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Attorneys for Plaintiffs Felipe Alvarez and
Damon Alexander Williams, on behalf of
themselves and others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF ORANGE

FELIPE ALVAREZ, an individual, and
DAMON ALEXANDER WILLIAMS, an
individual, on behalf of themselves and all
others similarly situated,

Plaintiffs,

v.

INNOVATIVE CONSTRUCTION
SOLUTIONS, a California corporation; and
DOES 1 through 50, inclusive,

Defendants.

CLASS ACTION

Case No.: 30-2024-01399590-CU-OE-CXC

Assigned for All Purposes To:

Hon. Melissa R. McCormick

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

Hearing Information:

Date: September 17, 2026

Time: 2:00 p.m.

Department: CX105

Reservation Number: 74866569

Action filed: May 15, 2024

FAC filed: July 29, 2024

SAC filed: July 17, 2025

Trial date: None Set

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1. I am an attorney licensed and admitted to practice before all courts of the State of California and the United States District Court for the Central, Southern, Eastern, and Northern Districts of California.

2. I am Senior Counsel at D.Law, Inc. and counsel for Plaintiff Felipe Alvarez and
of Damon Alexander Williams (“Plaintiffs”), on behalf of themselves and all other
similarly situated employees of Defendant Innovative Construction Solutions (“Defendant”).
Plaintiffs and Defendant are collectively referred to herein as “the Parties”). All of the matters
discussed herein are within my personal knowledge. I submit this Declaration in support of
Plaintiff’s Motion for Preliminary Approval of the Parties’ Class and PAGA Action Settlement
Agreement (“Motion”). A true and correct copy of the Parties’ Class and PAGA Action
Settlement Agreement and Class Notice (“Settlement Agreement” or “Settlement”) is attached
hereto as **Exhibit 1**.

Procedural History

3. Plaintiffs worked for Defendant and seek to represent approximately 428 current and former California non-exempt employees of Defendant.

4. On May 15, 2024, Plaintiff Alvarez commenced the Action by filing a complaint alleging causes of action against Defendant for (1) Failure To Pay Minimum Wages And For All Worked, (2) Failure To Pay Wages And Overtime Under Labor Code Section 510, (3) Period Liability Under Labor Code Section 226.7, (4) Rest Break Liability Under Labor Code Section 226.7, (5) Failure To Pay Reporting Time Under 8 CCR § 11160(5), (6) Violation Of Labor Code Section 226(a), (7) Violation Of Labor Code Section 221, (8) Violation Of Labor Code Section 204, (9) Violation Of Labor Code Section 203, (10) Failure To Maintain Records Under Labor Code Sections 1174 And 1174.5, (11) Failure To Reimburse Necessary Business Expenses Under Labor Code Section 2802; And (12) Violation Of Business & Professions Code Section 17200, *et seq.* (the “Class Action”).

5. On May 15, 2024, Plaintiff Alvarez gave timely written notice to the Labor and

1 Workforce Development Agency (“LWDA”) and to Defendant that Plaintiff Alvarez also
2 intended to proceed with a representative action under the Private Attorneys General Act of 2004
3 (“PAGA”) (LWDA-CM-1028418-24). A true and correct copy of the PAGA notice is attached
4 hereto as **Exhibit 2**.

5 6. On September 25, 2024, after the 65-day statutory period passed, Plaintiff Alvarez
6 filed a First Amended Complaint (“FAC”), adding a claim for civil penalties under PAGA, Labor
7 Code §2698, *et seq.* On July 17, 2025, Plaintiffs filed a Second Amended Complaint adding
8 Damon Alexander Williams as a named Plaintiff in the Action (the “Operative Complaint”).

9 **Investigation**

10 7. Before filing the lawsuit, Class Counsel conducted a thorough investigation and
11 researched the facts and circumstances underlying the pertinent issues and applicable law. This
12 required thorough discussions and interviews between Class Counsel and Plaintiff, in addition to
13 the above-described research into the various legal issues involved in the case. After filing the
14 lawsuit, Class Counsel conducted a thorough investigation of the facts and claims giving rise to
15 the action, including (1) conducting informal discovery and meeting and conferring with defense
16 counsel about same; (2) reviewing and analyzing records and data, as well as employment-
17 related policies; (3) reviewing Plaintiffs’ personnel files and other documentation; (4)
18 interviewing Plaintiffs regarding potential Class Members; (5) researching the applicable law
19 and potential defenses; (6) constructing damage models based on interpretations of California
20 law and the facts and numbers provided by Defendant; and (7) reviewing information provided
21 by Defendant in advance of the mediation. The Parties conducted their own evaluations of the
22 potential recoveries based on the claims alleged in the Action, including consulting experts. A
23 true and correct copy of the resume of the expert Class Counsel consulted, Jarett Gorlick of
24 Berger Consulting Group, is attached hereto as **Exhibit 3**.

25 8. Defendant, for its part, vigorously contested liability, the amount of claimed
26 damages, and the propriety of class certification. After analyzing the relevant documents and
27 other gathered data, Class Counsel believed that this case was appropriate for resolution via
28 mediation. Given the high level of risk present for both sides, the Parties elected to mediate

1 Plaintiffs' claims and attempt settlement.

2 **Settlement Efforts**

3 9. On June 24, 2025, the Parties attended an all-day mediation session with Steve
4 Rottman, Esq., an experienced litigator and mediator in the field of wage and hour class actions.
5 During mediation, counsel for Plaintiffs and Defendant discussed all aspects of the case,
6 including the risks of continued litigation and the risks to all parties of proceeding with a class
7 certification motion, as well as the merits of the primary claims in this case. Following
8 mediation, the Parties accepted a mediator's proposal outlining general settlement terms. (Id.)
9 The Parties continued to work together following mediation on a memorandum of understanding
10 and ultimately a long-form settlement agreement, which resulted in the Settlement Agreement
11 now before the Court for approval.

12 10. From Class Counsel's review of the facts, strengths, and weaknesses of the case
13 and the risks and delays posed by further litigation, Class Counsel believes that the Settlement is
14 fair and reasonable. Further, the Settlement Agreement was the product of a non-collusive
15 settlement process in which the Parties were forced to make significant compromises in the
16 interest of reaching a full and complete settlement of the lawsuit.

17 **Summary of the Settlement**

18 11. Under the terms of the proposed Settlement Agreement, Defendant has agreed to pay
19 \$760,000.00 ("Gross Settlement Amount") on a non-reversionary basis. (Exhibit 1, Settlement
20 Agreement, ¶¶ 22, 53.) In addition to the Gross Settlement Amount, Defendant will pay the
21 employer's portion of any payroll taxes on the wage allocation portion of the individual
22 settlement payments to Class Members. The Settlement Agreement defines the "Class" as all
23 non-exempt, hourly individuals that worked for Defendant in California during the Settlement
24 Class Period," which is May 15, 2020, to August 24, 2025. (Exhibit 1, Settlement Agreement, ¶
25 5.) The Settlement Agreement also defines "Aggrieved Employee" as "all Class Members who
26 worked during the PAGA Period" which is, May 15, 2023, through August 24, 2025. (Exhibit 1,
27 Settlement Agreement, ¶ 4.) The "Net Settlement Amount" available for distribution to
28 Participating Class Members is the Gross Settlement Amount less the following payments in the

amounts approved by the Court: PAGA Penalties, Class Representative Enhancement Award, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Costs. The remainder is to be paid to Participating Class Members as Individual Class Payments. (Exhibit 1, Settlement Agreement, ¶ 28.) These amounts are detailed as follows:

- Class Counsel's Fees and Litigation Expense Payment: Up to one-third of the Gross Settlement Amount, or **\$253,333.33**, to Class Counsel as attorney's fees for the litigation and resolution of this Action and up to **\$50,000.00** for actual costs incurred in this Action. (Exhibit 1, Settlement Agreement, ¶ 56.2.);
- Enhancement Award to Named Plaintiffs: Up to **\$10,000.00** to each Plaintiff as an award for their services as the class representatives (Exhibit 1, Settlement Agreement, ¶ 56.1.);
- Administration Costs Payment: A not-to-exceed amount of **\$13,000.00** to the Settlement Administrator for its costs in the administration of the Settlement (Exhibit 1, Settlement Agreement, ¶ 56.3);
- PAGA Penalties Payment: **\$60,000.00** for settlement of claims for civil penalties under PAGA, with 25% (\$15,000.00) allocated to Aggrieved Employees ("Individual PAGA Payments") and 75% (\$45,000.00) allocated to the LWDA ("LWDA PAGA Payment") (Exhibit 1, Settlement Agreement, ¶ 56.5.).

12. If the Court approves the above allocations from the Gross Settlement Amount, the Net Settlement Amount ("NSA") is estimated to be **\$363,666.67¹**. The "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period. (Exhibit 1, Settlement Agreement, ¶ 23.) Each Participating Class Member's "Individual Class Payment" shall be calculated by the Settlement Administrator using the following formula: "(a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class

¹ This is a conservative estimate because Class Counsel's actual costs are currently estimated to be \$20,127.55, which would make the NSA \$393,539.12.

Member's Workweeks." (Exhibit 1, Settlement Agreement, ¶ 56.4.) Twenty percent (20%) of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. (Exhibit 1, Settlement Agreement, ¶ 56.4(a)). For the approximately 428 Class Members (if no exclusions), the average Gross Individual Class Payment, using a straight average, is \$849.69. The highest estimated gross Individual Class Payment is \$3,534.13, and the lowest estimated Gross Individual Settlement payment is \$14.54. The estimated average amount each Class Member will receive per workweek based on the Net Settlement Amount and 25,005 workweeks is \$14.54. Plaintiff Alvarez's Individual Class Payment is estimated to be \$1,264.98, and Plaintiff Williams' Individual Class Payment is estimated to be \$2,239.16. Plaintiff Alvarez's Individual PAGA Payment is estimated to be \$2.43, and Plaintiff Williams' Individual PAGA Payment is estimated to be \$25.60. The "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$15,000.00) by the total number of PAGA Pay Periods worked by all the Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. (Kim Decl., Exhibit 1, Settlement Agreement, ¶ 24.) For the approximately 215 Aggrieved Employees, the highest estimated Individual PAGA Payment is \$69.54, and the lowest estimated Individual PAGA Payment is \$1.45.

13. The Parties have jointly selected Apex Class Action Administrators ("Apex") to serve as the Administrator and verified that, as a condition of appointment, Phoenix agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for the Administration Expenses Payment. (Exhibit 1, Settlement Agreement, ¶¶ 2, 69) The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements. (*Id.*) Apex has experience administering class action and

PAGA settlements, has procedures in place to protect the security of class data, adequate insurance in the event of a data breach or defalcation of funds, and is qualified to administer the Settlement. (See Declaration of Kimberly Sutherland, which also includes a breakdown of the anticipated costs of class notice.) In addition, Apex will have a website for Class Members to review and reference for details regarding the Final Approval Hearing and any Final Approval Order and Judgment. If the Court grants final approval of the Settlement, a copy of the Final Approval Order and Judgment will be posted on this website for Class Members to review. The website will be provided to Class Members in the Class Notice that is mailed to them.

Certification for Settlement Purposes Only is Appropriate

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

15. Numerosity and Ascertainability. The putative Class is so numerous that joinder of all members is impractical. Class Members are persons classified as all non-exempt, hourly individuals that worked for Defendant in California during the Settlement Class Period, which is May 15, 2020, to August 24, 2025. Defendant has identified 428 Class Members based on a review of its payroll and personnel records. Thus, the requirements of numerosity and ascertainability are met here.

16. Well-Defined Community of Interest. Plaintiffs contend, and Defendant does not dispute for settlement purposes only, that common issues of fact and law predominate as to each

1 of the claims alleged by Plaintiffs, and the Class is united in its proof. This action involves, *inter*
2 *alia*, a determination about Defendant's alleged failure to pay minimum wages, failure to pay
3 overtime wages, failure to provide meal periods or meal period premium payments, failure to
4 provide rest periods or rest period premium payments, failure to pay reporting time pay, failure
5 to provide accurate itemized wage statements, violation of Labor Code § 221, failure to timely
6 pay wages due during employment, failure to pay all wages due upon termination of
7 employment, failure to maintain accurate records, and failure to reimburse business expenses,
8 and largely derivative claims under the UCL and PAGA. Plaintiffs contend Defendant's
9 practices affected Class Members in the same way and present questions that are suitable for
10 common adjudication because all Class Members were subject to the same employment policies
11 and practices. The outcome of litigation in this matter depends upon questions that are common
12 to Class Members.

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

20 18. Adequacy. Plaintiffs' interests are aligned with those of the Class Members, as he
21 has suffered the same injuries as the Class Members and has no conflicts of interest. Plaintiffs
22 have not shrunk from this responsibility. Indeed, Plaintiffs have devoted a substantial amount of
23 time and energy to litigating this action and effectuating a settlement. Furthermore, as set forth
24 below, Class Counsel are experienced in wage-and-hour litigation, especially class actions, and
25 have zealously represented the interests of the class in litigating this case and have no conflicts of
26 interest with the Class, or Administrator. Accordingly, the adequacy requirement is satisfied.

27 19. Predominance and Superiority. Plaintiffs contend that individualized issues do not
28 predominate over the issues of law and fact that are common to the Class as a whole. As

1 explained, *supra*, Plaintiffs allege there are common issues of law and fact given that Plaintiffs
2 and all Class Members were subjected to the same policies and pay practices during the relevant
3 time period. Plaintiffs and Class Members seek meal and rest premiums, unpaid wages and
4 overtime, reimbursement for business expenses, and penalties for work performed as non-exempt
5 employees for Defendant. Plaintiffs allege that these issues are suitable for common adjudication
6 because all Class Members were allegedly subject to the same employment policies, and
7 Plaintiffs contend the practices applied uniformly to all Class Members.

8 20. Plaintiffs contend that class resolution is superior to other available methods for
9 the fair and efficient adjudication of the controversy as there is little interest or incentive for
10 Class Members to individually control the prosecution of separate actions. Although the alleged
11 injury resulting from Defendant's policies and practices are allegedly real and significant, the
12 cost of individually litigating each such case against Defendant would easily exceed the value of
13 any relief that could be obtained by any one Class Member individually. If Class Members are
14 forced to litigate their claims individually this could potentially result in over 428 individual
15 actions against Defendant. Here, the alternative methods of resolution are individual suits for
16 relatively small amounts. Hence, an individual suit would prove uneconomical for potential
17 plaintiffs because litigation costs would dwarf a potential recovery.

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

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

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

28 22. The proposed settlement was reached as a result of arm's length negotiations after

1 the completion of pertinent discovery and the exchange of necessary class information. The
2 negotiations have been, at all times, adversarial and non-collusive in nature. Although Plaintiffs
3 steadfastly maintain that their claims are meritorious, Plaintiffs acknowledge that there were
4 substantial risks and uncertainty in proceeding with litigation. As described below, Defendant
5 presented multiple defenses to Plaintiffs' claims, both on the merits and with respect to class
6 certification. Thus, while Plaintiffs were prepared to litigate these claims through class
7 certification, and ultimately trial, success was far from certain. Assistance from a well-respected
8 mediator ensured that negotiations were non-collusive and well-informed.

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

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

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

16 24. Plaintiff's claims are based on Defendant's alleged failure to pay minimum
17 wages, failure to pay overtime wages, failure to provide meal periods or meal period premium
18 payments, failure to provide rest periods or rest period premium payments, failure to pay
19 reporting time pay, failure to provide accurate itemized wage statements, violation of Labor
20 Code § 221, failure to timely pay wages due during employment, failure to pay all wages due
21 upon termination of employment, failure to maintain accurate records, and failure to reimburse
22 business expenses, and largely derivative claims under the UCL and PAGA.

23 25. Plaintiffs alleges that Defendant failed to pay Plaintiffs and Class Members at
24 least minimum wages for all hours worked and proper overtime wages for hours worked in
25 excess of eight hours in a day and 40 hours in a week. Specifically, Plaintiffs allege that
26 Defendant required Class Members to work beyond their scheduled hours. However, Plaintiffs
27 allege that Defendant paid Class Members for their scheduled hours rather than their actual hours
28 worked for Defendant, resulting in unpaid regular and overtime wages.

1 26. Defendant contends that it did not require off the clock work, paid for all reported
2 hours worked, that Class Members were instructed and required to record all hours worked, that
3 any alleged off the clock work was performed without Defendant's knowledge and was de
4 minimis, and that it paid wages at the proper rates. Defendant also argued that given its written
5 policies and practices, any unrecorded hours are likely subject to individualized inquiry and
6 unlikely to be certified. Given the difficulty in certifying this claim, Class Counsel applied a
7 significant discount to damages based on this theory.

8 27. Plaintiffs also allege that Defendant failed to provide Plaintiffs and Class
9 Members with lawful first and second meal periods. For example, Plaintiffs allege that Class
10 Members were unable to take timely and uninterrupted meal breaks due to Defendant's work
11 requirements. Furthermore, Plaintiffs allege that Defendant automatically deducted thirty
12 minutes from daily hours worked to reflect meal periods taken without regard to whether
13 compliant meal periods were actually provided to Class Members.

14 28. Defendant contends that Class Members were given a reasonable opportunity to
15 take their meal periods and that any deviations from their scheduled meal periods were at the
16 voluntary election of Class Members. Defendant further contends that the meal break claim
17 requires individualized inquiries which would preclude class certification. If Defendant's
18 contentions are proven true and prevail in trial, the likely outcome would be no recovery for the
19 Class Members on the meal break claim.

20 29. Plaintiffs also contend that Defendant did not provide Class Members with paid
21 10-minute rest breaks for every four hours or major fraction thereof. Specifically, Plaintiffs
22 allege that Defendant did not allow Class Members to leave the premises during rest breaks.
23 Therefore, Class Counsel applied significant and appropriate discounts to the rest break claim.

24 30. Defendant maintains that it did provide a reasonable opportunity for Class
25 Members to take duty-free rest breaks during their shifts and dispute all allegations that rest
26 breaks were not provided. Considering that unlike meal periods, rest breaks need not be
27 recorded, these violations would likely be difficult to prove at trial and potentially depress the
28 damages ultimately awarded. Therefore, Class Counsel applied significant and appropriate

discounts to the rest break claim.

31. Additionally, Plaintiffs allege that Defendant has regularly required Plaintiffs and Class Members to incur necessary business expenses in the course of performing their required job duties without reimbursement. For example, Plaintiffs allege that Class Members incurred cell phone-related expenses in responding to calls from Defendant's management. Defendant denies that such expenses were required to be incurred and contend that they reimbursed any expenses incurred that were required to be reimbursed under the law.

32. As for the wage statement and waiting time penalties claims, Plaintiffs allege that Defendant consistently failed to provide Class Members with accurate and itemized wage statements and all wages due to Class Members upon termination of their employment with Defendant. Defendant contends that these claims are merely derivative of the underlying claims and that Plaintiffs and Class Members would be unable to first establish liability for the underlying claims for the reasons described above. Defendant further contends that even if they could first establish liability for the underlying claims, Plaintiffs and Class Members would be unable to establish that Defendant's conduct was willful and knowing as required by the relevant statutes since Defendant acted in good faith to provide accurate wage statements and pay all wages due to Plaintiffs and Class Members.

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

34. Defendant generally denies all claims alleged in the Action and further denies that class and/or representative treatment is appropriate for any purpose other than this Settlement and that they complied with all applicable laws. However, Defendant has concluded that further litigation would be protracted and expensive and that it is desirable that the Action be fully and

1 finally settled in the manner and upon the terms and conditions herein.

2 35. As stated above, while Plaintiffs and Class Counsel contend the claims asserted in
3 the Action have merit, they also acknowledge the expense, delay, and risks of continued
4 litigation. Although the Parties engaged in significant informal discovery in advance of
5 mediation, the Parties still had additional discovery to complete had the matter not settled. (Id.)
6 This would have required the expenditure of substantial time and resources by both Parties that
7 would have very likely spanned several years. (Id.) Even if Plaintiffs were to certify the classes,
8 the Parties would incur considerably more attorney fees and costs through a possible
9 decertification motion, trial, and possible appeal. (Id.) This Settlement avoids those risks and the
10 accompanying expense.

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

12 36. Plaintiffs have not yet filed their motion for class certification, and as such, the
13 extent to which Plaintiffs' proposed classes are certifiable is somewhat speculative. Absent
14 settlement, there is a risk that there would not be a certified class at the time of trial, or if there
15 were, it could consist of a significantly smaller group of employees than the proposed Settlement
16 Class, resulting in less overall recovery.

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

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

1 38. Class Counsel will be submitting the Settlement Agreement and this Motion to the
2 LWDA concurrently with the filing of this Motion pursuant to Labor Code § 2699(1)(2).

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

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

9 40. The strength of the Plaintiff's case in light of the settlement amount is deemed by
10 courts to be the "most important." *Clark v. American Residential Services, LLC* (2009) 175
11 Cal.App.4th 785, 799 (citing *Kullar*). Here, Plaintiffs allege that Defendant failed to pay
12 minimum wages, failed to pay overtime wages, failed to provide all meal periods or meal period
13 premiums, failed to provide all paid rest periods or pay rest period premiums, failed to pay all
14 wages due upon termination of employment, failed to provide accurate itemized wage
15 statements, failed pay final wages due upon separation of employment, failed to maintain
16 accurate employment records, and failed to indemnify reasonable and necessary business
17 expenses, all in violation of California law. Plaintiff seeks related violations of California's
18 Business & Professions Code, penalties pursuant to Labor Code § 2699 *et seq.* Summary
19 calculations for estimated liability for each of these claims follow.

20 Failure to Pay Minimum and Overtime Wages:

21 41. Plaintiffs allege that Defendant failed to pay Plaintiffs and Class Members at least
22 minimum wages for all hours worked and proper overtime wages for hours worked in excess of
23 eight hours in a day and 40 hours in a week.

24 42. Class Counsel's expert estimated Defendant's exposure on the unpaid wages claims to
25 be approximately \$1,272,953 (assuming 10 minutes of off the clock work per shift and 92% of
26 off the clock hours attributable to overtime). However, given Defendant's defenses and the
27 potential hurdles facing certification of off-the-clock claims, Class Counsel applied an 80%
28 discount making for an adjusted realistic exposure of **\$254,590.60** for Defendant.

Meal Periods and Rest Breaks:

43. Plaintiffs also allege that Defendant failed to provide Plaintiff and Class Members with lawful first and second meal periods and failed to pay the legally required premium at their regular rate of pay whenever meal periods were missed, interrupted, or late. Defendant contends that Class Members were given a reasonable opportunity to take their meal periods. Defendant further contends that the meal break claim requires individualized inquiries which would preclude class certification. If Defendant's contentions are proven true and prevail in trial, the likely outcome would be no recovery for the Class Members on the meal break claim.

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

45. Class Counsel's expert estimated Defendant's maximum exposure on the meal period claim at approximately \$390,189.00 (meal period premiums due with an offset for meal period premiums paid). However, given Defendant's defenses and the potential hurdles facing certification of the meal break claim, Class Counsel applied an 80% discount making for an adjusted realistic exposure of **\$78,037.80** for Defendant.

46. Rest Breaks: Plaintiffs also contend that Defendant did not provide Class Members with paid 10-minute rest breaks for every four hours or major fraction thereof.

47. Class Counsel estimated Defendant's maximum liability exposure on the rest break period claim at approximately \$410,781.50 assuming a 10% violation rate. However, owing to the arguments above and the fact that the recording of rest periods is not required and the difficulties facing certification of rest break claims, this claim was substantially discounted, and Class Counsel applied a discount of 90% to get an estimated realistic exposure of **\$41,078.15** for Defendant.

Inaccurate Wage Statement Violations:

48. Under Labor Code § 226(a), Plaintiffs and the Class are entitled to recover \$50 for initial violations for inaccurate wage statements and \$100 for subsequent violations, up to a maximum of \$4,000 per employee. Plaintiffs allege that Defendant made it difficult to account with precision for the unlawfully withheld wages and meal and rest period compensation owed during the liability period, because they did not implement and preserve a record-keeping method as required.

49. Class Counsel's expert estimated Defendant's maximum total exposure on the section 226 claim at approximately \$920,000.00 (assuming \$50/\$100 for initial and subsequent violations and 79 employees during the relevant period and a maximum of \$4,000 per employee). After considering Defendants' contentions and the potential class certification issues, Class Counsel discounted this amount by 90% to get an adjusted realistic exposure of **\$92,000.00.**

Failure to Timely Pay Wages:

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

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

52. Class Counsel's expert estimated Defendant's maximum total exposure on the section 203 claim at approximately \$2,514,243 (297 terminated employees during the relevant period x 30 days x average hourly rate per year x 8.1 hours per workday). Given the foregoing arguments,

1 Class Counsel discounted this amount by 90% to get an adjusted realistic exposure of
2 **\$251,424.30.**

3 Failure to Reimburse for Necessary Business Expenditures:

4 53. Under Labor Code § 22802(a) Defendant must indemnify Plaintiffs and Class
5 Members for all necessary expenditures or losses incurred in direct consequence of the discharge
6 of their duties. As discussed above, Plaintiffs allege that Class Members incurred necessary
7 expenditures in the performance of their job duties for Defendant, including cell phone related
8 expenses, Plaintiffs and Class Members incurred in performing work related duties, but were not
9 reimbursed for those expenses by Defendant. Defendant contends that it had an expense
10 reimbursement policy and did reimburse Plaintiffs and Class Members for any business expenses
11 incurred pursuant to the policy.

12 54. Class Counsel estimated Defendant's total exposure on the unreimbursed business
13 expenses claim at approximately \$513,600.00 (\$25/week x 428 Class Members). Given the
14 foregoing arguments, Class Counsel discounted this amount by 90% to get an adjusted realistic
15 exposure of **\$51,360.00.**

16 PAGA Penalties:

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

28 56. The provisions of the Labor Code potentially triggering PAGA penalties in this case

1 include but are not limited to Labor Code §§ 201, 201.3, 202, 203, 204, 210, 218.5, 226, 226(a),
2 226(e), 226.3, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1185, 1194, 1194.2, 1194.2, 1197,
3 1197.1, 1198, 1199, 2699(f)(2), and 2699.5, 2802 and 2698 *et seq.* PAGA penalties are not
4 mandatory and are instead permissive. Labor Code § 2699(e)(2) states that “a court may award a
5 lesser amount than the maximum civil penalty amount specified by this part if, based on the facts
6 and circumstances of the particular case, to do otherwise would result in an award that is unjust,
7 arbitrary and oppressive, or confiscatory.” *See Thurman v. Bayshore* (2012) 203 Cal. App. 4th
8 1112 (substantially reducing PAGA penalties by 30% under this provision); see also *Carrington*
9 *v. Starbucks Corp.*, 30 Cal. App. 5th 504, 529 (2018) (affirming penalty reduction of 90% for
10 practice that resulted in meal periods occasionally starting minutes after the fifth hour of work);
11 *Sanchez v. McDonald’s Corp.* (2017), LASC Case No. No. BC 499888 (98% reduction from \$41
12 million to \$775,000); *Ghrdilyan v. RJ Financial* (2012), LASC Case No. BC430633 (94%
13 reduction from \$5.4 million to \$325,000); *Fleming v. Covidien, Inc.* (2011), USDC Case No. ED
14 CV 10-01487-RGK (OPx) (87% reduction from \$2.8 million to \$375,000)).

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

21 58. Plaintiffs estimated Defendant’s total exposure on the PAGA claim at approximately
22 \$1,035,400 (10,354 PAGA Pay Periods x \$100). However, Class Counsel also estimated any
23 PAGA recovery would be substantially reduced and applied a substantial discount in light of the
24 countervailing arguments with regard to the other causes of action and the Court’s power to
25 award “a lesser amount than the maximum civil liability.” Class Counsel applied a discount of
26 95% (or a \$5 penalty per pay period) to get a realistic exposure of **\$51,770.00** (10,354 PAGA
27 Pay Periods x \$5). The PAGA allocation agreed upon by the Parties was \$60,000.00, subject to
28 the Court’s final approval. 75% of that amount (\$45,000.00) will be paid to the LWDA out of the

1 Gross Settlement Amount, and the remaining 25% (\$15,000.00) will remain in the PAGA
2 Settlement Fund for distribution to the Aggrieved Employees.

3 Unfair Business Practices

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

8 Summary

9 60. The foregoing discussion establishes the adequacy of the Settlement amount in light of
10 the merits of Plaintiff's case and establishes the fairness of the class-action settlement in the
11 instant case, including by analyzing it in light of the *Clark* and *Kullar* decisions. It does so by
12 explaining the legal basis for each of Plaintiffs' causes of action, summarizing the evidence that
13 Class Counsel gathered in support of those causes of action, and relating to Defendant's legal
14 and factual arguments that worked to detract from the strength of Plaintiffs' case.

15 61. Class Counsel applied reasonable and justified discounts, considering the facts and
16 legal contexts outlined above. These substantial discounts were necessary in light of Defendants'
17 contentions and denial of liability. This Settlement, like most others, was the product of
18 compromise. As addressed above, Plaintiffs estimated that Defendant faced approximately
19 \$760,260.85 in total realistic exposure on Plaintiff's main claims. The Gross Settlement Amount
20 of \$760,000.00 therefore represents a recovery for the Class Members of approximately 99% of
21 the total realistic exposure Plaintiffs estimated Defendant could face on these class-wide claims.
22 Class Counsel submits that this is an optimal result for the Class in light of all of the factors
23 described above.

24 Class Counsel Fees Payment is Fair and Reasonable

25 62. Under the Settlement, Class Counsel requests, without opposition from Defendants, an
26 award of \$253,333.33 for attorneys' fees and up to \$50,000.00 for reasonable expenses incurred
27 to prosecute the Action. Class Counsel estimates that its costs through final approval and
28 settlement administration will be \$20,127.55. Class Counsel's cost log along with supporting

1 invoices are attached hereto as **Exhibit 4**. This request is fair, reasonable, and adequate to
2 compensate Class Counsel for the substantial work they have put into this case and, moreover,
3 the risk they assumed by taking it on in the first place as they will not receive any compensation
4 for their efforts until recovery is obtained for the Class. The attorneys' fees award is intended to
5 reimburse Class Counsel for all uncompensated work that they have already done and for all the
6 work they will continue to do in carrying out and overseeing the notification to Class Members,
7 communicating with Class Members regarding their claims, and assisting in the administration of
8 the Settlement if it is preliminarily approved. The requested fee is reasonable for the services
9 provided to Class Members and for the benefits they are to receive.

10 **The Class Representative Service Payments are Fair and Reasonable**

11 63. Plaintiffs are entitled to a reasonable service payment for their efforts and initiative in
12 bringing and helping to prosecute this action. Plaintiffs spent significant time better apprising
13 themselves of their rights, deciding whether remedial action should be taken and how it should
14 be taken, searching for attorneys, and communicating with Class Counsel. Plaintiffs were
15 consistently communicative with counsel, routinely checked-in, and were responsive to Class
16 Counsel's requests for information for discovery, documentation, and meetings.

17 64. Both before and after the filing of this lawsuit, Plaintiffs conferred with Class Counsel
18 to discuss every aspect of his case.

19 65. In agreeing to be a named plaintiff in this litigation, Plaintiffs accepted a number of
20 risks. For example, they accepted the potential risk of being liable for Defendant's costs and
21 potentially the company's fees if the lawsuit was unsuccessful. Further, they risked the potential
22 stigma of being a class representative in a class action labor dispute, which may affect their
23 future employability.

24 66. Plaintiffs seek an enhancement in the amount not to exceed \$10,000.00 each. They
25 secured a benefit for the Class worth \$760,000.00. In the aggregate, the requested enhancement
26 represents only a small percentage of the settlement consideration. The total amount which
27 Plaintiffs are requesting to be allocated to a service award is approximately 2.6% of the total
28 settlement amount. Plaintiffs' total compensation expected to be received in connection with this

lawsuit other than any service payment is approximately \$1,264.98 and \$2,239.16 as Individual Class Payments, and \$2.43 and \$25.60 as Individual PAGA Payments, respectively. In light of the foregoing, Class Counsel believes that the \$10,000.00 service payment to each Class Representative is fair and reasonable.

Proposed Class Notice Provides Adequate Notice

67. The notification procedure set out in the Settlement Agreement provides the greatest likelihood that each and every Class Member will receive the Class Notice, attached to the Settlement as Exhibit A. Under the Settlement, no later than twenty (20) days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. (Exhibit 1, Settlement Agreement ¶ 58.) The Settlement Administrator will mail the Class Notice to all Class Members in no event later than twenty (20) days following the receipt of Class Data via first-class U.S. mail. (Exhibit 1, Settlement Agreement ¶ 75.2.) Not later than five (5) calendar days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. (Exhibit 1, Settlement Agreement, ¶ 75.3.) Class Notice should be approved as the best and most practicable way to ensure the greatest possible number of Class Members will receive notice. The Class Notice includes a summary of the case and settlement terms and provides Class Members with detailed instructions on how to exclude themselves, object to the settlement, and dispute the number of workweeks and/or pay periods attributed to each Class Member per Defendant's records. (Exhibit A, Class Notice). The Class Notice will include a form for Requests for Exclusions and a form for objections. Settlement Class Members who want to opt out must timely submit a signed and dated written request to be excluded from the class portion of the Settlement or use the opt out form attached to the Class Notice to the Settlement Administrator ("Opt-Out Request"). Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). (Exhibit 1, Settlement Agreement, ¶ 76.1.) A

1 Request for Exclusion is a letter from a Class Member or his/her representative that reasonably
2 communicates the Class Member's election to be excluded from the Settlement and includes the
3 Class Member's name, address and email address or telephone number. To be valid, a Request
4 for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

5 68. The settlement agreement does not impose any affirmative duties on Participating
6 Class Members. No claim form is required to participate in the Settlement. Individuals who wish
7 to opt out or object may do so. The Class Notice itself fully apprises Class Members of the
8 nature of the lawsuit, the claims involved, the terms of the settlement, and their options
9 thereunder. (Exhibit 1, Settlement Agreement, Exhibit A, Class Notice). It provides for a specific
10 procedure to seek exclusion from the Class, disputing payments and Class Information,
11 challenging workweek and pay period data, and lodging objections to the settlement. (*Id.*) In the
12 Class Notice, Class Members will also receive Class Counsel's contact information so they can
13 speak to attorneys conversant with the legal and factual issues involved in this case, as well as
14 the contact information for the Settlement Administrator. The efforts taken to ensure that Class
15 Members receive the Class Notice and are well informed about the settlement are reasonable and
16 provide the best notice practicable under the facts. Defendant has advised that Class Members
17 are proficient in English and Spanish and so the Class Notice will be provided in both English
18 and Spanish.

19 **Qualifications and Adequacy of Class Counsel**

20 69. D.Law prosecutes wage and hour cases, including class actions and PAGA actions on
21 behalf of employees and others who have had their rights violated. D.Law, either on its own or
22 with co-counsel, is currently serving as Plaintiff's counsel of record in numerous wage and hour
23 and employment class action and PAGA action cases pending in both state and federal court.

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

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

1 MCV074787), Ferraro v. USC Verdugo Hill s Hospital, et al. (Superior Court of California in
2 Los Angeles, 18STCV09463), Ford v. Account Control Technology, Inc., et al. (Superior Court
3 of California in Los Angeles, 19STCV09369), Ornelas v. iStorage, et al. (Superior Court of
4 California in San Francisco, CGC-18-571421), Martinez v. Ronpak, Inc. (Superior Court of
5 California in Riverside, RIC1901307), Barrera et al. v. Exclusive Wireless, Inc. (Superior Court
6 of California in Stanislaus, 9000687), Barajas v. Mancha Development Company LLC (Superior
7 Court of California in Orange County, 30-2018-00974707-CU-OE-CXC), Prado v. IMAX
8 Corporation dba IMAC Worldwide Home (Superior Court of California in San Bernardino,
9 CIVDS1820265), Rodriguez v. ND Industries, Inc. (Superior Court of California in Los Angeles,
10 19STCV38096), Singletary v. Motel 6 Operating LP, et al. (Southern District of California, 3:20-
11 cv-0270-LAB-AHG), Quizon v. CF Watsonville East, LLC, et al. (Superior Court of California
12 in Santa Cruz, 20CV01868), Stephenson v. Bakersfield Dodge, Inc. (Superior Court of
13 California in Kern, BCV-20-102693), Bacerra v. Hugo Boss Retail, Inc. (Superior Court of
14 California in San Diego, 37-2021-00002933-CU-OE-CTL), Walker v. Ariat International, Inc.
15 (Superior Court of California in Alameda, HG19026439), Orr v. Petvet Care Centers (California)
16 Inc. (Superior Court of California in Santa Clara, 19CV354063), Jimenez v. OEC Distribution
17 Services, Inc. (Superior Court of California in San Bernardino, CIVDS1915743), Viridi v.
18 Absolute Security International (Superior Court of California in San Bernardino, CIVDS
19 1909589), Raj v. First Transit, Inc (Superior Court of California in Sacramento, 34-2021-
20 00295895-CU-OE-GDS), Marchbanks v. Torrid Administration, Inc. (Superior Court of
21 California in San Diego, 37-2020-00008179-CU-OE-NC), among others.

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

1 73. Attorney Alvin B. Lindsay graduated from the United States Military Academy at
2 West Point and then served as an Army Officer for 10 years in the Corps of Engineers. He then
3 earned his Juris Doctorate from Whittier Law School and has been practicing in California for
4 over twenty years. Since 2010, he has exclusively focused his practice on representing
5 employees including in wage-and-hour class and PAGA actions. During his career, he has
6 represented employees in many wage-and-hour class and PAGA action lawsuits as lead or co-
7 lead counsel (including in the Central, Southern, Eastern, and Northern Districts of California),
8 and has been successful in getting many contested class action cases certified and has secured
9 class and PAGA settlements for many millions of dollars against a range of defendants,
10 including Fortune 500 companies. He is experienced and qualified to evaluate the representative
11 claims, to evaluate settlement versus trial on a fully informed basis, and to evaluate the viability
12 of the defenses.

13 74. Attorney Antonia Bliznets graduated from University of California, Davis, in 2014,
14 and from Southwestern Law School's SCALE Accelerated Two-year Program in 2021. Since
15 graduating law school, she has almost exclusively practiced in the area of employment law,
16 representing clients in complex class actions and representative actions in wage and hour claims.
17 She has also previously been appointed as class and PAGA counsel for other contested
18 proceedings.

19 75. The collective experience of the D.Law attorneys in litigating employment wage and
20 hour matters has been integral in identifying legal issues, evaluating the strengths and
21 weaknesses of a case, and generally negotiating fair and reasonable class and representative
22 action settlements. Practice in the narrow field of wage and hour litigation requires skill and
23 knowledge concerning the constantly evolving substantive law (state and federal), as well as the
24 procedural law of class and representative action litigation. In this action, the attorneys at D.Law
25 are fully equipped to use the skills and knowledge developed over decades of prosecuting and
26 defending wage and hour class actions to fairly and adequately represent the interests of the
27 Class Members and aggrieved employees. Therefore, based on our resources, experience, and
28 knowledge, the attorneys at D.Law are well-qualified to act as class counsel and represent the

1 Plaintiff and the putative Class Members and aggrieved employees in this action.

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

11 77. On June 1, 2026, Plaintiffs submitted the Parties' Class Action and PAGA Settlement
12 Agreement and Plaintiffs' Motion for Preliminary Approval of Class and PAGA Action
13 Settlement Agreement and supporting documents to the LWDA. A true and correct copy of the
14 confirmatory email from the LWDA is attached hereto as **Exhibit 5**.

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

17
18 Executed this 1st day of June 2026, in Pasadena, California.

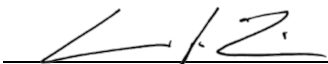
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21 Enoch J. Kim
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EXHIBIT 1

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Attorneys for Defendant Innovative Construction Solutions

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

FELIPE ALVAREZ, an individual, and
DAMON ALEXANDER WILLIAMS, an
individual, on behalf of themselves and
others similarly situated,

Plaintiffs,

vs.

INNOVATIVE CONSTRUCTION
SOLUTIONS, a California corporation; and
DOES 1 through 50, inclusive,

Defendants

Case No. 30-2024-01399590-CU-OE-CXC

CLASS ACTION

Assigned for all purposes to:
Hon. Melissa R. McCormick
Dept.: CX105

**CLASS AND PAGA ACTION SETTLEMENT
AGREEMENT**

Original Complaint Filed: May 15, 2024
First Amended Class Complaint: July 29, 2024
Second Amended Class Complaint: July 17, 2025
Trial Date: none set

1 This “Class Action and PAGA Settlement Agreement” (“Agreement”) is made by and
2 between plaintiffs Felipe Alvarez and Damon Alexander Williams (“Plaintiffs”) and Innovative
3 Construction Solutions (“Defendant”). The Agreement refers to Plaintiffs and Defendant
4 collectively as “the Parties,” or individually as “Party.”

5 **A. DEFINITIONS.**

6 1. “Action” means Plaintiffs’ lawsuit alleging wage and hour violations against Defendant
7 captioned *Alvarez, et al. v. Innovative Construction Solutions*, filed on May 15, 2024; First Amended
8 Complaint adding PAGA Cause of Action filed on July 29, 2024, and Second Amended Complaint
9 filed on July 17, 2025, in Orange County Superior Court.

10 2. “Administrator” means Apex Class Action administrators (“Apex”), and Apex is the
11 neutral entity the Parties have agreed to appoint to administer the Settlement.

12 3. “Administration Costs” means the amount the Administrator will be paid from the
13 Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the
14 Administrator’s “not to exceed” bid the parties have received from Apex for \$13,000.00.

15 4. “Aggrieved Employee” means all Class Members who worked during the PAGA
16 Period (i.e. the period from May 15, 2023, through August 24, 2025).

17 5. “Class” means all non-exempt, hourly individuals that worked for Defendant in
18 California during the Settlement Class Period (i.e. the period from May 15, 2020, to August 24,
19 2025).

20 6. “Class Counsel” means Emil Davtyan, David Yeremian, Alvin B. Lindsay, Enoch J.
21 Kim, and Antonia McKee and the other attorneys of D.Law, Inc.

22 7. “Class Counsel Fees Payment” means an award of attorneys’ fees granted to Class
23 Counsel and paid from the Gross Settlement Amount. The Parties have agreed Plaintiffs will request
24 approval from the Court of up to one-third of the Gross Settlement Amount, i.e. up to \$ 253,333.33.

25 8. “Class Counsel Litigation Expenses Payment” means the amount ultimately allocated
26 from the Gross Settlement Amount to Class Counsel for reimbursement of reasonable expenses and
27 costs incurred in the Action.

28 9. “Class Data” means Class Member identifying information in Defendant’s possession

including the Class Member’s name, last-known mailing address, Social Security number, number of Workweeks during the Class Period and number of PAGA Pay Periods worked during the PAGA Period.

10. “Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

11. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods, and means including, but not limited to, the “National Change of Address Database”, skip traces, and direct contact by the Administrator with Class Members.

12. “Class Notice” means the Court approved notice of settlement and hearing date for Final Approval, with a Spanish translation if the parties deem necessary, to be mailed to Class Members and incorporated by reference into this Agreement.

13. “Class Period” means the period from May 15, 2020, through August 24, 2025.

14. “Class Representative” means the named plaintiffs, Felipe Alvarez and Damon Alexander Williams, in the Action seeking Court approval to serve as Class Representatives.

15. “Class Representative Enhancement Award” means the payment to the Class Representatives for initiating the Action and providing services in support of the Action.

16. “Court” means the Superior Court of California, County of Orange.

17. “Defendant” means named Defendant Innovative Construction Solutions.

18. “Defense Counsel” means Michael J. Studenka and Jessica Garland of Newmeyer & Dillion LLP.

19. “Effective Date” means the date the Court enters Judgment upon Final Approval.

20. “Final Approval” means the Court’s order granting final approval of the Settlement.

21. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

22. “Gross Settlement Amount” means \$760,000.00 (Seven Hundred Sixty Thousand Dollars and Zero Cents), which is the total amount Defendant agrees to pay under the Settlement.

23. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

24. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

25. “Judgment” means the judgment entered by the Court based upon the Final Approval.

26. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

27. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

28. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Penalties, Class Representative Enhancement Award, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Costs. The remainder is to be paid to Participating Class Members as Individual Class Payments.

29. “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

30. “Operative Complaint” means the operative Second Amended Complaint filed in the Action on July 17, 2025.

31. “PAGA Pay Period” means any pay period during which an Aggrieved Employee worked for Defendant for at least a portion of one day during the PAGA Period.

32. “PAGA Period” means the period from May 15, 2023, through August 24, 2025.

33. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

34. “PAGA Notice” means Plaintiffs’ May 15, 2024, letter to LWDA (LWDA Case No. LWDA-CM-1028418-24) and the Defendant providing notice pursuant to Labor Code section 2699.3, subd.(a).

35. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the

Gross Settlement Amount (\$60,000.00), allocated 25% to the Aggrieved Employees (\$15,000.00) and 75% to LWDA (\$45,000.00) in settlement of PAGA claims.

36. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Class portion of the Settlement.

37. “Plaintiffs” means Felipe Alvarez and Damon Alexander Williams, the named plaintiffs in the Action.

38. “Preliminary Approval” means the Court’s order granting preliminary approval of the Settlement.

39. “Release Effective Date” means the date Plaintiffs, Class Members, and Aggrieved Employees effectively release all claims against the Released Parties. For the Participating Class Members and Aggrieved Employees, the Release Effective Date occurs on the later of the Effective Date and the date Defendant fully funds the Gross Settlement Amount.

40. “Released Class Claims” means the class claims being released on the Release Effective Date as defined in Section 66.

41. “Released PAGA Claims” means the PAGA claims being released on the Release Effective Date as defined in Section 67.

42. “Released Parties” means: Defendant and all of Defendant’s former and present officers, directors, subsidiaries, affiliates, shareholders, members, agents, attorneys, insurers, predecessors, successors, owners, and assigns.

43. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class portion of the Settlement signed by the Class Member.

44. “Response Deadline” means sixty (60) days after the Administrator mails Class Notice to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Class portion of the Settlement, or (b) fax, email, or mail his or her objection to the Settlement, or (c) fax, email, or mail his or her challenge estimated number of Workweeks or PAGA Pay Periods. Class Members to whom Class Notice is resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond when the Response Deadline has expired to provide an appropriate response.

45. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

46. “Workweek” means any week during which a Class Member worked for Defendant for at least a portion of one day during the Class Period.

B. RECITALS.

47. On May 15, 2024, Plaintiff Alvarez commenced the Action by filing a complaint alleging causes of action against Defendant for (1) Failure to pay minimum wages, (2) Failure to pay wages and overtime under Labor Code section 510, (3) Meal period liability under Labor Code section 226.7, (4) Rest break liability under Labor Code section 226.7, (5) Failure to Pay Reporting Time Under 8 CCR § 11160(5), (6) Violation of Labor Code section 226(a), (7) Violation of Labor Code section 221, (8) Violation of Labor Code section 204, (9) Violation of Labor Code section 203, (10) Failure to maintain records required under Labor Code sections 1174 and 1174.5, (11) Failure to reimburse necessary business expenses under Labor Code section 2802; and (12) Violation of Business & Professions Code section 17200, *et seq.* On May 15, 2024, and pursuant to Labor Code §2699.3, subd. (a), Plaintiff Alvarez gave timely notice to the LWDA and Defendant that he intended to proceed with a representative action under PAGA (LWDA-CM-1028418-24). On September 25, 2024, after the 65-day statutory period passed, Plaintiff Alvarez filed his First Amended Complaint, which added claims for civil penalties under PAGA, Labor Code §2698. On July 17, 2025, Plaintiffs filed a Second Amended Complaint adding Damon Alexander Williams as named Plaintiff in the Action (“Operative Complaint”).

48. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint, and denies any and all liability for the causes of action alleged.

49. On June 24, 2025, the Parties participated in a mediation presided over by respected wage and hour mediator Steve Rottman and were able to reach an agreement on general settlement terms.

50. In advance of mediation, Class Counsel conducted a thorough investigation into the facts of, and applicable law to, the Action. Plaintiffs’ counsel provided Defendant’s counsel with a

comprehensive listing of informal discovery items required to constructively mediate. Defendant responded by producing a representative sampling of timekeeping and corresponding payroll records for putative class members, along with relevant policy documents, an explanation of pay codes, and summary numbers for class members and workweeks and the like. Prior to mediation, Plaintiffs obtained and analyzed the production of payroll data for Class Members and the necessary policy documents through informal discovery to properly evaluate the strengths and weaknesses of the claims and engage in meaningful settlement discussions. Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.*, 48 Cal.App.4th 1794, 1801 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 129-130 (2008) ("*Dunk/Kullar*").

51. The Court has not granted class certification and the parties are stipulating to conditional class certification for Settlement purposes only.

52. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

C. MONETARY TERMS.

53. Gross Settlement Amount. Except as otherwise provided by Paragraph 80 below, Defendant will pay \$760,000.00 (Seven Hundred Sixty Thousand Dollars and Zero Cents). The Gross Settlement Amount is non-reversionary and does not include employer payroll taxes owed on the Wage Portion of the Individual Class Payments, which Defendant will pay separately.

54. Schedule for Payment of the Gross Settlement Amount: Defendant shall fully fund the Gross Settlement Amount and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than ten (10) days after the Effective Date into a Qualified Settlement Fund established by the Settlement Administrator.

55. Cure Period, Interest Clause: If Defendant fails to make any payment of the Gross Settlement Amount by the deadlines set forth in Paragraph 54 and pursuant to the Administrator's payment timeline, and such failure continues for more than thirty (30) days after written notice from the Administrator of such failure, then the unpaid portion of the Gross Settlement Amount due will

1 incur interest at the statutory rate for a judgment for wages under California law. Any such interest
2 accrued will be distributed pro rata to the Participating Class Members or otherwise as directed by
3 the Court. Defendant shall have no right to transferred funds, or to alter the schedule set forth in
4 Paragraph 54 of this Agreement, absent court order. Any dispute between the Parties as to the
5 meaning and/or application of Paragraph 54 will be submitted to the Court. No interest will accrue
6 during the time that any Paragraph 54 issue is submitted to and is before the Court.

7 56. Payments from the Gross Settlement Amount. Subject to the terms and conditions of
8 this Agreement, the Administrator will make and deduct the following payments from the Gross
9 Settlement Amount in the amounts specified by the Court in the Final Approval:

10 56.1 To Plaintiffs: A payment for the Class Representative Enhancement Award to the Class
11 Representatives, Felipe Alvarez and Damon Alexander Williams, of not more than \$10,000.00 (Ten
12 Thousand Dollars and Zero Cents) each, \$20,000.00 total in addition to any Individual Class
13 Payment and any Individual PAGA Payment the Class Representatives are entitled to receive as
14 Participating Class Members. Defendant will not oppose Plaintiffs' request for a Class
15 Representative Enhancement Award that does not exceed this amount. As part of the motion for the
16 Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment, Plaintiffs will seek
17 Court approval for any Class Representative Enhancement Award. If the Court approves a Class
18 Representative Enhancement Award less than the amount requested, the Administrator will retain
19 the remainder in the Net Settlement Amount to be distributed to Participating Class Members. The
20 Administrator will pay the Class Representatives Enhancement Award using IRS Form 1099.
21 Plaintiffs assume full responsibility and liability for employee taxes owed on the Class
22 Representatives' Enhancement Award.

23 56.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third of the
24 Gross Settlement Amount, that is up to \$253,333.33, and a Class Counsel Litigation Expenses
25 Payment of up to \$50,000.00 for actual costs incurred in the Action. Defendant will not oppose
26 requests for these payments. Plaintiffs and/or Class Counsel will file a motion requesting Class
27 Counsel Fees Payment and Class Counsel Litigation Expenses Payment no later than sixteen (16)
28 court days prior to the Final Approval Hearing, or as otherwise ordered by the Court. If the Court

1 approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less
2 than the amounts requested, the Administrator will allocate the remainder to the Net Settlement
3 Amount for distribution to Participating Class Members. The Administrator will pay the Class
4 Counsel Fees Payment and Class Counsel Litigation Expenses Payment using one or more IRS 1099
5 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel
6 Fees Payment and the Class Counsel Litigation Expenses Payment.

7 56.3 To the Administrator: An Administration Costs payment not to exceed Thirteen
8 Thousand Dollars and Zero Cents (\$13,000.00) except for a showing of good cause and as
9 approved by the Court. To the extent the Administration Costs are less or the Court approves
10 payment of less than \$13,000.00, the Administrator will retain the remainder in the Net Settlement
11 Amount to be distributed to Participating Class Members.

12 56.4 To Each Participating Class Member: An Individual Class Payment is calculated by
13 (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all
14 Participating Class Members during the Class Period, and (b) multiplying the result by each
15 individual Participating Class Member's Workweeks.

16 56.4(a) Tax Allocation of Individual Class Payments. 20% of each Participating Class
17 Member's Individual Class Payment will be allocated to wage claims (the "Wage Portion"). The
18 Wage Portion is subject to tax withholding and will be reported on an IRS W-2 Form. 80% of each
19 Participating Class Member's Individual Class Payment will be allocated to interest and penalties
20 (the "Non-Wage Portion"). The Non-Wage Portion is not subject to wage withholdings and will be
21 reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability
22 for any employee taxes owed on their Individual Class Payment.

23 56.4(b) Effect of Non-Participating Class Members on Calculation of Individual Class
24 Payments. Non-Participating Class Members will not receive any Individual Class Payments. The
25 Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement
26 Amount for distribution to Participating Class Members on a pro-rata basis.

27 56.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of
28 \$60,000.00 (Sixty Thousand Dollars and Zero Cents) will be paid from the Gross Settlement

Amount, with 75% (\$45,000.00) allocated to the LWDA PAGA Payment and 25% (\$15,000.00) allocated to the Individual PAGA Payments. Aggrieved Employees cannot request exclusion from the PAGA portion of the Settlement.

56.5(a) The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties of \$15,000.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period, and (b) multiplying the result by each individual Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

56.5(b) If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount to be distributed to Participating Class Members. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

D. SETTLEMENT FUNDING AND PAYMENTS.

57. Class Workweeks and Aggrieved Employee PAGA Pay Periods. Based on data gathered through mediation, it is estimated there were 428 Class Members who collectively worked a total of **25,005** Workweeks from May 15, 2020, to June 17, 2025, and 215 Aggrieved Employees who worked a total of approximately 12,302 PAGA Pay Periods from May 15, 2023, through June 17, 2025.

58. Class Data. Not later than fourteen (14) days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted Class Member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the

1 Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to
2 reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

3 59. Payments from the Gross Settlement Amount. The monies to be distributed to
4 Participating Class Members (i.e. the Net Settlement Amount) and Aggrieved Employees shall be
5 paid to them by the Administrator within ten (10) days following the receipt of the Gross Settlement
6 Amount by the Settlement Administrator from Defendant.

7 60. The Administrator will issue checks for the Individual Class Payments and/or
8 Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail. The face
9 of each check shall prominently state the date (180 days after the date of mailing) when the check
10 will be voided (“Void Date”). The Administrator will cancel all checks not cashed by the Void Date.
11 The Administrator will send checks for Individual Settlement Payments to all Participating Class
12 Members (including those for whom the Class Notice was returned undelivered). The Administrator
13 will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-
14 Participating Class Members who qualify as Aggrieved Employees (including those for whom Class
15 Notice was returned undelivered). Before mailing any checks, the Administrator must update the
16 recipients’ mailing addresses using the National Change of Address Database.

17 61. The Administrator must conduct a Class Member Address Search for all Class
18 Members whose checks are returned undelivered without a USPS forwarding address. Within seven
19 (7) days of receiving a returned check, the Administrator must re-mail checks to the USPS
20 forwarding address provided or to an address ascertained through the Class Member Address Search.
21 The Administrator need not take further steps to deliver checks to Class Members whose re-mailed
22 checks are returned as undelivered. The Administrator shall promptly send a replacement check to
23 any Class Member whose original check was lost or misplaced, requested by the Class Member prior
24 to the Void Date.

25 62. For any Class Member whose Individual Class Payment check or Individual PAGA
26 Payment check is uncashed and canceled after the Void Date, the Administrator shall transmit the
27 funds represented by such checks to the California Controller's Unclaimed Property Fund in the
28 name of the Class Member thereby leaving no “unpaid residue” subject to the requirements of

California Code of Civil Procedure Section 384, subd. (b).

63. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

E. RELEASES OF CLAIMS. On the Release Effective Date, Plaintiffs, Class Members, and Aggrieved Employees will release claims against all Released Parties as follows:

64. Release by Participating Class Members: All Participating Class Members release the Released Parties from all claims, rights, demands, liabilities, and causes of action alleged or which could have reasonably been alleged based on the facts alleged in the Operative Complaint (“Released Class Claims”). The Released Class Claims are those that accrued during the Class Period.

65. Release by Aggrieved Employees: All Aggrieved Employees are deemed to release the Released Parties from all claims for civil penalties under PAGA that were alleged or reasonably could have been alleged based on the facts stated in the PAGA Notice (“Released PAGA Claims”). The Released PAGA Claims are those that accrued during the PAGA Period.

F. MOTION FOR PRELIMINARY APPROVAL. Plaintiffs will prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”).

66. Defendant’s Statement of Non-Opposition in Support of Preliminary Approval. Defendant may file a statement of non-opposition in support of preliminary approval to be filed with or after the Motion for Preliminary Approval documents.

67. Plaintiffs’ Responsibilities. Plaintiffs will prepare all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, memorandum in support, Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA portion of the Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Preliminary Approval order; (iii) a draft proposed Class Notice, (iv) a signed declaration from the Administrator attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; existence of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members;

1 and the nature and extent of any financial relationship with Plaintiffs, Class Counsel, or Defense
2 Counsel; (v) a signed declaration from Plaintiffs confirming willingness and competency to serve
3 and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members,
4 and/or the Administrator; (vi) a signed declaration from Class Counsel firm attesting to its
5 competency to represent the Class Members; its timely transmission to the LWDA of all necessary
6 PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative
7 Complaint (Labor Code section 2699, subd. (1)(1)), this Agreement (Labor Code section 2699, subd.
8 (1)(2)); and (vii) all facts relevant to any actual or potential conflict of interest with Class Members,
9 and/or the Administrator. Plaintiffs will obtain a prompt hearing date for the Motion for Preliminary
10 Approval, file the Motion for Preliminary Approval no later than 16 (sixteen) court days before the
11 hearing, unless otherwise ordered by the Court, and deliver the Court's Preliminary Approval to the
12 Administrator.

13 68. Duty to Cooperate. If the Court does not grant Preliminary Approval or conditions
14 Preliminary Approval on any material change to this Agreement, Class Counsel and Defense
15 Counsel will expeditiously work together on behalf of the Parties by meeting in person or by
16 telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

17 **G. SETTLEMENT ADMINISTRATION.**

18 69. Selection of Administrator. The Parties have jointly selected Apex to serve as the
19 Administrator and verified that, as a condition of appointment, the Administrator agrees to be bound
20 by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange
21 for payment of Administration Costs. The Parties and their Counsel represent that they have no
22 interest or relationship, financial or otherwise, with the Administrator other than a professional
23 relationship arising out of prior experiences administering settlements.

24 70. Employer Identification Number. The Administrator shall have and use its own
25 employer identification number for purposes of calculating payroll tax withholdings and providing
26 reports to state and federal tax authorities.

27 71. Qualified Settlement Fund. The Administrator shall establish a settlement fund that
28 meets the requirements of a "Qualified Settlement Fund" ("QSF") under US Treasury Regulation

section 468B-1 for the funding of the Gross Settlement Amount. Any interest that accrues on the Gross Settlement Amount sums paid into the QSF prior to distribution by the Administrator will become part of the Net Settlement Amount for distribution to Participating Class Members. The QSF will be fully funded in one payment as addressed above.

72. Notice to Class Members.

75.1 No later than five (5) calendar days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and PAGA Pay Periods in the Class Data.

75.2 Using best efforts to perform as soon as possible, and in no event later than 14 (fourteen) days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice with Spanish translation as the parties have agreed substantially in the form attached to this Agreement as **Exhibit A**. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods used to calculate these amounts. Before mailing Class Notice, the Administrator shall update Class Member addresses using the National Change of Address Database.

75.3 Not later than five (5) calendar days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Notice to Class Members whose Class Notice is returned by the USPS a second time.

75.4 The deadlines for Class Members’ written objections, challenges to Workweeks and/or PAGA Pay Periods, and Requests for Exclusion will be extended an additional 14 days (fourteen) days beyond the sixty (60) days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

75.5 If the Administrator, Plaintiff, Defendant, Defense Counsel, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than fourteen (14) days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

73. Requests for Exclusion (Opt-Outs).

76.1 Class Members who wish to exclude themselves from (opt-out of) the Class portion of the Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than sixty (60) days after the Administrator mails the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member that reasonably communicates the Class Member's election to be excluded from the Class portion of the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

76.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. Although the Administrator may make the initial decision regarding any disputes over the validity or authenticity of a Request for Exclusion, the Court may review any decision made by the Administrator regarding a dispute over the validity or authenticity of Requests for Exclusion.

76.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound

1 by all terms and conditions of the Settlement.

2 76.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-
3 Participating Class Member and shall not receive an Individual Class Payment or have the right to
4 object to the Class portion of the Settlement. Non-Participating Class Members who are Aggrieved
5 Employees are deemed to release the Released PAGA Claims identified in Paragraph 65 of this
6 Agreement and are eligible for an Individual PAGA Payment.

7 74. Challenges to Calculation of Workweeks. Each Class Member shall have sixty (60)
8 days after the Administrator mails the Class Notice (plus an additional fourteen (14) days for Class
9 Members whose Class Notice is re-mailed) to challenge the number of Workweeks and PAGA Pay
10 Periods allocated to the Class Member in the Class Notice. The Class Member may challenge the
11 allocation by communicating with the Administrator via fax, email or mail. The Administrator must
12 encourage the challenging Class Member to submit supporting documentation. In the absence of any
13 contrary documentation, the Administrator is entitled to presume that the Workweeks and PAGA
14 Pay Periods contained in the Class Notice are correct so long as they are consistent with the Class
15 Data. Although the Administrator may make the initial decision regarding any disputes over the
16 calculation of Workweeks and/or PAGA Pay Periods, the Court may review any decision made by
17 the Administrator regarding a dispute over the calculation of Workweeks and/or PAGA Pay Periods.
18 The Parties shall file with the Court all challenges submitted by Class Members, the evidence
19 submitted, and the resolution of the challenges.

20 75. Objections to Settlement.

21 78.1 Only Participating Class Members may object to the Class portion of the Settlement
22 and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested
23 for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class
24 Representative Enhancement Award.

25 78.2 Participating Class Members may send written objections to the Administrator, by fax,
26 email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an
27 attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A
28 Participating Class Member who elects to send a written objection to the Administrator must do so

not later than sixty (60) days after the Administrator's mailing of the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice was re-mailed).

78.3 Non-Participating Class Members have no right to object to the Class portion of the Settlement.

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

79.1 Website, Email Address and Toll-Free Number. The Administrator will establish, maintain and use an internet website to post information of interest to Class Members including the date, time, and location for the Final Approval Hearing and copies of the Agreement, Motion for Preliminary Approval, Preliminary Approval, Class Notice, Motion for Final Approval, motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Enhancement Award, the Final Approval, and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

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

79.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or PAGA Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include the Administrator's assessment of the validity

1 of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

2 79.4 Administrator's Declaration. Not later than five (5) days after the Response Deadline,
3 Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for
4 filing in Court attesting to its due diligence and compliance with all of its obligations under this
5 Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as
6 undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of
7 Requests for Exclusion it received (both valid or invalid), the number of written objections and attach
8 the Exclusion List. The Administrator will supplement its declaration as needed or requested by the
9 Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in
10 Court.

11 79.5 Final Report by Settlement Administrator. Within ten (10) days after the Administrator
12 disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel
13 and Defense Counsel with a final report detailing its disbursements by employee identification
14 number only of all payments made under this Agreement. At least fifteen (15) days before any
15 deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense
16 Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments
17 required under this Agreement. Class Counsel is responsible for filing the Administrator's
18 declaration in Court.

19 77. **CLASS SIZE ESTIMATES and ESCALATOR CLAUSE.** Based on data gathered
20 through the June 24, 2025, mediation, it is estimated that there are 428 Class Members who
21 collectively worked a total of **25,005** Workweeks from May 15, 2020, to June 17, 2025. If it is
22 determined that the total number of Workweeks during the Class Period is greater than **27,505** (i.e.
23 a 10% increase over 25,005 workweeks), the Gross Settlement Amount will be increased
24 proportionally by the Workweeks worked in excess of 27,505 Workweeks multiplied by the per
25 Workweek value. Alternatively, Defendant may elect to shorten the Class Period and PAGA Period
26 such that the total Workweek count does not exceed 27,505. Defendant must elect to exercise this
27 option prior to the hearing on Plaintiffs' Motion for Preliminary Approval. If this escalator clause is
28 triggered thereby increasing the Gross Settlement Amount, the Parties agree that the portion of the

Gross Settlement Amount allocated to attorneys' fees will increase proportionally such that the total amount of attorneys' fees remains one-third of the increased Gross Settlement Amount.

F. DEFENDANT'S RIGHT TO WITHDRAW. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds ten percent (10%) of the total of all Class Members, Defendant may, but is not obligated, to elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be *void ab initio*, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Administration Costs incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than seven (7) days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

G. MOTION FOR FINAL APPROVAL. Not later than sixteen (16) court days before the calendared Final Approval Hearing, unless otherwise scheduled by the Court, Plaintiffs will file in Court, a Motion for Final Approval of the Settlement that includes a request for approval of the PAGA portion of the settlement under Labor Code section 2699, subd. (l); a proposed Final Approval; and a proposed Judgment (collectively "Motion for Final Approval").

78. Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

79. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Enhancement Award, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Administration Costs shall not constitute a material modification to the Agreement within the meaning of this paragraph.

1 80. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment,
2 the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of
3 (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and
4 (iii) addressing such post-Judgment matters as are permitted by law.

5 81. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
6 conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class
7 Counsel Litigation Expenses Payment as set forth in this Settlement, the Parties, their respective
8 counsel, and all Participating Class Members who did not object to the Settlement as provided in
9 this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment
10 and appellate proceedings, the right to file motions to vacate judgment, motions for new trial,
11 extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to
12 oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations
13 to perform under this Agreement will be suspended until such time as the appeal is finally resolved
14 and the Judgment becomes final. In the event that the Court reduces or does not approve the
15 requested Class Counsel Fees Payment and/or Class Litigation Expenses Payment, Class Counsel
16 reserve their right to appeal such order, however, Plaintiff and/or Class Counsel will not request or
17 demand an increase to the Gross Settlement Amount on that basis.

18 82. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
19 reviewing court vacates, reverses, or modifies the Judgment in a manner that requires a material
20 modification of this Agreement (including, but not limited to, the scope of release to be granted by
21 Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously
22 work together in good faith to address the appellate court's concerns and to obtain Final Approval
23 and Judgment. Any additional Administration Costs reasonably incurred after remittitur shall be paid
24 from the Gross Settlement Amount. An appellate decision to vacate, reverse, or modify the Court's
25 award of the Class Representative Enhancement Award, Class Counsel Fees Payment and/or Class
26 Counsel Litigation Expenses Payment shall not constitute a material modification of the Judgment
27 within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

28 **H. AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil

1 Procedure §384, the Parties will work together in good faith to jointly submit a proposed amended
2 judgment.

3 **I. ADDITIONAL PROVISIONS.**

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

17 84. Confidentiality Prior to Preliminary Approval. The Parties agree that, until the Motion
18 for Preliminary Approval is filed, they and each of them will not disclose, disseminate and/or
19 publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms
20 of the Agreement directly or indirectly, specifically or generally, to any person, corporation,
21 association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or
22 spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related
23 matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response
24 to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal
25 government agency. Each Party agrees to immediately notify the other Party of any judicial or
26 agency order, inquiry, or subpoena seeking such information. The Parties separately agree not to,
27 directly or indirectly, initiate any conversation or other communication, before the filing of the
28 Motion for Preliminary Approval, with any third party regarding this Agreement or the matters

1 giving rise to this Agreement except to respond only that “the matter was resolved,” or words to that
2 effect. This paragraph does not restrict Class Counsel’s communications with Class Members in
3 accordance with Class Counsel’s ethical obligations owed to Class Members.

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

9 86. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
10 together with its attached exhibits shall constitute the entire agreement between the Parties relating
11 to the Settlement, superseding any and all oral representations, warranties, covenants, or
12 inducements made to or by any Party.

13 87. Attorney Authorization. The Parties separately warrant and represent that Class
14 Counsel and Defense Counsel are authorized by Plaintiffs and Defendant, respectively, to take all
15 appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to
16 effectuate its terms, and to execute any other documents reasonably required to effectuate the terms
17 of this Agreement including any amendments to this Agreement.

18 88. Cooperation. The Parties and their counsel will cooperate with each other and use their
19 best efforts, in good faith, to implement the Settlement by, among other things, modifying the
20 Agreement, submitting supplemental evidence and supplementing points and authorities as
21 requested by the Court. In the event the Parties are unable to agree upon the form or content of any
22 document necessary to implement the Settlement, or on any modification of the Agreement that may
23 become necessary to implement the Settlement, the Parties will seek the assistance of the mediator,
24 Steve Rottman, Esq., for resolution.

25 89. No Prior Assignments. The Parties separately represent and warrant that they have not
26 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber
27 to any person or entity and portion of any liability, claim, demand, action, cause of action, or right
28 released and discharged by the Party in this Settlement.

1 90. No Tax Advice. Neither Plaintiffs, Class Counsel, Defendant nor Defense Counsel are
2 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied
3 upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part
4 10, as amended) or otherwise.

5 91. Modification of Agreement. This Agreement, and all parts of it, may be amended,
6 modified, changed, or waived only by an express written instrument signed by all Parties or their
7 representatives, and approved by the Court.

8 92. Agreement Binding on Successors. This Agreement will be binding upon, and inure to
9 the benefit of, the successors of each of the Parties.

10 93. Applicable Law. All terms and conditions of this Agreement and its exhibits will be
11 governed by and interpreted according to the internal laws of the State of California, without regard
12 to conflict of law principles.

13 94. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation
14 of this Agreement. This Agreement will not be construed against any Party on the basis that the Party
15 was the drafter or participated in the drafting.

16 95. Confidentiality. To the extent permitted by law, all agreements made, and orders
17 entered during Action and in this Agreement relating to the confidentiality of information shall
18 survive the execution of this Agreement.

19 96. Headings. The descriptive heading of any section or paragraph of this Agreement is
20 inserted for convenience of reference only and does not constitute a part of this Agreement.

21 97. Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall
22 be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend
23 or federal legal holiday, such date or deadline shall be on the first business day thereafter.

24 98. Notice. All notices, demands, or other communications between the Parties in
25 connection with this Agreement will be in writing and deemed to have been duly given as of the
26 third business day after mailing by United States mail, or the day sent by email or messenger,
27 addressed as follows:

28 To Plaintiffs:

D.LAW, INC.

David Yeremian

d.yeremian@d.law

Alvin B. Lindsay

a.lindsay@d.law

Enoch J. Kim

e.kim@d.law

Antonia McKee

a.bliznets@d.law

450 N. Brand Blvd., Suite 840

Glendale, CA 91203

To Defendant:

NEWMAYER & DILLION LLP

Michael J. Studenka

Michael.Studenka@ndlf.com

Jessica L. Garland

Jessica.Garland@ndlf.com

895 Dove Street, Second Floor

Newport Beach, CA 92660

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

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

101. Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than ninety (90) days after the date when the Court discharges the Administrator's obligation to provide a declaration confirming the final pay out of all Settlement funds, Plaintiffs shall destroy,

1 all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's
2 discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for
3 the return, rather than the destructions, of Class Data.

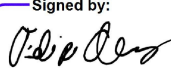
4 102. Invalidity of Any Provision. Before declaring any provision of this Agreement invalid,
5 the Parties request that the Court first attempt to construe the provisions valid to the fullest extent
6 possible consistent with applicable precedents, so as to define all provisions of this Agreement valid
7 and enforceable.

8 103. Severability. In the event that one or more of the provisions contained in this Agreement
9 shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity,
10 illegality, or unenforceability shall not affect the remaining provisions hereof, but such provision
11 shall be fully severable and this Agreement shall be construed and enforced as if the invalid, illegal
12 or unenforceable provision had never been included herein.

IT IS SO AGREED.

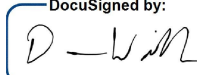
By the Parties:

DATED: 12/27/2025

Signed by:

E85740F823114C6...

Plaintiff Felipe Alvarez

DATED: 1/10/2026

DocuSigned by:

5A9FC1C3391A457...

Plaintiff Damon Alexander Williams

DATED: _____

Defendant Innovative Construction Solutions

By: _____

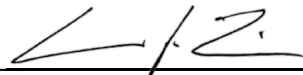
Position: _____

APPROVED AS TO FORM ONLY:

By the Parties' Counsel:

DATED: 1/5/2026

D.LAW, INC.

By: 
David Yeremian
Alvin Lindsay
Enoch J. Kim
Antonia McKee
Counsel for Plaintiffs, Felipe Alvarez and Damon
Alexander Williams

DATED: _____

NEWMAYER & DILLION LLP

By: _____
Michael J. Studenka
Jessica Garland
Attorneys for Defendant, Innovative Construction
Solutions

EXHIBIT A

1 **IT IS SO AGREED.**

2 By the Parties:

3 DATED: 12/27/2025

Signed by:

E85740F823114C6...

Plaintiff Felipe Alvarez

5 DATED: _____

Plaintiff Damon Alexander Williams

8 DATED: 1/23/2026

Defendant Innovative Construction Solutions

By: Hirad Emadi

Position: President

14 **APPROVED AS TO FORM ONLY:**

15 By the Parties' Counsel:

16 DATED: 1/5/2026

D.LAW, INC.

By: 

David Yeremian

Alvin Lindsay

Enoch J. Kim

Antonia McKee

Counsel for Plaintiffs, Felipe Alvarez and Damon
Alexander Williams

23 DATED: 1/26/26

NEWMAYER & DILLION LLP

By: 

Michael J. Studenka

Jessica Garland

Attorneys for Defendant, Innovative Construction
Solutions

EXHIBIT A

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

ALVAREZ V. INNOVATIVE CONSTRUCTION SOLUTIONS
Superior Court of California, County of Orange
Case No. 30-2024-01399590-CU-OE-CXC

***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 and PAGA lawsuit (“Action”) entitled *Alvarez v. Innovative Construction Solutions* for alleged wage and hour violations. The Action was filed by former Innovative Construction Solutions employees (“Plaintiffs”) and seeks payment of (1) back wages and other relief for a class of hourly, non-exempt employees (“Class Members”) who worked for Innovative Construction Solutions during the Class Period from May 15, 2020, through August 24, 2025, and (2) penalties under the California Private Attorney General Act (“PAGA”) for all hourly, non-exempt employees who worked for Innovative Construction Solutions during the PAGA Period from May 15, 2023, through August 24, 2025 (“Aggrieved Employees”). For the purposes of this Notice, Innovative Construction Solutions shall be referred to herein as the “Company.”

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

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

The above estimates are based on the Company’s records showing that **you worked [REDACTED] workweeks** during the Class Period and **you worked [REDACTED] pay periods** during the PAGA Period. If you believe that you worked more workweeks or pay periods during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has 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. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement.

The Company 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 and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert certain wage claims against the Company that are covered by this Settlement (defined below).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is [REDACTED]	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 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. The Company must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue the Released PAGA Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by [REDACTED]	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 Plaintiffs who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiffs, 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 Plaintiffs if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the [REDACTED] Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [REDACTED]. 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 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by [REDACTED]	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many pay periods you worked at least one day during the PAGA Period, respectively. The number of Workweeks and number of PAGA Pay Periods you worked according to the Company's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by [REDACTED]. See Section 4 of this Notice.

1
2 **1. WHAT IS THE ACTION ABOUT?**

3 Plaintiffs are former employees of the Company. The Action accuses the Company of violating
4 California labor laws by failing to pay overtime wages, minimum wages, wages due upon
5 termination, reporting time pay, and reimbursable expenses, failing to provide meal periods, rest
6 breaks and accurate itemized wage statements, garnishing wages, and pay at the legally required
7 intervals. Based on the same claims, Plaintiffs have also asserted a claim for civil penalties under
8 PAGA.

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

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

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

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

- 22 a. The Company Will Pay \$760,000.00 as the Gross Settlement Amount (Gross Settlement). The Company has agreed to deposit the Gross Settlement into an
23 account controlled by the Administrator of the Settlement. The Administrator will
24 use the Gross Settlement to pay the Individual Class Payments, Individual PAGA
25 Payments, Class Representative Service Payment, Class Counsel’s attorney’s fees
26 and expenses, the Administrator’s expenses, and penalties to be paid to the LWDA.
- 27 b. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing,
28 Plaintiffs and/or Class Counsel will ask the Court to approve the following
deductions from the Gross Settlement, the amounts of which will be decided by the
Court at the Final Approval Hearing:
- 29 i. Up to \$253,333.33 (One-Third of the Gross Settlement) to Class Counsel for
30 attorneys’ fees and up to \$50,000.00 for their litigation expenses.
 - 31 ii. Up to \$10,000.00 to each Plaintiff (\$20,000.00 total) as a Class Representative
32 Award for filing the Action, working with Class Counsel and representing the
33 Class.
 - 34 iii. Up to \$13,000.00 to the Administrator for services administering the
35 Settlement.

iv. \$60,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Pay Periods.

c. 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 Workweeks.

d. Taxes Owed on Payments to Class Members. Plaintiffs and the Company are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages, subject to withholdings, and will be reported on IRS W-2 Forms (the “Wage Portion”), and 80% of each Individual Class Payment to interest and penalties (the “Non-Wage Portion”). The Company will separately pay employer payroll taxes it owes on the Wage Portion. The Non-Wage Portion of the Individual Class Payments are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on the Wage Portion of their Individual Class Payment and all taxes owed on the Non-Wage Portion of their Individual Class Payment. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

e. Although Plaintiffs and the Company 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.

f. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don’t cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name. If the monies represented by your check are sent to the Controller’s Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.

g. 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 [REDACTED], that you wish to opt-out. The easiest way to notify the Administrator is to send by first class U.S. mail (postmarked), fax, or email a completed Request for Exclusion by [REDACTED], the Response Deadline. The Request for Exclusion should be a letter from a Class Member setting forth the Class Member’s name, present address, telephone number or email address, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments but will preserve their rights to personally pursue the Released Class Claims (defined below) against the Company.

- 1 h. You cannot opt-out of the PAGA portion of the Settlement. Class Members who
2 exclude themselves from the Class Settlement (Non-Participating Class Members)
3 remain eligible for Individual PAGA Payments and are required to give up their
4 right to assert the Released PAGA Claims (defined below) against the Company.
5 You are bound by the Aggrieved Employees' PAGA Release below even if you do
6 not cash your settlement check.
- 7 i. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is
8 possible the Court will decline to grant Final Approval of the Settlement or decline
9 enter a Judgment. It is also possible the Court will enter a Judgment that is reversed
10 on appeal. Plaintiff and the Company have agreed that, in either case, the Settlement
11 will be void: the Company will not pay any money and Class Members will not
12 release any claims against the Company.
- 13 j. Administrator. The Court has appointed a third-party company, Apex Class Action
14 Administration Solutions (the "Administrator") to send this Notice, calculate and
15 make payments, and process Class Members' Requests for Exclusion. The
16 Administrator will also decide, subject to the Court's review, Class Member
17 Challenges over Workweeks and/or PAGA Pay Periods, mail and re-mail settlement
18 checks and tax forms, and perform other tasks necessary to administer the
19 Settlement. The Administrator's contact information is contained in Section 9 of
20 this Notice.
- 21 k. Release by Participating Class Members. After the Judgment is final and the
22 Company has fully funded the Gross Settlement and separately paid all employer
23 payroll taxes, Participating Class Members will be bound by the following release:
- 24 Release by Participating Class Members: All Participating Class Members release the
25 Released Parties from all claims, rights, demands, liabilities, and causes of action
26 alleged or which could have reasonably been alleged based on the facts alleged in the
27 Operative Complaint ("Released Class Claims"). The Released Class Claims are
28 those that accrued during the Class Period.
- 1 l. Release by Aggrieved Employees. After the Court's judgment is final, and the
2 Company has fully funded the Gross Settlement and separately paid all employer
3 payroll taxes, all Aggrieved Employees will be bound by the following release:
- 4 Release by Aggrieved Employees: All Aggrieved Employees are deemed to release
5 the Released Parties from all claims for civil penalties under PAGA that were alleged
6 or reasonably could have been alleged based on the facts stated in the PAGA Notice
7 ("Released PAGA Claims"). The Released PAGA Claims are those that accrued
8 during the PAGA Period.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

- a. Individual Class Payments. The Administrator will calculate Individual Class

1 Payments by (a) dividing the Net Settlement Amount by the total number of
2 Workweeks worked by all Participating Class Members, and (b) multiplying the
3 result by the number of Workweeks worked by each individual Participating Class
4 Member.

- 5 b. Individual PAGA Payments. The Administrator will calculate Individual PAGA
6 Payments by (a) dividing \$ [REDACTED] by the total number of PAGA Pay Periods
7 worked by all Aggrieved Employees and (b) multiplying the result by the number of
8 PAGA Pay Periods worked by each individual Aggrieved Employee.
- 9 c. Workweek/PAGA Pay Period Challenges. The number of Workweeks you worked
10 during the Class Period and the number of Pay Periods you worked during the
11 PAGA Period, as recorded in the Company's records, are stated on the first page of
12 this Notice. You have until [REDACTED] to challenge the number of Workweeks
13 and/or Pay Periods credited to you. You can submit your challenge by signing and
14 sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice
15 has the Administrator's contact information.

16 You need to support your challenge by sending copies of pay stubs or other records.
17 The Administrator will accept the Company's calculation of Workweeks and/or Pay
18 Periods based on the Company's records as accurate unless you send copies of
19 records containing contrary information. You should send copies rather than
20 originals because the documents will not be returned to you. The Administrator will
21 make the initial decision to resolve Workweek and/or Pay Period challenges based
22 on your submission and on input from Class Counsel (who will advocate on behalf
23 of Participating Class Members) and Defendant's Counsel, but the Court may review
24 any decision made by the Administrator.

25 5. HOW WILL I GET PAID?

- 26 a. Participating Class Members. The Administrator will send, by U.S. mail, a single
27 check to every Participating Class Member (i.e., every Class Member who doesn't
28 opt-out) including those who also qualify as Aggrieved Employees. The single
check will combine the Individual Class Payment and the Individual PAGA
Payment.
- b. Non-Participating Class Members. The Administrator will send, by U.S. mail, a
single Individual PAGA Payment check to every Aggrieved Employee who opts
out of the Class Settlement (i.e., every Non-Participating Class Member).

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

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

Submit a written Request for Exclusion with your name, present address, telephone number or email address, and a simple statement that you do not want to participate in the Settlement to the Administrator. For your convenience, you may complete and send the enclosed Request for Exclusion Form to the Administrator via fax, email, or mail to request to be excluded from the Settlement. The Administrator must be sent your request to be excluded by [REDACTED], or it will be invalid. Section 9 of the Notice has the Administrator's contact information. Late Request for Exclusion Forms will not be considered.

If you timely send a valid Request for Exclusion to the Administrator, you will not be a Participating Class Member and will **not** receive an Individual Class Payment. However, you will preserve your right to individually pursue the Released Class Claims against the Company and will remain eligible to receive an Individual PAGA Payment if you are an Aggrieved Employee. You cannot opt out of the PAGA portion of the Settlement. You will be bound by the release of the Released PAGA Claims against the Company whether or not you opt out of the Class Settlement and whether or not you cash your Settlement payment checks.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement.

If you wish to object to the Settlement in writing, you must submit a written objection to the Administrator with your name, present address, telephone number or email address, and a statement about what you object to, why you object, and any facts that support your objection to the Administrator by fax, email, or mail. For your convenience, you can complete and send the enclosed Objection Form to the Administrator via fax, email, or mail to object to the Settlement. The Objection Form must be signed by you and include your full name. Your written objection or Objection Form must be postmarked, emailed, or faxed to the Administrator no later than [REDACTED].

You may also, if you wish, appear at the Final Approval Hearing set for [REDACTED], at [REDACTED] a.m./p.m. in Department CX105 of the Orange County Superior Court and discuss your objections with the Court and the Parties, regardless of whether you submitted a prior written objection. You may appear on your own or through an attorney retained by you at your expense. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on [REDACTED] at [REDACTED] in Department CX105 of the Orange County Superior Court, located at 751 W. Santa Ana Blvd., Santa Ana, CA 92701. 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. You can attend (or hire a lawyer to attend) either personally or virtually via OC Courts App (<https://occourtsapp.occourts.org/aci/checkin-results?dept=CX105>) 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 ([REDACTED]) beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

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3 **9. HOW CAN I GET MORE INFORMATION?**

4 The Agreement sets forth everything the Company and Plaintiffs have promised to do under the
5 proposed Settlement. The easiest way to read the Agreement, the Judgment or any other
6 Settlement documents is to go to the Administrator's website at [REDACTED]. The Administrator
7 will post all key documents on its website, including the Operative Complaint, the Settlement
8 Agreement and Amendments, the Class Notice and the Request for Exclusion Form and Objection
9 Form, the orders granting preliminary and final approval, and the judgment (which will be posted
10 for 180 days).

11 You can also telephone or send an email to Class Counsel or the Administrator using the contact
12 information listed below or consult the Superior Court website by going to and entering the Case
13 Number for the Action (<https://www.occourts.org/online-services/case-access>) Case No. 30-2024-
14 01399590-CU-OE-CXC.

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

17 **The Contact information for the Settlement Administrator and for Class Counsel are:**

Class Counsel	Settlement Administrator
Alvin Lindsay Enoch Kim Antonia Bliznets D.Law, Inc. 250 N. Madison Ave., Pasadena, CA 91101 Tel.: (818) 962-6465 Fax: (818) 962-6499 E-Mail: a.lindsay@d.law e.kim@d.law a.bliznets@d.law	Email Address: Mailing Tel.: [REDACTED] Fax: [REDACTED]

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23 **10. WHAT IF I LOSE MY SETTLEMENT CHECK?**

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

28 **11. WHAT IF I CHANGE MY ADDRESS?**

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

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4 **DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION**
5 **ABOUT THE SETTLEMENT.**
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OBJECTION FORM

Alvarez v. Innovative Construction Solutions
(Orange County Superior Court, Case No. 30-2024-01399590-CU-OE-CXC)

**I HEREBY OBJECT TO THE PROPOSED SETTLEMENT IN THE
ALVAREZ V. INNOVATIVE CONSTRUCTION SOLUTIONS ACTION.**

Basis of Objection (add additional sheets if necessary):

Dated: ____/____/____

(Signature)

Current Address _____

[NAME]

Telephone Number/Email _____

THIS FORM MUST BE MAILED (POSTMARKED BY), EMAILED, OR FAXED TO
THE ADMINISTRATOR NO LATER THAN [INSERT DEADLINE]:

<u>Administrator:</u>
Name
Mailing Address
Fax Number
Email Address

REQUEST FOR EXCLUSION FORM

Alvarez v. Innovative Construction Solutions

(Orange County Superior Court, Case No. 30-2024-01399590-CU-OE-CXC)

[NAME]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

By signing below, I am excluding myself from the Settlement:

By signing below, I represent that I do NOT want to participate in the settlement in *Alvarez v. Innovative Construction Solutions* (Orange County Superior Court Case No. 30-2024-01399590-CU-OE-CXC). I understand by excluding myself that I will not be a Participating Class Member, and I will not receive an Individual Class Payment. I further understand that I cannot opt-out of the PAGA portion of the Settlement, and that if I qualify as an Aggrieved Employee (see first page of the Notice), I will receive an Individual PAGA Payment and will have no right to pursue the Released PAGA Claims even if I exclude myself.

Signed on _____, 2026 _____
[NAME]

THIS FORM MUST BE MAILED (POSTMARKED BY), EMAILED, OR FAXED TO THE ADMINISTRATOR NO LATER THAN [INSERT DEADLINE]:

<u>Administrator:</u>
Name
Mailing Address
Fax Number
Email Address

EXHIBIT 2

May 15, 2024

VIA ON-LINE SUBMISSION ONLY TO:

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

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

VIA CERTIFIED MAIL TO:

(by certified mail to Innovative Construction Solutions as follows)

Innovative Construction Solutions
575 Anton Blvd. Suite 850
Costa Mesa, CA 92626
Certified Mail Tracking Number: 9414 8112 0620 4172 6755 23

John Raymond White
Agent for Service of Process for Innovative Construction Solutions
575 Anton Blvd. Suite 850
Costa Mesa, CA 92626
Certified Mail Tracking Number: 9414 8112 0620 4172 6937 70

**Re: Labor Code § 2698, *et seq.* Penalties - PAGA Notice Letter to LWDA
Felipe Alvarez v. Innovative Construction Solutions.
Superior Court for the County of Orange**

Gentlepersons:

This office represents Plaintiff Felipe Alvarez (“Plaintiff”) and other similarly aggrieved employees employed as non-exempt, hourly laborers, field technicians, equipment operators, plumbers, mechanics, and in related positions at Defendants’ and customers’ facilities and locations in California during the relevant period (collectively “Aggrieved Employees”) for, *inter alia*, violations of California Labor Code §§ 201, 202, 203, 204, 210, 221, 226, 226.7, 246, 248.1, 248.2, 248.5, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2802, 2810.5, 2698, and 2699, *et seq.*; provisions of the Industrial Welfare Commission (IWC) Wage Order(s); and California Business & Professions Code § 17200 *et seq.*

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



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

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

Relevant Facts

Plaintiff worked as a general laborer at Defendants' customers' facilities and locations in California. Defendants employed other similarly situated Aggrieved Employees as laborers, field technicians, equipment operators, plumbers, mechanics, and similar and related positions in connection with site remediation, wastewater treatment, habitat and waterway restoration and decommissioning and demolition services they provided to Defendants' customers throughout California. Plaintiff and the other similarly situated Aggrieved Employees worked at Defendants' behest without being paid all wages due and without being provided all required breaks. More specifically, Plaintiff and the other similarly situated Aggrieved Employees were employed by Defendants and shared similar job duties and responsibilities, were subjected to the same policies and practices, and endured similar violations at the hands of Defendants as the other Employees who served in similar and related positions.

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

Defendant Innovative Construction Solutions is a California corporation which lists its principal address with the California Secretary of State in Costa Mesa, California. It lists its type of business as "Environmental Construction." Defendant Innovative Construction Solutions is listed as the employer on the wage statements issued to Plaintiff by Defendants, and upon information and belief to other Aggrieved Employees, with the same Costa Mesa, California address. On information and belief, Innovative Construction Solutions operates out of their own and customer facilities throughout Orange County and California. Innovative Construction Solutions' website explains that: "With over 160 employees and a well-rounded fleet of heavy equipment,



ICS serves environmental consultants, general contractors and public and private clients throughout California.”

Plaintiff and the Aggrieved Employees were either not paid by Defendants for all hours worked or were not paid at the appropriate minimum, regular and overtime rates, including for meal period and rest break premium payments. Plaintiff also contends that Defendants failed to pay Plaintiff and the Aggrieved Employees all wages due and owing, including by miscalculating wages owed and by requiring off the clock work, failed to provide meal and rest breaks, and failed to furnish accurate wage statements and timely pay all wages owed, all in violation of various provisions of the California Labor Code and applicable paragraphs of the IWC Wage Orders.

During the course of Plaintiff and the Aggrieved Employees’ employment with Defendants, they were not paid all wages they were owed, including for all work performed (resulting in “off the clock” work) and for all their overtime hours worked, or were not paid at the correct rates. This has resulted in systematic and ongoing violations of the California Labor Code and relevant IWC Wage Orders. Upon information and belief, Defendants employ other non-exempt, hourly environmental construction Employees based out of Defendants’ and customers’ facilities in California.

Plaintiff was employed by Defendant as a general laborer with duties that included the removal and disposal of hazardous and non-hazardous materials from construction work sites. Plaintiff generally worked 40 hours per week, five to six shifts per week. Plaintiff’s scheduled hours were generally from 7:00 a.m. through 3:30 p.m. On certain assignments, Plaintiff was scheduled to work alternative work schedules consisting of four workdays of ten hours in length.

Despite their obligation to maintain accurate timekeeping records for hours worked by the Aggrieved Employees, Defendants maintained improper time record-keeping systems across their California work sites. In fact, for all of Plaintiff’s employment and the relevant period, Defendants paid Employees by their scheduled hours, or Defendants’ desired number of hours, rather than their actual hours worked. Rather than permitting Employees to record their own time entries utilizing a neutral timekeeping system, Defendants instead relied on supervisors to manually record Employees’ hours worked on a laptop computer. On information and belief, Defendants’ supervisors rounded and shaved or otherwise failed to accurately record Employees’ actual hours worked and instead recorded Employees’ hours in conformity with their scheduled hours, and inaccurately recorded timely and compliant meal periods at the same time each day for exactly thirty minutes.

Additionally, depending on the assigned construction job, Employees may also be required to undergo time-consuming security screenings for which they were not compensated. Specifically, while working at a hangar located within the Long Beach Airport, Plaintiff and other Aggrieved Employees were required to arrive sufficiently before their scheduled 7:00 a.m., or 7:30 a.m. start times to drive to an airport area where Employees would park their vehicles and walk inside the facility to the counter of a private security provider. A single security guard would then



check Employees' driver licenses, cross reference Employee information on a computer, and provide Employees with a badge that would permit them further entry into the airport. This process could take ten to fifteen minutes as lines of Employees would form while waiting to go through the security screening. From there, Employees returned to their vehicles and drove roughly two blocks away to the actual area where they would be working. This drive could take several minutes as Employees had to abide by speed limit signs posted within the Airport.

Upon arriving at the construction site's meeting point, Plaintiff's supervisor would perform a roll call of Employees to ensure they were present. On some occasions, Employees would be instructed to sign in on a form indicating their attendance. Notably, Plaintiff and other Employees were not asked to record their arrival times, only that they were physically present at the work site by writing down their names. At some point during the workday or near the end of the workweek, the supervisors would enter Employees' start and end times, and meal periods on an electronic timekeeping application on their laptop. On Fridays, a supervisor would circulate the computer and compel and instruct all the Employees to electronically sign the timesheets, certifying their alleged accuracy. Significantly, Employees were not permitted to see the time entries made by the supervisors, or alter their time sheets or question their accuracy, and were instead admonished and instructed to sign them or they would not be paid. On some occasions, supervisors would not even request Employees' signatures and simply announced that they had "taken care of their time sheets" indicating that they had actually signed the time sheets for Employees. Defendants thus uniformly and willfully followed such unlawful policies and procedures resulting in obviously inaccurate time entries that mirrored Employees' work schedules instead of their actual hours worked, and then instructed Plaintiff and the Aggrieved Employees to sign them if they wanted to get paid. Noticeably absent from the timesheets were all the minutes before and after their scheduled hours that Employees were required to work at Defendants' behest or otherwise remain under their control while off the clock and without compensation.

The failure to maintain accurate timekeeping and payroll records perpetrated by Defendants has also been exacerbated by other off the clock work Defendants required their Employees to endure. Employees were required to undergo approximately forty hours of "HAZWOPER" training to obtain a hazardous waste operations and emergency response standards certification. This certification was required by Defendants to dispatch Employees to their assignments. Despite Defendants requiring this training, Defendants failed to compensate Employees for time spent obtaining the certification. When Plaintiff asked about Defendants' failure to pay him for the training, Defendants' human resources representative responded that Defendants would not pay for the training as the certification was for Plaintiff's benefit and would allow him to continue working in that industry. Additionally, some Employees were required to carry radio phones on at all times, including meal periods. Employees working on roofs required "spotters" or designated employees on the ground spotting those on the roof to ensure their safety. Accordingly, spotting Employees were required to keep their radio phones on at all times and promptly respond to any communications from management and those Employees on the roof. This resulted in interrupted and shortened meal periods as Employees were required to respond to work communications even during their unpaid meal periods. Even if Employees were not



assigned to carry radio phones on a particular shift, they were still required to promptly respond to work communications on their cell phones causing interruptions and shortened meal periods.

Employees also had to endure time-consuming walks to arrive at designated break areas or to exit the job site during their meal periods, which significantly reduced their meal periods and their required off-duty time. Specifically, at some work sites, Defendants placed an office and portable bathroom in a designated area where Employees could take their meal periods. This designated area could be located a considerable distance from the target area where Employees would be working on a particular day. Employees would then have to endure long walks from their work area to the designated break area which would substantially reduce Employees' meal periods. Defendants considered Employee's meal periods to begin at their work areas and failed to account for the several minutes it would take to the break area where they were permitted to consume their meals. At some work sites such as in Palm Springs, Employees worked in a completely remote and desolate area with no portable bathrooms or break area whatsoever and no means of exiting the work area resulting in Employees having to remain on the work premises during any purported meal periods and rest breaks.

Nevertheless, Defendants presumed compliant meal periods and conformed the timekeeping records to scheduled shift and meal period times and automatically deducted thirty minutes from daily hours worked. The lengthy walk from their work areas to the designated break areas yielded meal periods of substantially less than thirty minutes. Still, Defendants' supervisors would record a timely, full thirty-minute meal period on Employees' timesheets even when they did not actually receive them. Plaintiff and the Aggrieved Employees were also required to work or otherwise remain under Defendants' control after their shift end times, including on-site and through after-hours work-related communications and other work requirements such as necessary transport back to meeting and pick up sites.

Defendants also failed to pay reporting time pay to Plaintiff and Aggrieved Employees. Specifically, on several occasions, Plaintiff and other Employees showed up to work only to be sent home within two hours due to a shortage of materials. Employees were only compensated for the actual time spent working. Thus, Defendants failed to pay Plaintiff, and on information and belief other Aggrieved Employees, for half of their usual or scheduled day's work or four hours at the correct rate of pay for their work shifts.

Defendants also paid Plaintiff and the other Aggrieved Employees various forms of shift differentials, bonuses, and other forms of remuneration above and beyond their regular hourly rates. Defendants neglected to record any shift differentials on wage statements in violation of Labor Code §§ 212 and 213. However, despite requiring Plaintiff and the Aggrieved Employees to work extended shifts of over eight hours, Defendants both failed to pay for all overtime hours actually worked and, upon information and belief, failed to pay that overtime at the correct rate. More specifically, to the extent Defendants paid both overtime and a bonus or shift differential to Plaintiff and the Aggrieved Employees in the same pay period, Defendants miscalculated and underpaid overtime hours by failing to include all forms of remuneration, i.e. bonuses, shift differentials and the like, in the regular rate used to calculate and pay overtime. Additionally, to



the extent Defendants paid any sick pay to Plaintiff during these pay periods, Defendants similarly miscalculated the rate at which it was paid by failing to account for all forms of remuneration in the regular rate.

Defendants also assigned Aggrieved Employees to work on public works projects. In these instances, Defendants were obligated to pay Employees prevailing rates and other fringe benefits required for such public works projects. Upon information and belief, Defendants failed to do so and instead paid Aggrieved Employees, including Plaintiffs, at a rate below the prevailing rates and without other fringe benefits. On information and belief, if and when Defendants paid overtime premium wages, they did so at a rate of 1.5 times the regular pay rate paid to Employees without including the prevailing rate and fringe benefits used to calculate and pay overtime. Upon information and belief, to the extent Defendants paid any wage differentials or bonuses or other forms of remuneration for hours worked in a pay period, Defendants also failed to include them in the regular rate of pay used to calculate and pay overtime wages.

Defendants committed ongoing and systematic violations, upon information and belief, in connection with other Employees in a concerted effort to limit and restrict regular and overtime incurred by Plaintiff and the other Aggrieved Employees. Time worked off the clock also caused Plaintiff and other Aggrieved Employees to work beyond eight hours. As a result of the above-described rounding and other off the clock work, Defendants failed to pay Plaintiff and Aggrieved Employees overtime for several minutes to hours at the end of work shifts which Defendants did not record in timekeeping records.

Plaintiff was therefore not paid for all his hours worked at the required minimum, overtime, and double time wage rates due to Defendants' policy and practice of requiring him to work off the clock and without pay. With work shifts generally scheduled for eight hours or more, this unpaid off the clock work resulted in Plaintiff and the Aggrieved Employees working past eight hours on a shift, which required that they be paid at the correct overtime rate of 1.5 times their regular rate. Defendants thus systematically underpaid Plaintiff and the Aggrieved Employees by failing to pay them at the required overtime rates for all hours over eight in a work shift or over forty in a work week, and all hours over twelve in a day at the required double time rate. Upon information and belief, the Aggrieved Employees were bound by similar scheduling and work policies which Defendants required them to follow and endured similar violations at Defendants' hands as Plaintiff.

Defendants may attempt to assert they were authorized to require Plaintiff and the Aggrieved Employees to work four days per week for ten-hour days or three days per week for twelve-hour days under an alleged alternative work week schedule. To whatever extent there were lawful alternative workweeks worked by Aggrieved Employees under such schedules, overtime rates still must be paid for all hours worked over ten on a shift and Defendants failed to do so or to pay double time rates for hours over twelve in a shift where appropriate. However, upon information and belief Defendants have neither conducted the required elections nor reported them to the Department of Industrial Relations as required under Labor Code § 511 and the applicable IWC Wage Orders given there are no listed elections in the Alternative Workweek Elections Database.



Therefore, on every shift Plaintiff and the Aggrieved Employees worked, both their regular hours worked and off the clock hours worked combined to well over eight hours in a day and/or 40 hours in a workweek. Given that Defendants failed to conduct required alternative workweek elections but yet still failed to pay overtime rates for all hours worked over eight in a given shift or double time for hours over twelve under unlawful alleged alternative workweek schedules, Plaintiff and the Aggrieved Employees have been required to endure systematic and ongoing failure to pay regular and overtime wages violations at Defendants' hands.

Defendants have either failed to maintain timekeeping records for Plaintiff that would permit Plaintiff to discover the nature and extent of the off the clock work Defendants' required and the actual hours Plaintiff worked, or have otherwise declined to produce them to Plaintiff in response to a timely and lawful request. By failing to pay for all hours worked, Defendants have committed knowing and intentional ongoing violations of the record keeping requirements under the Labor Code §§ 226 and 1174.

As a result of the above-described unlawful requirements to work off the clock, the failure to accurately record all hours worked and unlawful rounding and time shaving, and the other wage violations they endured at Defendants' hands, Plaintiff and the Aggrieved Employees were not properly paid all wages earned and all wages owed to them by Defendants, including when working more than eight hours in any given day and/or more than forty hours in any given week. As a result of Defendants' unlawful policies and practices, Plaintiff and Aggrieved Employees incurred overtime hours worked for which they were not adequately and completely compensated, in addition to the hours they were required to work off the clock at their regular rates.

The failure to pay for all hours worked and underpayment of wages to Plaintiff and the Aggrieved Employees is and has been a direct consequence of Defendants' unlawful compensation policies and practices, which upon information and belief applied uniformly to the Aggrieved Employees working at Defendants' customers' locations and facilities. As a result of the above-described unlawful requirements to work off the clock and regular rate miscalculation, the failure to accurately record all hours worked and pay wages at the correct rates, and the other wage violations they endured at Defendants' hands, Plaintiff and the Aggrieved Employees were not properly paid all wages earned and all wages owed to them by Defendants, including when working more than eight hours in any given day and/or more than forty hours in any given week.

Therefore, Defendants had a consistent policy or practice of failing to pay Employees for all hours worked and failing to pay minimum wages for all time worked, as required by California law. Also, Defendants had a consistent policy or practice of failing to pay Employees overtime compensation at premium overtime rates for all hours worked in excess of eight hours a day and/or forty hours a week, and double-time rates for all hours worked in excess of twelve hours a day, in violation of Labor Code § 510 and the corresponding sections of IWC Wage Orders. These failures cannot be avoided by Defendants' reliance on any alleged alternative workweek schedules. To the extent Defendants paid Plaintiff and the Aggrieved Employees bonuses and shift differentials and other forms of remuneration above and beyond their hourly pay, upon



information and belief Defendants miscalculated and therefore underpaid any overtime they paid during these pay periods by failing to include all forms of remuneration in the regular rate used to calculate and pay overtime.

Defendants also failed to provide Plaintiff and the Aggrieved Employees with their required meal periods, and the at least two ten-minute rest breaks required for scheduled shifts of eight hours. Demanding workloads contributed to Defendants' common policy of failing to provide lawful meal periods to Plaintiff and the Aggrieved Employees, as required under the Labor Code and Paragraph 11 of the IWC Wage Order(s). Defendants similarly systematically failed to authorize and permit Plaintiff and the Aggrieved Employees to take all required 10-minute rest breaks, as required under the Labor Code and Paragraph 12 of the IWC Wage Order(s).

More specifically, Plaintiff worked shifts that entitled him to at least one thirty-minute meal period, but Defendants' required Plaintiff and the Aggrieved Employees to prioritize work over taking proper meal periods. Defendants' supervisors determined when Employees could be excused for their meal periods and this depended largely on how Employees progressed on the work. Sometimes the entire crew would be permitted to take their meals together, or some Employees may be required to remain behind to finish a particular task. Defendants' requirement that "spotters" keep their radio phones on at all times and that all Employees respond to work communications at all times contributed to interrupted meal periods. Moreover, Defendants considered Employee's meal periods to begin at their work areas and failed to account for the several minutes it would take to walk to the break area where they were permitted to consume their meals and use the bathroom. The several minutes it took to reach the break area yielded Employees substantially less than thirty minutes for their meal periods. Nevertheless, Defendants' supervisors would record a thirty-minute meal period. At some work sites, Employees were not permitted to leave the work premises at all, and were not provided a break area or bathrooms resulting in Employees having to take their meal periods and rest breaks on the ground and to relieve themselves behind trees and shrubs.

To the extent Defendants required Plaintiff to work over ten hours on a work shift, Defendants also failed to provide second meal periods and Defendants have produced no evidence of payments for meal period violations under Labor Code 226.7. To the extent Defendants have paid any such premiums, upon information and belief they failed to include all forms of remuneration, including wage differentials, in the regular rate at which Defendants paid the premium. Plaintiff has no recollection of agreeing to waive any of his meal periods.

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



required them to respond to work calls and inquiries and other demands during breaks, thus leading to further violations.

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

As a result, Defendants' failure to provide Plaintiff and the Aggrieved Employees with all legally required off-duty, unpaid meal periods and all the legally required off-duty, paid rest periods is and will be evidenced by Defendants' business records, or lack thereof. Therefore, Plaintiff and the Aggrieved Employees were unable to take off-duty breaks or were otherwise not provided with the opportunity to take required breaks as required under the Labor Code and Wage Orders due to Defendants' policies and practices. On the occasions when Plaintiff and the Aggrieved Employees were provided with a meal period, it was often untimely or interrupted, or was impermissibly shortened, and Employees were not provided with one hour's wages in lieu thereof.

Similar violations resulted from Defendants' failure to authorize and permit Plaintiff and the Aggrieved Employees to take duty-free, net ten minute rest breaks for every four hours of shift work, or major fraction thereof. Plaintiff and the other similarly situated Aggrieved Employees were either not authorized permitted the opportunity to take a rest break, or were required to remain under Defendants' control and respond to instructions from management if and when they even attempted to take one. Upon information and belief, Defendants also failed to authorize and permit employees to leave the premises during rest breaks, evidencing Defendants' policy and practice of requiring Plaintiff and the Aggrieved Employees to remain under their control during required off-duty rest break times. Defendants' largely failed to provide any rest breaks to Employees, opting instead to provide them "water breaks" that were substantially less than ten minutes. During water breaks, supervisors would provide water to Employees and they were rushed to consume the water and resume working. Moreover, at some work sites, Defendants failed to provide Employees with any designated break areas or bathrooms resulting in Employees having to take their rest breaks on the ground and to relieve themselves behind trees and shrubs.

Defendants thus failed to authorize and permit duty-free ten minute rest breaks as required under the Labor Code and IWC Wage Orders. In fact, Defendants made no effort to even schedule or otherwise account for time for Plaintiff and the Aggrieved Employees to use for duty-free, net ten-minute rest breaks. This common and unlawful policy uniformly applied to the Employees during the relevant period, meaning Defendants' rest break policy was not to schedule or otherwise authorize and permit them. Plaintiff and the Aggrieved Employees worked eight to twelve hours on an average shift, and were required to receive at least two rest breaks or three



rest breaks on shifts over ten hours. Given the work demands, understaffing, and pressure from Defendants' management, Plaintiff and the Aggrieved Employees were compelled to not take rest breaks despite working extended shifts. Defendants have produced no evidence of any payments for rest break violations under Labor Code § 226.7. To the extent Defendants have paid any such premiums, upon information and belief they failed to include all forms of remuneration, including bonuses and shift differentials, in the regular rate at which Defendants paid the premium.

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

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

Defendants have also consistently violated Labor Code § 221 by unlawfully collecting or deducting the Employees' earned wages, including by requiring off the clock work during breaks and before and after work shifts and by miscalculating the regular rate and accordingly underpaying overtime wages and meal and rest break premiums. By not compensating Employees for all hours worked at the correct rates, Defendants unlawfully deducted wages earned by and owed to Plaintiff and the Aggrieved Employees, in violation of Labor Code § 221.

Defendants also violated California Labor Code § 246 by not providing all required paid sick days to Plaintiff and the similarly aggrieved Employees. Labor Code § 246 provides that an Employee who "works in California for the same employer for 30 or more days within a year from the commencement of employment is entitled to paid sick days as specified in this section." Paid sick time for nonexempt employees shall be calculated in the same manner as the regular pay rate for the workweek in which the employee uses the paid sick time. Defendants failed to provide Plaintiff and the other similarly Aggrieved Employees with all their required and earned sick days paid at the correct rate of pay, in violation of Labor Code § 246. Additionally and upon information and belief, Defendants have failed to provide COVID-19 supplemental sick leave to



the Aggrieved Employees during the relevant time period, including by failing to provide two work weeks of COVID-19 supplemental paid sick leave paid at the correct rates as required under Labor Code §§ 248.1 and 248.2 and including damages and penalties as these sections are enforced through Labor Code § 248.5, which requires that: “If paid sick days were unlawfully withheld, the dollar amount of paid sick days withheld from the employee multiplied by three, or two hundred fifty dollars (\$250), whichever amount is greater, but not to exceed an aggregate penalty of four thousand dollars (\$4,000), shall be included in the administrative penalty.” Plaintiff accordingly seeks this relief available for Defendants’ failure to provide Employees with all their required and earned sick days and all their COVID-19 supplemental sick leave in violation of Labor Code §§ 246, 248.1, 248.2, and the civil and statutory penalties available and applicable under Labor Code §§ 246, 248.1, 248.2, 248.5, 558, 1194.2, 1197.1, 1198, 1199, and 2699(f)(2), and also for attorneys’ fees and costs pursuant to Labor Code § 2699(g)(1).

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

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



Defendants also provided Plaintiff and the Aggrieved Employees with wage statements that failed to accurately report all hours worked and applicable hourly rates for all hours worked. For the same reasons as explained above, Plaintiff and the Aggrieved Employees were provided with unlawful wage statements that failed to reflect all hours worked and failed to pay for all overtime hours or failed to pay overtime wages at the correct overtime premium rate, and Defendants miscalculated meal and rest break premiums, and sick time if and when they did pay them. Defendants followed this unlawful policy and practice even though both Plaintiff and Defendants were aware that Plaintiff and the Aggrieved Employees worked more total hours than were reflected on the wage statements, including overtime hours, and were underpaid by regular rate miscalculation. Plaintiff and the Aggrieved Employees were unable to discern from their wage statements alone the actual hours they worked in total during a pay period and the rates they were paid for those hours worked.

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

Defendants also required Plaintiff and the Aggrieved Employees to work hours off the clock for which they were not compensated. They were required to endure off the clock work addressed above, including during interrupted or otherwise on-duty meal and rest periods and were not provided with sick pay and supplemental sick leave and were subjected to systematic off the clock work. Defendants also failed to pay all overtime premium wages owed for work conducted on a work shift and a workday or failed to pay it at the correct rate, as addressed above. Therefore, Defendants have also followed a uniform and consistent policy of failing to pay all wages owed to Plaintiff and other similarly situated Employees at the time of their termination or within seventy-two hours of their resignation, as required by California law, including Labor Code § 203.

Additionally, Defendants have regularly required Plaintiff and the Aggrieved Employees to incur necessary business expenses in the course of performing their required job duties without reimbursement. These included the cell phone-related expenses Plaintiff incurred in responding to calls from management and using GPS navigation, and home internet expenses Plaintiff incurred in completing “HAZWOPER” training as required by Defendants. Plaintiff and the Aggrieved Employees must be reimbursed for these necessary business expenses under Labor Code § 2802, and Defendants systematically failed to do so.

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PAGA Claim Details, Legal Bases for Violations and Penalties:

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

Failure to Pay Minimum Wages

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

Defendants failed to pay Employees minimum wages they were owed, including by their consistent policy of failing to pay Employees for all hours worked. Employees would work hours and not receive wages, including as alleged above in connection with off the clock work, including all the time required to remain on duty and under Defendants’ control during breaks and due to the work demands placed upon them by Defendants’ management and due to unlawful rounding, and by following unlawful alternative workweek schedules. Defendants, and each of them, have also intentionally and improperly rounded, changed, adjusted and/or modified Employee hours, or required Employees to do so, and imposed difficult-to-attain job and shift scheduling requirements on Plaintiff and the Aggrieved Employees, which resulted in off the clock work and underpayment of all wages owed to Employees over a period of time, while benefiting Defendants. During the relevant time period, Defendants thus regularly failed to pay minimum wages to Aggrieved Employees, including by requiring systematic off-the-clock work. Defendants’ uniform pattern of unlawful wage and hour practices manifested, without limitation, applicable to the Aggrieved Employees as a whole, as a result of implementing a uniform policy and practice that denied accurate compensation to Plaintiff and the other Aggrieved Employees as to minimum wage pay.

In light of the foregoing, the Aggrieved Employees seek to recover wages and penalties. Aggrieved Employees are entitled to recover the unpaid minimum wages (including double minimum wages), liquidated damages in an amount equal to the minimum wages unlawfully unpaid, interest thereon and reasonable attorney’s fees and costs of suit pursuant to California Labor Code § 1194(a). Plaintiff and the other Aggrieved employees further request recovery of all unpaid wages, according to proof, interest, statutory costs, as well as the assessment of any statutory and civil penalties against Defendants, in a sum as provided by the California Labor Code and/or other applicable statutes, including pursuant to Labor Code § 558, and Wage Order provisions. To the extent minimum wage compensation is determined to be owed to the Aggrieved Employees who have terminated their employment, Defendants’ conduct also violates Labor Code §§ 201 and/or 202, and therefore these individuals are also be entitled to waiting time penalties under California Labor Code § 203, which penalties are sought herein on behalf of these Aggrieved Employees. Defendants’ failure to timely pay all wages owed also violated Labor Code § 204 and resulted in violations of Labor Code § 226 because they resulted in the issuance of inaccurate wage statements. Defendants’ conduct as alleged herein was willful,



intentional and not in good faith. Further, Plaintiff and other Aggrieved Employees are entitled to seek and recover statutory costs.

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

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

Defendants violated the law by failing to pay Aggrieved Employees earned wages and overtime. Specifically, Defendants had a consistent policy of not paying Employees wages for all hours worked, including hours at their required regular, overtime, and double-time rates. Defendants, and each of them, have intentionally and improperly rounded, changed, adjusted and/or modified certain employees' hours, including Plaintiff's, or required Aggrieved Employees to do so, or otherwise caused them to work off the clock to avoid paying Aggrieved Employees all earned and owed straight time and overtime wages and other benefits, in violation of the California Labor Code, the California Code of Regulations and the IWC Wage Orders and guidelines set forth by the Division of Labor Standards and Enforcement.

Defendants have also violated these provisions by requiring Plaintiff and other similarly situated non-exempt employees to work through meal periods when they were required to be clocked out or to otherwise work off the clock to complete their daily job duties or remain under Defendant's control. When considered in combination with the unlawful rounding to their detriment, Aggrieved Employees were not properly compensated, nor were they paid overtime rates or the correct overtime rate (addressed above) for hours worked in excess of eight hours in a given day, and/or forty hours in a given week. Based on information and belief, Defendants did not make available to Employees a reasonable protocol for correcting time records when Employees worked overtime hours or to fix incorrect time entries or those that Defendants unlawfully under-recorded to the Employee's detriment. Additionally, to the extent Defendants failed to pay overtime and double time wages as required under Labor Code § 511 and in connection with unlawful alternative workweek schedules that were neither the result of required elections nor recorded with the Department of Industrial Relations, Defendants committed ongoing and systematic violations by failing to pay for all hours worked and failing to pay them at the required regular and overtime rates under the Labor Code.

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



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

Failure to Pay Reporting Time Pay in Violation of Wage Order 16-2001; 8 § CCR 11160(5)

Defendants regularly required Aggrieved Employees to report for work and were sent home before half of their scheduled days' work. Defendants failed to pay Aggrieved Employees for half of their scheduled days' work in violation of Wage Order 16-2001 and 8 § CCR 11160(5). Specifically, Aggrieved Employees were forced to attend work only to be home within two hours, or half of their scheduled shifts. Aggrieved Employees were not fully compensated for half of their schedule days' work and were only compensated for the hours they attended the facility.

Therefore, pursuant to Wage Order 16-2001 and 8 § CCR 11160(5), Aggrieved Employees are entitled to damages in an amount equal to reporting time pay at their effective hourly rates of pay for all the wages they were not provided or deficiently provided, as well as the assessment of any statutory penalties against the Defendants, and each of them, in a sum as provided by the Labor Code, including Labor Code § 558 and other applicable statutes and Wage Order provisions. Under the PAGA, and following the exhaustion of the notice period, Plaintiffs are seeking all civil and statutory penalties and wages as available and applicable under Labor Code §§ 204, 558, including sections 558(a)(1)-(3), 1199, 2699(f)(2) and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Meal-Period Liability Under Labor Code § 226.7 and Penalties

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

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



provided by the Labor Code, including Labor Code § 558 and other applicable statutes and Wage Order provisions.

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

Rest-Break Period Liability and Penalties

Defendants have consistently failed to provide Aggrieved Employees with paid rest breaks of not less than ten minutes for every work period of four or more consecutive hours, as required under Labor Code § 226.7. Specifically, Defendants generally failed to authorize and permit any rest breaks, or provided rest periods untimely or for shortened durations, and Defendants' policies and procedures required Aggrieved Employees to remain under Defendants' control during breaks to respond job requirements or simply failed to authorize and permit them at all.

Defendants also failed to pay Aggrieved Employees premium pay for each day on which requisite rest breaks were not provided or were deficiently provided, or miscalculated any premiums paid. Therefore, pursuant to Labor Code § 226.7 and paragraphs 12 and 20 of the applicable IWC Wage Order, Aggrieved Employees are entitled to damages in an amount equal to one hour of wages at their correctly calculated regular rate of compensation for each rest break not provided or deficiently provided, as well as the assessment of any statutory penalties against the Defendants, and each of them, in a sum as provided by the Labor Code, including Labor Code § 558 and other applicable statutes and Wage Order provisions.

Therefore, pursuant to Labor Code § 226.7 and paragraphs 12 and 20 of the applicable IWC Wage Order, Aggrieved Employees are entitled to damages in an amount equal to one hour of wages at their effective hourly rates of pay for each rest breaks were not provided or deficiently provided, as well as the assessment of any statutory penalties against the Defendants, and each of them, in a sum as provided by the Labor Code, including Labor Code § 558 and other applicable statutes and Wage Order provisions.

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

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

Labor Code § 221 provides, "It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee." As discussed above, Defendants have consistently violated Labor Code § 221 by unlawfully collecting or deducting the Employees' earned wages, including by the above described off the clock work and unlawful rounding and overtime miscalculation. By not compensating Employees for all hours worked, Defendant unlawfully deducted wages earned by and owed to Aggrieved



Employees, in violation of Labor Code § 221. Defendants operated under unlawful alternative workweek schedules that systematically failed to pay overtime hours and to pay them at the correct overtime rates. By not compensating Employees for all hours worked and failing to compensate them at the required regular and overtime rates of pay, Defendants unlawfully deducted wages earned in violation of Labor Code § 221.

In light of the foregoing, Plaintiff and Aggrieved Employees seek to recover penalties pursuant to Labor Code § 558. Under the PAGA, and following exhaustion of the notice period, Plaintiff seeks all civil and statutory penalties available and applicable under Labor Code §§ 510, 558, 1194, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

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

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

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

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



under Labor Code § 226(a), Defendants committed ongoing violations giving rise to civil penalties under Labor Code §226.3, which in addition to other penalties provided by law, subjects Defendants to “a penalty in the amount of two hundred fifty dollars (\$250) per employee per violation in an initial citation and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, ...”

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

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

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

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

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

Failure to Keep Records In Accordance With Labor Code § 1174

Labor Code § 1174 requires employers to keep records showing payroll data and the hours worked daily by and the wages paid to employees. By failing to pay Aggrieved Employees proper wages, overtime, premium pay, etc., all discussed herein, Defendants failed to maintain



proper employment records in accordance with Section 1174. In light of the foregoing, Plaintiff and Aggrieved Employees seek to recover penalties pursuant to Labor Code §§ 1174.5 and 2699, *et seq.* Defendants have also failed to comply with paragraph 7 of the applicable California IWC Wage Orders by failing to maintain time records showing when the employee begins and ends each work period, meal periods, wages earned pursuant to Labor Code § 226.7, and total daily hours worked by itemizing in wage statements all deductions from payment of wages and accurately reporting total hours worked by the Aggrieved Employees, and they are entitled to recover penalties pursuant to paragraph 20 of the applicable IWC Wage Orders.

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

Waiting Time Penalties Pursuant to Labor Code § 203

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

Under the PAGA, and following exhaustion of the notice period, Plaintiff asserts PAGA claims for failure to timely pay all wages owed, including at least semi-monthly and upon separation or termination, under Labor Code §§ 201, 201, 203, 204, 1197.5, 2926, and 2927 seeking all civil penalties available and applicable under Labor Code §§ 201, 202, 203, 210, 558, 1197, 1198, 1199, 2699(f)(2), 2699.5, and paragraph 20 of the applicable IWC Wage Orders, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Failure to Provide Paid Sick Days and COVID-19 Supplemental Sick Leave

Defendants violated California Labor Code § 246 by not providing all required paid sick days to Plaintiff and the Aggrieved Employees. Labor Code § 246 provides that an Employee who "works in California for the same employer for 30 or more days within a year from the commencement of employment is entitled to paid sick days as specified in this section." Defendants failed to provide Plaintiffs and the other similarly Aggrieved Employees with all their required and earned sick days, in violation of Labor Code § 246. Defendants have also failed to provide COVID-19 supplemental sick leave to the Aggrieved Employees during the relevant time period, including by failing to provide two work weeks of COVID-19 supplemental



paid sick leave as required under Labor Code §§ 248.1 and 248.2 and including damages and penalties as these sections are enforced through Labor Code § 248.5, which requires that: “If paid sick days were unlawfully withheld, the dollar amount of paid sick days withheld from the employee multiplied by three, or two hundred fifty dollars (\$250), whichever amount is greater, but not to exceed an aggregate penalty of four thousand dollars (\$4,000), shall be included in the administrative penalty.”

Plaintiff accordingly seeks this relief available for Defendants’ failure to provide Aggrieved Employees with all their required and earned sick days and all their COVID-19 supplemental sick leave in violation of Labor Code §§ 246, 248.1, and the civil and statutory penalties available and applicable under Labor Code §§ 246, 248.1, 248.2, 248.5, 558, 1194.2, 1197.1, 1198, 1199, and 2699(f)(2), and also for attorneys’ fees and costs pursuant to Labor Code § 2699(g)(1).

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

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

Failure to Reimburse Necessary Business Expenses Under Labor Code § 2802

Defendants required Plaintiff and the Aggrieved Employees to pay for necessary work-related expenses they incurred. These included the cell phone-related expenses Plaintiff incurred in responding to calls from management and using GPS navigation, and home internet expenses Plaintiff incurred in completing “HAZWOPER” training as required by Defendants. Defendants thus uniformly failed to reimburse those lawful and necessary work related expenses or losses incurred in direct discharge of their job duties during employment with Defendants and at the direction of the Defendants pursuant to Labor Code § 2802(a) and the applicable IWC Wage Orders, paragraph 9. Defendants are liable for PAGA penalties resulting from their failure to reimburse necessary business expenses incurred by the Aggrieved Employees.

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

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

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

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

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

Plaintiff and the Aggrieved Employees seek penalties under Labor Code §§ 2698 and 2699 for Defendants' violation of Labor Code provisions included under Labor Code § 2699.5, including the penalty provisions, without limitation, based, *inter alia*, on the following California Labor Code sections: 201, 202, 203, 204, 226, 226.7, 246, 248.1, 248.2, 248.5, 510, 512, 558, 1174, 1174.5, 1185, 1194, 1194.1, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2802, 2810.5, and 2698 *et seq.*, including as follows:

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

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

(c) **Inaccurate Wage Statements and Failure to Maintain Records:** For failure to provide Plaintiff and the Aggrieved Employees with accurate, itemized wage statements and failure to maintain employment records for Plaintiff and Aggrieved Employees under Labor Code §§ 226, 1174, and 1198.5, and Sections 7(A), 7(B), and 7(C) of the applicable IWC Wage Order(s) seeking all civil and statutory penalties and wages available and applicable under Labor Code §§ 226(e), 226.3, 558, 1174.5, 1199, and 2699(f)(2), and paragraph 20 of the applicable IWC Wage Order, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).



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

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

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

(f) Failure to Provide Paid Sick Days and COVID-19 Supplemental Sick Leave: For Defendants’ failure to provide Employees with all their required and earned sick days and all their COVID-19 supplemental sick leave in violation of Labor Code §§ 246, 248.1, 248.2, and the civil and statutory penalties available and applicable under Labor Code §§ 246, 248.1, 248.2, 248.5, 558, 1194.2, 1197.1, 1198, 1199, and 2699(f)(2), and also for attorneys’ fees and costs pursuant to Labor Code § 2699(g)(1);

(g) Failure to Pay Reporting Time Pay: For Defendants failure to provide Employees with all their required reporting time pay in violation of Wage Order 16-2001 and 8 § CCR 11160(5) and civil and statutory penalties available and applicable under Labor Code §§ 204, 558, including sections 558(a)(1)-(3), 1199, 2699(f)(2) and 2699.5, and also for attorneys’ fees and costs pursuant to Labor Code § 2699(g)(1); and

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

We have been constrained to initially move forward with the filing of this Complaint, alleging the causes of action discussed herein, without the PAGA claim. Thus, any action by the LWDA



would not resolve the entirety of the case, and the interest of judicial economy will be served by allowing the case to proceed as a cohesive whole.

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

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

Regards,
D.LAW, INC.

Alvin B. Lindsay

a.lindsay@d.law

Tania Fonseca

t.fonseca@d.law

Cc: Innovative Construction Solutions by Certified Mail

EXHIBIT 3



Professional Experience

Berger Consulting Group

2016-PRESENT

Partner

- Create quantitative models and conduct quantitative analyses to assist attorneys prepare for various stages of litigation on more than 3,000 wage and hour lawsuits since 2016
- Analyze data from various industries including retail, healthcare, logistics, finance, hospitality, technology, and manufacturing for both single plaintiff cases and classes with more than 40,000 employees
- Perform data conversion using multiple commercial Optical Character Recognition (OCR) software to transform small to large volumes of documents and image files into Excel or other data formats like Microsoft Access databases
- Recognize patterns within data and automate calculations in order to objectively extract results from datasets
- Produce detailed reports, write case analysis summaries explaining results, and provide expert testimony of my findings

LPL Financial

2013-2017

Operations Manager

- Analyzed revenue data and created models to segment client base by revenue, Asset Under Management (AUM), and growth potential, facilitating annual AUM growth
- Developed the processes of repeatable, systematic investment research, securities trading, cash and client account management
- Implemented robust financial software, advancing data analysis and enhancing client recommendations via comprehensive financial plans

UCSB Extension

2016-2018

Instructor of Investment Analysis and Strategic Business Development

- Designed course curricula and materials to facilitate business development and corporate finance education commensurate with the University of California
- Utilized group projects, exams, and both academic and professional experience-based learning to ensure students with varying levels of professional and academic experience attained valuable skills and knowledge

Professional Credentials

- CERTIFIED FINANCIAL PLANNER™

Education

UCSB

2013

Bachelor of Arts (Honors Program; Double Major; Cumulative GPA: 3.83)

- *Economics* (Major GPA: 3.95), *Psychology* (Major GPA: 3.69)
- *Honors*: Outstanding Scholastic Achievement in Economics for highest GPA in department, High Honors in College of Letters and Sciences, Dean's Honors List (8 quarters), United States Bowling Congress Scholarship

Additional

- *Computer Skills*: Excel/VBA/Pivot, Python/R, STATA/SPSS, SQL, Access, Omnipage PDF Converter, ABBYY FineReader, Adobe Acrobat Pro
- *Volunteer Work*: Support Partners In Education, Santa Barbara Community Environmental Council, Casa Esperanza homeless shelter, UCSB Alumni Association, various UCSB Research Colloquia

Testimony

Berger Consulting Group

1. Rodriguez v Dynamic Auto Images, Orange County Superior Court Case No. 30-2019-01092692-CU-OE-CXC, Deposition 9/26/2022
2. Cruz v Talent Scale, Riverside County Superior Court Case No. RIC1821842, Deposition 5/26/2022
3. Liggins v GMRI, Los Angeles County Superior Court Case No. BC717321, Deposition 3/31/2022
4. Ortega v Carson Wild Wings, Los Angeles County Superior Court Case No. BC677389, Deposition 1/6/2022
5. Cruz v Dignity Health, Sacramento County Superior Court Case No. 34-2018-00245506, Deposition 11/23/2021
6. Larson v Mark Twain Medical Center, Calaveras County Superior Court Case No. 19CV44062, Deposition 11/18/2021
7. Powell v St Joseph's Medical Center, San Joaquin County Superior Court Case No. STK-CV-UOE-2019-00111555, Deposition 11/4/2021
8. Johnson v Bakersfield Memorial Hospital, Kern County Superior Court Case No. BCV-19-102016, Deposition 10/25/2021
9. Dawson v GoHealth, San Francisco County Superior Court Case No. CGC-19-577790, Deposition 10/21/2021
10. Torrez v Del Taco, Alameda County Superior Court Judicial Counsel Coordination Proceeding No. 4904, Deposition 10/5/2021
11. Ortega v Carson Wild Wings, Los Angeles County Superior Court Case No. BC677389, Deposition 9/9/2021
12. Haaverson v Tavistock Freebirds, Alameda County Superior Court Case No. RG19030716, Trial 8/19/2021
13. Escamilla v Ono Hawaiian BBQ, Los Angeles County Superior Court Case No. BC651992, Deposition 8/16/2021
14. Nash v Horizon Freight Systems, United States Northern District of California Case No. 3:19-cv-01883-VC, Deposition 8/11/2021
15. Harris v Villa Del Rio, Los Angeles County Superior Court Case No. 19STCV28198, Deposition 6/18/2021
16. Morgan v Rohr, United States Southern District of California Case No. 3:20-CV-00574-GPC-AHG, Deposition 5/24/2021
17. Fortson v Care Options Management Plans and Support Services, Alameda County Superior Court Case No. RG16818319, Trial 5/17/2021
18. Anderson v Safe Streets, United States Eastern District of California Case No. 2:18-CV-00323-KJM-GGH, Deposition 5/13/2021
19. Christensen v Carter's Retail, United States Central District of California Case No. 8:20-cv-00776 JLS (KESx), Deposition 4/15/2021
20. Fortson v Care Options Management Plans and Support Services, Alameda County Superior Court Case No. RG16818319, Deposition 3/26/2021
21. Torrez v Del Taco, Alameda County Superior Court Judicial Counsel Coordination Proceeding No. 4904, Deposition 3/3/2021
22. McCarty v SMG, United States Northern District of California Case No. 3:17-cv-06232-JD, Deposition 2/4/2021
23. Chaney v Select Education Group, Stanislaus County Superior Court Case No. CV-19-002224, Arbitration 12/4/2020
24. Chaney v Select Education Group, Stanislaus County Superior Court Case No. CV-19-002224, Deposition 11/24/2020
25. Zarate v La Pizza Loca, Los Angeles County Superior Court Case No. BC642655, Deposition 10/2/2020
26. Southern California Pizza Wage and Hour Cases, Orange County Superior Court Judicial Counsel Coordination Proceeding No. 4725, Deposition 9/17/2020
27. Hernandez v Terminix International, AAA Case No. 01-18-0000-4288, Arbitration 9/8/2020
28. Hernandez v Terminix International, AAA Case No. 01-18-0000-4288, Deposition 8/12/2020
29. Martinez v AA Meat Products, Los Angeles County Superior Court Case No. BC650944, Deposition 6/25/2020
30. Shi v J Filippi Vintage Company, San Bernardino County Superior Court Case No. CIVDS1806156, Trial 3/9/2020
31. Rosales v Staples Contract and Commercial, Los Angeles County Superior Court Judicial Counsel Coordination Proceeding No. 4854, Deposition 2/4/2020
32. Anderson v Safe Streets, AAA Case No. 01-18-0004-3136, Arbitration, 11/19/2019
33. Anderson v Safe Streets, AAA Case No. 01-18-0004-3136, Deposition 10/30/2019

34. Kelly v High Desert Support Services, San Bernardino County Superior Court Case No. CIVDS1616463, Trial 10/1/2019
35. Kelly v High Desert Support Services, San Bernardino County Superior Court Case No. CIVDS1616463, Deposition 9/9/2019
36. Reed & Moore v Aramark Uniform Services, Alameda County Superior Court Case No. RG16832314, Deposition 8/9/2019
37. Gamboa v Nelson Miller, Los Angeles County Superior Court Case No. BC658201, Deposition 4/2/2019
38. Leyva v SCPMG, Los Angeles County Superior Court Case No. BC621718, Deposition 7/26/2018
39. Emard v Twin Cities Community Hospital, AAA Case No. 01-17-0000-1313, Arbitration 7/19/2018
40. McConville v Renzenberger, United States Central District of California Case No. 17-cv-02972-FMO-JC, Deposition 2/1/2018
41. Galeano v Royal Laundry, San Mateo County Superior Court Case No. CIV534888, Deposition 10/12/2017

EXHIBIT 4

Alvarez, et al. v. Innovative Construction Solutions
Litigation Costs

Service Date	Details	Provider	Amount
5/15/24	PAGA Letter	LWDA	\$ 75.00
5/15/24	Summons and Complaint	Rapid Legal	\$ 461.70
5/15/24	PAGA Letter Postage	USPS	\$ 21.50
5/22/24	Process of Service - Innovative Construction Solutions	Rapid Legal	\$ 89.10
5/30/24	POS of Summons	Rapid Legal	\$ 13.65
8/13/24	Notice of Posting Jury Fees; NAR to First Amended Complaint	Rapid Legal	\$ 13.65
9/11/24	Mediation (6.24.25)	Steven J. Rottman	\$ 15,000.00
9/27/24	Document Retrieval	Orange County Superior Court	\$ 15.00
9/30/24	Joint Stipulation for Stay Pending Mediation & Arbitration; [Proposed] Order	Rapid Legal	\$ 13.65
10/2/24	First Amended Complaint	Rapid Legal	\$ 13.65
10/8/24	Notice of Association of RS	Rapid Legal	\$ 13.65
10/9/24	Notice of Case Reassignment	Rapid Legal	\$ 13.65
11/25/24	Notice of Complex Designation, Initial Status Conference Order & Minute Order (2.6.25)	Rapid Legal	\$ 13.65
2/20/25	Notice of Disassociation of RS	Rapid Legal	\$ 13.65
7/1/25	Expert Mediation Analysis	Berger Consulting Group	\$ 4,095.00
7/16/25	Joint Stipulation for Leave to File Second Amended Complaint Adding 2nd Rep & Continue Case Management Conference (7.24.25), Exhibit List, POS	Rapid Legal	\$ 13.71
7/25/25	Second Amended Complaint	Rapid Legal	\$ 13.71
8/12/25	NAR to SAC; Notice of Association	Rapid Legal	\$ 13.71
9/25/25	Document Retrieval	Orange County Superior Court	\$ 15.00
10/17/25	Document Retrieval	Orange County Superior Court	\$ 7.50
FUTURE	Motion for Preliminary Approval	Rapid Legal	\$ 85.00
FUTURE	Motion for Final Approval	Rapid Legal	\$ 85.00
FUTURE	Notice of Entry of Order	Rapid Legal	\$ 13.71
FUTURE	Dec of Admin Re Final Distribution	Rapid Legal	\$ 13.71

Total	\$ 20,127.55
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Berger Consulting Group
P.O. Box 261954
Encino, CA 91426

INVOICE DATE: 7/1/2025
DUE DATE: 8/1/2025
INVOICE # 14467
FOR: Alvarez v
Innovative
Construction

Bill To:
D.Law

DESCRIPTION	AMOUNT
Alvarez v Innovative Construction Solutions (9.10 hours @ 450/hr Rate)	\$4,095.00
TOTAL	\$4,095.00

Please make all checks payable to: Berger Consulting Group, LLC
P.O. Box 261954
Encino, CA 91426

For invoice inquiries or information regarding electronic payment: accounting@bergerconsultinggroup.com

INVOICE



Payment receipt

You paid \$29,730.00

to Berger Consulting Group on 7/31/2025

Invoice no.	BCG12264
Invoice amount	\$29,730.00
Total	\$29,730.00

Status	Paid
Payment method	Credit Card
Authorization ID	MS0284041304

Thank you



Berger Consulting Group

+18008051360

www.bergerconsultinggroup.com | accounting@bergerconsultinggroup.com

PO Box 261954, Encino, CA 91426

No additional transfer fees or taxes apply.

Intuit Payments Inc (IPI) processes payments as an agent of the business. Payments processed by IPI constitutes payment to the business and satisfies your obligation to pay the business, including in connection with any dispute or case, in law or equity. Money movement services are provided by IPI pursuant to IPI's licenses (NMLS #1098819, <https://www.intuit.com/legal/licenses/payment-licenses>). IPI is located at 2700 Coast Avenue, Mountain View, CA 94043, 1-888-536-4801.



Payment receipt

You paid \$15,000.00

to Steven J. Rottman, LLC on 9/11/2024

Invoice no.	5263
Invoice amount	\$15,000.00
Total	\$15,000.00

Status	Paid
Payment method	Bank Wallet
Authorization ID	AA6ALV4H

Thank you

Steven J. Rottman, LLC

+1 3107510114

www.steverottman.com | steve@steverottman.com

[495 Slate River Dr, Crested Butte, CO 81224](#)

No additional transfer fees or taxes apply.

Intuit Payments Inc (IPI) processes payments as an agent of the business. Payments processed by IPI constitutes payment to the business and satisfies your obligation to pay the business, including in connection with any dispute or case, in law or equity. Money movement services are provided by IPI pursuant to IPI's licenses (NMLS #1098819, <https://www.intuit.com/legal/licenses/payment-licenses>). IPI is located at 2700 Coast Avenue, Mountain View, CA 94043, 1-888-536-4801.

EXHIBIT 5