOTICE TO THE SETTLEMENT CLASS

50. Within forty-five (45) calendar days of preliminary approval of this Settlement by the Court, Defendant shall provide to the Settlement Administrator a database containing the following information ("Class Member List"):

a. The full name, last known address, last known telephone number, and full social security number of all Settlement Class Members; and

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b. The information necessary to determine the estimated settlement allocation to each Settlement Class Member and PAGA Employee, including without limitation, the total number of workweeks worked by each Settlement Class Member, and the total number of pay periods worked by each PAGA Employee within the Settlement Periods.

51. The Settlement Administrator (along with any of its agents) shall represent and warrant that it will: (1) provide reasonable and appropriate administrative, physical and technical safeguards, including a reasonable security protocol, for any personally identifiable information ("PII"), which it receives from Defendant's Counsel and/or Settlement Class Counsel; (2) not disclose the PII to third parties, including agents or subcontractors, without Defendant's consent; (3) not disclose or otherwise use the PII other than to carry out its duties as set forth herein; and (4) promptly provide Defendant with notice if PII is subject to unauthorized access, use, disclosure, modification, or destruction. The Settlement Administrator may provide notice to all Parties if the PII is subject to unauthorized access, use, disclosure, modification or destruction; however, all additional communications from the Settlement Administrator regarding the scope, circumstances, and substance shall be communicated solely to Defendant.

52. The Settlement Administrator shall send a Notice to each Settlement Class Member by first-class mail within fourteen (14) calendar days of receipt of the Class Member List. Prior to mailing the Notice, the Settlement Administrator shall update the addresses of the Settlement Class Members by reference to the National Change of Address Database maintained by the United States Postal Service. If a Notice is returned as nondeliverable but with a forwarding address, the Settlement Administrator shall resend the Notice to the forwarding address. If a Notice is returned as nondeliverable with no forwarding address, the Settlement Administrator shall conduct an advanced skip trace to locate the most current address of the person to whom the Notice was addressed, and shall resend the Notice to any updated address within five (5) calendar days. Upon completion of these steps, the Parties shall be deemed to have satisfied their obligations to provide the Notice to the affected Settlement Class Members.

53. The Settlement Administrator shall provide to the Court, concurrently with Named Plaintiff's Motion for Final Approval, a declaration of due diligence and proof of mailing with regard to the mailing of the Notices.

54. The Settlement Administrator shall also be responsible for:

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a. Mailing the Notice as directed by the Court;

b. Consulting with counsel for the Parties concerning any relevant issue, including (without limitation) the estimated amounts of approximate Individual Settlement Payments, PAGA Employee Payments, and the acceptance of any late or deficient disputes;

c. Keeping track of timely and proper requests for exclusion;

d. Calculation of the Individual Settlement Payments, PAGA Employee Payments, and the PAGA Payment to the LWDA;

e. Providing weekly status reports to counsel for the Parties, including: (a) the number of Notices mailed (including information regarding undeliverable and/or emailed Notices); (b) the number of disputes received (and sending copies of said disputes); (c) the number of objections received; and (d) the number of requests for exclusion received;

f. Notifying Defendant's Counsel of the wiring instructions to fund the Gross Settlement Amount, including the Escalator Election, if any, as approved by the Court;

g. Preparing the checks containing the Individual Settlement Payments;

h. Distributing and paying the Enhancement Award, Individual Settlement Payments, PAGA Employee Payments, the PAGA Payment to the LWDA, and fees and costs awarded to Settlement Class Counsel;

i. Issuing tax forms and addressing employer and employee-side payroll taxes; and

j. Such other tasks as the Parties mutually agree or the Court orders the Settlement Administrator to perform, including responding to questions from Settlement Class Members.

REQUESTS FOR EXCLUSION

55. Each Settlement Class Member shall have forty-five (45) calendar days from the mailing of the Notice within which to complete and postmark a written request for exclusion, for return to the Settlement Administrator. The written request for exclusion must: (1) state the Settlement Class Member's name, address, telephone number, and social security number or employee identification number; (2) state the Settlement Class Member's intention to exclude themselves from or opt-out of the Settlement (*e.g.* "I want to exclude myself from this settlement. I also understand that I retain all rights to sue Defendant for the claims asserted in this lawsuit."); (3) be addressed to the Settlement Administrator;

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(4) be signed by the Settlement Class Member or their or his or her lawful representative; and (5) be postmarked no later than forty-five (45) calendar days from the mailing of the Notice (or the fifteen (15) day extension referenced below for eligible Settlement Class Members). No requests for exclusion shall be accepted if postmarked after the forty-five (45) calendar day period for the filing of exclusions. Settlement Class Members whose Notices are returned as undeliverable and who are sent a re-mailed Settlement Notice shall be given an extension of fifteen (15) calendar days from their original deadline to postmark a request for exclusion. Settlement Class Members are responsible for maintaining a photocopy of their request for exclusion, reflecting that it was submitted in a timely manner. Any disputes regarding the timeliness of a request for exclusion or whether a written communication constitutes a valid request that cannot be resolved between the Parties shall be determined by the Court, whose determination shall be final.

56. Any Settlement Class Member who validly excludes himself/herself/themselves from this Settlement shall not be bound by this Settlement Agreement, except as to the PAGA Employees who shall release their PAGA claims in their entirety and may not opt out of or object to the PAGA release, and any Settlement Class Member who validly excludes himself/herself/themselves shall not be entitled to any portion of the Net Settlement Amount.

57. If 10% of Settlement Class Members timely opt out of the Settlement by submitting valid and timely requests for exclusion, Defendant shall have the sole and absolute discretion to rescind/void the Settlement Agreement within fifteen (15) calendar days after receiving from the Settlement Administrator the final list of requests for exclusion. Defendant agrees to meet and confer in good faith with Settlement Class Counsel before rescinding or voiding the Settlement Agreement. In the event that Defendant elects to rescind/void the Settlement Agreement, Defendant shall provide written notice of such rescission to Settlement Class Counsel. Such rescission shall have the same effect as a termination of the Settlement Agreement for failure to satisfy a condition of settlement, and the Settlement Agreement shall become null and void and have no further force or effect. The Parties specifically agree not to solicit opt-outs, directly or indirectly, through any means. In the event Defendant rescinds the settlement, Defendant shall be solely responsible for any fees and costs incurred by the Settlement Administrator.

OBJECTIONS TO THE SETTLEMENT

58. Each Settlement Class Member shall have forty-five (45) calendar days from the mailing of the Notice, or such number of days as the Court shall specify, within which to postmark an objection, for return to the Settlement Administrator. Settlement Class Members whose Notices are returned as undeliverable and who are sent a re-mailed Settlement Notice shall be given an extension of fifteen (15) days from their original deadline to object to postmark an objection. Any Settlement Class Member, who does not affirmatively opt-out of the Settlement by submitting a valid and timely request for exclusion, may object to the approval of class action settlement ("Objecting Class Member"). Any Settlement Class Member who makes a timely request for exclusion has waived their right to object. The Objecting Class Member shall inform the Settlement Administrator in writing and (1) state the Objecting Class Member's name, address, telephone number, and social security number or employee identification number; (2) describe, in clear and concise terms, the legal and factual arguments supporting the objection; (3) list identifying witness(es) the objector may call to testify at the Final Approval Hearing; (4) provide true and correct copies of any exhibit(s) the objector intends to offer at the Final Approval Hearing; (5) state whether the objection applies only to the objector, to a specific subset of the Class, or to the entire Class; (6) be addressed to the Settlement Administrator; (7) be signed by the Objecting Class Member or their or his or her lawful representative; and (8) be postmarked no later than forty-five (45) calendar days from the mailing of the Notice (or the fifteen (15) day extension referenced above for eligible Settlement Class Members). Regardless of whether a Settlement Class Member timely submitted a written objection, a Settlement Class Member who wishes to appear at the Final Approval Hearing and be heard orally in support of, or in opposition to the class action settlement, may do so. Settlement Class Members shall have no right to object to the PAGA release or PAGA Payment.

59. Any Settlement Class Member who fails to timely submit an objection shall be foreclosed from making any objection to this Settlement or from filing an appeal of the Court's Final Order and Judgment unless otherwise ordered by the Court.

60. Counsel for the Parties shall file any response to the objections submitted by Objecting Class Members, if any, at least seven (7) calendar days before the date of the Final Approval Hearing.

61. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage

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Settlement Class Members to submit written objections to the Settlement or to appeal from the Court's Final Order and Judgment. Settlement Class Counsel shall not represent any Settlement Class Members with respect to any such objections to this Settlement.

RELEASE OF CLAIMS BY NAMED PLAINTIFF, QUALIFIED CLASS MEMBERS, AND PAGA EMPLOYEES

62. The "Released Claims". Upon the date the Settlement is funded, the Qualified Class Members will release and discharge Defendant and the Released Parties from the claims asserted in the Operative Complaint and Named Plaintiff's Amended PAGA Notice predicated on the factual allegations of the Operative Complaint during the Settlement Class Period and PAGA Period. Upon final approval by the Court, the claims released by the Qualified Class Members will include:

a. The claims alleged in the Operative Complaint, including, but not limited to: (1) failure to pay overtime wages; (2) failure to pay all wages and minimum wages; (3) failure to provide meal periods; (4) failure to provide rest periods; (5) failure to pay any and all meal and/or rest premiums; (6) failure to timely furnish accurate itemized wage statements; (7) failure to timely pay wages during employment; (8) failure to pay unused vested paid vacation time; (9) waiting time penalties; (10) failure to maintain accurate and complete payroll records; (11) unlawful deductions from tips; (12) failure to provide proper and accurate sick pay; (13) failure to provide suitable seating and rest break facilities; (14) failure to reimburse business expenses; (15) failure to provide cooldown periods; (16) violation of Business and Professions Code § 17200, *et seq.*; and (17) violation of the California Private Attorneys General Act of 2004 (Labor Code §§ 2698, *et seq*.); and any claims that could have been pled under federal law, including the FLSA (including but not limited to alleged violations of 29 U.S.C. § 207, 211 & 29 C.F.R. § 516.2(b)) (pursuant to *Villacres v. ABM Indus. Inc.*, 189 Cal. App. 4th 562, 586-590 (2010); *Rangel v. PLS Check Cashers of CA*, 899 F.3d 1106, 1112 (9th Cir. 2018), which confirm an opt-in process is not required to obtain a release of FLSA claims in a state court class action settlement), California common law, including under and the California Business and Professions Code concerning the Plaintiff or the putative class, and claims for interest, penalties (including but not limited to waiting time penalties), as well as any claims under the California Labor Code for violations of Labor Code sections 96, 98.6, 200, 201, 201.3, 201.5, 201.7, 202, 203, 203.5, 204, 204a, 204b, 204.1, 204.2, 205, 205.5, 206.5, 210,

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212, 221, 222, 222.5, 223, 226, 226.2, 226.3, 226.7, 226.8, 227.3, 231, 232, 232.5, 233, 234, 245, 246, 351, 353, 404, 432, 432.3, 432.5, 432.7, 432.8, 450, 510, 511, 512, 551, 552, 558, 558.1, 1101, 1102.5, 1174, 1174.5, 1182.12, 1194, 1194.2, 1195.5, 1197, 1197.1, 1197.5, 1198, 1198.5, 1199, 1290, 1292, 1293, 1294.1, 1301, 1391, 1475, 1527, 1695.55, 1696.5, 1700.31, 1771, 1774, 1775, 1776, 1811, 1815, 2673, 2698 *et seq*., 2699, 2699.3, 2699.5 2800, 2802, 2810.5, 3366, 3395, 3457, 8397.4, applicable IWC Wage Orders; and California Code of Regulations, Title 8, sections 11000 *et seq.* and 3395, including claims for injunctive relief, declaratory relief, restitution, as well as those claims predicated on the same or similar facts and/or claims alleged in the Lawsuit or PAGA Notice.

b. In addition, to the extent required by law, the cashing of the settlement check by the Qualified Class Member shall be deemed to be an opt-in for purposes of releasing Released Parties from any claims predicated under the FLSA as outlined in the Operative Complaint. The Administrator shall include a legend on the settlement check stating, "By cashing this check, I am opting into the settlement in *Giuseppe Losavio v. 362NCD Beverly Hills LLC, Los Angeles County Superior Court*, Case No. 24STCV30619, under the federal Fair Labor Standards Act ("FLSA"), 29 U.S.C. § 216(b), and releasing the Released Claims described in the Settlement Agreement."

63. Release of PAGA Claims. Upon the date the Settlement is funded, Named Plaintiff and the PAGA Employees hereby do and shall be deemed to have fully, finally, and forever released, settled, compromised, relinquished and discharged any and all of the Released Parties of and from any and all claims for violation of the California Private Attorneys General Act of 2004 (Labor Code § 2698 *et seq.*), ("PAGA claims") as alleged in the Operative Complaint, which includes those alleged in the Ameded PAGA Notice sent to the LWDA by Named Plaintiff that arose at any time during the PAGA Period, including, but not limited to: (1) failure to pay overtime wages; (2) failure to pay all wages and minimum wages; (3) failure to provide meal periods; (4) failure to provide rest periods; (5) failure to timely furnish accurate itemized wage statements; (6) failure to timely pay wages during employment; (7) failure to pay unused vested paid vacation time; (8) waiting time penalties; (9) failure to maintain accurate and complete payroll records; (10) unlawful deductions from tips; (11) failure to provide proper and accurate sick pay; (12) failure to provide suitable seating and rest break facilities; (13) failure to reimburse business expenses; (14) failure to provide cooldown periods; any claims under the California Labor Code for

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violations of Labor Code sections 96, 98.6, 200, 201, 201.3, 201.5, 201.7, 202, 203, 203.5, 204, 204a, 204b, 204.1, 204.2, 205, 205.5, 206.5, 210, 212, 221, 222, 222.5, 223, 226, 226.2, 226.3, 226.7, 226.8, 227.3, 231, 232, 232.5, 233, 234, 245, 246, 351, 353, 404, 432, 432.3, 432.5, 432.7, 432.8, 450, 510, 511, 512, 551, 552, 558, 558.1, 1101, 1102.5, 1174, 1174.5, 1182.12, 1194, 1194.2, 1195.5, 1197, 1197.1, 1197.5, 1198, 1198.5, 1199, 1290, 1292, 1293, 1294.1, 1301, 1391, 1475, 1527, 1695.55, 1696.5, 1700.31, 1771, 1774, 1775, 1776, 1811, 1815, 2673, 2698 *et seq*., 2699, 2699.3, 2699.5 2800, 2802, 2810.5, 3366, 3395, 3457, 8397.4, applicable IWC Wage Orders; and California Code of Regulations, Title 8, sections 11000 *et seq*. and 3395, as well as those claims predicated on the same or similar facts and/or claims alleged in the Lawsuit or PAGA Notice The PAGA Employees will be issued a check for their share of the PAGA Payment and will not have the opportunity to opt out of, or object to, the PAGA Payment and release of the PAGA Claims set forth in this Paragraph. The PAGA Employees are bound by the release of the PAGA Claims regardless of whether they cash or deposit their PAGA Employee Payment.

64. Named Plaintiff's Claims. In addition, as to the claims of Named Plaintiff, the Released Claims further include, without limitation, any and all claims whatsoever regarding Plaintiff's respective employment and/or the termination of employment including, but not limited to, any claims for wages, bonuses, severance pay, vacation pay, penalties, employment benefits, stock options, violation of any personnel policy, any claims based on discrimination, harassment, unlawful retaliation, violation of public policy, or damages of any kind whatsoever, arising out of any common law torts, contracts, express or implied, any covenant of good faith and fair dealing, any theory of wrongful discharge, any theory of negligence, any theory of retaliation, any legal restriction on any Defendant's right to terminate the employment relationship, or any federal, state, or other governmental statute, executive order, regulation or ordinance, or common law, or any other basis whatsoever, to the fullest extent provided by law. Named Plaintiff shall be deemed to have, and by operation of the Final Order and Judgment shall have, expressly waived and relinquished to the fullest extent permitted by law the provisions, rights, and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law that purports to limit the scope of a general release. Named Plaintiff, for himself, have read Section 1542 of the Civil Code of the State of California, which provides as follows:

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A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH 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.

Named Plaintiff understands that Section 1542 gives the right not to release existing claims of which he is not now aware, unless Named Plaintiff voluntarily chooses to waive this right. Having been so apprised, Named Plaintiff nevertheless voluntarily waive the rights described in Section 1542, and elects to assume all risks for claims that now exist in their favor, known or unknown. The release of the claims of Named Plaintiff as set forth in this Paragraph is a condition precedent to enforcement of the Settlement Agreement, and, the Parties agree to execute a confidential, individual settlement agreement and release of claims as to Plaintiff's non class and/or PAGA claims.

DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL/CLASS CERTIFICATION

65. For settlement purposes only, the Parties agree that the Settlement Class as defined in Paragraph 24, above, may be certified in the Lawsuit. The Parties are not certifying any PAGA claims. In support of this Agreement, Named Plaintiff will request that the Court certify for settlement purposes the Settlement Class as to all non-PAGA claims that have been asserted, which Defendant shall not oppose or object to.

66. Settlement Class Counsel shall promptly submit this Stipulation of Settlement to the Court in support of Named Plaintiff's Motion for Preliminary Approval and for determination by the Court as to whether the proposed Settlement is within the range of possible judicial approval. Promptly upon execution of this Stipulation of Settlement, Settlement Class Counsel shall apply to the Court for the entry of an order substantially in the following form:

a. Scheduling of the Final Approval Hearing on the question of whether the proposed Settlement, including payment of attorneys' fees and costs and the Enhancement Award should be finally approved as fair, reasonable and adequate as to the Settlement Class Members and for approval of the PAGA Settlement;

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b. Certifying the Settlement Class for purposes of the Settlement;

c. Approving the Class Notice attached hereto as **Exhibit A**;

d. Directing the mailing of the Notice by first-class mail to the Settlement Class Members and PAGA Employees; and

e. Preliminarily approving the Settlement subject only to the objections of the Settlement Class Members and final review by the Court.

67. The Parties will work cooperatively to mutually agree upon the form and content of the Notice, as well as the Proposed Order Granting Preliminary Approval.

68. Named Plaintiff and Settlement Class Counsel will not make any public disclosure of the Settlement until after the filing of the motion for preliminary approval of the Settlement. Named Plaintiff and Settlement Class Counsel represent that they have not made any such disclosure. Named Plaintiff, Defendant, Defendant's Counsel and Settlement Class Counsel shall not encourage members of the Settlement Class to opt-out. Settlement Class Counsel will take all steps necessary to ensure that Named Plaintiff is aware of, and will encourage him to adhere to, the restriction against any public disclosure of the Settlement until after the Settlement is preliminarily approved by the Court. Thereafter, Settlement Class Counsel and Named Plaintiff agree not to publicize the terms of this Settlement with the media, including but not limited to, any newspaper, journal, magazine, website and/or online reporter of settlements or on any website.

DUTIES OF THE PARTIES FOLLOWING FINAL APPROVAL

69. Following final approval by the Court of the Settlement provided for in this Stipulation of Settlement, Settlement Class Counsel shall submit a proposed Final Order and Judgment in approximately the following form and with input from Defendant's Counsel: Approving the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions including the approval of Settlement Class Counsel's application for an award of attorneys' fees and costs and the Enhancement Award to the Named Plaintiff. The Parties will work cooperatively to mutually agree upon the form and content of the proposed Final Order and Judgement.

70. Provided the Judgment is consistent with the terms and conditions of this Agreement, the Parties and their respective counsel waive all rights to appeal from the Judgment, including all rights to

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post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs, or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Class Settlement Amount and/or the PAGA Settlement Amount.

VOIDING OF AGREEMENT IF SETTLEMENT NOT FINALIZED

71. Subject to the obligations of mutual full cooperation set forth herein, either Named Plaintiff or Defendant may terminate this Settlement if after submitting the settlement for approval to the Court, the Court declines to enter the preliminary approval order, the final approval order, or judgment in substantially the form submitted by the Parties, or if the Stipulation of Settlement as agreed does not become final because of appellate court action. The terminating party shall give to the other party (through counsel) written notice of its decision to terminate no later than fourteen (14) calendar days after receiving notice that one of the enumerated events has occurred. Termination shall have the following effects:

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

b. In the event the Settlement Agreement is terminated, Defendant shall have no obligation to make any payments to any party, Settlement Class Member, PAGA Employee, or attorney. If there are any fees incurred by the Settlement Administrator and the settlement is terminated by Defendant, Defendant shall solely be responsible for any costs and fees incurred by the Settlement Administrator.

c. The preliminary approval order, final approval order and judgment shall be vacated.

d. The Stipulation of Settlement and all negotiations, statements and proceedings relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be restored to their respective positions prior to the Settlement.

e. Except as otherwise discoverable, neither this Settlement Agreement nor any ancillary documents, actions, statements or filings in furtherance of settlement (including all matters associated with the mediation) shall be admissible or offered into evidence in the Lawsuit or any other

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action for any purpose whatsoever, except that Named Plaintiff may reveal information that Defendant may have marked as confidential under the mediation privilege including the data, documents, and sampling exchanged for mediation purposes for the purpose of presenting the Court with information supporting the fairness, reasonableness or adequacy of the Settlement.

PARTIES' AUTHORITY

72. The signatories hereto hereby represent that they are fully authorized to enter into this Stipulation of Settlement and bind the Parties hereto to the terms and conditions thereof.

MUTUAL FULL COOPERATION

73. The Parties agree to fully cooperate with each other to accomplish the terms of this Stipulation of Settlement, including, but not limited to, execution of such documents and taking of such action as reasonably may be necessary to implement the terms of this Stipulation of Settlement. The Parties to this Stipulation of Settlement shall use their best efforts, including all efforts contemplated by this Stipulation of Settlement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Stipulation of Settlement and the terms set forth herein. As soon as practicable after execution of this Stipulation of Settlement, Settlement Class Counsel shall take all necessary steps to secure the Court's final approval of this Stipulation of Settlement.

NO PRIOR ASSIGNMENTS

74. The Parties and their respective counsel represent, covenant and warrant that they have not, directly or indirectly, assigned, transferred, encumbered or purported to assign, transfer or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged except as set forth herein.

NO ADMISSION

75. Nothing contained herein, nor the consummation of this Stipulation of Settlement, is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant. Each of the Parties hereto has entered into this Stipulation of Settlement solely with the intention to avoid further disputes and litigation with the attendant inconvenience and expenses. Defendant denies liability and denies that Named Plaintiff would ultimately be entitled to certify a class as defined in the Operative Complaint.

BREACH AND ENFORCEMENT ACTIONS

76. The Parties will jointly request that the Court retain jurisdiction pursuant to California Code of Civil Procedure § 664.6 to oversee and enforce the terms of this Settlement. In the event of a breach of this Settlement, the nonbreaching Party shall provide notice to the breaching party and request that the breaching party cure any alleged breach. If the breach is not cured within thirty (30) days of said notice, the nonbreaching party may pursue legal action or other proceeding against any other breaching party or parties to enforce the provisions of this Stipulation of Settlement or to declare rights or obligations under this Stipulation of Settlement. In the event of such enforcement actions, the successful party or parties shall be entitled to recover from the unsuccessful party or parties attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions. All such disputes shall be resolved by the Court.

NOTICES

77. Unless otherwise specifically provided herein, all notices, demands or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the third business day after mailing both electronically and by United States registered or certified mail, return receipt requested, and addressed as follows:

To Named Plaintiff, the Settlement Class, and Settlement Class Counsel:

Harout Messrelian, Bar No. 272020
hm@messrelianlaw.com
MESSRELIAN LAW INC.
101 N. Brand Blvd., Suite 1450 Glendale, CA
91203
Telephone: 818.484.6531
Facsimile: 818.956.1983

To Defendant and Defendant's Counsel:

Elizabeth Staggs Wilson, Bar No. 183160
estaggs-wilson@littler.com
LITTLER MENDELSON, P.C.
633 West 5th Street
63rd Floor
Los Angeles, California 90071
Telephone: 213.443.4300
Facsimile: 800.715.1330

Jyoti Mittal, Bar No. 288084
jmittal@littler.com

LITTLER MENDELSON, P.C.
2049 Century Park East,
5th Floor
Los Angeles, California 90067.3107
Telephone: 310.553.0308
Facsimile: 800.715.1330

CONSTRUCTION

78. The Parties hereto agree that the terms and conditions of this Stipulation of Settlement are the result of lengthy, intensive arms-length negotiations between the Parties, and this Stipulation of Settlement shall not be construed in favor of or against any party by reason of the extent to which any Party or their counsel participated in the drafting of this Stipulation of Settlement.

CAPTIONS AND INTERPRETATIONS

79. Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend or describe the scope of this Stipulation of Settlement or any provision of it. Each term of this Stipulation of Settlement is contractual and not merely a recital.

MODIFICATION

80. This Stipulation of Settlement may not be changed, altered or modified, except in writing and signed by the Parties hereto and approved by the Court. This Stipulation of Settlement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties hereto.

INTEGRATION CLAUSE

81. This Stipulation of Settlement, and the Exhibits attached hereto and incorporated herein by reference, contain the entire agreement between the Parties relating to the settlement and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

BINDING ON ASSIGNS

82. This Stipulation of Settlement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors and assigns.

SETTLEMENT CLASS MEMBER SIGNATORIES

83. It is agreed that because the Settlement Class Members are so numerous, it is impossible

or impractical to have each member execute this Stipulation of Settlement. The Class Notice, **Exhibit A** hereto, will advise the Settlement Class Members of the binding nature of the release, and the release shall have the same force and effect as if this Stipulation of Settlement were executed by each member.

COUNTERPARTS

84. This Stipulation of Settlement may be executed in counterparts and by facsimile signatures, and when each party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original and, when taken together with other signed counterparts, shall constitute one Stipulation of Settlement binding upon and effective as to all Parties.

IN WITNESS HEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Settlement and Release between Named Plaintiff and Defendant as of the date(s) set forth below:

Dated: 5/15/2026, 2026

ID zNxqQh8J4Yj4ayeS4fpG5tbR

Giuseppe Losavio
Plaintiff and Class Representative

Dated:____________________, 2026

Vincent Ottomanelli
Chief Financial Officer for
362NCD BEVERLY HILLS LLC

APPROVED AS TO FORM AND CONTENT

Dated: 05/15, 2026

MESSRELIAN LAW INC.

ID KYhMeu5Fr4NSEpB2ytAe7KxZ

Harout Messrelian
Attorneys for Plaintiff
GIUSEPPE LOSAVIO

LITTLER MENDELSON, P.C.
633 West 5th Street
63rd Floor
Los Angeles, California 90071
213.443.4300

or impractical to have each member execute this Stipulation of Settlement. The Class Notice, **Exhibit A** hereto, will advise the Settlement Class Members of the binding nature of the release, and the release shall have the same force and effect as if this Stipulation of Settlement were executed by each member.

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IN WITNESS HEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Settlement and Release between Named Plaintiff and Defendant as of the date(s) set forth below:

Dated:__________________, 2026

____
Giuseppe Losavio
Plaintiff and Class Representative

Dated:____May 14_________, 2026

____
Vincent Ottomanelli
Chief Financial Officer for
362NCD BEVERLY HILLS LLC

APPROVED AS TO FORM AND CONTENT

Dated: __________, 2026

MESSRELIAN LAW INC.

____
Harout Messrelian
Attorneys for Plaintiff
GIUSEPPE LOSAVIO

LITTLER MENDELSON, P.C.
633 West 5th Street
63rd Floor
Los Angeles, California 90071
213.443.4300

Dated: May 15, 2026

LITTLER MENDELSON P.C.

Elizabeth Staggs Wilson
Jyoti Mittal

Attorneys for Defendant
362NCD Beverly Hills LLC

LITTLER MENDELSON, P.C.
633 West 5th Street
63rd Floor
Los Angeles, California 90071
213.443.4300

EXHIBIT A

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

GIUSEPPE LOSAVIO v. 362NCD BEVERLY HILLS LLC, Case No. 24STCV30619

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 362NCD BEVERLY HILLS LLC ("362NCD") for alleged wage and hour violations. The Action was filed by a former 362NCD employee GIUSEPPE LOSAVIO ("Plaintiff") and seeks payment of (1) back wages and other relief for all current and former non-exempt California employees ("Class Members") who worked for 362NCD during the Class Period from December 25, 2023, through July 27, 2025;

The proposed settlement is a class settlement requiring 362NCD to fund individual class payments.

Based on 362NCD's records, and the parties' current assumptions, your **individual class payment is estimated to be $______________** (less withholding). The actual amount you may receive likely will be different and will depend on a number of factors.

The above estimates are based on 362NCD's records showing that **you worked __________ workweeks** during the Class Period. If you believe that you worked more workweeks during this period, you can submit a challenge by the deadline date. See Section IV 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 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 Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires 362NCD to make payments under the settlement and requires Class Members to give up their rights to assert certain claims against 362NCD.

If you worked for 362NCD during the Class 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. As a participating class member, though, you will give up your right to assert Class Period wage claims against 362NCD.

(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 362NCD.

362NCD 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, eligible for an individual class payment. In exchange, you will give up your right to assert the wage claims against 362NCD that are covered by this settlement ("Released Claims").
You Can Opt-out of the Class Settlement The Opt-out Deadline is ____________	If you don't want to fully participate in the proposed settlement, you can opt-out of the class settlement by sending the Administrator a written request for exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an individual class payment. Non-Participating Class Members cannot object to any portion of the proposed settlement. See Section VI of this notice.
Participating Class Members Can Object to the Class Settlement Written Objections Must be Submitted by ____________	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed settlement. The Court's decision whether to finally approve the settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section VII of this notice.
You Can Participate in the Final Approval Hearing	The Court's final approval hearing is scheduled to take place on ______________. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the settlement at the final approval hearing. See Section VIII of this notice.
You Can Challenge the Calculation of Your Workweeks Written Challenges Must be Submitted by ____________	The amount of your individual class payment depends on how many workweeks you worked at least one day during the Class Period. The number of Class Period workweeks you worked according to 362NCD's records is stated on the first page of this notice. If you disagree with the number of Class Period workweeks, you must challenge it by ____________. See Section IV of this notice.

I. WHAT IS THE ACTION ABOUT?

Plaintiff is a former 362NCD employee. The Action accuses 362NCD of violating California labor laws for 362NCD's alleged (1) failure to pay overtime wages; (2) failure to pay all wages and minimum wages; (3) failure to provide meal periods; (4) failure to provide rest periods; (5) failure to pay any and all meal and/or rest premiums; (6) failure to timely furnish accurate itemized wage statements; (7) failure to timely pay wages during employment; (8) failure to pay unused vested paid vacation time; (9) waiting time penalties; (10) failure to maintain accurate and complete payroll records; (11) unlawful deductions from tips; (12) failure to provide proper and accurate sick pay; (13) failure to provide suitable seating and rest break facilities; (14) failure to reimburse business expenses; (15) failure to provide cooldown periods; (16) violation of Business and Professions Code § 17200, et seq.; and (17) violation of the California Private Attorneys General Act of 2004 (Labor Code §§ 2698, et seq.). Plaintiff is represented by attorneys in the Action: MESSRELIAN LAW INC.

362NCD strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

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

So far, the Court has made no determination whether 362NCD or Plaintiff is correct on the merits. In the meantime, Plaintiff and 362NCD hired a retired judge in an effort to resolve the Action by negotiating an agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a settlement agreement and agreeing to ask the Court to enter a judgment ending the Action, Plaintiff and 362NCD 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, 362NCD does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the settlement is a good deal for you because they believe that: (1) 362NCD has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) settlement is in the best interests of the Class Members. The Court preliminarily approved the proposed settlement as fair, reasonable and adequate, authorized this notice, and scheduled a hearing to determine final approval.

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

1. **362NCD Will Pay $175,000.00 as the Gross Settlement Amount ("Gross Settlement")**. 362NCD has 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, a class representative service payment, Class Counsel's attorneys' fees and expenses, and the Administrator's expenses. Assuming the Court grants final approval, 362NCD 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, Plaintiff 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:

A. Up to $58,327.50 [1/3 of the Gross Settlement] to Class Counsel for attorneys' fees and up to $12,500.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

B. Up to $10,000.00 to Plaintiff as a class representative award for filing the Action, working with Class Counsel and representing the Class. A class representative award will be the only monies Plaintiff will receive other than Plaintiff's individual class payment.

C. Up to $6,490.00 to the Administrator for services administering the settlement.

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.** Plaintiff and 362NCD are asking the Court to approve an allocation of 20% of each individual class payment to taxable wages ("Wage Portion") and 80% to penalties and unpaid interest ("Non-Wage Portion"). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. 362NCD will separately pay employer payroll taxes it owes on the Wage Portion. The Administrator will report the Non-Wage Portions of the individual class payments on IRS 1099 Forms.

Although Plaintiff and 362NCD 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 if you have any questions about the tax consequences of the proposed settlement.

Need to Promptly Cash Payment Checks. The front of every check issued for individual class 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 monies will be deposited with the California Controller's Unclaimed Property Fund in your name.

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

5. **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 Class Member's representative setting forth the Class Member's name, present address, telephone number, and a simple statement electing to be excluded from the settlement. Class Members who opt out will not receive individual class payments, but will preserve their rights to personally pursue wage and hour claims against 362NCD.

6. **The Proposed Settlement Will be Void if the Court Denies Final Approval.** It is possible the Court will not grant final approval of the settlement or not enter a judgment. It is also possible the Court will enter a judgment that is reversed on appeal. Plaintiff and 362NCD have agreed that, in either case, the settlement will be void: 362NCD will not pay any money and Class Members will not release any claims against 362NCD.

7. **Administrator.** The Court has appointed a neutral company, APEX Class Action Administration (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 IX of this notice.

8. **Participating Class Members' Release.** After the Judgment is final and 362NCD 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 362NCD or related entities for wages based on the Class Period facts, as alleged in the Action and resolved by this settlement.

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

   > The claims alleged in the Operative Complaint, including, but not limited to: (1) failure to pay overtime wages; (2) failure to pay all wages and minimum wages; (3) failure to provide meal periods; (4) failure to provide

rest periods; (5) failure to pay any and all meal and/or rest premiums; (6) failure to timely furnish accurate itemized wage statements; (7) failure to timely pay wages during employment; (8) failure to pay unused vested paid vacation time; (9) waiting time penalties; (10) failure to maintain accurate and complete payroll records; (11) unlawful deductions from tips; (12) failure to provide proper and accurate sick pay; (13) failure to provide suitable seating and rest break facilities; (14) failure to reimburse business expenses; (15) failure to provide cooldown periods; (16) violation of Business and Professions Code § 17200, et seq.; and (17) violation of the California Private Attorneys General Act of 2004 (Labor Code §§ 2698, et seq.); and any claims that could have been pled under federal law, including the FLSA (including but not limited to alleged violations of 29 U.S.C. § 207, 211 & 29 C.F.R. § 516.2(b)) (pursuant to Villacres v. ABM Indus. Inc., 189 Cal. App. 4th 562, 586-590 (2010); Rangel v. PLS Check Cashers of CA, 899 F.3d 1106, 1112 (9th Cir. 2018), which confirm an opt-in process is not required to obtain a release of FLSA claims in a state court class action settlement), California common law, including under and the California Business and Professions Code concerning the Plaintiff or the putative class, and claims for interest, penalties (including but not limited to waiting time penalties), as well as any claims under the California Labor Code for violations of Labor Code sections 96, 98.6, 200, 201, 201.3, 201.5, 201.7, 202, 203, 203.5, 204, 204a, 204b, 204.1, 204.2, 205, 205.5, 206.5, 210, 212, 221, 222, 222.5, 223, 226, 226.2, 226.3, 226.7, 226.8, 227.3, 231, 232, 232.5, 233, 234, 245, 246, 351, 353, 404, 432, 432.3, 432.5, 432.7, 432.8, 450, 510, 511, 512, 551, 552, 558, 558.1, 1101, 1102.5, 1174, 1174.5, 1182.12, 1194, 1194.2, 1195.5, 1197, 1197.1, 1197.5, 1198, 1198.5, 1199, 1290, 1292, 1293, 1294.1, 1301, 1391, 1475, 1527, 1695.55, 1696.5, 1700.31, 1771, 1774, 1775, 1776, 1811, 1815, 2673, 2698 et seq., 2699, 2699.3, 2699.5 2800, 2802, 2810.5, 3366, 3395, 3457, 8397.4, applicable IWC Wage Orders; and California Code of Regulations, Title 8, sections 11000 et seq. and 3395, including claims for injunctive relief, declaratory relief, restitution, as well as those claims predicated on the same or similar facts and/or claims alleged in the Lawsuit or PAGA Notice.

IV. 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. **Workweek Challenges.** The number of Workweeks you worked during the Class Period, as recorded in 362NCD's records, is stated in the first page of this notice. You have until _______________ to challenge the number of Workweeks. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section IX 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 362NCD's calculation of Workweeks based on 362NCD's 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 challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and 362NCD's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

V. HOW WILL I GET PAID?

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). 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 IX of this notice has the Administrator's contact information.

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

To opt out of the class action settlement, submit a written and signed letter with (1) your name, address, telephone number, and social security number or employee identification number; (2) state the your intention to exclude yourself from or opt-out of the Settlement (e.g. "I want to exclude myself from this settlement. I also understand that I retain all rights to sue Defendant for the claims asserted in this lawsuit."); (3) be addressed to the Settlement Administrator; (4) be signed by you or your lawful representative. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as ______________________________, 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. You must send your request to be excluded to the Administrator by _______________, or it will be invalid. Section IX of the notice has the Administrator's contact information.

VII. 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 Plaintiff and 362NCD are asking the Court to approve. At least _________ days before the final approval hearing, Class Counsel and/or Plaintiff will file in Court a Motion for Final Approval that includes, among other things, the reasons why the proposed settlement is fair, and states (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a class representative service award. Upon reasonable request, Class Counsel (whose contact information is in Section IX 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 or the Court's website.

A Participating Class Member who disagrees with any aspect of the settlement or the Motion for Final Approval may wish to object, for example, that the proposed settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. The deadline for sending written objections to the Administrator is ______________. You must inform the Settlement Administrator in writing and (1) state the your name, address, telephone number, and social security number or employee identification number; (2) describe, in clear and concise terms, the legal and factual arguments supporting your objection; (3) list identifying witness(es) you may call to testify at the Final Approval Hearing; (4) provide true and correct copies of any exhibit(s) you intend to offer at the Final Approval Hearing; (5) state whether the objection applies only to you, to a specific subset of the Class, or to the entire Class; (6) be addressed to the Settlement Administrator; and (7) be signed by the Objecting Class Member or their or his or her lawful representative.

See Section VIII of this notice (immediately below) for specifics regarding the final approval hearing.

VIII. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the final approval hearing on ______________ at __________ in Department [____] of the Superior Court of Los Angeles County, located at 111 N Hill St, Los Angeles, CA 90012. 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, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and defense counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (https://www.lacourt.ca.gov/pages/lp/lacc-welcome). 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.

IX. HOW CAN I GET MORE INFORMATION?

The settlement agreement sets forth everything 362NCD and Plaintiff have promised to do under the proposed settlement. The easiest way to read the settlement agreement, the judgment or any other settlement documents is to go to ____________________ website at ________________________. 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://www.lacourt.ca.gov/pages/lp/access-a-case/tp/find-case-information/cp/os-civil-case-access) and entering the Case Number for the Action, Case No. 24STCV30619. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800. DO NOT TELEPHONE THE COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel:

Name of Attorney: Harout Messrelian, Esq.
Email Address: hm@messrelianlaw.com
Name of Firm: Messrelian Law Inc.
Mailing Address: 101 N. Brand Blvd., Suite 1450, Glendale, California 91203
Telephone: (818) 484-6531

Settlement Administrator:

Name of Company: APEX Class Action Administration
Email Address: info@apexclassaction.com
Mailing Address: 18 Technology Drive, Suite 154 Irvine, CA 92618
Telephone: (800) 355-0700

X. 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 • you will have no way to recover the money.

XI. 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 B

FILED
Superior Court of California
County of Los Angeles
02/04/2026
David W. Slayton, Executive Officer / Clerk of Court
By: J. Turriaga Deputy

HAROUT MESSRELIAN (SBN 272020)
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Telephone (818) 484-6531
Facsimile (818) 956-1983

Attorneys for Plaintiff,
GIUSEPPE LOSAVIO

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

GIUSEPPE LOSAVIO,

Plaintiff,

vs.

362NCD BEVERLY HILLS LLC.; and DOES 1 to 25, inclusive,

Defendant(s).

Case No.: 24STCV30619

CLASS ACTION

FIRST AMENDED COMPLAINT FOR:

1) Failure to Pay All Wages Earned for All Hours Worked at the Correct Rates of Pay;
2) Failure to Provide Rest Breaks;
3) Failure to Provide Meal Periods;
4) Failure to Indemnify;
5) Violation of Labor Code § 227.3;
6) Failure to Provide Accurate Itemized Wage Statements;
7) Failure To Pay Wages When Employment Ends;
8) Failure to Pay Wages Owed Every Pay Period;
9) Civil Penalties (Lab. Code §§ 2698, *et seq.*); and
10) Unfair Competition (Bus. & Prof. Code, § 17200*q*.)

JURY TRIAL DEMANDED

Plaintiff GIUSEPPE LOSAVIO (hereafter "Plaintiff"), on behalf of himself and all others similarly situated, complains and alleges as follows:

I. INTRODUCTION

1. Plaintiff brings this class and representative action based on alleged violations of the California Labor Code, Industrial Welfare Commission Order No. 5-2001 (hereafter "the Wage Order"), and the California Business and Professions Code against 362NCD BEVERLY HILLS LLC and DOES 1 to 25, inclusive, (collectively "362NCD" or "Defendants").

2. As set forth in more detail below, Plaintiff alleges that Defendants are liable to her and other similarly situated workers for unpaid wages, statutory penalties, interest, and related relief. These claims are based on Defendants' failures to:

(A) Pay all wages, including minimum, regular, overtime and doubletime wages, earned for all hours worked at the correct rates of pay;

(B) Provide all meal periods;

(C) Authorize and permit all rest breaks;

(D) Pay premium wages for unprovided meal periods;

(E) Pay premium wages for unprovided rest breaks;

(F) Pay accrued vacation pay;

(G) Indemnify for necessary work-related expenditures;

(H) Issue only accurate and complete itemized wage statements; and

(I) Provide statements of available sick leave; and

(J) Timely pay wages during and upon termination of employment.

Accordingly, Plaintiff now seeks to recover unpaid wages, interest, liquidated damages, restitution, statutory penalties, attorneys' fees, costs, and related relief through this class action.

II. THE PARTIES

3. Plaintiff Giuseppe Losavio is a resident of California. At all relevant times, Plaintiff was an "employee" within the meaning of Title 8 California Code of Regulations Section 11050 and an "Aggrieved Employee" within the meaning of Labor Code Section 2699(c).

4. At all times mentioned herein, Defendant 362NCD BEVERLY HILLS LLC is and was a California Limited Liability Company. As such, it is a citizen of California based on Plaintiff's information and belief and conducted business in Los Angeles County, California.

5. Plaintiff is ignorant of the true names, capacities, relationships, and extents of participation in the conduct alleged herein, of the defendants sued as DOES 1-25, inclusive, but is informed and believes and thereon alleges that said defendants are legally responsible for the wrongful conduct alleged herein and therefore sues these defendants by such fictitious names. Plaintiff will amend the Complaint to allege the true names and capacities of the DOE defendants when ascertained.

6. Plaintiff is informed and believes and thereon alleges that, at all relevant times herein, each Defendant was the principal, agent, partner, joint venturer, joint employer, officer, director, controlling shareholder, subsidiary, affiliate, parent corporation, successor in interest and/or predecessor in interest of some or all of the other Defendants, and was engaged with some or all of the other defendants in a joint enterprise for profit, and bore such other relationships to some or all of the other Defendants so as to be liable for their conduct with respect to the matters alleged in this complaint. Plaintiff is further informed and believes and thereon alleges that each Defendants acted pursuant to and within the scope of the relationships alleged above, and that at all relevant times, each Defendant knew or should have known about, authorized, ratified, adopted, approved, controlled, aided and abetted the conduct of all other Defendants.

7. At all relevant times, in perpetrating the acts and omissions alleged herein, Defendants, and each of them, acted pursuant to and in furtherance of a policy, practice, or a lack of a practice which resulted in Defendants not compensating Plaintiff and the other Class Members or otherwise complying with their rights in accordance with applicable California labor laws as alleged herein.

8. At all relevant times, in perpetrating the acts and omissions alleged herein, Defendants and each of them acted pursuant to and in furtherance of a policy and/or practice, or lack thereof, which resulted in Defendants not paying Plaintiff and other members of the below-described class in accordance with applicable laws as alleged herein.

III. JOINT LIABILITY

9. Plaintiff is informed and believes, and thereon alleges that at all relevant times Defendants operated as a single integrated enterprise with common ownership and centralized human resources. As a result, Defendants utilized the same unlawful policies and practices and subjected all Class Members to these same policies and practices regardless of the location(s) where they worked. Among other things, Plaintiff is informed and believes that: (1) there is common ownership in, and financial control, in Defendants' companies, (2) Defendants utilize common management, who have control over the day-to-day operations and employment matters, including the power to hire and fire, set schedules, issue employee policies, and determine rates of compensation across its locations in California; (3) Defendants utilize the same policies and procedures for all California employees, including issuing the same employee handbooks and other form agreements; (4) Defendants use at least some of the same Human Resources personnel and attorneys to oversee employment matters; and, (5) Defendants share employees.

10. Plaintiff is informed and believes, and thereon alleges that at all times relevant to this Complaint, Defendants were the joint employers of Plaintiff and the Class Members upon whose behalf Plaintiff brings these allegations and causes of action, in that Defendants, exercised sufficient control over Plaintiff and the Class Members' wages, hours and working conditions, and/or suffered or permitted Plaintiff and the Class Members to work so as to be considered the joint employers of Plaintiff and the Class Members. As such, Defendants exercised control over various aspects of Plaintiff's employment including but not limited to creating and implementing policies to which Plaintiff was subjected to and/or controlling the payment of wages and/or compensation for Plaintiff and other Class Members.

11. Upon further information and belief, Plaintiff alleges that Defendants created a uniform set of policies, practices and/or procedures concerning, inter alia, pay rates, timekeeping practices, meal and rest periods, and/or other working conditions that were distributed to, and/or applied to Plaintiff and Class Members, and further that Defendants uniformly compensated and controlled the wages of Plaintiff and Class Members in a uniform manner.

12. Thus, Defendants collectively exercised the right to control the wages, hours and working conditions of Plaintiff and Class Members. Plaintiff is informed and believes that Defendants exercised the same control over, applied the same policies and practices, and engaged in the same acts and omissions with regard to all Class Members. By reason of their status as joint employers of Plaintiff and the Class Members, Defendants are each liable for violations of the California Labor Code and applicable Wage Orders as to all Class Members.

IV. CLASS ALLEGATIONS

13. This action has been brought and may be maintained as a class action pursuant to California Code of Civil Procedure section 382 because there is a well-defined community of interest among the persons who comprise the readily ascertainable class defined below and because Plaintiff are unaware of any difficulties likely to be encountered in managing this case as a class action.

14. **Class Definition:** The Class is defined as follows: All persons Defendants employed in California as hourly, non-exempt employees, at any time during the period beginning on December 25, 2023 and ending on the date that final judgment is entered in this action ("Class" or "Class Members").

15. **Reservation of Rights:** Pursuant to Rule of Court 3.765(b), Plaintiff reserve the right to amend or modify the class definition with greater specificity, by further division into subclasses and/or by limitation to particular issues.

16. **Numerosity:** The Class Members are so numerous that the individual joinder of each individual Class Member is impractical. While Plaintiff does not currently know the exact number of Class Members, Plaintiff is informed and believes that the actual number exceeds the minimum required for numerosity under California laws.

17. **Commonality and Predominance:** Common questions of law and fact exist as to all Class Members and predominate over any questions which affect only individual Class Members. These questions include, but are not limited to:

A. Whether Defendants failed to pay all wages earned to Class Members for all hours worked, including off-the-clock work and at the correct rates of pay, including minimum, regular, overtime, doubletime, meal period premium and rest period premium wages;

B. Whether Defendants failed to provide the Class Members with all meal periods in compliance with California law;

C. Whether Defendants failed to authorize and permit the Class Members to take all rest periods in compliance with California law;

D. Whether Defendants failed to indemnify the Class Members for the reasonable expenses they incurred during the course of performing their duties;

E. Whether Defendants knowingly and intentionally failed to provide the class with accurate and complete itemized wage statements;

F. Whether Defendants willfully failed to provide the class with timely wages during and upon termination of employment;

G. Whether Defendants failed to provide Class Members with paid sick leave;

H. Whether Defendants engaged in unfair competition within the meaning of Business and Professions Code sections 17200, et seq., with respect to the Class; and

I. Whether Class Members are entitled to restitution of money or property that Defendants may have acquired from them through alleged Labor Code violations.

18. **Typicality:** Plaintiff's claims are typical of the other Class Members' claims. Plaintiff is informed and believes and thereon alleges that Defendants have a policy and/or practice, or lack thereof, which resulted in Defendants failing to comply with the California Labor Code, the Wage Order, and the Business and Professions Code.

19. **Adequacy of Class Representative**: Plaintiff is an adequate class representative in that he has no interests that are adverse to, or otherwise in conflict with, the interests of absent Class Members. Plaintiff is dedicated to vigorously prosecuting this action on behalf of Class Members. Plaintiff will fairly and adequately represent and protect the interests of Class Members.

20. **Adequacy of Class Counsel:** Plaintiff's counsel is adequate class counsel in that they have no known conflicts of interest with Plaintiff or absent Class Members, are experienced in class action litigation, and are dedicated to vigorously prosecuting this action on

behalf of Plaintiff and absent Class Members.

21. **Superiority:** A class action is vastly superior to other available means for fair and efficient adjudication of Class Members' claims and would be beneficial to the parties and the Court. Class action treatment will allow a number of similarly situated persons to simultaneously and efficiently prosecute their common claims in a single forum without the unnecessary duplication of effort and expense that numerous individual actions would entail. In addition, the monetary amounts due to many individual Class Members are likely to be relatively small and would thus make it difficult, if not impossible, for individual Class Members to both seek and obtain relief. Moreover, a class action will serve an important public interest by permitting Class Members to effectively pursue the recovery of monies owed to them. Further, a class action will prevent the potential for inconsistent or contradictory judgments inherent in individual litigation.

V. STATEMENT OF FACTS

22. Plaintiff started working at 362NCD doing business as "Cipriani's Beverly Hills" on or around January 2024 as a waiter.

23. Plaintiff was classified as an hourly, non-exempt employee. Plaintiff's employment ended on or around April 2024.

24. It is Plaintiff's position that 362NCD has violated the following Labor Code Sections against Plaintiff and other similarly situated Class Members, who include all non-exempt, hourly employees who worked for 362NCD at their various locations/restaurants in the State of California during the relevant PAGA period.

25. 362NCD violated Labor Code §§ 221, 222, 223, 1182.12, 1194, 1194.2, 1197, 1197.1, 1475, 1771, 1774, and 1198 because it failed to pay Plaintiff and other similarly situated Class Members for all hours worked, including the statutory minimum wage for all hours worked and for "off the clock" work. This is so because 362NCD had company policies and/or practices wherein they failed to accurately track and/or pay all minutes actually worked; disproportionately rounded down the number of hours worked and/or edited and/or manipulated time entries to show less hours than actually worked, resulting in "time shaving" and further

resulting in Class Members not being paid for all hours worked; and engaged, suffered, or permitted employees to work off-the-clock (e.g., require employees to come early to work and leave work late without being able to clock-in for all that time; suffer under the company's control due to long lines for clocking-in; complete pre-shift tasks before clocking-in and post-shift tasks after clocking out; clock out for rest periods; don and doff uniforms and/or safety equipment off-the-clock; undergo security checks and/or bag checks off-the-clock; store and retrieve personal belongings off-the-clock; attend company meetings off-the-clock; make phone calls, receive and respond to emails and/or texts, drive. In addition, and to the extent Plaintiff and other Class Members worked through meal periods (when they finally started getting them) while "off the clock", the latter would also be considered a minimum wage violation under California law.

26. Moreover, 362NCD failed to provide Class Members with proper and accurate reporting time pay and split shift premiums. In addition, one look at Plaintiff's pay stubs indicates that his work hours are rounded hours and not in line with reality.

27. Due to the above "off the clock" and other violations, 362NCD also violated Labor Code §§ 221, 222, 223, 226.2, 510, 511, 551, 552, 1194, 1198, 1771, 1774, 1811, and 1815 because it failed to pay Plaintiff and other Class Members overtime compensation, even though they worked more than 8 hours per day, 12 hours per day, 40 hours per week, and/or seven straight workdays in a workweek throughout their employment. Plaintiff's and other Class Members' actual work hours entitled them to overtime compensation, however, 362NCD did not compensate Class Members with the correct amount of overtime due to the "off the clock" work, time shaving, attempting but failing to properly implement an alternative workweek schedule ("AWS") and other violations as described above. Furthermore, 362NCD failed to include bonuses/incentive payments (including but not limited to incentive pay, meal allowances, mask allowances, gift cards, and other forms of remuneration) in calculating Class Members' regular rate of pay for use in deciphering the correct overtime rate of pay.

28. Additionally, the incentive and bonus payments were also not factored into Class Members' regular rate for purposes of receiving meal and rest break premiums per the Ferra v. Loews case.

29. 362NCD also violated Labor Code § 226.7 and the appropriate Industrial Welfare Commission Wage Order no. 5 because it failed to provide Plaintiff and other similarly situated Class Members with 10-minute rest periods for every four hours of work, or majority portion thereof, throughout their employment. 362NCD did not completely relieve Plaintiff and other Class Members of all duty during said rest periods, including but not limited to requiring Class Members to carry cellular telephones or walkie-talkies during rest periods. Plaintiff and others were also subjected to other violations, including but not limited to distance and time it takes to walk to a suitable break area, required to remain on-premises, requiring on-duty rest periods, being interrupted generally, time spent waiting to clock back-in, having to don and doff safety gear during rest period, undergoing security or bag checks during rest periods, having to retrieve and store personal belongings during rest periods, requiring and/or being required to combined with meal periods) that yielded in non-compliant rest periods. 362NCD did not pay to Plaintiff and others one additional hour of pay at Plaintiff's regular rate of compensation for each workday that one or more statutory rest periods was not provided. It was not part of the company policy for Class Members such as Plaintiff to take at least two rest breaks per shift. The concept of rest breaks was not consistently implemented as it was not company policy. Moreover, it would not have been possible for Class Members such as Plaintiff to take such rest breaks due to being understaffed and due to a heavy workload, especially in the fast-paced restaurant industry wherein customer service is of paramount importance. As such, the culture as well as the policies and procedures of 362NCD did not lend itself to the Class Members receiving consistent statutory rest breaks wherein they were relieved of all work duties. The environment at 362NCD was not conducive to receiving multiple statutory rest breaks under California law and timely, statutory rest breaks were not authorized or enforced.

30. 362NCD violated Labor Code §§ 512 and 226.7 and the appropriate Industrial Welfare Commission Wage Order no. 5 because it failed to provide Class Members, including

Plaintiff and others, the requisite 30-minute, uninterrupted meal periods for every five (5) hours of work throughout their employment. 362NCD did not completely relieve Plaintiff and other Class Members of all duty during said meal periods. 362NCD did not pay to Plaintiff and its Class Members one additional hour of pay at their regular rate of compensation for each workday that one or more statutory meal periods was not provided. Plaintiff and other Class Members did not always receive uninterrupted meal breaks due to work obligations (including but not limited to requiring employees to carry cellular telephones or walkie-talkies during meal periods, requiring on-duty/on-call meal periods). Plaintiff and others were also subjected to other violations, including but not limited to being required to remain on-premises during meal periods, auto-deducting meal periods that could not be auto-deducted by law, and other requirements (including but not limited to distance and time it takes to walk to a suitable break area, time spent waiting to clock back-in, having to don and doff safety gear during meal period, undergoing security or bag checks during meal periods, and/or having to retrieve and store personal belongings during meal period) that yielded in non-compliant meal periods. In addition, and while the company tried to schedule meal breaks within one hour of Class Members starting their shift, this translates into Class Members such as Plaintiff and others working more than 5 consecutive hours without getting a meal period. Like the rest breaks, receiving a thirty-minute uninterrupted and timely meal break was not consistently part of the company culture and was not enforced by 362NCD. Consequently, it was the normal practice and custom of 362NCD not to authorize, permit, and enforce timely statutory meal periods. If 362NCD had Plaintiff sign a meal period waiver, it would not be valid and enforceable since Plaintiff and others generally worked more than a 6-hour shift. If 362NCD had Plaintiff sign an on-duty meal period agreement wherein Plaintiff agreed to work through the meal periods, it would be invalid and unenforceable because the nature of Plaintiff's job does not and did not prevent him from taking a meal period and the company could have hired "breakers" to relieve Plaintiff of his job duties so that he can actually take a timely, uninterrupted meal period. Moreover, any such "on duty" meal period agreement did not allow for Plaintiff to revoke such an agreement even if it was signed. As such, Plaintiff and others did not always receive statutory, timely meal periods during their employment. To the extent that 362NCD argues that Class Members receive meal break premium pay for missed meal periods, that argument is inconsequential for PAGA penalty purposes since the PAGA penalties are for the violations themselves, irrespective of whether an employee received the premium payment for a missed, short, or interrupted meal period. In Kirby v. Immoos Fire Protection, Inc., the Court stated, "section 226.7 does not give employers a lawful choice between providing either meal and rest breaks or an additional hour of pay." See Kirby v. Immoos Fire Protection, Inc., (2012) 53 Cal.4th 1244, 1256 (emphasis in original). Thus, the extra hour of pay does not excuse the violation; the employer has still committed a violation even if the remedy for the violation has been paid. See Wert v. U.S. Bancorp, (S.D. Cal. Mar. 22, 2016, 2016 WL 1110302 at *4). As such, the work environment and culture at 362NCD was not conducive to receiving consistent, timely, statutory meal breaks under California law. Moreover, any meal or rest break premiums paid were not compensated at the weighted average regular rate, inclusive of bonuses and/or incentive payments as well as overtime compensation.

31. Furthermore, 362NCD failed to permit Plaintiff and other similarly situated Class Members to permit cooldown periods every day as required under California Code of Regulations, Title 8, Section 3395 and rest and recovery periods as required by Labor Code section 226.2 or premiums in lieu of as required by Labor Code section 226.7.

32. Furthermore, during the relevant time period, and due to the above labor code violations, 362NCD failed to pay Plaintiff and other similarly situated Class Members all wages due to them within any time period specified by California Labor Code section 204. Since Plaintiff was not compensated for his "off the clock" work and since Plaintiff did not receive meal and rest break premiums amongst other wages, Plaintiff would still be owed wages pursuant to Labor Code Section 204. 362NCD was also in violation of California Labor Code section 226(a) by failing to include pertinent information on the wage statements, including but not limited to, the correct hourly rate, all hours worked, overtime hours worked, correct overtime pay, gross wages earned, net wages earned, premium pay for missed meal and rest breaks, all deductions, the correct start and end of the pay period, all employee identifying

information, the correct and complete name and address of the legal employer, and reimbursement for business expenses, among others. 362NCD was also in violation of Labor Code section 226.2 to the extent it does not include for piece-rate work information required therein. As such, 362NCD did not provide Plaintiff and other similarly situated Class Members with complete, accurate itemized wage statements. Moreover, Plaintiff and others did not have access to their pay stubs and would not be able to figure out the breakdown of wages when they received their paychecks.

33. 362NCD also failed to pay all temporary workers, including, Plaintiff and others, their owed wages weekly by not later than the regular payday of the following week in violation of Labor Code sections 201.3 and 1198.

34. 362NCD also failed to pay Plaintiff and others their paid time off and vacation time owed upon separation of employment as wages at their final rate of pay in violation of Labor Code sections 221, 222, 223, and 227.3.

35. During the relevant time period, 362NCD also failed to keep accurate and complete time and payroll records showing the actual hours worked per day and the wages paid to Plaintiff and others pursuant to California Labor Code sections 226, 432, 1174, 1174(d), 1775, 1776, 1198.5, 1695.55, and 2673. 35. 362NCD also violated Labor Code § 203 because it willfully failed to pay other similarly situated Class Members earned and due wages upon separation of employment, either immediately upon involuntary termination, or within 72 hours of resignation and consequently violated Labor Code sections 201, 201.5, 201.7, 202, 203, 203.5, 204a, 204.1, 204.2, 205, 205.5, and 1198. These earned but unpaid wages include compensation for all hours worked, including minimum wages, overtime compensation, and premium pay for missed meal and rest breaks.

36. 362NCD was also in violation of Labor Code sections 206.5 and 1198 for requiring the execution of a release of claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, including, without limitation, as a condition of being paid, to execute a statement of the hours worked during a pay period in which 362NCD knew to be false.

37. During the relevant time period, Plaintiff and other Class Members incurred necessary, business-related expenses and costs that were not reimbursed by 362NCD. These costs include, but are not limited to, use of personal cell phones for work purposes, costs incurred for driving personal vehicles (i.e., mileage and gas), separately laundering mandatory uniforms, purchase of tools and safety equipment, pre-employment medical, physical, or drivers' exams taken as a condition of employment, uniform and other deposits, purchasing uniforms, and purchases 362NCD coerced or compelled Plaintiff and other Class Members to patronize in the purchase of a value or things, including 362NCD's products and services. Accordingly, 362NCD was in violation of California Labor Code sections 222.5, 231, 450, 1198, 2800 and 2802. 362NCD also failed to reimburse deposits, including uniform deposits, made with all interest owed at separation of employment in violation of Labor Code sections 404 and 1198.

38. Additionally, 362NCD violated Labor Code Section 351 and 353 by taking some of the tips meant for Class Members and also deducting the tips from Plaintiff's and Class Members' earned wages. In fact, Plaintiff's manager would often take the tips that belonged to the other waiters even though the manager was not a waiter. 362NCD also deducted the credit card fee from Plaintiff's and others' tips and did not timely provide the credit card and even cash tips to Plaintiff and other similarly situated Class Members. 362NCD also failed to keep accurate records of all gratuities received and make them open to inspection at all reasonable hours. As such, Plaintiff and Class Members were not given accurate tips to which they were entitled. 362NCD was also in violation of Labor Code sections 212, 221, 222, 223, 226.7, 246, 510, 1194, and 1197 by unlawfully deducting wages from Plaintiff and other Class Members.

39. Furthermore, 362NCD did not provide proper and correct/accurate sick pay that was also delineated on employee pay stubs and also failed to provide proper sick leave in violation of Labor Code sections 233, 245 (the Healthy Workplace Healthy Families Act of 2014), and 246. 362NCD also did not permit use of sick pay for attending to an illness of a child, parent, spouse, or domestic partner without retaliation and thereby also in violation of Labor Code section 233. 362NCD also violated the notice requirements under Labor Code sections 221,

222, 223, 233, 234, 245, and 246. Moreover, there were no suitable seating/rest break facilities for employees pursuant to Wage Order no. 5-2001. In fact, on the latter point and since there was no rest break/eating facility for employees, when employees were able to get meal periods, they would eat outside on the stairs or on the ground.

40. 362NCD was also in violation of California Labor Code section 2810.5 (i.e., the Wage Theft Protection Act of 2011) by, among other things, failing to provide Plaintiff and other Class Members with the rates of pay and overtime rates of pay applicable to their employment, allowances claimed as part of the minimum wage, the regular payday designated by 362NCD, the name of the employer, including any "doing business as" names used, the name, address and telephone numbers of the workers' compensation insurance carrier, information regarding paid sick leave, and other pertinent information as required.

41. 362NCD also prevented Plaintiff and others from using or disclosing the skills, knowledge, and experience they obtained at 362NCD for purposes of competing with 362NCD, including but not limited to disclosing their wages in negotiating a new job with a prospective employer, and disclosing who else works at 362NCD and under what circumstances they might be receptive to an offer from a rival employer in violation of Business and Professions code sections 17200, 16600, and 16700 and Labor Code sections 232, 232.5, 1197.5, and 1198. 362NCD also prevented Plaintiff and others from disclosing violations of state and federal law, either within 362NCD to their managers or outside of 362NCD to private attorneys or government officials, among others, in violation of Business and Professions code section 17200 and Labor Code section 1102.5. 362NCD also prevented Plaintiff and others from engaging in lawful conduct during non-work hours (e.g., disclosing wages, working conditions, and illegal conduct, etc.) in violation of Labor Code sections 96, 98.6, 232, 232.5, 1197.5, and 1198.

42. 362NCD also prevented Plaintiff and others from engaging or participating in politics and/or from becoming a candidate for public office by coercing, influencing, or attempting to coerce or influence Plaintiff and others through threat of discharge and/or loss of employment to adopt or follow or refrain from adopting or following a particular course or line

of political action and/or political activity. In violation of Labor Code sections 1101, 1102, 1102.5, and 1198.

43. 362NCD also required Plaintiff and others to agree in writing to terms and conditions known to be prohibited by law (e.g., non-compete agreements, terms known to be illegal in arbitration agreements, purported confidentiality agreements, purported severance agreements, purported release agreements, or other written documents for employee's assent) in violation of Labor Code sections 432.5, 1700.31, and 1198.

44. 362NCD also conducted unlawful background checks on prospective and current employees, including Plaintiff and others in violation of Labor Code sections 432.7, 432.8, and 1198. 362NCD also paid lesser wages to candidates on basis of sex, race, or ethnicity for substantially similar work.

45. 362NCD also relied on the salary history information of Plaintiff and others when determining whether to offer employment to an applicant or what salary to offer the application in violation of Labor Code section 432.3.

46. 362NCD also employed, permitted, and/or suffered to work minors under the age of 16 years in connection with a manufacturing establishment or other place of employment and minors under the age of 14 to 16 years to work more than regulations permit and during school year in violation of Labor Code sections 1290, 1292, 1293, 1293.1, 1294.1, 1301, and 1391.

47. 362NCD also misclassified Plaintiff and others as independent contractors and charged fees that would not be lawful otherwise in violation of Labor Code section 226.8.

48. Furthermore, Plaintiff believes Defendants have also violated Labor Code Sections 558, 558.1 1174.5, 1195.5, 1199, 1527, 1696.5, 3366, 3395, 3458, and 8397.4 and has engaged in business practices which violate Business and Professions Code Section 17200.

49. For the reasons stated herein, Plaintiff alleges that as a result of Defendants' unlawful practices and policies, Plaintiff and the Class Members were:

A. Not provided with all off-duty meal periods;

B. Not authorized and permitted to take all rest break periods;

C. Not paid one hour's pay for each workday in which Defendants failed to authorize and permit them to take one or more timely rest periods;

D. Not paid one hour's pay for each workday in which Defendants failed to provide them with one or more timely meal periods;

E. Not paid all wages earned, including, but not limited to, minimum, regular, overtime, and double-time wages for work performed and work performed while clocked out;

F. Not paid all accrued vacation pay;

G. Not indemnified for all necessary business expenditures incurred during the discharge of their duties;

H. Not provided with accurate and complete wage statements; and

I. Not timely paid all earned and unpaid wages at the time their employment ended.

FIRST CAUSE OF ACTION

FAILURE TO PAY ALL WAGES EARNED FOR ALL HOURS WORKED AND AT THE CORRECT RATES OF PAY

(Lab. Code §§ §§ 96, 210, 212, 221-223, 226.2, 510, 551, 552, 558, 558.1, 1182.12, 1194, 1194.2, 1195.5, 1197, 1197.1, 1198, 1199, 1475, 1771, 1774, 1811, 1815)

(By Plaintiff, on behalf of himself and the Class, against all Defendants)

50. Plaintiff incorporates all paragraphs of the Complaint as if fully alleged herein.

51. At all relevant times, Plaintiff and the Class Members have been employees of Defendants and entitled to the benefits and protections of California Labor Code §§ 96, 210, 212, 221-223, 226.2, 510, 551, 552, 558, 558.1, 1182.12, 1194, 1194.2, 1195.5, 1197, 1197.1, 1198, 1199, 1475, 1771, 1774, 1811, 1815, and the Wage Order.

52. Section 2(K) of Wage Order 5-2001, respectively, define "hours worked" as "the

time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so."

53. Section 3 of the Wage Order states:

> (A) Daily Overtime - General Provisions
>
> (1) The following overtime provisions are applicable to employees 18 years of age or over and to employees 16 or 17 years of age who are not required by law to attend school and are not otherwise prohibited by law from engaging in the subject work. Such 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 ½) times such employee's regular rate of pay for all hours worked over 40 hours in the workweek. Eight (8) hours of labor constitutes a day's work. Employment beyond eight (8) hours in any workday or more than six (6) days in any workweek is permissible provided the employee is compensated for such overtime at not less than:
>
> (a) One and one-half (1 ½) times the employee's regular rate of pay for all hours worked in excess of eight (8) hours up to and including 12 hours in any workday, and for the first eight (8) hours worked on the seventh (7th) consecutive day of work in a workweek.
>
> (b) Double the employee's regular rate of pay for all hours worked in excess of 12 hours in any workday and for all hours worked in excess of eight (8) hours on the seventh (7^{th}) consecutive day of work in a workweek.
>
> (c) The overtime rate of compensation required to be paid to a nonexempt full-time salaried employee shall be computed by using the employee's regular hourly salary as one-fortieth (1/40) of the employee's weekly salary.

54. Section 4 of the Wage Order requires an employer to pay non-exempt employees at least the minimum wage set forth therein for all hours worked, which consist of all hours that an employer has actual or constructive knowledge that employees are working.

55. Labor Code section 510 states:

> Eight hours of labor constitutes a day's work. Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee. Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee. Nothing in this section requires an employer to combine more than one rate of overtime compensation in order to calculate the amount to be paid to an employee for any hour of overtime work.

56. California Labor Code § 1194 invalidates any agreement between an employer and an employee to work for less than the minimum wage required under the applicable Wage Order.

57. California Labor Code § 1197 makes it unlawful for an employer to pay an employee less than the minimum wage required under the applicable Wage Order for all hours worked during a payroll period.

58. California Labor Code § 1198 makes it unlawful for an employer to employ an employee under conditions that violate the Wage Order.

59. In conjunction, these provisions of the California Labor Code require employers to pay non-exempt employees no less than their agreed-upon or statutorily mandated wage rates for all hours worked, including unrecorded hours when the employer knew or reasonably should have known that employees were working during those hours. (*See Morillion v. Royal Packing Co.* (2000) 22 Cal.4th 575, 585.)

60. With respect to overtime wages, the regular rate of pay under California law must include "all remuneration for employment paid to, on behalf of, the employee." O.L. 2002.06.14 (quoting 29 U.S.C. § 207(e)). This requirement includes, but is not limited to bonuses. *See, e.g., Huntington Memorial Hosp. v. Superior Court* (2005) 131 Cal. App. 4th 893, 904–05. Bonuses must be included in the regular rate whether they are the sole source of the employee's compensation or are in addition to a guaranteed salary or hourly rate. 29 C.F.R. §§ 778.117, 778.208. *See Oliver v. Mercy Med. Ctr., Inc.* (9th Cir. 1982) 695 F.2d 379.

61. As described above, at all relevant times during the applicable limitations period, Defendants failed to compensate Plaintiff and the Class Members for all hours worked,

including, but not limited to minimum, regular, overtime and doubletime wages for all minimum, regular, overtime and doubletime hours, respectively, that they worked at the correct rates of pay.

62. Plaintiff is informed and believes and thereon alleges that, at all relevant times, Defendants maintained a policy and/or practice, or lack thereof, which resulted in Defendants' failure to compensate Plaintiff and the other Class Members for all hours worked at the correct rates of pay as required by California law.

SECOND CAUSE OF ACTION

FAILURE TO PROVIDE REST BREAKS

(Lab. Code §§ 226,2, 226.7, 1198 and 8 CCR § 3395)

(By Plaintiff, on behalf of himself and the Class, against all Defendants)

63. Plaintiff incorporates all paragraphs of this Complaint as if fully alleged herein.

64. At all relevant times during the applicable limitations period, Plaintiff and the Class Members have been employees of Defendants and entitled to the benefits and protections of California Labor Code §§ 226,2, 226.7, 1198 and 8 CCR § 3395, and the Wage Order.

65. In relevant part, Labor Code § 1198 states,

> "The maximum hours of work and the standard conditions of labor fixed by the commission shall be the maximum hours of work and the standard conditions of labor for employees. The employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful."

66. In relevant part, Section 12 of the Wage Order states:

> Rest Periods:
>
> (A) 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 often (10) minutes net rest time per four (4) hours or major fraction thereof. However, a rest period need not be authorized for employees whose total daily work time is less than three and one-half (3 1/2) hours. Authorized rest period time shall be counted as hours worked for which there shall be no deduction from wages.
>
> (B) If an employer fails to provide an employee a rest period in accordance with the applicable provisions of this Order, the

> employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each work day that the rest period is not provided.

67. In addition, Labor Code Section 226.7 states

> (b) An 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, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health.
>
> (c) If an employer fails to provide an employee a meal or rest or recovery period in accordance with a state law, including, but not limited to, an applicable statute or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health, 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.

68. Pursuant to the Wage Order, Plaintiff and the Class Members were entitled to be provided with net rest breaks of at least ten minutes for each four-hour period of work, or major fraction thereof.

69. Defendants intentionally failed to authorize and permit Plaintiff and the Class Members to take all 10-minute rest periods free from any work duties in accordance with the Wage Order.

70. At all relevant times, Defendants failed to authorize and permit Plaintiff and the Class Members to take all timely rest periods. Furthermore, Defendants failed to pay premium wages to Plaintiff and the Class Members for days on which they failed to authorize and permit Plaintiff and the other Class Members to take timely rest periods.

71. At all relevant times, Defendants failed to authorize and permit Plaintiff and the Class Members to take ten-minute, paid, duty-free rest breaks every four hours worked or major fraction thereof. Defendants did not seek an exemption from the rest period protections of the Wage Order from the California Division of Labor Standards Enforcement. Moreover, Defendants failed to pay Plaintiff and the Class Members premium wages on workdays they failed to authorize and permit them to take 10-minute rest periods every four hours worked or

major fraction thereof.

72. Plaintiff is informed and believes and thereon alleges that, at all relevant times within the applicable limitations period, Defendants had a policy, practice, or a lack of a policy which resulted in Defendants not authorizing and permitting Plaintiff and the Class Members to take all rest breaks required by California law.

73. Defendants failed to provide Plaintiff with all required rest breaks in accordance with the Wage Order. Plaintiff is informed and believes and thereon alleges that, at relevant times within the applicable limitations period, Defendants had a policy, practice, or a lack of a policy which resulted in Defendants not providing the Class Members with all rest breaks required by California law.

74. Defendants failed to pay Plaintiff the additional wages required by California Labor Code § 226.7 for all rest breaks not provided to them. Plaintiff is informed and believes and thereon alleges that, at relevant times within the applicable limitations period, Defendants have maintained a policy, practice, or a lack of a policy which resulted in Defendants not providing the Class Members with additional wages for all rest breaks not provided to them as required by California Labor Code § 226.7.

75. As a result of Defendants' unlawful conduct, Plaintiff and the Class Members have suffered damages in amounts subject to proof to the extent they were not paid additional wages owed for all rest breaks not provided to them.

76. By reason of the above, Plaintiff and the Class Members are entitled to premium wages for workdays in which one or more rest breaks were not provided to them pursuant to California Labor Code § 226.7.

THIRD CAUSE OF ACTION

FAILURE TO PROVIDE MEAL PERIODS

(Lab. Code §§ 226.7, 512, and 1198)

(By Plaintiff, on behalf of himself and the Class, against all Defendants)

77. Plaintiff incorporates all paragraphs of this Complaint as if fully alleged herein.

78. At all relevant times during the applicable limitations period, Plaintiff and the

Class Members have been employees of Defendants and entitled to the benefits and protections of California Labor Code §§ 226.7, 512 and 1198, and the Wage Order.

79. In relevant part, Labor Code § 1198 states,

> "The maximum hours of work and the standard conditions of labor fixed by the commission shall be the maximum hours of work and the standard conditions of labor for employees. The employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful."

80. In relevant part, Labor Code Section 512 states

> "An employer may not employ an employee for a work period of more than five hours per day without providing the employee with a meal period of not less than 30 minutes, except that if the total work period per day of the employee is no more than six hours, the meal period may be waived by mutual consent of both the employer and employee. An 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, except that if the total hours worked is no more than 12 hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived."

81. In relevant part, Section 11 of the Wage Order states:

> Meal Periods:
>
> (A) No employer shall employ any person for a work period of more than five (5) hours without a meal period of not less than 30 minutes, except that when a work period of not more than six (6) hours will complete the day's work the meal period may be waived by mutual consent of the employer and the employee...
>
> (B) If an employer fails to provide an employee a meal period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the meal period is not provided.

82. In relevant part, California Labor Code § 226.7 states:

> (b) An employer shall not require an employee to work during a meal or rest period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health.

> (c) If an employer fails to provide an employee a meal period or rest period in accordance with a state law, including, but not limited to, an applicable statute or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each work day that the meal or rest period is not provided.

83. Pursuant to California Labor Code § 512 and the Wage Order, Plaintiff and the Class Members were entitled to be provided with uninterrupted meal periods of at least 30 minutes for each day they worked five or more hours. Pursuant to California Labor Code § 512, they were also entitled to a second 30-minute meal period when they worked more than ten (10) hours in a workday.

84. As described above, Defendants intentionally failed to provide Plaintiff and the Class Members with all required 30-minute duty free meal periods in accordance with the Wage Order. Furthermore, Defendants failed to pay premium wages for days on which they failed to provide Plaintiff and the other Class Members with timely meal periods.

85. Plaintiff is informed and believes and thereon alleges that, at all relevant times within the applicable limitations period, Defendants had a policy, practice, or a lack of a policy which resulted in Defendants not providing Plaintiff and the Class Members with all off-duty meal periods required by California law.

86. As a result of Defendants' unlawful conduct, Plaintiff and the Class Members have suffered damages in amounts subject to proof to the extent they were not paid additional wages owed for all meal periods not provided to them.

87. By reason of the above, Plaintiff and the Class Members are entitled to premium wages for workdays in which one or more meal periods were not provided to them pursuant to California Labor Code § 226.7.

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FOURTH CAUSE OF ACTION

FAILURE TO INDEMNIFY

(Lab. Code §§ 231, 450, 1198, 2800, 2802)

(By Plaintiff, on behalf of himself and the Class, against all Defendants)

88. Plaintiff incorporates all paragraphs of this Complaint as if fully alleged herein.

89. At all relevant times, Plaintiff and the Class Members were employees of Defendants and entitled to the benefits and protections of the California Labor Code §§ 231, 450,1198, 2800, and 2802, and the Wage Order.

90. In pertinent part, California Labor Code § 2802(a) states: "An employer shall indemnify his or her employee[s] for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her duties." Additionally, the Wage Order states,

> (A) When uniforms are required by the employer to be worn by the employee as a condition of employment, such uniforms shall be provided and maintained by the employer.
>
> ...
>
> (B) When tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the particular trade or craft in conformity with Labor Code Section 2802.
>
> Wage Order, § 9(A) and (B).

91. California Labor Code § 1198 prohibits employers from employing their employees under conditions prohibited by the Wage Order.

92. As described above, at all relevant times, Defendants required Plaintiff and the Class Members to incur certain business expenses in the course of performing their duties, including but not limited to, uniforms, including non-slip shoes. However, Defendants did not provide these items and did not reimburse Plaintiff and the Class Members for these business expenses.

93. Plaintiff is informed and believes and thereon alleges that, at all relevant times,

Defendants have maintained a policy, practice, or a lack of a policy which resulted in Defendants' failure to indemnify Plaintiff and the Class Members for the reasonable expenses they incurred during the course of performing their duties.

94. Accordingly, with respect to this cause of action, on behalf of himself and the Class Members, Plaintiff prays for the above stated relief, costs, and all reasonable attorneys' fees pursuant to Labor Code § 2802(c) and as otherwise permitted by law.

FIFTH CAUSE OF ACTION

FAILURE TO PROVIDE ACCRUED VACATION PAY

(California Labor Code Section 227.3)

(By Plaintiff, on behalf of himself and the Class, against all Defendants)

95. Plaintiff incorporates all paragraphs of this Complaint as if fully alleged herein.

96. According to Labor Code section 227.3, whenever a contract of employment or employer policy provides for paid vacations, and an employee is terminated without having taken off them vested vacation time, all vested vacation shall be paid to them as wages at their final rate in accordance with such contract of employment or employer policy respecting eligibility or time served.

97. Plaintiff is informed and believe, and based thereon allege that, at all times relevant hereto, Defendants promulgated and maintained a uniform policy providing for paid vacations, and that Plaintiff's employment contract with Defendants included paid vacations.

98. For at least four (4) years prior to the filing of this action and continuing to the present, Defendants have had a consistent policy of failing to provide Plaintiffs and similarly situated employees or former employees within the State of California with compensation at their final rate of pay for unused vested paid vacation days pursuant to Labor Code section 227.3.

99. As a proximate result of Defendants' failure to pay vested vacation at the final rate of Plaintiff and Class Members upon their resignation or termination, Defendants violated Labor Code section 227.3, entitling Plaintiff and Class Members to all vested and unused vacation pay at their final rate of pay, as set out in Defendants' policy or the contract of

employment between Plaintiff and Class Members, on the one hand, and Defendants, on the other hand.

100. As a further proximate result of Defendants' above-described acts and/or omissions, Plaintiff and Class Members are entitled to recover reasonable attorneys' fees, costs of suit and prejudgment interest

SIXTH CAUSE OF ACTION

FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

(California Labor Code Section 226)

(By Plaintiff, on behalf of himself and the Class, against all Defendants)

101. Plaintiff incorporates all paragraphs of this Complaint as if fully alleged herein.

102. Pursuant to California Labor Code § 226(a), Plaintiff and the Class Members were entitled to receive, semi-monthly or at the time of each payment of wages, an accurate itemized statement showing:

i. Gross wages earned;

ii. Total hours worked by the employee, except for any employee whose compensation is solely based on a salary and who is exempt from payment of overtime under subdivision (a) of Section 515 or any applicable order of the Industrial Welfare Commission;

iii. The number of piece rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis;

iv. All deductions, provided that all deductions made on written orders of the Employee may be aggregated and shown as one item;

v. Net wages earned;

vi. The inclusive dates of the period for which the employee is paid;

vii. The name of the employee and his or her social security number, except that by January 1, 2008, only the last four digits of his or her social security number or an employee identification number other than a social security number may be shown on the itemized statement;

viii. The name and address of the legal entity that is the employer; and

ix. All applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.

103. Pursuant to California Labor Code § 226, an employee is deemed to suffer injury if the employer fails to provide a wage statement. Also, an employee is deemed to suffer injury if the employer fails to provide accurate and complete information as required by California Labor Code § 226(a) and the employee cannot "promptly and easily determine" from the wage statement alone one or more of the following:

A. The amount of the gross wages or net wages paid to the employee during the pay period or any of the other information required to be provided on the itemized wage statement pursuant to California Labor Code § 226(a);

B. Which deductions the employer made from gross wages to determine the net wages paid to the employee during the pay period;

C. The name and address of the employer and, if the employer is a farm labor contractor, as defined in subdivision (b) of Section 1682 of the California Labor Code, the name and address of the legal entity that secured the services of the employer during the pay period;

D. The name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number; and

E. The number of piece-rate units earned and the piece rate.

104. "Promptly and easily determine," as stated in California Labor Code § 226(e), means a reasonable person would be able to readily ascertain the information without reference to other documents or information.

105. As alleged herein, at all relevant times during the applicable limitations period, Defendants violated California Labor Code section 226 because they did not properly and accurately itemize each employee's gross wages earned, net wages earned, the total hours worked, the corresponding number of hours worked at each rate by the employee and other requirements of California Labor Code section 226. Defendants failed to state in the wage statements they issued to Plaintiff and the other Class Members all their hours worked and wages earned, including, but not limited to, regular and overtime wages for work they performed off-

the-clock (as described above). Defendants knowingly and intentionally did not issue either as a detachable part of the check, draft, or voucher paying the employee's wages, or separately if wages are paid by personal check or cash, statements to Plaintiff and the Class Members that state all overtime wages earned, all minimum wages earned, all regular wages earned, all meal period premium wages earned, all rest break premium wages earned, gross wages earned, net wages earned, all hourly rates, and all hours worked at each rate of pay.

106. Defendants' failure to provide Plaintiff and the other Class Members with accurate wage statements was knowing and intentional. Defendants had the ability to provide Plaintiff and the other Class Members with accurate wage statements but intentionally provided wage statements that Defendants knew were not accurate.

107. As a result of being provided with inaccurate wage statements by Defendants, Plaintiff and the other Class Members have suffered injury. Their legal rights to receive accurate wage statements were violated and they were misled about the amount of wages they had actually earned and were owed. In addition, the absence of accurate information on their wage statements prevented immediate challenges to Defendants' unlawful pay practices, has required discovery and mathematical computations to determine the amounts of wages owed, has caused difficulty and expense in attempting to reconstruct time and pay records and/or has led to the submission of inaccurate information about wages to state and federal government agencies. Further, Plaintiff and the other Class Members were not able to ascertain from the wage statements whether Defendants complied with their obligations under California Labor Code section 226(a).

108. Pursuant to California Labor Code § 226(e), Plaintiff and the class are entitled to recover the greater of actual damages, or penalties of fifty dollars ($50) for the initial pay period in which a violation of California Labor Code § 226(a) occurred and one hundred dollars for each violation of California Labor Code § 226(a) in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars ($4,000) per class member, and are also entitled to an award of costs and reasonable attorneys' fees.

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SEVENTH CAUSE OF ACTION

FAILURE TO PAY WAGES WHEN EMPLOYMENT ENDS

(California Labor Code Sections 201-203)

(By Plaintiff, on behalf of himself and the Class, against all Defendants)

109. Plaintiff incorporates all paragraphs of this Complaint as if fully alleged herein.

110. At all relevant times during the applicable limitations period, Plaintiff and the Class have been employees of Defendants and entitled to the benefits and protections of California Labor Code §§ 201–203, and the Wage Order.

111. Labor Code § 201 provides that all earned and unpaid wages of an employee who is discharged are due and payable immediately at the time of discharge.

112. Labor Code § 202 provides that all earned and unpaid wages of an employee who quits after providing at least 72-hours notice before quitting are due and payable at the time of quitting and that all earned and unpaid wages of an employee who quits without providing at least 72-hours notice before quitting are due and payable within 72 hours.

113. Labor Code § 203 provides that the wages of an employee continue on a daily basis as a penalty for up to 30 days where an employer willfully fails to timely pay earned and unpaid wages to the employee in accordance with Labor Code § 201 or § 202.

114. The Defendants failed to pay Plaintiff and all of the other Class Members whose employment ended all of the earned but unpaid wages described above by the conclusion of their employment with Defendants, including minimum wages, regular wages, overtime wages, unprovided meal period premium wages, and unprovided rest break premium wages. Additionally, the Defendants failed to issue to Plaintiff and all of the other Class members whose employment ended their final paychecks within the required time periods.

115. By failing to pay such earned wages to Plaintiff and the Class Members, Defendants failed to timely pay them all earned and unpaid wages in violation of Labor Code § 201 or § 202.

116. Plaintiff is informed and believes that Defendants' failures to timely pay Plaintiff and the Class Members all of their earned and unpaid wages (described above) have

been willful in that, at all relevant times, Defendants have deliberately maintained policies and practices that violate the requirements of the Labor Code and the Wage Order, even though at all relevant times, they have had the ability to comply with those legal requirements.

117. Pursuant to Labor Code § 203, Plaintiff seek waiting time penalties on behalf of himself and the Class, in amounts subject to proof not to exceed 30 days of waiting time penalties for each Class Member.

EIGHTH CAUSE OF ACTION
FAILURE TO PAY WAGES OWED EVERY PAY PERIOD
(Lab. Code §§ 204)
(Plaintiff and the Class against all Defendants)

118. Plaintiff incorporates all paragraphs of the Complaint as if fully alleged herein.

119. California Labor Code Section 204 establishes the fundamental right of all employees in the State of California to be paid wages in a timely fashion for their work.

120. At all times relevant during the liability period, Defendants failed to pay Plaintiff and the Class Members the full amount of all owed wages when due as required by California Labor Code Section 204.

121. Defendants failed to pay Plaintiff and the Class Members all wages earned each pay period. Plaintiff is informed, believes, and thereon alleges, that all times relevant during the liability period, Defendants maintained a policy or practice of not paying Plaintiff and the Class Members wages for all hours worked, including overtime hours and premium pay for missed rest breaks and meal breaks.

122. As a result of Defendants' unlawful conduct, Plaintiff and the Class Members have suffered damages in an amount, subject to proof, to the extent he was not paid all wages each pay period. The precise amount of unpaid wages is not presently known to Plaintiff but can be determined directly from Defendants' records or indirectly based on information from Defendants' records.

123. Under this cause of action, Plaintiff prays for penalties on behalf of himself and Class Members due under the statutes alleged along with any allowable interest, penalties,

attorney's fees, and costs according to proof at trial.

NINTH CAUSE OF ACTION

CIVIL PENALTIES

(Lab. Code §§ 96, 98.6, 200, 201, 201.3, 201.5, 201.7, 202, 203, 203.5, 204, 204a, 204b, 204.1, 204.2, 205, 205.5, 206.5, 210, 212, 221, 222, 222.5, 223, 226, 226.2, 226.3, 226.7, 226.8, 227.3, 231, 232, 232.5, 233, 234, 245, 246, 351, 353, 404, 432, 432.3, 432.5, 432.7, 432.8, 450, 510, 511, 512, 551, 552, 558, 558.1, 1101, 1102.5, 1174, 1174.5, 1182.12, 1194, 1194.2, 1195.5, 1197, 1197.1, 1197.5, 1198, 1198.5, 1199, 1290, 1292, 1293, 1294.1, 1301, 1391, 1475, 1527, 1695.55, 1696.5, 1700.31, 1771, 1774, 1775, 1776, 1811, 1815, 2673, 2698 et seq., 2699, 2699.3, 2699.5 2800, 2802, 2810.5, 3366, 3395, 3457, and 8397.4)

(By Plaintiff and the Aggrieved Employees against all Defendants)

124. Plaintiff incorporates all paragraphs of this Complaint as if fully alleged herein.

125. The "Aggrieved Employees" are all members of the Class defined above who Defendants employed during the period beginning December 25, 2023 and ending on the date that final judgment is entered in this action.

126. Labor Code § 204 states

> (a) All wages, other than those mentioned in Section 201, 201.3, 202, 204.1, or 204.2, earned by any person in any employment are due and payable twice during each calendar month, on days designated in advance by the employer as the regular paydays. Labor performed between the 1st and 15th days, inclusive, of any calendar month shall be paid for between the 16th and the 26th day of the month during which the labor was performed, and labor performed between the 16th and the last day, inclusive, of any calendar month, shall be paid for between the 1st and 10th day of the following month. …
>
> (b) (1) Notwithstanding any other provision of this section, all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period.
>
> (2) An employer is in compliance with the requirements of subdivision (a) of Section 226 relating to total hours worked by the employee, if hours worked in excess of the normal work period during the current pay period are itemized as corrections on the paystub for the next regular pay period. Any corrections set out in a subsequently issued paystub shall state the inclusive dates of the pay period for which the employer is correcting its initial report of hours worked.

> (c) However, when employees are covered by a collective bargaining agreement that provides different pay arrangements, those arrangements shall apply to the covered employees.
>
> (d) The 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.

127. Defendants paid wages to employees on regular intervals. Defendants, however, failed to pay Plaintiff on such intervals for all wages earned and all hours worked. On information and belief, Plaintiff allege that Defendants also failed to pay the Aggrieved Employees on such intervals for all wages earned and all hours worked.

128. Labor Code section 1174, which also pertains to recordkeeping, states:

> Every person employing labor in this state shall
>
> ...
>
> (c) Keep a record showing the names and addresses of all employees employed and the ages of all minors.
>
> (d) Keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept in accordance with rules established for this purpose by the commission, but in any case shall be kept on file for not less than three years. An employer shall not prohibit an employee from maintaining a personal record of hours worked, or, if paid on a piece-rate basis, piece-rate units earned.

129. Defendants failed to compensate Plaintiff and all of the other Aggrieved Employees for all hours worked at the correct rates of pay, including all minimum wages earned, all regular wages earned, all overtime wages earned, all doubletime wages earned, all meal period premium wages earned, all rest break premium wages earned, gross wages earned, net wages earned, and related compensation. As a result, Defendants have failed to accurately

maintain all records required by section 1174 and the Wage Order, including but not limited to Plaintiff and all of the other Aggrieved Employees' total hours worked, total wages paid, and applicable hourly rates during each payroll period.

130. During the applicable time period, Defendants violated California Labor Code §§ 96, 98.6, 200, 201, 201.3, 201.5, 201.7, 202, 203, 203.5, 204, 204a, 204b, 204.1, 204.2, 205, 205.5, 206.5, 210, 212, 221, 222, 222.5, 223, 226, 226.2, 226.3, 226.7, 226.8, 227.3, 231, 232, 232.5, 233, 234, 245, 246, 351, 353, 404, 432, 432.3, 432.5, 432.7, 432.8, 450, 510, 511, 512, 551, 552, 558, 558.1, 1101, 1102.5, 1174, 1174.5, 1182.12, 1194, 1194.2, 1195.5, 1197, 1197.1, 1197.5, 1198, 1198.5, 1199, 1290, 1292, 1293, 1294.1, 1301, 1391, 1475, 1527, 1695.55, 1696.5, 1700.31, 1771, 1774, 1775, 1776, 1811, 1815, 2673, 2698 *et seq*., 2699, 2699.3, 2699.5 2800, 2802, 2810.5, 3366, 3395, 3457, and 8397.4.

131. California Labor Code §§ 2699(a) and (g) authorize an aggrieved employee, on behalf of himself and other current or former employees, to bring a civil action to recover civil penalties pursuant to the procedures specified in California Labor Code § 2699.3.

132. Pursuant to California Labor Code §§ 2699(a) and (f), Plaintiff and the Class Members are entitled to recover civil penalties for each of the Defendants' violations of California Labor Code §§ 96, 98.6, 200, 201, 201.3, 201.5, 201.7, 202, 203, 203.5, 204, 204a, 204b, 204.1, 204.2, 205, 205.5, 206.5, 210, 212, 221, 222, 222.5, 223, 226, 226.2, 226.3, 226.7, 226.8, 227.3, 231, 232, 232.5, 233, 234, 245, 246, 351, 353, 404, 432, 432.3, 432.5, 432.7, 432.8, 450, 510, 511, 512, 551, 552, 558, 558.1, 1101, 1102.5, 1174, 1174.5, 1182.12, 1194, 1194.2, 1195.5, 1197, 1197.1, 1197.5, 1198, 1198.5, 1199, 1290, 1292, 1293, 1294.1, 1301, 1391, 1475, 1527, 1695.55, 1696.5, 1700.31, 1771, 1774, 1775, 1776, 1811, 1815, 2673, 2698 *et seq*., 2699, 2699.3, 2699.5 2800, 2802, 2810.5, 3366, 3395, 3457, and 8397.4., during the applicable limitations period in the following amounts:

A. For violations of California Labor Code § 204, one hundred dollars ($100.00) for each Aggrieved Employee for each initial violation and two hundred dollars ($200.00) for each Aggrieved Employee for each subsequent violation (penalty amounts established by California Labor Code § 210).

B. For violations of California Labor Code § 226(a), two hundred fifty dollars ($250.00) for each Aggrieved Employee for initial violation and one thousand dollars ($1,000.00) for each Aggrieved Employee for each subsequent violation (penalty amounts established by California Labor Code § 226.3).

C. For violations of California Labor Code §§ 510, 512, and 558.1, fifty dollars ($50.00) for each Aggrieved Employee for initial violation and one hundred dollars ($100.00) for each Aggrieved Employee for each subsequent violation (penalty amounts established by California Labor Code § 558).

D. For violations of California Labor Code § 1174, five hundred dollars ($500.00) for each Aggrieved Employee for each violation (penalty amounts established by California Labor Code § 1174.5).

E. For violations of California Labor Code § 1197, one hundred dollars ($100.00) for each Aggrieved Employee for each initial and intentional violation and two hundred fifty dollars ($250.00) for each Aggrieved Employee for each subsequent violation, per pay period (regardless of whether the initial violations were intentionally committed) (penalty amounts established by California Labor Code § 1197.1).

F. For violations of California Labor Code §§ 201, 202, 203, 226.7, 1194, 1198, and 2802, one hundred dollars ($100.00) for each Aggrieved Employee per pay period for each initial violation and two hundred dollars ($200.00) for each Aggrieved Employee per pay period for each subsequent violation (penalty amounts established by California Labor Code § 2699(f)(2)).

133. Plaintiff has complied with the procedures for bringing suit specified in California Labor Code § 2699.3. By letters dated April 4, 2024 and January 8, 2026, Plaintiff filed a written notice online with the Labor and Workforce Development Agency ("LWDA") and gave written notice by certified mail to Defendants of the specific provisions of the California Labor Code alleged to have been violated, including the facts and theories to support the alleged violations. Plaintiff accompanied their LWDA notice with a fee in the amount of $75.00. The LWDA has failed to take action in response within 65 calendar days of the date of Plaintiff's

notice, but Plaintiff anticipates that the LWDA will provide written notice to Plaintiff informing them that it does not intend to investigate these allegations.

134. Employees are entitled to an award of civil penalties and reasonable attorney's fees and costs in connection with their claims for civil penalties.

TENTH CAUSE OF ACTION

UNFAIR COMPETITION

(Bus. & Prof. Code §§ 17200, *et seq.*)

(By Plaintiff, on behalf of himself and the Class, against all Defendants)

135. Plaintiff incorporates all paragraphs of this Complaint as if fully alleged herein.

136. At all relevant times during the applicable limitations period, Plaintiff and the Class Members have been employees of Defendants and entitled to the benefits and protections of the Business and Professions Code §§ 17200, *et seq*.

137. The unlawful conduct of Defendants alleged herein amounts to and constitutes unfair competition within the meaning of California Business & Professions Code §§ 17200, *et seq*. Due to their unfair and unlawful business practices alleged herein, Defendants have unfairly gained a competitive advantage over other comparable companies doing business in California that comply with their legal obligations to compensate employees for all earned wages.

138. As a result of Defendants' unfair competition as alleged herein, Plaintiff and the Class Members have suffered injuries in fact and lost money or property. Plaintiff and the Class Members were deprived of minimum wages, regular wages, overtime wages, missed meal period premium wages, missed rest period premium wages, phone, and other expenses, and comparable money and property.

139. Pursuant to California Business & Professions Code § 17203, Plaintiff and the Class Members are entitled to restitution of all monies rightfully belonging to them that Defendants did not pay them or otherwise retained by means of their unlawful and unfair business practices.

140. Plaintiff and the Class Members are entitled to reasonable attorneys' fees in

connection with their unfair competition claims pursuant to California Code of Civil Procedure § 1021.5, the substantial benefit doctrine and/or the common fund doctrine.

VI. PRAYER FOR RELIEF

141. WHEREFORE, Plaintiff, on behalf of himself and the Class Members, prays for relief and judgment against Defendants as follows:

A. An order that the action be certified as a class action with respect to Plaintiff's claims for violations of California law;

B. An order that Plaintiff be appointed class representative;

C. An order that counsel for Plaintiff be appointed class counsel;

D. Unpaid wages, including minimum, regular, overtime, double-time, split shift, vacation, missed meal period, missed rest period, nonproductive time, rest and recovery time, and reporting time wages;

E. Liquidated damages;

F. Statutory penalties, including waiting time penalties;

G. Civil penalties;

H. Restitution;

I. Declaratory relief;

J. Actual damages;

K. Pre-judgment interest;

L. Costs of suit;

M. Reasonable attorneys' fees; and

N. Such other relief as the Court deems just and proper.

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VII. DEMAND FOR JURY TRIAL

Plaintiff, on behalf of himself and all other Class Members, hereby demand a jury trial on all issues so triable.

Dated: January 28, 2026

MESSRELIAN LAW INC

By ______________________

Harout Messrelian, Esq.
Attorneys for Plaintiff,
GIUSEPPE LOSAVIO

PROOF OF SERVICE
Losavio v. 362NCD Beverly Hills LLC
LASC Case No. 24STCV30619

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES)

I, state that I am employed in the aforesaid County, State of California; I am over the age of eighteen years and not a party to the within action; my business address is 101 N. Brand Blvd. Suite 1450, Glendale, California 91203 and my email address is hm@messrelianlaw.com.

On February 4, 2026, I served the **FIRST AMENDED COMPLAINT** thereon fully prepaid, in the United States mail at Glendale, California, and/or by following one of the methods of service as follows:

LITTLER MENDELSON PC
Mittal, Jyoti
JMittal@littler.com
XuLi, Daniel
DXuLi@littler.com
Staggs Wilson, Elizabeth
EStaggs-Wilson@littler.com
Attorneys for Defendant

(X) **BY EMAIL OR ELECTRONIC TRANSMISSION:** Pursuant to CCP 1010.6, I transmitted the document(s) electronically to the person (s) at the email address(es) above. Transmission was reported as complete and without error.

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

Executed on February 4, 2026, at Glendale, California.

Harout Messrelian

EXHIBIT C

MESSRELIAN LAW
ATTORNEYS AT LAW

101 N. Brand Blvd., Suite 1450
Glendale, California 91203
Tel: (818) 484-6531
Fax: (818) 956-1983

VIA ELECTRONIC FILING **January 8, 2026**

California Labor & Workforce Development Agency (LWDA)
Attn. PAGA Administrator
800 Capitol Mall, MIC-55
Sacramento, California 95814

VIA U.S. CERTIFIED MAIL (RETURN RECEIPT REQUESTED)

362NCD BEVERLY HILLS LLC
COGENCY GLOBAL INC.
1325 J STREET, SUITE 1550
SACRAMENTO, CA 95814

GIUSEPPE LOSAVIO v. 362NCD BEVERLY HILLS LLC

RE: AMENDED PRIVATE ATTORNEYS GENERAL ACT NOTICE

Case No. LWDA-CM-1020408-24

To Whom It May Concern:

Please be informed that our client, Mr. Giuseppe Losavio (hereinafter "Mr. Losavio" or "our client") seeks penalties on behalf of the State of California and all current and former non-exempt or hourly paid California employees ("aggrieved employees") who worked for 362NCD BEVERLY HILLS LLC dba Cipriani among others (hereinafter referred to as "362NCD") at all of their restaurant locations in the State of California, during the relevant time period pursuant to California Labor Code section 2698, et. seq., the Labor Code Private Attorneys General Act of 2004 ("PAGA") in connection with the alleged claims for failure to comply with Labor Code sections 96, 98.6, 200, 201, 201.3, 201.5, 201.7, 202, 203, 203.5, 204, 204a, 204b, 204.1, 204.2, 205, 205.5, 206.5, 210, 212, 221, 222, 222.5, 223, 226, 226.2, 226.3, 226.7, 226.8, 227.3, 231, 232, 232.5, 233, 234, 245, 246, 351, 353, 404, 432, 432.3, 432.5, 432.7, 432.8, 450, 510, 511, 512, 551, 552, 558, 558.1, 1101, 1102.5, 1174, 1174.5, 1182.12, 1194, 1194.2, 1195.5, 1197, 1197.1, 1197.5, 1198, 1198.5, 1199, 1290, 1292, 1293, 1294.1, 1301, 1391, 1475, 1527, 1695.55, 1696.5, 1700.31, 1771, 1774, 1775, 1776, 1811, 1815, 2673, 2698 *et seq*., 2699, 2699.3, 2699.5 2800, 2802, 2810.5, 3366, 3395, 3457, and 8397.4. The purpose of this letter is to comply with the statutory requirements of California Labor Code section 2699.3 and shall constitute notice of the same.

Mr. Losavio started working at 362NCD on or around January 2024 as a waiter. Mr. Losavio was classified as an hourly, non-exempt employee. Mr. Losavio is still seemingly employed by 362NCD.

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In the case of Huff v. Securitas Sec. Servs. USA, Inc., 23 Cal. App. 5th 745 (2018), Plaintiff, Huff, was employed as a security guard for the Defendant Employer, Securitas Security Services USA, Inc., an onsite security provider. After about a year of employment, Huff resigned. Huff then filed suit against Securitas under PAGA. In his claim, Huff specifically alleged violations to the Labor Code requiring immediate payment of wages upon termination of employment and weekly payment of wages to temporary employees. The trial court determined Huff was not a temporary employee, and therefore, lacked standing to bring the claim. Thus, Securitas was granted a motion for summary judgement. Later, the trial court granted Huff a new trial. Securitas then appealed the grant of a new trial. On appeal, the issue was whether Huff could bring a PAGA claim and sue for Labor Code violations that did not directly affect him. Securitas unsuccessfully argued that the PAGA statute only allows the PAGA representative to sue for violations that the representative has personally suffered. The PAGA statute states that an "aggrieved employee" is able to file suit on behalf of themselves and others. The statute also states that an "aggrieved employee" is "any person who was employed by the alleged violator and against whom one or more of the alleged violations was committed." Because at least one of the violations that Huff had alleged had affected him personally, the Court of Appeal denied Securitas' motion.

In sum, since PAGA allows Plaintiffs to bring suit on behalf of both themselves and other employees, it allows for suits broader than the specific violations the named employee experienced. Therefore, even if the employee did not personally experience the Labor Code violations, the employer may still be liable to under PAGA. Consequently, it is our position that Mr. Losavio can equivocally bring the following labor code violations on behalf of all other employees, including ALL hourly, non-exempt employees who worked for 362NCD anywhere in the state of California (at all different restaurant locations) during the relevant PAGA period.

It is our position that 362NCD has violated the following Labor Code Sections against Mr. Losavio and other similarly situated aggrieved employees, who include all non-exempt, hourly employees who worked for 362NCD at their various locations/restaurants in the State of California during the relevant PAGA period.

362NCD violated Labor Code §§ 221, 222, 223, 1182.12, 1194, 1194.2, 1197, 1197.1, 1475, 1771, 1774, and 1198 because it failed to pay our client and other similarly situated aggrieved employees for all hours worked, including the statutory minimum wage for all hours worked and for "off the clock" work. This is so because 362NCD had company policies and/or practices wherein they failed to accurately track and/or pay all minutes actually worked; disproportionately rounded down the number of hours worked and/or edited and/or manipulated time entries to show less hours than actually worked, resulting in "time shaving" and further resulting in aggrieved employees not being paid for all hours worked; and engaged, suffered, or permitted employees to work off-the-clock (e.g., require employees to come early to work and leave work late without being able to clock-in for all that time; suffer under the company's control due to long lines for clocking-in; complete pre-shift tasks before clocking-in and post-shift tasks after clocking out; clock out for rest periods; don and doff uniforms and/or safety equipment off-the-clock; undergo security checks

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and/or bag checks off-the-clock; store and retrieve personal belongings off-the-clock; attend company meetings off-the-clock; make phone calls, receive and respond to emails and/or texts, drive. In addition, and to the extent Mr. Losavio and other employees worked through meal periods (when they finally started getting them) while "off the clock", the latter would also be considered a minimum wage violation under California law. Moreover, 362NCD failed to provide its employees with proper and accurate reporting time pay and split shift premiums. In addition, one look at Mr. Losavio's pay stubs indicates that his work hours are rounded hours and not in line with reality.

Due to the above "off the clock" and other violations, 362NCD also violated Labor Code §§ 221, 222, 223, 226.2, 510, 511, 551, 552, 1194, 1198, 1771, 1774, 1811, and 1815 because it failed to pay our client and other aggrieved employees overtime compensation, even though they worked more than 8 hours per day, 12 hours per day, 40 hours per week, and/or seven straight workdays in a workweek throughout their employment. Mr. Losavio's and other aggrieved employees' actual work hours entitled them to overtime compensation, however, 362NCD did not compensate its hourly, non-exempt employees with the correct amount of overtime due to the "off the clock" work, time shaving, attempting but failing to properly implement an alternative workweek schedule ("AWS") and other violations as described above. Furthermore, 362NCD failed to include bonuses/incentive payments (including but not limited to incentive pay, meal allowances, mask allowances, gift cards, and other forms of remuneration) in calculating employees' regular rate of pay for use in deciphering the correct overtime rate of pay. Additionally, the incentive and bonus payments were also not factored into employees' regular rate for purposes of receiving meal and rest break premiums per the Ferra v. Loews case.

362NCD also violated Labor Code § 226.7 and the appropriate Industrial Welfare Commission Wage Order no. 5 because it failed to provide our client and other similarly situated aggrieved employees with 10-minute rest periods for every four hours of work, or majority portion thereof, throughout their employment. 362NCD did not completely relieve our client and others of all duty during said rest periods including but not limited to requiring employees to carry cellular telephones or walkie-talkies during rest periods. Mr. Losavio and others were also subjected to other violations, including but not limited to distance and time it takes to walk to a suitable break area, required to remain on-premises, requiring on-duty rest periods, being interrupted generally, time spent waiting to clock back-in, having to don and doff safety gear during rest period, undergoing security or bag checks during rest periods, having to retrieve and store personal belongings during rest periods, requiring and/or being required to combined with meal periods) that yielded in non-compliant rest periods. 362NCD did not pay to our client and others one additional hour of pay at our client's regular rate of compensation for each workday that one or more statutory rest periods was not provided. It was not part of the company policy for employees such as Mr. Losavio to take at least two rest breaks per shift. The concept of rest breaks was not consistently implemented as it was not company policy. Moreover, it would not have been possible for employees such as Mr. Losavio to take such rest breaks due to being understaffed and due to a heavy workload, especially in the fast-paced restaurant industry wherein customer service is of paramount importance. As such, the culture as well as the policies and procedures of 362NCD did

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not lend itself to the employees receiving consistent statutory rest breaks wherein they were relieved of all work duties. The environment at 362NCD was not conducive to receiving multiple statutory rest breaks under California law and timely, statutory rest breaks were not authorized or enforced.

362NCD violated Labor Code §§ 512 and 226.7 and the appropriate Industrial Welfare Commission Wage Order no. 5 because it failed to provide hourly, non-exempt employees, including Mr. Losavio and others, the requisite 30-minute, uninterrupted meal periods for every five (5) hours of work throughout their employment. 362NCD did not completely relieve Mr. Losavio and other employees of all duty during said meal periods. 362NCD did not pay to Mr. Losavio and its hourly, non-exempt employees one additional hour of pay at their regular rate of compensation for each workday that one or more statutory meal periods was not provided. Mr. Losavio and others did not always receive uninterrupted meal breaks due to work obligations (including but not limited to requiring employees to carry cellular telephones or walkie-talkies during meal periods, requiring on-duty/on-call meal periods). Mr. Losavio and others were also subjected to other violations, including but not limited to being required to remain on-premises during meal periods, auto-deducting meal periods that could not be auto-deducted by law, and other requirements (including but not limited to distance and time it takes to walk to a suitable break area, time spent waiting to clock back-in, having to don and doff safety gear during meal period, undergoing security or bag checks during meal periods, and/or having to retrieve and store personal belongings during meal period) that yielded in non-compliant meal periods. In addition, and while the company tried to schedule meal breaks within one hour of employees starting their shift, this translates into employees such as Mr. Losavio and others working more than 5 consecutive hours without getting a meal period. Like the rest breaks, receiving a thirty-minute <u>uninterrupted</u> and <u>timely</u> meal break was not consistently part of the company culture and was not enforced by 362NCD. Consequently, it was the normal practice and custom of 362NCD not to authorize, permit, and enforce timely statutory meal periods. If 362NCD had our client sign a meal period waiver, it would not be valid and enforceable since our client and others generally worked more than a 6-hour shift. If 362NCD had our client sign an on-duty meal period agreement wherein our client agreed to work through the meal periods, it would be invalid and unenforceable because the nature of our client's job does not and did not prevent him from taking a meal period and the company could have hired "breakers" to relieve Mr. Losavio of his job duties so that he can actually take a timely, uninterrupted meal period. Moreover, any such "on duty" meal period agreement did not allow for our client to revoke such an agreement even if it was signed. As such, our client and others did not always receive statutory, timely meal periods during their employment. To the extent that 362NCD argues that employees receive meal break premium pay for missed meal periods, <u>that argument is inconsequential for PAGA penalty purposes since the PAGA penalties are for the violations themselves, irrespective of whether an employee received the premium payment for a missed, short, or interrupted meal period.</u> In *Kirby v. Immoos Fire Protection, Inc.*, the Court stated, "section 226.7 does not give employers a lawful choice between

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providing *either* meal and rest breaks *or* an additional hour of pay." *See Kirby v. Immoos Fire Protection, Inc.*, (2012) 53 Cal.4th 1244, 1256 (emphasis in original). Thus, the extra hour of pay does not excuse the violation; the employer has still committed a violation even if the remedy for the violation has been paid. *See Wert v. U.S. Bancorp*, (S.D. Cal. Mar. 22, 2016, 2016 WL 1110302 at *4). As such, the work environment and culture at 362NCD was not conducive to receiving consistent, timely, statutory meal breaks under California law. Moreover, any meal or rest break premiums paid were not compensated at the weighted average regular rate, inclusive of bonuses and/or incentive payments as well as overtime compensation.

Furthermore, 362NCD failed to permit Mr. Losavio and other similarly situated aggrieved employees to permit cooldown periods every day as required under California Code of Regulations, Title 8, Section 3395 and rest and recovery periods as required by Labor Code section 226.2 or premiums in lieu of as required by Labor Code section 226.7.

Furthermore, during the relevant time period, and due to the above labor code violations, 362NCD failed to pay our client and other similarly situated aggrieved employees all wages due to them within any time period specified by California Labor Code section 204. Since Mr. Losavio was not compensated for his "off the clock" work and since Mr. Losavio did not receive meal and rest break premiums amongst other wages, Mr. Losavio would still be owed wages pursuant to Labor Code Section 204. 362NCD was also in violation of California Labor Code section 226(a) by failing to include pertinent information on the wage statements, including but not limited to, the correct hourly rate, all hours worked, overtime hours worked, correct overtime pay, gross wages earned, net wages earned, premium pay for missed meal and rest breaks, all deductions, the correct start and end of the pay period, all employee identifying information, the correct and complete name and address of the legal employer, and reimbursement for business expenses, among others. 362NCD was also in violation of Labor Code section 226.2 to the extent it does not include for piece-rate work information required therein. As such, 362NCD did not provide our client and other similarly situated aggrieved employees with complete, accurate itemized wage statements. Moreover, Mr. Losavio and others did not have access to their pay stubs and would not be able to figure out the breakdown of wages when they received their paychecks.

362NCD also failed to pay all temporary workers, including, Mr. Losavio and others, their owed wages weekly by not later than the regular payday of the following week in violation of Labor Code sections 201.3 and 1198.

362NCD also failed to pay Mr. Losavio and others their paid time off and vacation time owed upon separation of employment as wages at their final rate of pay in violation of Labor Code sections 221, 222, 223, and 227.3.

During the relevant time period, 362NCD also failed to keep accurate and complete time and payroll records showing the actual hours worked per day and the wages paid to Mr. Losavio and others pursuant to California Labor Code sections 226, 432, 1174, 1174(d), 1775, 1776, 1198.5, 1695.55, and 2673.

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362NCD also violated Labor Code § 203 because it willfully failed to pay other similarly situated aggrieved employees earned and due wages upon separation of employment, either immediately upon involuntary termination, or within 72 hours of resignation and consequently violated Labor Code sections 201, 201.5, 201.7, 202, 203, 203.5, 204a, 204.1, 204.2, 205, 205.5, and 1198. These earned but unpaid wages include compensation for all hours worked, including minimum wages, overtime compensation, and premium pay for missed meal and rest breaks.

362NCD was also in violation of Labor Code sections 206.5 and 1198 for requiring the execution of a release of claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, including, without limitation, as a condition of being paid, to execute a statement of the hours worked during a pay period in which 362NCD knew to be false.

During the relevant time period, Mr. Losavio and other aggrieved employees incurred necessary, business-related expenses and costs that were not reimbursed by 362NCD. These costs include, but are not limited to, use of personal cell phones for work purposes, costs incurred for driving personal vehicles (i.e., mileage and gas), separately laundering mandatory uniforms, purchase of tools and safety equipment, pre-employment medical, physical, or drivers' exams taken as a condition of employment, uniform and other deposits, purchasing uniforms, and purchases 362NCD coerced or compelled Mr. Losavio and other aggrieved employees to patronize in the purchase of a value or things, including 362NCD's products and services. Accordingly, 362NCD was in violation of California Labor Code sections 222.5, 231, 450, 1198, 2800 and 2802. 362NCD also failed to reimburse deposits, including uniform deposits, made with all interest owed at separation of employment in violation of Labor Code sections 404 and 1198.

Additionally, 362NCD violated Labor Code Section 351 and 353 by taking some of the tips meant for employees and also deducting the tips from Mr. Losavio's and others' earned wages. In fact, Mr. Losavio's manager would often take the tips that belonged to the other waiters even though the manager was not a waiter. 362NCD also deducted the credit card fee from Mr. Losavio's and others' tips and did not timely provide the credit card and even cash tips to Mr. Losavio and other similarly situated aggrieved employees. 362NCD also failed to keep accurate records of all gratuities received and make them open to inspection at all reasonable hours. As such, Mr. Losavio and the other similarly situated employees were not given accurate tips to which they were entitled. 362NCD was also in violation of Labor Code sections 212, 221, 222, 223, 226.7, 246, 510, 1194, and 1197 by unlawfully deducting wages from Mr. Losavio and other aggrieved employees.

Furthermore, 362NCD did not provide proper and correct/accurate sick pay that was also delineated on employee pay stubs and also failed to provide proper sick leave in violation of Labor Code sections 233, 245 (the Healthy Workplace Healthy Families Act of 2014), and 246. 362NCD also did not permit use of sick pay for attending to an illness of a child, parent, spouse, or domestic partner without retaliation and thereby also in violation of Labor Code section 233. 362NCD also violated the notice requirements under Labor Code sections 221, 222, 223, 233, 234, 245, and 246. Moreover, there were no suitable seating/rest break facilities for the employees pursuant to Wage Order no. 5-2001. In fact, on the latter point and since there was no rest break/eating facility for

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employees, when employees were able to get meal periods, they would eat outside on the stairs or on the ground.

362NCD was also in violation of California Labor Code section 2810.5 (i.e., the Wage Theft Protection Act of 2011) by, among other things, failing to provide Mr. Losavio and other aggrieved employees with the rates of pay and overtime rates of pay applicable to their employment, allowances claimed as part of the minimum wage, the regular payday designated by 362NCD, the name of the employer, including any "doing business as" names used, the name, address and telephone numbers of the workers' compensation insurance carrier, information regarding paid sick leave, and other pertinent information as required.

362NCD also prevented Mr. Losavio and others from using or disclosing the skills, knowledge, and experience they obtained at 362NCD for purposes of competing with 362NCD, including but not limited to disclosing their wages in negotiating a new job with a prospective employer, and disclosing who else works at 362NCD and under what circumstances they might be receptive to an offer from a rival employer in violation of Business and Professions code sections 17200, 16600, and 16700 and Labor Code sections 232, 232.5, 1197.5, and 1198. 362NCD also prevented Mr. Losavio and others from disclosing violations of state and federal law, either within 362NCD to their managers or outside of 362NCD to private attorneys or government officials, among others, in violation of Business and Professions code section 17200 and Labor Code section 1102.5. 362NCD also prevented Mr. Losavio and others from engaging in lawful conduct during non-work hours (e.g., disclosing wages, working conditions, and illegal conduct, etc.) in violation of Labor Code sections 96, 98.6, 232, 232.5, 1197.5, and 1198.

362NCD also prevented Mr. Losavio and others from engaging or participating in politics and/or from becoming a candidate for public office by coercing, influencing, or attempting to coerce or influence Mr. Losavio and others through threat of discharge and/or loss of employment to adopt or follow or refrain from adopting or following a particular course or line of political action and/or political activity. In violation of Labor Code sections 1101, 1102, 1102.5, and 1198.

362NCD also required Mr. Losavio and others to agree in writing to terms and conditions known to be prohibited by law (e.g., non-compete agreements, terms known to be illegal in arbitration agreements, purported confidentiality agreements, purported severance agreements, purported release agreements, or other written documents for employee's assent) in violation of Labor Code sections 432.5, 1700.31, and 1198.

362NCD also conducted unlawful background checks on prospective and current employees, including Mr. Losavio and others in violation of Labor Code sections 432.7, 432.8, and 1198. 362NCD also paid lesser wages to candidates on basis of sex, race, or ethnicity for substantially similar work.

362NCD also relied on the salary history information of Mr. Losavio and others when determining whether to offer employment to an applicant or what salary to offer the application in violation of Labor Code section 432.3.

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362NCD also employed, permitted, and/or suffered to work minors under the age of 16 years in connection with a manufacturing establishment or other place of employment and minors under the age of 14 to 16 years to work more than regulations permit and during school year in violation of Labor Code sections 1290, 1292, 1293, 1293.1, 1294.1, 1301, and 1391.

362NCD also misclassified Mr. Losavio and others as independent contractors and charged fees that would not be lawful otherwise in violation of Labor Code section 226.8.

Furthermore, we believe your companies have also violated Labor Code Sections 558, 558.1 1174.5, 1195.5, 1199, 1527, 1696.5, 3366, 3395, 3458, and 8397.4 and has engaged in business practices which violate Business and Professions Code Section 17200.

Each of the aforementioned violations, except the violations for inaccurate pay statements under Labor Code section 226(a), is among the enumerated violations set forth in Labor Code § 2699.5, for which there is no statutory right to cure.

Please take notice that, based upon the above-mentioned violations, and in addition to the penalties provided by those specific sections themselves, Mr. Losavio also intends to seek penalties under the following Labor Code sections which themselves are inviolable but provide for recovery of penalties for violating one or more of the above-mentioned Labor Code sections: Labor Code §§ 558, 226.3, 1197.1.

Should your agency choose not to pursue this matter, this law office intends to vigorously prosecute the aforementioned Labor Code violations on its behalf and vindicate the rights of all employees who have been subjected to these same Labor Code violations by 362NCD.

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

Very Truly Yours,

Harout Messrelian, Esq.

MESSRELIAN LAW
ATTORNEYS AT LAW

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Glendale, California 91203
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VIA ELECTRONIC FILING **April 4, 2024**

California Labor & Workforce Development Agency (LWDA)
Attn. PAGA Administrator
800 Capitol Mall, MIC-55
Sacramento, California 95814

VIA U.S. CERTIFIED MAIL (RETURN RECEIPT REQUESTED)

362NCD BEVERLY HILLS LLC
RIVERSIDE AGENT SERVICES INC.
1325 J STREET, SUITE 1550
SACRAMENTO, CA 95814

362NCD BEVERLY HILLS LLC
362 N. CAMDEN DR.
BEVERLY HILLS, CA 90210

GIUSEPPE LOSAVIO v. 362NCD BEVERLY HILLS LLC

RE: PRIVATE ATTORNEYS GENERAL ACT NOTICE

To Whom It May Concern:

Please be informed that our client, Mr. Giuseppe Losavio (hereinafter "Mr. Losavio" or "our client") seeks penalties on behalf of the State of California and all current and former non-exempt or hourly paid California employees ("aggrieved employees") who worked for 362NCD BEVERLY HILLS LLC dba Cipriani among others (hereinafter referred to as "362NCD") at all of their restaurant locations in the State of California, during the relevant time period pursuant to California Labor Code section 2698, et. seq., the Labor Code Private Attorneys General Act of 2004 ("PAGA"). The purpose of this letter is to comply with the statutory requirements of California Labor Code section 2699.3 and shall constitute notice of the same.

Mr. Losavio started working at 362NCD on or around January 2024 as a waiter. Mr. Losavio was classified as an hourly, non-exempt employee. Mr. Losavio is still seemingly employed by 362NCD.

In the case of Huff v. Securitas Sec. Servs. USA, Inc., 23 Cal. App. 5th 745 (2018), Plaintiff, Huff, was employed as a security guard for the Defendant Employer, Securitas Security Services USA, Inc., an onsite security provider. After about a year of employment, Huff resigned. Huff then filed suit against Securitas under PAGA. In his claim, Huff specifically alleged violations to the Labor Code requiring immediate payment of wages upon termination of employment and

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weekly payment of wages to temporary employees. The trial court determined Huff was not a temporary employee, and therefore, lacked standing to bring the claim. Thus, Securitas was granted a motion for summary judgement. Later, the trial court granted Huff a new trial. Securitas then appealed the grant of a new trial. On appeal, the issue was whether Huff could bring a PAGA claim and sue for Labor Code violations that did not directly affect him. Securitas unsuccessfully argued that the PAGA statute only allows the PAGA representative to sue for violations that the representative has personally suffered. The PAGA statute states that an "aggrieved employee" is able to file suit on behalf of themselves and others. The statute also states that an "aggrieved employee" is "any person who was employed by the alleged violator and against whom one or more of the alleged violations was committed." Because at least one of the violations that Huff had alleged had affected him personally, the Court of Appeal denied Securitas' motion.

In sum, since PAGA allows Plaintiffs to bring suit on behalf of both themselves and other employees, it allows for suits broader than the specific violations the named employee experienced. Therefore, even if the employee did not personally experience the Labor Code violations, the employer may still be liable to under PAGA. <u>Consequently, it is our position that Mr. Losavio can equivocally bring the following labor code violations on behalf of all other employees, including ALL hourly, non-exempt employees who worked for 362NCD anywhere in the state of California (at all different restaurant locations) during the relevant PAGA period.</u>

It is our position that 362NCD has violated the following Labor Code Sections against Mr. Losavio and other similarly situated aggrieved employees, who include all non-exempt, hourly employees who worked for 362NCD at their various locations/restaurants in the State of California during the relevant PAGA period.

362NCD violated Labor Code § 1194, 1194.2, 1197, and 1197.1 because it failed to pay our client and other similarly situated aggrieved employees for all hours worked, including the statutory minimum wage for all hours worked and for "off the clock" work. This is so because 362NCD had a company policy wherein they would disproportionately round down the number of hours worked, resulting in "time shaving" and further resulting in aggrieved employees not being paid for all hours worked. In addition, and to the extent Mr. Losavio and other employees worked through meal periods while "off the clock", the latter would be considered a minimum wage violation under California law. Moreover, 362NCD failed to provide its employees with proper and accurate reporting time pay. In addition, one look at Mr. Losavio's pay stubs indicates that his work hours are rounded hours and not in line with reality.

Due to the above "off the clock" violations, 362NCD also violated Labor Code §510 because it failed to pay our client and other aggrieved employees overtime compensation, even though they worked more than 8 hours per day, 12 hours per day, and/or 40 hours per week throughout their employment. Mr. Losavio's and other aggrieved employees' actual work hours entitled them to overtime compensation, however, 362NCD did not compensate its hourly, non-exempt employees with the correct amount of overtime due to the "off the clock" work and time shaving as described above. Furthermore, 362NCD failed to include bonuses/incentive payments in calculating employees' regular rate of pay for use in deciphering the correct overtime rate of pay. Additionally,

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the incentive and bonus payments were also not factored into employees' regular rate for purposes of receiving meal and rest break premiums per the Ferra v. Loews case.

362NCD also violated Labor Code § 226.7 and the appropriate Industrial Welfare Commission Wage Order no. 5 because it failed to provide our client and other similarly situated aggrieved employees with 10-minute rest periods for every four hours of work, or majority portion thereof, throughout their employment. 362NCD did not completely relieve our client and others of all duty during said rest periods. 362NCD did not pay to our client and others one additional hour of pay at our client's regular rate of compensation for each workday that one or more statutory rest periods was not provided. It was not part of the company policy for employees such as Mr. Losavio to take at least two rest breaks per shift. The concept of rest breaks was not consistently implemented as it was not company policy. Moreover, it would not have been possible for employees such as Mr. Losavio to take such rest breaks due to being understaffed and due to a heavy workload, especially in the fast-paced restaurant industry wherein customer service is of paramount importance. As such, the culture as well as the policies and procedures of 362NCD did not lend itself to the employees receiving consistent statutory rest breaks wherein they were relieved of all work duties. The environment at 362NCD was not conducive to receiving multiple statutory rest breaks under California law and timely, statutory rest breaks were not authorized or enforced.

362NCD violated Labor Code §§ 512 and 226.7 and the appropriate Industrial Welfare Commission Wage Order no. 5 because it failed to provide hourly, non-exempt employees, including Mr. Losavio and others, the requisite 30-minute, uninterrupted meal periods for every five (5) hours of work throughout their employment. 362NCD did not completely relieve Mr. Losavio and other employees of all duty during said meal periods. 362NCD did not pay to Mr. Losavio and its hourly, non-exempt employees one additional hour of pay at their regular rate of compensation for each workday that one or more statutory meal periods was not provided. Mr. Losavio and others did not always receive uninterrupted meal breaks due to work obligations. In addition, and while the company tried to schedule meal breaks within one hour of employees starting their shift, this translates into employees such as Mr. Losavio and others working more than 5 consecutive hours without getting a meal period. Like the rest breaks, receiving a thirty-minute uninterrupted and timely meal break was not consistently part of the company culture and was not enforced by 362NCD. Consequently, it was the normal practice and custom of 362NCD not to authorize, permit, and enforce timely statutory meal periods. If 362NCD had our client sign a meal period waiver, it would not be valid and enforceable since our client and others generally worked more than a 6-hour shift. If 362NCD had our client sign an on-duty meal period agreement wherein our client agreed to work through the meal periods, it would be invalid and unenforceable because the nature of our client's job does not and did not prevent him from taking a meal period and the company could have hired "breakers" to relieve Mr. Losavio of his job duties so that he can actually take a timely, uninterrupted meal period. Moreover, any such "on duty" meal period agreement did not allow for our client to revoke such an agreement even if it was signed. As such, our client and others did not always receive statutory, timely meal periods during their employment. To the extent that 362NCD argues that employees receive meal break premium pay for missed meal periods, that argument is inconsequential for PAGA penalty purposes since the

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PAGA penalties are for the violations themselves, irrespective of whether an employee received the premium payment for a missed, short, or interrupted meal period. In *Kirby v. Immoos Fire Protection, Inc.*, the Court stated, "section 226.7 does not give employers a lawful choice between providing *either* meal and rest breaks *or* an additional hour of pay." *See Kirby v. Immoos Fire Protection, Inc.*, (2012) 53 Cal.4th 1244, 1256 (emphasis in original). Thus, the extra hour of pay does not excuse the violation; the employer has still committed a violation even if the remedy for the violation has been paid. *See Wert v. U.S. Bancorp*, (S.D. Cal. Mar. 22, 2016, 2016 WL 1110302 at *4). As such, the work environment and culture at 362NCD was not conducive to receiving consistent, timely, statutory meal breaks under California law. Moreover, any meal or rest break premiums paid were not compensated at the weighted average regular rate, inclusive of bonuses and/or incentive payments as well as overtime compensation.

Furthermore, during the relevant time period, and due to the above labor code violations, 362NCD failed to pay our client and other similarly situated aggrieved employees all wages due to them within any time period specified by California Labor Code section 204. Since Mr. Losavio was not compensated for his "off the clock" work and since Mr. Losavio did not receive meal and rest break premiums, Mr. Losavio would still be owed wages pursuant to Labor Code Section 204. 362NCD was also in violation of California Labor Code section 226(a) by failing to include pertinent information on the wage statements, including but not limited to, the correct hourly rate, all hours worked, overtime hours worked, correct overtime pay, gross wages earned, net wages earned, premium pay for missed meal and rest breaks, all deductions, the correct start and end of the pay period, all employee identifying information, the correct and complete name and address of the legal employer, and reimbursement for business expenses, among others. As such, 362NCD did not provide our client and other similarly situated aggrieved employees with complete, accurate itemized wage statements. Moreover, Mr. Losavio and others did not have access to their pay stubs and would not be able to figure out the breakdown of wages when they received their paychecks.

During the relevant time period, 362NCD also failed to keep accurate and complete payroll records showing the actual hours worked per day and the wages paid to Mr. Losavio and others pursuant to California Labor Code sections 1174(d).

362NCD also violated Labor Code § 203 because it willfully failed to pay other similarly situated aggrieved employees earned and due wages upon separation of employment, either immediately upon involuntary termination, or within 72 hours of resignation. These earned but unpaid wages include compensation for all hours worked, including minimum wages, overtime compensation, and premium pay for missed meal and rest breaks.

During the relevant time period, Mr. Losavio and other aggrieved employees incurred necessary, business-related expenses and costs that were not reimbursed by 362NCD. These costs include, but are not limited to, use of personal cell phones for work purposes and uniforms. Accordingly, 362NCD was in violation of California Labor Code sections 2800 and 2802.

Additionally, 362NCD violated Labor Code Section 351 and 353 by taking some of the tips meant for employees and also deducting the tips from Mr. Losavio's and others' earned wages. In fact,

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Mr. Losavio's manager would often take the tips that belonged to the other waiters even though the manager was not a waiter. 362NCD also deducted the credit card fee from Mr. Losavio's and others' tips and did not timely provide the credit card and even cash tips to Mr. Losavio and other similarly situated aggrieved employees. As such, Mr. Losavio and the other similarly situated employees were not given accurate tips to which they were entitled.

Furthermore, 362NCD did not provide proper and correct/accurate sick pay that was also delineated on employee pay stubs and also failed to provide proper sick leave in violation of Labor Code sections 233 and 246. Moreover, there were no suitable seating/rest break facilities for the employees pursuant to Wage Order no. 5-2001. In fact, on the latter point and since there was no rest break/eating facility for employees, when employees were able to get meal periods, they would eat outside on the stairs or on the ground.

Furthermore, we believe your companies have also violated Labor Code Section 558 and has engaged in business practices which violate Business and Professions Code Section 17200.

Each of the aforementioned violations, except the violations for inaccurate pay statements under Labor Code section 226(a), is among the enumerated violations set forth in Labor Code § 2699.5, for which there is no statutory right to cure.

Please take notice that, based upon the above-mentioned violations, and in addition to the penalties provided by those specific sections themselves, Mr. Losavio also intends to seek penalties under the following Labor Code sections which themselves are inviolable but provide for recovery of penalties for violating one or more of the above-mentioned Labor Code sections: Labor Code §§ 558, 226.3, 1197.1.

Should your agency choose not to pursue this matter, this law office intends to vigorously prosecute the aforementioned Labor Code violations on its behalf and vindicate the rights of all employees who have been subjected to these same Labor Code violations by 362NCD.

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

Very Truly Yours,

Harout Messrelian, Esq.

EXHIBIT 2

CLASS ACTION ADMINISTRATION

Quotation Request:		**Case Name:**	**Losavio v. 362NCD**
Harout Messrelian		Date:	Thursday, April 30, 2026
Messrelian Law		RFP Number:	201880020

Prepared By:
Michael Sutherland
Apex Class Action LLC
mike@apexclassaction.com
321.223.5067

Settlement Specifications	
Estimated Class Size:	**240**
Certified Language Translation:	**Yes**
Interactive Settlement Website:	**No**
Percentage of Undeliverable Mail:	**20%**

Professional Services	Fee Calculation	Rate(s)	Quantity	Estimated Cost
Data Analytics and Standardization				
Import and Standardize Data*	Per Hour	$125.00	2	$250.00
Data Analyst	Per Hour	$150.00	2	$300.00
*Data provided must be in a workable format. Apex can standardize provided data at an additional cost of $150/hr.				
			Sub Total:	$550.00
Mailing of Class Notice				
Form Set Up	Per Hour	$120.00	1	WAIVED
Print & Mail Class Notice	Per Piece	$1.25	240	$300.00
USPS First Class Postage	Per Piece	$0.78	240	$187.20
Remail Undeliverable Mail (Skip-Trace)	Per Piece	$2.00	24	$48.00
Receive and Process Undeliverable Mail	Per Hour	$75.00	1	$75.00
Process Class Member Correspondence via mail, e-mail & fax	Per Piece	$75.00	1	$75.00
NCOA Address Update (USPS)	Static Rate	$50.00	1	$50.00
Certified Language Translation: Spanish	Static Rate	$1,000.00	1	$1,000.00
			Sub Total:	$1,929.00
Project Management				
Project Management	Per Hour	$150.00	2	$300.00
Project Coordinator	Per Hour	$90.00	2	$180.00
Data Analyst and Reporting	Per Hour	$140.00	2	$280.00
			Sub Total:	$760.00

APEX
CLASS ACTION ADMINISTRATION

Professional Services	Fee Calculation	Rate(s)	Quantity	Estimated Cost
Toll-Free Contact Center, Website & Reporting				
Bilingual Toll-Free Contact Center	Static Rate	$88.00	1	$88.00
Settlement Status Reports	Static Rate	$750.00	1	WAIVED
			Sub Total:	$88.00
Distribution & Settlement Fund Management				
Settlement Calculations (Preliminary and Final)	Per Hour	$120.00	2	$240.00
Account Management and Reconciliation	Per Hour	$140.00	2	$280.00
Print & Mail Distribution Settlement Check (W-2/1099) CA Only	Per Piece	$1.25	240	$300.00
USPS First Class Postage	Per Piece	$0.78	240	$187.20
Remail Distribution to Updated Address (Skip Trace)	Per Piece	$1.50	24	$36.00
Reminder Postcard, USPS Postcard Postage	Per Piece	$1.00	72	$72.00
Individual Income Tax Preparation & Reporting	Per Hour	$150.00	3	$450.00
QSF Income Tax Reporting (per calendar year)	Per Year	$1,000.00	1	$1,000.00
			Sub Total:	$2,565.20
Post Distribution Reconciliation				
Bank Account Reconciliation	Per Hour	$135.00	2	$270.00
Project Management Reconciliation	Per Hour	$100.00	2	$200.00
Declarations	Per Hour	$120.00	1	$120.00
			Sub Total:	$590.00
			TOTAL CAPPED ADMINISTRATION COST:	**$6,490.00**

Thank you for your business!

CLASS ACTION ADMINISTRATION

Terms & Conditions

The following Terms and Conditions govern the provision of all services to be provided by Apex Class Action and its affiliates ("Apex") to the Client. These terms and conditions are binding and shall apply to all services provided by Apex in relation to any related services or products.

1. Services: Apex commits to providing the Client with the administrative services detailed in the attached Proposal (the "Services").

2. Payment Terms: As compensation for the legal services to be provided, the Client agrees to pay Apex all fees detailed in the Proposal. The fees quoted in the Proposal (and any subsequent proposals for additional services) are estimates based on the information provided to Apex by the Client. Apex makes no representation that the estimated fees in the Proposal or any subsequent proposals for additional services shall equal the actual fees charged by Apex to the Client, which fees (including individual line items) may be greater or less than estimated. If additional services are requested on an hourly basis and are not specifically detailed in the Proposal, Apex will prepare estimates for such services subject to approval by the Client. In the performance of such additional services, Apex will charge standard hourly fees which shall apply.

3. Incurred Expenses: In relation to the provision of services outlined in this agreement, the Client agrees to reimburse Apex for all reasonable out-of-pocket expenses incurred. Such expenses may include, but are not limited to, costs associated with postage, media production or publication, banking fees, brokerage fees, messenger and delivery service expenses, travel expenses, filing fees, office supplies, meals, staff overtime expenses, and other related costs and expenses. If not otherwise specified in writing, fees for print notice and certain expenses, such as media publication and postage, must be paid immediately upon invoicing and, in certain cases, at least ten (10) days prior to the date on which such expenses will be incurred.

4. Invoicing: Apex shall present invoices for its fees and expenses on a monthly basis, except as provided in Section 3. The Client agrees to pay each invoice within 30 days of receipt. In case of non-payment within 90 days of the billing date, an additional service charge of 1.5% per month may apply. Apex reserves the right to increase its prices, charges, and rates annually, subject to reasonable adjustments. If any price increases exceed 10%, Apex shall give thirty (30) days' notice to the Client. In the event of any unpaid invoices beyond 120 days of the due date, Apex reserves the right to withhold services and reports until payment is received, subject to notice to the Client. It is important to note that Apex's failure to provide services and reports in such instances shall not constitute a default under this agreement.

5. Case Duration: The duration of these Terms and Conditions, except for the data storage obligations stated in Section 13, shall be in effect until 30 days following the completion of the Services as described in the Proposal. The parties may extend these Terms and Conditions in writing for a mutually agreed-upon period beyond this initial 30-day period.

6. Termination of Services: Either party may terminate the Services by providing thirty (30) days written notice to the other party. Alternatively, termination may occur immediately upon written notice for Cause, as defined below. Cause means (I) Apex's gross negligence or willful misconduct that causes serious and material harm to the Client; (ii) the Client's failure to pay Apex invoices for more than one hundred twenty (120) days from the date of the invoice; or (iii) the accrual of invoices or unpaid services where Apex reasonably believes it will not be paid. Termination of the Services shall not relieve the Client of its obligation to pay Apex for services rendered prior to the termination.

7. Independent Contractor: As an independent contractor, Apex will provide services under the terms of this agreement. It is agreed that neither Apex nor any of its employees will be considered an employee of the Client. Consequently, Apex and its employees will not be eligible for any benefits provided by the Client to its employees. The Client will not make any tax deductions from the payments due to Apex for state or federal tax purposes. Apex will be solely responsible for paying all taxes and other payments due on payments received from the Client under this agreement.

8. Apex warrants that the Services outlined in the Proposal will be performed in accordance with the standards generally adhered to by professionals providing similar services. It is acknowledged that the Services may entail the likelihood of some human and machine errors, omissions, delays, and losses that may result in damage. However, Apex shall not be held liable for such errors, omissions, delays, or losses unless they are caused by its gross negligence or willful misconduct. In the event of any breach of this warranty by Apex, the Client's sole remedy will be limited to Apex's rerunning, at its expense, any inaccurate output provided that such inaccuracies occurred solely as a result of Apex's gross negligence or willful misconduct under this agreement.

9. Limitation of Liability: The Client acknowledges that Apex shall not be held liable for any consequential, special, or incidental damages incurred by the Client in relation to the performance of Services, whether the claim is based on breach of warranty, contract, tort (including negligence), strict liability, or any other grounds. Under no circumstances shall Apex's liability to the Client, for any Losses (including court costs and reasonable attorney's fees), arising out of or in connection with these Terms and Conditions, exceed the total amount charged or chargeable to the Client for the specific service(s) that caused the Losses.

10. Indemnification: The Client agrees to indemnify and hold harmless Apex from any losses, suits, actions, judgments, fines, costs, liabilities, or claims arising from any action or proceeding relating to the Services provided by Apex, regardless of whether or not it results in liability (collectively referred to as "Indemnified Claims"). However, this indemnification provision shall not apply to the extent that such Indemnified Claims are caused by Apex's willful misconduct, gross negligence, or breach of these Terms and Conditions. This provision shall survive termination of the Services.

11. Confidentiality: Apex will uphold strict confidentiality between Apex and the Client and applies to all non-public records, documents, systems, procedures, processes, software, and other information received by either party in connection with the performance of services under these terms. Both Apex and the Client agree to keep confidential all such non-public information, including any material marked or identified as confidential or proprietary. Any such confidential information shall not be disclosed, provided, disseminated, or otherwise made available to any third party, except as required to fulfill the parties' obligations under these terms. The parties acknowledge that in the event of any request to disclose any confidential information in connection with a legal or administrative proceeding, or otherwise to comply with a legal requirement, prompt notice of such request must be given to the other party to enable that party to seek an appropriate protective order or other remedy or to waive compliance with the relevant provisions of these terms. If the Client seeks a protective order or another remedy, Apex, at the Client's expense, will cooperate with and assist the Client in such efforts. If the Client fails to obtain a protective order or waives compliance with the relevant provisions of these terms, Apex will disclose only that portion of the confidential information that it determines it is required to disclose. This confidentiality provision shall survive termination of the services provided. Both parties acknowledge and agree that any breach of this these terms may cause irreparable harm to the non-breaching party and that injunctive relief may be necessary to prevent any actual or threatened breach. The terms set forth between the parties supersede all prior negotiations, understandings, and agreements between the parties concerning confidentiality. These terms may only be amended in writing and signed by both parties.

12. Ownership of the programs, system data, and materials provided by Apex to the Client during the course of providing services herein shall solely belong to Apex. It is acknowledged that fees and expenses paid by the Client do not confer any rights in such property. It is also understood that the said property is made available to the Client solely for the purpose of using it during and in connection with the services provided by Apex.

13. Upon the completion of the administration and unless retention instructions are ordered by the court, Apex will notify the client that it will destroy and/or return all confidential information and property within 90 days upon the client's written request. Alternatively, the material may be stored for one year at a monthly fee of $1.50 per storage box for paper documents and $0.01 per image for electronic copies over a period of three years, which compensates Apex for its electronic and hard-copy storage costs. Apex will not be liable for any damages, liability, or expenses incurred in connection with any delay in delivery of, or damage to disks, magnetic tapes, or any input data provided by the client or its representatives unless Apex has agreed in writing to assume such responsibility.

14. COMPLETE AGREEMENT. These Terms and Conditions, along with the attached Proposal, represent the complete agreement and understanding between the parties and override any prior agreements (whether written or oral) between Apex and the Client regarding the subject matter. Any modification to these Terms and Conditions may only be made in writing and must be signed by both Apex and the Client. The headings in this document are included for convenience only and do not alter or restrict any provisions in these Terms and Conditions. They may not be used in the interpretation of these Terms and Conditions.

15. This provision outlines the requirements for providing notice or other communication under this agreement. All such communications must be in writing and can be delivered either by personal delivery or through U.S. Mail with prepaid postage or overnight courier. Once delivered personally or sent through the mail, the notice will be considered given after five (5) days from the deposit date in the U.S. Mail. Alternatively, if sent through an overnight courier, the notice will be considered given one business day after delivery to the such courier. It's important to note that the notice must be provided to a responsible officer or principal of the Client or Apex, depending on the case.

16. Force Majeure: In the event of any failure or delay in performance due to circumstances beyond Apex's control, including but not limited to strikes, lockouts, fires, floods, acts of God or public enemy, riots, civil disorders, insurrections, war or war conditions, or interference by civil or military authorities, Apex shall not be held liable for any resulting loss or damage. The time for performance under this agreement shall be extended for a period equal to the duration of the disabling cause and a reasonable time thereafter. This provision shall constitute a force majeure clause and shall be construed accordingly.

17. The applicable state and federal laws shall govern the interpretation and enforcement of these Terms and Conditions. No choice of law or conflict of laws provisions shall affect this governing law provision.

18. Severability: This applies to all clauses and covenants contained within these Terms and Conditions. In the event that any clause or covenant is deemed invalid, illegal, or unenforceable, the remaining provisions shall remain valid and enforceable to the fullest extent permissible by law. The validity, legality, and enforceability of the remaining provisions shall in no way be affected or impaired by the invalidity, illegality, or unenforceability of any provision deemed so.

19. Nonwaiver: This applies to these Terms and Conditions. This means that any failure by one party to enforce a provision of these terms on one or more occasions shall not be construed as a waiver of that provision. In other words, any failure to enforce a provision does not give up the right to enforce it in the future. All provisions of these Terms and Conditions remain in full force and effect, regardless of any prior failure to enforce them.

EXHIBIT 3

PROOF OF SERVICE

STATE OF CALIFORNIA, LOS ANGELES COUNTY

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 101 N. Brand Blvd, Suite 1450, Glendale, CA 91203.

On July 21, 2026, I served the foregoing document(s) described as **DECLARATION OF HAROUT MESSRELIAN IN SUPPORT OF PLAINTIFF'S UNOPPOSED MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT** on the interested parties in this action by attaching true copies thereof and addressing it as follows:

Jyoti Mittal, Esq.
jmittal@littler.com
LITTLER MENDELSON P.C.

Attorneys for Defendant 362NCD BEVERLY HILLS LLC

____ (**BY MAIL**) I caused such envelope to be deposited in the mail at Glendale, California. The envelope was mailed with postage thereon fully paid. As follows: I am "readily familiar" with the firm's practice of collection and processing correspondence from mailing. Under that practice it would be deposited with the U.S. postal service on that same day with postage thereon fully prepaid at Glendale, California, in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after the date of deposit for mailing in affidavit.

____ (**BY OVERNIGHT DELIVERY**) I caused such envelope to be delivered via overnight delivery to the addressee listed above.

__X__ (**BY ELECTRONIC TRANSMISSION**) I caused such document to be delivered via electronic transmission to the addressee(s) listed above.

I served the documents by the means described above on July 21, 2026.

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

/s/Yervand Boyajyan
Yervand Boyajyan, Esq.