

BIBIYAN LAW GROUP, P.C.

Vedang J. Patel (SBN 328647)

vedang@tomorrowlaw.com

Keaton D. Mendoza (SBN 321172)

kmendoza@tomorrowlaw.com

1460 Westwood Boulevard

Los Angeles, CA 90024

Tel: (310) 438-5555; Fax: (310) 300-1705

Attorneys for Plaintiff, FIDENCIO PEREZ,
on behalf of himself and all others similarly situated
and aggrieved

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE

FIDENCIO PEREZ, an individual, and on
behalf of all others similarly situated and
aggrieved,

Plaintiff,

v.

CALO COSTA MESA LLC, a California
limited liability company; CALO LAGUNA
NIGUEL, LLC, a California limited liability
company; CALO EL SEGUNDO LLC, a
California limited liability company; and
DOES 1 through 100, inclusive,

Defendants.

Case No.: 24STCV18135

[Assigned for All Purposes to the Hon.
Laura A. Seigle in Dept. 17]

**DECLARATION OF VEDANG J. PATEL
IN SUPPORT OF PLAINTIFF'S MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION AND
REPRESENTATIVE ACTION
SETTLEMENT AND PROVISIONAL
CLASS CERTIFICATION FOR
SETTLEMENT PURPOSES ONLY**

DECLARATION OF VEDANG J. PATEL

1
2 1. I am an attorney at law, duly licensed to practice before all the Courts of the State
3 of California, a senior attorney at Bibiyan Law Group, P.C., counsel for plaintiff Fidencio Perez
4 (“Plaintiff”), and all others similarly situated and aggrieved. As such, I am familiar with the file
5 in this matter and, if called as a witness, I could and would competently testify to the following
6 facts of my own personal knowledge.

7 2. On July 19, 2024, Plaintiff commenced this action by filing a complaint alleging
8 against Defendants Calo Costa Mesa LLC; Calo Laguna Niguel, LLC; and Calo El Segundo LLC
9 (collectively, “Defendants”) for: (1) failure to pay overtime wages; (2) failure to pay minimum
10 wages; (3) failure to provide meal periods; (4) failure to provide rest periods; (5) waiting time
11 penalties; (6) wage statement violations; (7) failure to timely pay wages; (8) failure to indemnify;
12 (9) violation of Labor Code section 227.3; and (10) unfair competition (the “Action”).

13 3. On June 27, 2024, Plaintiff Fidencio Perez filed with the LWDA and served on
14 Defendants a notice under Labor Code section 2699.3, stating Plaintiff intended to serve as a proxy
15 of the LWDA to recover civil penalties on behalf of non-exempt employees for alleged Labor
16 Code violations (PAGA Notice"). A true and correct copy of the PAGA Notice is attached hereto
17 as Exhibit 2.

18 4. On August 21, 2025, Plaintiff filed the First Amended Complaint in the Action
19 adding a cause of action under PAGA for the alleged violations of the Labor Code set forth in the
20 PAGA Notice, constituting the operative complaint in the Action (the "Operative Complaint").

21 5. Class Counsel thereafter agreed to exchange informal discovery and attend an early
22 mediation. Prior to mediation, Class Counsel obtained, through informal discovery: (1) time and
23 payroll records for approximately 26.7% of Class Members; (2) a class list of hire dates,
24 termination dates, and rates of pay for all Class Members; (3) wage and hour policy documents;
25 and (4) all documents concerning Plaintiff available to Defendants. Plaintiff's investigation was
26 sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.*
27 (1996) 48 Cal. App. 4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal. App.
28 4th 116, 129-130 (*Dunk/Kullar*).

6. On June 5, 2025, the Parties participated in an all-day mediation presided over by Monique Ngo-Bonnici, Esq., which led to the Agreement to settle the Action.

The Proposed Settlement

7. Subject to Court approval pursuant to Code of Civil Procedure section 382 and California Rules of Court, rule 3.679, *et seq.*, the Parties have agreed to settle the Action by agreement upon the terms and conditions and for the consideration set forth in the Settlement Agreement, a copy of which is attached hereto as Exhibit “1.” A summary of the terms of the settlement are as follows:

Defendants will stipulate, for purpose of this settlement only, as follows:

- Certification of a class ("Settlement Class," "Settlement Class Members" or "Class Members") defined as: non-exempt employees employed by Defendants Calo Costa Mesa LLC; Calo Laguna Niguel, LLC; and Calo El Segundo LLC in California during the period from July 19, 2020 through September 5, 2025 ("Class Period").
- Defendant will pay \$475,000.00 (“Gross Settlement Amount”) to resolve the matter.
- The Parties estimate that there are approximately 10,000 PAGA Pay Periods worked by non-exempt hourly employees of Defendants in California during PAGA Period (from June 27, 2023, to June 5, 2025). Should the actual number of PAGA Pay Periods worked by this group of people during the PAGA Period increase beyond 10%, Defendants shall have the option of (1) increasing the Gross Settlement Amount by the percentage increase in the number of PAGA Pay Periods worked by the Aggrieved Employees above 10% (e.g. if the number of PAGA Pay Periods increases by 11%, the Total Settlement Amount will increase by 1%); or (2) rolling back the end of the Class and PAGA Release periods to the date in which 11,000 pay periods is met. Defendant shall make its election no later than 30 days following full execution of this Agreement. Should Defendant fail to make its election within that timeframe, option (2) shall be presumed chosen.
- Defendants will pay the employer’s share of taxes separately and apart from the Gross Settlement Amount.

- 1 • This is a non-reversionary settlement.
- 2 • "Pay Period" means any pay period during which a Class Member worked for
- 3 Defendants for at least one day during the Class Period, based on hire dates, re-hire
- 4 dates (as applicable), and termination dates (as applicable).
- 5 • Class Members will be paid their *pro rata* share of the class action settlement based
- 6 on the total number of Pay Periods worked during the PAGA Period.
- 7 • The Settlement Administration Costs, estimated not to exceed \$6,500.00 will be paid
- 8 out of the Gross Settlement Amount.
- 9 • Class Counsel, comprised of David D. Bibiyan and Vedang J. Patel of Bibiyan Law
- 10 Group, P.C., will apply for, and Defendants will not oppose, attorneys' fees of up to
- 11 35% of the Gross Settlement Amount, which, unless escalated pursuant to the
- 12 Settlement Agreement, amounts to \$166,250.00, and actual costs, not to exceed
- 13 \$25,000.00, all of which will be paid out of the Gross Settlement Amount.
- 14 • Class Counsel hereby apply for, and Defendants will not oppose, a service award of
- 15 up to up to \$10,000.00 to Plaintiff for his extensive work as the Class Representative,
- 16 which will be paid out of the Gross Settlement Amount.
- 17 • "Aggrieved Employees" means all current and former non-exempt employees employed
- 18 by Defendants Calo Costa Mesa LLC; Calo Laguna Niguel, LLC; and Calo El Segundo
- 19 LLC in California at any time during the period from June 27, 2023 through September
- 20 5, 2025 ("PAGA Period").
- 21 • Defendants have agreed to pay \$47,500.00 as PAGA penalties, seventy-five percent
- 22 (75%) or \$35,625.00 of which will be paid to the LWDA out of the Gross Settlement
- 23 Amount, and twenty-five percent (25%) or \$11,875.00 of which will be distributed to
- 24 Aggrieved Employees.
- 25 • For any Class Member whose Individual Class Payment check or Individual PAGA
- 26 Payment check is uncashed and cancelled after the void date (i.e., 180 days after the
- 27 date of mailing) the Administrator shall transmit the funds represented by such checks
- 28 to the California State Controller's Office, Unclaimed Property Fund.

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

Settlement Agreement and Accompany Documents

8. Attached hereto as Exhibit “1” thereto is the Settlement Agreement between the Parties. Attached to the Settlement Agreement as internal Exhibit “A” is the proposed Class Notice to be distributed to Class Members in English and Spanish. The proposed Class Notice satisfies these requirements.

9. Class Counsel respectfully request that this Court approve the above-referenced Class Notice and dissemination of the Class Notice to the Class Members, consistent with the manner and timing as set forth in the Settlement Agreement. The Parties have agreed to use Apex Class Action LLC (“Settlement Administrator” or “Apex”), an experienced Settlement Administrator, to administer the settlement.

10. On or about May 4, 2026, my office submitted a copy of the Settlement Agreement to the LWDA in compliance with Labor Code section 2699, subdivision (l)(2). A true and correct copy of confirmation from the LWDA is attached hereto as Exhibit “3.”

The Settlement was Negotiated at Arm’s-Length and is not Collusive

11. The Settlement that has been reached, subject to this Court’s approval, is a product of substantial efforts by the Parties and their counsel. The Settlement was reached after extensive factual and legal investigation and research; substantial debate regarding the applicability of Collective Bargaining Agreements (“CBAs”) and purported arbitration agreements; debate an exchange of documents and information that included review of time and pay records and analysis thereof with the aid of Plaintiffs and expert consultants; an analysis of shifts and Pay Periods worked by Class Members in the Class Period, analysis of the number of pay periods and number of Aggrieved Employees in the PAGA Period for calculating PAGA penalties, number of Class Members eligible for wage statement penalties and waiting time penalties; an analysis of Plaintiffs’ employment records; extensive correspondence and communication between counsel; a review of pleadings, evidence and rulings in similar actions litigated elsewhere in the state; a review of similar cases in the same industry elsewhere in the country; and preparation for and attendance at a full-day session of mediation; and coordination to finalize the terms and conditions of the general settlement parameters agreed to by the Parties.

1 12. While Class Counsel believe in the chance of success of certifying the claims, Class
2 Counsel recognized the potential risk, expense and complexity posed by further litigation.
3 Moreover, litigating Plaintiff's claims in this Litigation—claims that involve approximately 206
4 Class Members during the Class Period—would require enormous preparation and discovery and
5 ultimately would involve the deposition and presentation of numerous more witnesses (including
6 Class Members and expert witnesses), as well as the consideration, preparation, and analysis of
7 expert reports. Therefore, should litigation have progressed any further, there would have been
8 significant expense incurred by each side (above and beyond the expense already incurred).

9 **The Settlement Amount is Well Within the Range of Reasonableness**

10 13. I believe the settlement amount reached in this case provides significant recovery
11 to Class Members and Aggrieved Employees, and easily falls within the range of reasonableness.
12 Based on documents and information provided by Defendants, Class Counsel understand that
13 there are no more than 10,000 PAGA Pay Periods during the PAGA Period.

14 **Unpaid Wages for Failure to Accurately Record Hours Worked**

15 14. Class Counsel theorized, based on Plaintiff's narrative evidence and information
16 provided by Defendant, that Defendant failed to pay for work performed off-the-clock, which
17 resulted in a failure to pay for all hours worked. Class Counsel theorized that Plaintiff and other
18 putative class members performed off-the-clock tasks including mandatory preparatory tasks (e.g.
19 storing their personal items in lockers before entering the kitchen to clock in, performing work tasks
20 such as retrieving items, etc.); mandatory post-shift tasks (e.g. retrieving personal items from the
21 locker room after clocking out, completing cleaning or closing tasks upon request of a supervisor,
22 etc.); receiving calls on their days off from supervisors regarding their work schedule; and working
23 through meal breaks or having them interrupted for work tasks. As a result, Defendant failed to
24 compensate Class Members for all time under Defendant's control or direction.

25 15. One theory advanced by Class Counsel alleged, based on Plaintiff's narrative
26 evidence, that Class Members worked off-the-clock for an estimate of ten (10) minutes each shift
27 throughout the Class Period, without pay. Class Counsel understand, based on time and payroll
28 records produced by Defendant and analysis thereof by expert data consultants retained by Class

1 Counsel, that there were approximately 30,508 shifts during the Class Period, 15.3% of which
2 were over eight (8) hours in length, and Class Members had an average hourly rate of pay of
3 \$20.00. Thus, one calculation performed by Class Counsel at mediation resulted in **Defendant's**
4 **exposure for unpaid off-the-clock work in a conservative amount of \$195,998** ([30,508 shifts
5 x .153 shifts over eight hours x .167 hour x \$20.00 x 1.5 overtime rate] + [30,508 x .847 shifts
6 under eight hours x .167 hour x \$20.00 x 2 in liquidated damages]).

7 16. Class Counsel understand that Defendant makes the following defenses in
8 connection with this claim: Defendant contends that its policies specifically prohibit off-the-clock
9 work. Defendant contends that it did not require Class Members to work off-the-clock and, rather,
10 they were paid for all time suffered or permitted to work. Defendant contends that any allegations
11 that Class Members were required to be under Defendant's control off-the-clock would necessitate
12 an individualized inquiry into when and why, making this claim not subject to class treatment and
13 any trial in this litigation unmanageable. Thus, Defendant contends that no damages can be
14 recovered here, and, even if, *arguendo*, they could, an estimate of ten (10) minutes of unpaid time
15 worked for every single shift worked by Class Members during the Class Period is an exaggeration
16 of time spent working off-the-clock if *any* such time was spent. Finally, Defendant contends that no
17 class action is even tenable here because Class Members signed what they believe to be enforceable
18 arbitration agreements.

19 **Damages for Non-Compliant Meal Periods**

20 17. Class Counsel theorized, based on documents and information produced by
21 Defendant and Plaintiff's narrative evidence, that Plaintiff and other putative class members had
22 to work through their meal periods if the restaurant was short staffed or busy. Class Counsel
23 theorized, based on Plaintiff's narrative evidence, that when Plaintiff and other putative class
24 members were able to take a lunch break, they reported regularly having to walk to a suitable
25 break area and having to return early prior to their 30-minute meal break ending, which resulted
26 in meal breaks being shorter than the legal minimum. Class Counsel also theorized that Plaintiff
27 and other putative class members had their meal breaks interrupted or cut short to perform work
28 tasks approximately once per week, taking late breaks two to three times per week, and numerous

1 other instances of missed, short, late, and interrupted meal breaks. Nonetheless, Plaintiff and other
2 putative class members were instructed to clock in and out for their full meal period, regardless
3 of whether they were able to take the full meal period.

4 18. Class Counsel theorized, based on documents produced by Defendant and analysis
5 thereof by expert data consultants retained by Class Counsel, that 11,562 (45.4%) of 25,466 meal-
6 eligible shifts had unique meal break violations (late, short or missed meal periods). Thus, one
7 calculation advanced at mediation by Class Counsel resulted in **Defendant's exposure for non-**
8 **compliant meal periods in an amount of \$231,240** (11,562 unique meal break violations x
9 \$20.00/hour).

10 19. Class Counsel understand that Defendant argues that it had compliant meal period
11 policies and practices. Defendant argues that Class Members took timely and full meal periods.
12 Defendant contends that its policy requires their employees to take timely and full meal periods.
13 Defendant further contends that any instance of a Class Member failing to take a compliant meal
14 period was voluntary, in violation of their meal period policy, would necessitate an individualized
15 inquiry and would not lend itself to a manageable trial. Finally, Defendant contends that no class
16 action is even tenable here because Class Members signed what they believe to be enforceable
17 arbitration agreements. Thus, Defendant contends that *no* monies are owed for this account but,
18 even if any amounts were due, the amount calculated by Class Counsel is excessive.

19 **Recovery of Damages for Non-Compliant Rest Periods**

20 20. Class Counsel theorized, based on documents and information produced by
21 Defendant and Plaintiff's narrative evidence, that Plaintiff and other putative class members' rest
22 breaks were regularly missed due to their workload, cut short due to a work-related task or question,
23 or cut short as they walk to a suitable break area. Notably, there were no rest period premiums ever
24 issued throughout the Class Period with 29,637 rest-eligible shifts.

25 21. Thus, one calculation performed by Class Counsel, assuming a 40 % violation rate,
26 resulted in **Defendant's exposure for failure to provide compliant rest periods in a conservative**
27 **amount of \$237,096** (29,637 shifts x \$20.00/hour x .40 violation rate).
28

22. Class Counsel understand that Defendant makes the following defenses in connection with this claim: Defendant argues that it had compliant rest period policies and practices. Defendant argues that Class Members took timely and full rest periods. Defendant contends that its policy requires their employees to take timely and full rest periods. Defendant further contends that any instance of a Class Member failing to take a compliant rest period was voluntary, in violation of their rest period policy, would necessitate an individualized inquiry and would not lend itself to a manageable trial. Defendant contends that a rest break violation for every rest-eligible shift is an exaggeration of non-compliant rest periods, if there were any. Finally, Defendant contends that no class action is even tenable here because Class Members signed what they believe to be enforceable arbitration agreements. Thus, Defendant contends that *no* monies are owed for this account but, even if any amounts were due, the amount calculated by Class Counsel is excessive.

Wage Statement Violations

23. Class Counsel theorized that Class Members are entitled to recover penalties for Defendant's alleged failure to issue compliant wage statements under Labor Code section 226, subdivision (e), for the derivative impact of the failure to pay all wages owed on providing accurate information on wage statements. Specifically, Class Counsel theorized that penalties are owed under Labor Code section 226 due to, at minimum, Defendant's failure to pay premium wages. A non-exempt employee suffering injury as a result of a knowing and intentional failure by an employer to comply with Labor Code section 226, subdivision (a), is 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) per employee for each violation in a subsequent pay period. Class Counsel understand from the data provided by Defendant that there were 1,411 pay periods during the relevant statutory time period for Class Members. If, in fact, Class Members worked every off-the-clock every shift as set forth above, and no rest premiums were paid, every wage statement would thus, Class Counsel theorized, violate Labor Code section 226. However, due to the derivative nature of wage statement penalties, as well as the requirement that Defendant's failure to comply with Labor Code section 226 be knowing and intentional, one calculation performed by Class Counsel at mediation, based on the initial penalty of fifty dollars (\$50) in light

1 of Defendant's defenses, resulted in **Defendant's maximum exposure for wage statement**
2 **violations in the amount of \$70,550** (1,411 pay periods x \$50/pay period).

3 24. Class Counsel understand that Defendant makes the following defenses in
4 connection with this claim: Defendant contends that the wage statements issued to the employees
5 fully complied with Labor Code section 226. Defendant contends that because it believes no wages
6 are unpaid that, thus, there can be no derivative penalties. However, Class Counsel also understand
7 the risks inherent in this claim if the above claims were not certified. Class Counsel also had to
8 factor in, and did factor in, the risk that the Court would find there was no injury to Class Members
9 even if the wage statements were inaccurate or that Defendant's conduct was not intentional, both
10 of which are requirements of Labor Code section 226 before penalties can issue. Class Counsel
11 also note that the calculation used does not take into account the fact that all Class Members did
12 not work all pay periods and, therefore, Class Counsels' calculation does not take into account the
13 maximum penalty of \$4,000 in Plaintiff's exposure model used at mediation. Finally, Defendant
14 contends that no class action is even tenable here because Class Members signed what they believe
15 to be enforceable arbitration agreements.

16 **Waiting Time Penalties**

17 25. Class Counsel theorized at mediation, based on relevant documents provided by
18 Defendant, that, under Labor Code section 203, Defendant is liable to pay each Class Member,
19 who was terminated during the relevant statutory period, a full 30-day worth of wages as waiting
20 time penalty for failure to pay compensation in lieu of compliant meal and rest periods, and failure
21 to timely pay all wages due at the time of termination or resignation. Based on relevant documents
22 provided by Defendant, there were approximately 85 Class Members who were terminated or
23 resigned during the relevant statutory period. The average length of shifts was 6.5 hours. Thus,
24 one calculation performed at mediation by Class Counsel resulted in **Defendant's exposure for**
25 **waiting time penalties to be approximately \$331,500** (85 separated Class Members x
26 \$20.00/hour x 6.5 hours x 30 days).

27 26. Class Counsel understand that Defendant contends that there is no credence to
28 Plaintiff's off-the-clock theory and that, thus, no waiting time penalties are owed based on that

1 theory. Finally, Defendant contends that its actions were not “willful” and that, thus, waiting time
2 penalties cannot be awarded. Thus, Defendant argued that no waiting time penalties are owed.

3 27. Class Counsel understand that Defendant argued the following: Defendant argued
4 that it reimbursed employees for all expenses incurred in furtherance of work. Defendant argued
5 that, to the extent any Class Members’ claims to have purchased boots and replacement gloves,
6 glasses and ear protectors would necessitate an individualized inquiry, thereby precluding
7 certification and making any trial thereon unmanageable. Finally, Defendant contends that no
8 class action is even tenable here because Class Members signed what they believe to be
9 enforceable arbitration agreements. Thus, Defendant contends that it owes no monies to Class
10 Members under this theory, either.

11 **PAGA Penalties**

12 28. Class Counsel understand from the time and payroll data provided by Defendant
13 that there are approximately 142 Aggrieved Employees who collectively worked 10,000 pay
14 periods in the PAGA Period. Plaintiff’s claims in the Action under PAGA are substantially similar
15 to those described herein. PAGA penalties include penalties for initial violations and subsequent
16 violations. Defendant contends that only initial violation rates may be used instead of the
17 subsequent violation rates initially used by Class Counsel. With this in mind and because Class
18 Counsel through investigation and discovery did not come to the conclusion that Defendant at any
19 time was notified by any governmental entity that they violated any Labor Code sections presented
20 in the PAGA Notice and PAGA claims, Class Counsel adjusted the exposure model for Defendant
21 to include only initial violation rates.

22 29. While Class Counsel are informed and believe that reasonable minds differ with
23 regard to calculation of PAGA penalties, Class Counsel believe it is reasonable to calculate
24 Defendants’ maximum exposure in PAGA penalties as follows:

25 30. a. Overtime Violations: Labor Code section 558 prescribes penalties of \$50
26 for an initial violation and \$100 for each subsequent violation. Using the initial pay period rate
27 for all violations, and a violation every single pay period for every single non-exempt employee
28

1 in the PAGA Period, this amounts to a maximum exposure of \$500,000 (10,000 pay periods x
2 \$50).

3 31. b. Minimum Wage Violations: Labor Code section 1197.1 prescribes
4 penalties of \$100 for an initial violation and \$250 for each subsequent violation. Using the initial
5 pay period rate for all violations and a violation every single pay period for every single Aggrieved
6 Employee in the PAGA Period, this amounts to a maximum exposure of \$1,000,000 (10,000 pay
7 periods x \$100).

8 32. c. Meal Period Violations: Labor Code section 558 prescribes penalties of
9 \$50 for an initial violation and \$100 for each subsequent violation. Using the initial pay period
10 rate for all violations and a violation every single pay period for every single non-exempt
11 employee in the PAGA Period, this amounts to a maximum exposure of \$500,000 (10,000 pay
12 periods x \$50).

13 33. d. Rest Period Violations: Labor Code section 558 prescribes penalties of \$50
14 for an initial violation and \$100 for each subsequent violation. Using the initial pay period rate
15 for all violations and a violation every single pay period for every single non-exempt employee in
16 the PAGA Period, this amounts to a maximum exposure of \$500,000 (10,000 pay periods x \$50).

17 34. e. Wage Statement Violations: According to *Gunther v. Alaska Airlines, Inc.*
18 (2021) 287 Cal.Rptr.3d 229, in this instance, Labor Code section 2699 would be the appropriate
19 penalty for wage statement violations that are inaccurate, which prescribes penalties of \$100 for
20 an initial violation and \$200 for each subsequent violation (*Id.* at 247-248). Using the initial pay
21 period rate for all violations and a violation every single pay period for every single Aggrieved
22 Employee in the PAGA Period, this amounts to a maximum exposure of \$1,000,000 (10,000 pay
23 periods x \$100).

24 35. f. Waiting Time Penalties: Labor Code section 2699 prescribes penalties of
25 \$100 for an initial violation and \$200 for each subsequent violation. Because this violation is
26 merited only at separation of employment, a 100% violation rate would likely include just one
27 violation per employee. The data produced by Defendant indicate that there were 105 Aggrieved
28

1 Employees whose employment was separated during the PAGA Period. This amounts to a
2 maximum exposure of \$14,200 (142 Aggrieved Employees x \$100).

3 36. g. Conclusion: In sum, Class Counsel calculated Defendant's total maximum
4 exposure for PAGA violations if the Court were to find a 100% violation rate for every Aggrieved
5 Employee every pay period and not exercise its discretion to reduce any of those penalties to be
6 **\$3,514,200**. Class Counsel understand from the mediator and the mediation process that
7 Defendant argued the following in connection with this claim: Defendant contends that no PAGA
8 penalties are likely to be awarded and, even if they were, the maximum exposure calculated by
9 Class Counsel is vastly overstated. First, Defendant defends that PAGA penalties cannot and
10 should not be stacked. Second, Defendant asserts that individualized issues predominate the
11 PAGA claims, making the claims unmanageable for trial. Third, Defendant denies that a violation
12 for each pay period can be established. Fourth, Defendant contends that a Court is unlikely to
13 exercise its discretion to award civil penalties under PAGA where, as here, there is no conduct
14 shown by Plaintiff that would show any Labor Code violation by Defendant is knowing and
15 intentional. Defendant insists that this is especially true in this Action where class action damages
16 are available to Class Members, rendering an award of PAGA penalties in addition to class action
17 damages to be double recovery.

18 37. Class Counsel maintain that it is possible to recover the subsequent violation rate
19 for penalties, that stacking is permissible, and that there is no manageability requirement under
20 PAGA (citing *Estrada v. Royalty Carpet Mills, Inc.*). As such, Class Counsel believe a 90%
21 discount of this claim to be reasonable, resulting in a valuation of **\$351,420** as a reasonable
22 estimate of the likelihood of what Plaintiff may recover at trial for PAGA penalties (\$3,514,200
23 x .10).

24 **Conclusion**

25 38. When including derivative penalties, such as waiting time penalties, wage
26 statement violations, and discretionary PAGA penalties, Class Counsel theorized Defendant's
27 maximum exposure to be approximately **\$1,417,804**. In all, Class Counsel obtained a Gross
28 Settlement Amount of **\$475,000.00**. Particularly in light of the risks involving obstacles to class

1 certification, all issues and risks related to liability, the issues with manageability at trial, the
2 discretionary nature of PAGA penalties, and considering the case law regarding fair, reasonable
3 and adequate settlements, Class Counsel strongly believe that the settlement reached is fair,
4 reasonable and adequate, and in the best interest of Class Members.

5 39. Moreover, \$47,500.00 of the Gross Settlement Amount was attributed to PAGA
6 penalties. This allocation was decided mutually by the Parties and the mutual decision was based
7 on: (1) the fact that damages are available for the failure to pay wage claims while only penalties
8 are available for the PAGA claims; (2) the risk that the Court may exercise its discretion to decline
9 to stack PAGA penalties; (3) the risk that the Court may exercise its discretion to not award the
10 full amount of PAGA penalties available; and (4) the risk that the Court may decline to award any
11 PAGA penalties at all in light of the fact that damages are available for Class Members and it may
12 find any further liability against Defendants unnecessarily punitive.

13 **The Proposed Attorneys' Fees and Costs are Reasonable**

14 40. Class Counsel seek an attorneys' fees award of up to 35% of the Gross Settlement
15 Amount, which, unless escalated pursuant to this Agreement, would amount to \$166,250.00. Class
16 Counsel also seek reimbursement of costs not to exceed \$25,000.00.

17 41. I believe the requested fees fall well within the historical range of attorney's fees
18 awards under the common fund theory, which is generally from 25% to 50%. I believe the requested
19 fee is fair compensation for undertaking complex, risky, expensive and time-consuming litigation
20 on a contingent fee basis. I am informed and believe the requested attorneys' fees will not be opposed
21 by Defendant.

22 **The Requested Enhancement Award to the Named Plaintiff and Class Representative is**
23 **Reasonable**

24 42. I believe Plaintiff is entitled to the enhanced award for his service as the class
25 representative, for answering extensive questions by Class Counsel, for being available and
26 answering questions during the full-day mediation in this matter, for the risks in being the named
27 plaintiff and for providing Defendant with a more expansive release of claims, including a waiver
28 based upon California Civil Code section 1542, in exchange for the enhancement award. Defendants

1 does not oppose the requested enhancement to the Plaintiff.

2 43. I believe Plaintiff risked intrusive discovery and the payment of employer costs.
3 Class Counsel seek an extremely limited enhancement of up to \$10,000 to Plaintiff for his extensive
4 work as the Class Representative, which will be paid out of the Gross Settlement Amount.

5 **Conditional Certification for Settlement Purposes**

6 **Ascertainability**

7 44. The Class Members definition (*i.e.*, all current and former non-exempt persons
8 directly employed by Defendants and who worked for Defendants as a full-time or part-time
9 Regular, Temporary or Seasonal employee (as defined by Defendants) at any of Defendants'
10 locations in the State of California at any time during the Class Period) is derived from the
11 operative complaint, which complains of alleged violations of Labor Code sections that are chiefly
12 and, in some instances, solely applicable to non-exempt and hourly-paid employees.

13 **Numerosity**

14 45. Class Counsel understand from documents provided that Defendants identified at
15 least 206 Class Members.

16 **Commonality**

17 46. Class Counsel believe this Litigation is brought to resolve common issues that
18 include whether Defendants provided full, timely and un-interrupted meal and rest periods,
19 whether Class Members are entitled to premium pay for incomplete, untimely or interrupted meal
20 or rest periods, among other claims as set forth above.

21 **Typicality**

22 47. Class Counsel believe Plaintiffs' claims are typical of those of other Class Members
23 as Plaintiff: (1) was a non-exempt employees like other Class Members; (2) complained of not
24 being paid for all time under Defendant's control or suffered and/or permitted to work for
25 Defendant; (3) did not receive full premium pay for meal periods that were not compliant with the
26 Labor Code; (4) did not receive premium pay for rest periods that were not provided, among others
27 as set forth above.

28 ///

Adequacy of Vedang J. Patel

48. I graduated with a Bachelor of Arts degree in Economics from the University of California, Davis in 2016.

49. I received my Juris Doctorate from the UCLA School of Law in 2019.

50. After graduating from law school, I practiced law as a member of Murchison & Cumming, LLP on a variety of matters on behalf of defendants.

51. Thereafter, I joined Bibiyan Law Group, P.C. practicing law on behalf plaintiffs in matters of employment law, and specifically on issues of unpaid wages and class action settlements.

52. I am currently a Senior Attorney at Bibiyan Law Group, P.C. Among other tasks, I oversee and manage all class action and PAGA action settlements at Bibiyan Law Group, P.C. I have led settlement negotiations and the approval process for class action and PAGA settlements in countless matters, including many of those set forth in the declaration of David D. Bibiyan, filed concurrently with this declaration.

53. I have also been appointed as Class Counsel in the past in the following actions:

- *Ramirez v. Sea-win*, Case No. 21STCV22026, California Superior Court, County of Los Angeles, Honorable Lawrence P. Riff presiding.

- *Ortega Chavez v. Winpak Lane, Inc.* Case No. CIVSB2202274, California Superior Court, County of San Bernardino, Honorable Jessica Morgan presiding.

- *Taat v. Acell. Inc.* Case No. 37-2022-00005437-CU-OE-CTL, California Superior Court, County of San Diego, Honorable Matthew Brainer presiding.

- *Jordan v. The Martin-Brower Company*. Case No. 21STCV41435, California Superior Court, County of Los Angeles, Honorable Stuart Rice presiding.

- *Davood v. NKSFB, LLC*. Case No. 22STCV17305, California Superior Court, County of Los Angeles, Honorable Christopher Lui presiding.

- *Williams v. Marrs*. Case No. 21STCV23775, California Superior Court, County of Los Angeles, Honorable Stuart Rice presiding.

- *Russell v. Staffmark*. Case No. CVRI2103921, California Superior Court, County of Riverside, Honorable Harold Hopp presiding.

54. I have also settled matters on a “PAGA Only” basis for aggrieved employees in the past, including in:

• *Bailey v. Cannon Constructors*, Case No. 21STCV38274, California Superior Court, County of Los Angeles, Honorable Carolyn Kuhl presiding.

Adequacy of Plaintiff

55. Class Counsel believe no conflicts, disabling or otherwise, exists between Plaintiff and Class Members because Plaintiff alleges to have been damaged by the same alleged conduct of Defendants (i.e., Plaintiff classified as non-exempt employees, were not paid premium pay, etc.) and thus have the incentive to fairly represent all Class Members' claims to achieve the maximum possible recovery.

Conclusion

56. Class Counsel believe this wage and hour class action is a superior vehicle for resolution of the issues it seeks to resolve. It deals with common issues that are most efficiently adjudicated together, as indicated above. Moreover, with at least 206 Class Members, presentation of all of them before this Court may be problematic, impractical, and burdensome.

I declare under penalty of perjury under the laws of the state of California that the foregoing is true and correct this May 4, 2026, at Los Angeles, California.

BIBIYAN LAW GROUP, P.C.

/s/ Vedang J. Patel

VEDANG J. PATEL

Attorneys for Plaintiff Fidencio Perez, on
behalf of himself and all others similarly
situated and aggrieved

EXHIBIT 1

BIBIYAN LAW GROUP, P.C.

David D. Bibiyan (SBN 287811)

david@tomorrowlaw.com

Vedang J. Patel (SBN 328647)

vedang@tomorrowlaw.com

1460 Westwood Boulevard

Los Angeles, California 90024

Tel: (310) 438-5555; Fax: (310) 300-1705

Attorneys for Plaintiff, Fidencio Perez, on behalf of himself and all others similarly situated and aggrieved

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

GREG S. LABATE, State Bar No. 149918

glabate@sheppardmullin.com

ANURITA VARMA, State Bar No. 279486

avarma@sheppardmullin.com

650 Town Center Drive, 4th Floor

Costa Mesa, California 92626-1993

T: (714) 513-5100

F: (714) 513-5130

Attorneys for Defendants, Calo Costa Mesa LLC, Calo Laguna Niguel, LLC, and Calo El Segundo LLC

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

Fidencio Perez as an individual and on behalf
of all others similarly situated and aggrieved,

Plaintiff,

v.

CALO COSTA MESA LLC, a California
limited liability corporation, Calo Laguna
Niguel, LLC, a California limited liability
corporation, and Calo El Segundo LLC a
California limited liability corporation; DOES
1 through 100, inclusive,

Defendants.

CASE NO.: 24STCV18135

[Assigned for all purposes to Hon. Laura
A. Seigle in Dept. 17]

**CLASS AND PAGA SETTLEMENT
AGREEMENT**

Action Filed: July 19, 2024.

Trial Date: None Set

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Fidencio Perez (“Plaintiff”) and defendants Calo Costa Mesa LLC, Calo Laguna Niguel, LLC, and Calo El Segundo LLC (collectively, “Defendants”). The Agreement refers to Plaintiff and Defendants collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS

1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against Defendants, captioned *Fidencio Perez v. Calo Costa Mesa LLC*, Case No. 24STCV18135, initiated on July 19, 2024, and pending in Superior Court of the State of California, County of Los Angeles.

1.2. “Administrator” means Apex Class Action LLC, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.

1.4. “Aggrieved Employee” means a non-exempt employee employed by Defendants during the PAGA Period.

1.5. “Class” means all non-exempt employees employed by Defendant during the Class Period.

1.6. “Class Counsel” means David D. Bibiyan and Vedang J. Patel of Bibiyan Law Group, P.C.

1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.

1.8. “Class Data” means Class Member identifying information in Defendant’s custody, possession, or control, including the Class Member’s (1) name; (2) last known address(es); (3) last known telephone number(s); (4) last known Social Security Number(s); and (5) the dates of employment (i.e., hire dates, and, if applicable, re-hire date(s) and/or separation date(s)).

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

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

1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English and Spanish in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.12. “Class Period” means the period from July 19, 2020 through September 5, 2025.

1.13. “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.

1.14. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.

1.15. “Court” means the Superior Court of California, County of Los Angeles.

1.16. “Defendants” means named defendants Calo Costa Mesa LLC, Calo Laguna Niguel, LLC, and Calo El Segundo LLC .

1.17. “Defense Counsel” means Greg S. Labate and Anurita S. Varma of Sheppard Mullin Richter & Hampton LLP.

1.18. “Effective Date” means the last to occur of the following: (a) the 61st day after service of notice of entry of the Order granting Final Approval of the Settlement; or (b) if an appeal, review, or writ is sought from the Order, the day after the Order is affirmed or the appeal, review, or writ is dismissed or denied, and the Order is no longer subject to further judicial review. Prior to the Effective Date of the Settlement, Defendants will not be required to fund the Settlement, in whole or in part, through the Claims Administrator or any third party,

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

1 1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval
2 of the Settlement.

3 1.21. “Final Judgment” means the Judgment entered by the Court based upon the Final
4 Approval.

5 1.22. “Gross Settlement Amount” means \$475,000.00 (Four Hundred and Seventy-Five
6 Thousand Dollars and Zero Cents) which is the total amount Defendants agree to pay under the
7 Settlement, except as provided in Paragraph 8.1 below and any and all employer payroll taxes
8 owed on the Wage Portions of the Individual Class Payments. The Gross Settlement Amount
9 will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA
10 Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment,
11 and Administrator’s Expenses.

12 1.23. “Individual Class Payment” means the Participating Class Member’s pro rata share of the
13 Net Settlement Amount calculated according to the number of Pay Periods worked during the
14 Class Period.

15 1.24. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of
16 the PAGA Penalties calculated according to the number of Pay Periods worked during the PAGA
17 Period.

18 1.25. “Judgment” means the judgment entered by the Court based upon Final Approval.

19 1.26. “LWDA” means the California Labor and Workforce Development Agency, the agency
20 entitled, under Labor Code section 2699, subd. (i).

21 1.27. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA
22 under Labor Code section 2699, subd. (i).

23 1.28. “Net Settlement Amount” means the Gross Settlement Amount, less the following
24 payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA
25 Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel
26 Litigation Expenses Payment, and Administration Expenses Payment. The remainder is to be
27 paid to Participating Class Members as Individual Class Payments.

28 1.29. “Non-Participating Class Member” means any Class Member who opts out of the

1 Settlement by sending the Administrator a valid and timely Request for Exclusion.

2 1.30. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked
3 for Defendant for at least one day during the PAGA Period, based on hire dates, re-hire dates (as
4 applicable), and termination dates (as applicable).

5 1.31. "PAGA Period" means the period from June 27, 2023, through September 5, 2025.

6 1.32. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. *et seq.*).

7 1.33. "PAGA Notice" means plaintiff's June 27, 2024, letter to defendants and the LWDA,
8 providing notice pursuant to Labor Code section 2699.3 subd. (a).

9 1.34. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the
10 Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$11,875.00) and the 75%
11 to the LWDA (\$35,625.00) in settlement of PAGA claims.

12 1.35. "Participating Class Member" means a Class Member who does not submit a valid and
13 timely Request for Exclusion from the Settlement.

14 1.36. "Plaintiff" means Fidencio Perez the named plaintiff in the Action.

15 1.37. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the
16 Settlement.

17 1.38. "Preliminary Approval Order" means the proposed Order granting Preliminary Approval
18 and Approval of PAGA Settlement.

19 1.39. "Released Class Claims" means the claims being released as described in Paragraph 5.2
20 below.

21 1.40. "Released PAGA Claims" means the claims being released as described in Paragraph 5.4
22 below.

23 1.41. "Released Parties" means: Defendants Calo Costa Mesa LLC, Calo Laguna Niguel, LLC,
24 Calo El Segundo LLC, and Authentic Hospitality Group, Inc., and each of their past, present, and
25 future agents, employees, servants, officers, directors, partners, trustees, representatives,
26 shareholders, stockholders, attorneys, parents, subsidiaries, equity sponsors, related
27 companies/corporations and/or partnerships, divisions, assigns, predecessors, successors,
28 insurers, consultants, joint venturers, joint employers, affiliates, alter-egos, and affiliated

1 organizations, and all of their respective past, present, and future employees, directors, officers,
2 agents, attorneys, stockholders, fiduciaries, parents, subsidiaries, and assigns..

3 1.42. “Request for Exclusion” means a Class Member’s valid and timely submission of a
4 written request to be excluded from the Class Settlement signed by the Class Member. The
5 request for exclusion should contain (a) the Class Member’s name, address, telephone number,
6 and the last four digits of the Class Member’s Social Security number and/or the Employee ID
7 number and (b) a clear statement requesting to be excluded from the settlement of the class claims
8 similar to the following: “I wish to exclude myself from the settlement with Defendants Calo
9 Costa Mesa LLC, Calo Laguna Niguel, LLC, and Calo El Segundo LLC. I understand that by
10 excluding myself, I will not receive money from the settlement of my individual claims.” To be
11 effective, the Request for Exclusion must be post-marked by the Response Deadline and received
12 by the Settlement Administrator. The request for exclusion shall not be effective as to the release
13 of claims arising under the Private Attorneys’ General Act.

14 1.43. “Response Deadline” means forty-five (45) days after the Administrator mails Notice to
15 Class Members and Aggrieved Employees, and shall be the last date on which Class Members
16 may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail
17 his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after
18 having been returned undeliverable to the Administrator shall have an additional 15 days beyond
19 the Response Deadline has expired.

20 1.44. “Settlement” means the disposition of the Action effected by this Agreement and the
21 Judgment.

22 1.45. “Workweek” means any week during which a Class Member worked for Defendants, for
23 at least one day during the Class Period, based on hire dates, re-hire dates (as applicable), and
24 termination dates (as applicable).

25 **2. RECITALS**

26 2.1. On July 19, 2024, Plaintiff commenced this Action by filing a complaint against
27 Defendants for: failure to pay overtime and minimum wages; failure to provide meal periods,
28

rest periods, or compensation in lieu thereof; waiting time penalties; wage statement violations, failure to indemnify, violation of labor code § 227.3; and unfair competition (“Action”).

2.2. On June 27, 2024, Plaintiff filed the PAGA Notice with the LWDA setting forth Plaintiff’s alleged claims against Defendant for its violations of the Labor Code. On August 21, 2025, Plaintiff filed a First Amended Complaint in the Action adding a cause of action under PAGA for the alleged violations of the Labor Code set forth in the PAGA Notice.

2.3. Thereafter, the Parties agreed to exchange informal discovery and attend mediation.

2.4. Prior to mediation Plaintiff obtained, through informal discovery: (a) time and payroll records for 26.7% of Class Members through mediation; (b) a class list of hire dates, termination dates, and rates of pay for all Class Members; (c) wage and hour policy documents; (d) all documents pertaining to Plaintiff available to Defendants.

2.5. Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).

2.6. On June 5, 2025, the Parties participated in an all-day mediation presided over by Monique Ngo-Bonnici, Esquire. The mediation was successful, and the Parties agreed to globally resolve all class and PAGA claims in the Action. In the months thereafter, the Parties reached this Settlement Agreement.

2.7. The Court has not granted class certification.

2.8. 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.

2.9. The Parties agree that no later than ten (10) days after signing this Agreement, and as a condition of settlement, Plaintiff will amend his PAGA letter to include all claims set forth in the PAGA Release Period, to the extent they are not already included. Thereafter, Plaintiff will file with the Court an amended complaint which includes all claims set forth in the Class Release and PAGA Release, to the extent they are not already included, and to add the following additional entities as named defendants: Calo El Segundo, LLC, and Calo Laguna Niguel, LLC.

1 The amended complaint to be filed in the Action shall be the “Operative Complaint.”

2 **3. MONETARY TERMS**

3 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8.1 below,
4 Defendants promise to pay \$475,000.00 as the Gross Settlement Amount, unless increased
5 pursuant to Paragraph 8.1 of this Agreement, and to separately pay any and all employer payroll
6 taxes owed on the Wage Portions of the Individual Class Payments. Defendants have no
7 obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated
8 in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement
9 Amount without asking or requiring Participating Class Members or Aggrieved Employees to
10 submit any claim as a condition of payment. None of the Gross Settlement Amount will revert
11 to Defendants.

12 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct
13 the following payments from the Gross Settlement Amount, in the amounts specified by the Court
14 in the Final Approval:

15 3.2.1. To Plaintiff: Class Representative Service Payment to Plaintiff of not more than
16 \$10,000.00 in addition to any Individual Class Payment and any Individual PAGA
17 Payment Plaintiff is entitled to receive as a Participating Class Member. Defendants
18 will not oppose Plaintiff’s request for a Class Representative Service Payment that does
19 not exceed this amount. As part of the motion for Class Counsel Fees Payment and
20 Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class
21 Representative Service Payments prior to the Final Approval Hearing. If the Court
22 approves a Class Representative Service Payment less than the amount requested, the
23 Administrator will retain the remainder in the Net Settlement Amount. The
24 Administrator will pay the Class Representative Service Payment using IRS Form 1099.
25 Plaintiff assumes full responsibility and liability for employee taxes owed on the Class
26 Representative Service Payment.

27 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 35% of the
28 Gross Settlement Amount, which, unless escalated pursuant to Paragraph 8.1 of this

1 Agreement, is currently estimated to be \$166,250.00 and a Class Counsel Litigation
2 Expenses Payment of not more than \$25,000.00. Defendants will not oppose requests
3 for these payments provided that do not exceed these amounts. Plaintiff and/or Class
4 Counsel will endeavor to file a motion for Class Counsel Fees Payment and Class
5 Litigation Expenses Payment prior to the Final Approval Hearing. If the Court approves
6 a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less
7 than the amounts requested, the Administrator will allocate the remainder to the Net
8 Settlement Amount. Released Parties shall have no liability to Class Counsel or any
9 other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee
10 Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will
11 pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one
12 or more IRS 1099 Forms. Class Counsel assume full responsibility and liability for taxes
13 owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses
14 Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute
15 or controversy regarding any division or sharing of any of these Payments. There will
16 be no additional charge of any kind to the Settlement Class Members or request for
17 additional consideration from Defendants, unless Defendants materially breach this
18 agreement, and further efforts are necessary from Class Counsel to remedy said breach,
19 including, without limitation, moving the Court to enforce the Agreement. Should the
20 Court approve attorneys' fees and/or litigation costs and expenses in amounts that are
21 less than the amounts provided for herein, then the unapproved portion(s) shall be a part
22 of the Net Settlement Amount.

23 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed
24 \$6,500.00 except for a showing of good cause and as approved by the Court. To the
25 extent the Administration Expenses are less or the Court approves payment less than
26 \$6,500.00, the Administrator will retain the remainder in the Net Settlement Amount.

27 3.2.4. To Each Participating Class Member: An Individual Class Payment calculated
28 based on the number of Pay Periods worked by each Class Member for Defendants

1 during the Class Period. Pay Periods shall be based on hire dates, termination dates (if
2 applicable), and re-hire dates (if applicable).

3 3.2.4.1. Tax Allocation of Individual Class Payments. 20% of each Participating
4 Class Member's Individual Class Payment will be allocated to settlement of
5 wage claims (the "Wage Portion"). The Wage Portions are subject to tax
6 withholding and will be reported on an IRS W-2 Form. The 80% of each
7 Participating Class Member's Individual Class Payment will be allocated to
8 settlement of claims for fees, costs, interest, and penalties (the "Non-Wage
9 Portion"). The Non-Wage Portions are not subject to wage withholdings and
10 will be reported on IRS 1099 Forms. Participating Class Members assume full
11 responsibility and liability for any employee taxes owed on their Individual
12 Class Payment.

13 3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual
14 Class Payments. Non-Participating Class Members will not receive any
15 Individual Class Payments. The Administrator will retain amounts equal to
16 their Individual Class Payments in the Net Settlement Amount for distribution
17 to Participating Class Members on a pro rata basis.

18 3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of
19 \$47,500.00 to be paid from the Gross Settlement Amount, with 75% (\$35,625.00)
20 allocated to the LWDA PAGA Payment and 25% (\$11,875.00) allocated to the
21 Individual PAGA Payments.

22 3.2.5.1. The Administrator will calculate each Individual PAGA
23 Payment by (a) dividing the amount of the Aggrieved Employees' 25% share
24 of PAGA Penalties \$11,875.00 by the total number of PAGA Period Pay
25 Periods worked by all Aggrieved Employees during the PAGA Period and (b)
26 multiplying the result by each Aggrieved Employee's PAGA Period Pay
27 Periods. Aggrieved Employees assume full responsibility and liability for any
28 taxes owed on their Individual PAGA Payment.

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

4. SETTLEMENT FUNDING AND PAYMENTS

4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendants estimate there are 142 of Aggrieved Employees who worked a total of 10,000 PAGA Pay Periods.

4.2. Class Data. Not later than 21 days after the Court grants Preliminary Approval of the Settlement, Defendants will simultaneously 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 Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3. Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendants' share of payroll taxes by transmitting the funds to the Administrator no later than 14 days after the Effective Date.

4.4. Payments from the Gross Settlement Amount. Within 7 days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment,

1 the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment
2 shall not precede disbursement of Individual Class Payments, and the Individual PAGA
3 Payments.

4 4.4.1. The Administrator will issue checks for the Individual Class Payments and/or
5 Individual PAGA Payments and send them to the Class Members via First Class U.S.
6 Mail, postage prepaid. The face of each check shall prominently state the date (not less
7 than 180 days after the date of mailing) when the check will be voided. The
8 Administrator will cancel all checks not cashed by the void date. The Administrator
9 will send checks for Individual Settlement Payments to all Participating Class Members
10 (including those for whom Class Notice was returned undelivered). The Administrator
11 will send checks for Individual PAGA Payments to all Aggrieved Employees including
12 Non-Participating Class Members who qualify as Aggrieved Employees (including
13 those for whom Class Notice was returned undelivered). The Administrator may send
14 Participating Class Members a single check combining the Individual Class Payment
15 and the Individual PAGA Payment. Before mailing any checks, the Settlement
16 Administrator must update the recipients' mailing addresses using the National Change
17 of Address Database.

18 4.4.2. The Administrator must conduct a Class Member Address Search for all other
19 Class Members whose checks are returned undelivered without USPS forwarding
20 address. Within 7 days of receiving a returned check the Administrator must re-mail
21 checks to the USPS forwarding address provided or to an address ascertained through
22 the Class Member Address Search. The Administrator need not take further steps to
23 deliver checks to Class Members whose re-mailed checks are returned as undelivered.
24 The Administrator shall promptly send a replacement check to any Class Member whose
25 original check was lost or misplaced, requested by the Class Member prior to the void
26 date.

27 4.4.3. For any Class Member whose Individual Class Payment check or Individual
28 PAGA Payment check is uncashed and cancelled after the void date, the Administrator

1 shall transmit the funds represented by such checks to the *California State Controller's*
2 *Unclaimed Property Fund*.

3 4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall
4 not obligate Defendants to confer any additional benefits or make any additional
5 payments to Class Members (such as 401(k) contributions or bonuses) beyond those
6 specified in this Agreement.

7 **5. RELEASE OF CLAIMS**

8 Upon the occurrence of the Effective Date, full payment of the Gross Settlement Amount
9 and employer taxes, Plaintiff, Class Members, and Class Counsel will fully and finally release
10 claims against all Released Parties as follows:

11 5.1. Plaintiff's Release. As of the Effective Date, Plaintiff fully and finally releases
12 Defendants Calo Costa Mesa LLC, Calo Laguna Niguel, LLC, and Calo El Segundo LLC, and
13 Authentic Hospitality Group, Inc., and each of their past, present and future agents, employees,
14 servants, officers, directors, partners, trustees, representatives, shareholders, stockholders,
15 attorneys, parents, subsidiaries, equity sponsors, related companies/corporations and/or
16 partnerships, divisions, assigns, predecessors, successors, insurers, consultants, joint venturers,
17 joint employers, affiliates, alter-egos, and affiliated organizations, and all of their respective past,
18 present and future employees, directors, officers, agents, attorneys, stockholders, fiduciaries,
19 parents, subsidiaries, and assigns, and each of them (collectively, the "Released Parties"), from
20 any and all claims, known and unknown, under federal, state and/or local law, statute, ordinance,
21 regulation, common law, or other source of law, including but not limited to claims arising from
22 or related to his employment with the Released Parties ("Released Claims"). Plaintiff's Released
23 Claims include all claims alleged or could have been alleged in the Action and the PAGA letters
24 in this Action, including but not limited to state and/or federal wage and hour claims, failure to
25 pay all wages due, including minimum wages, straight time compensation, overtime
26 compensation, double-time compensation, reporting time compensation, and interest; the
27 calculation of the regular rate of pay; failure to provide meal periods and/or rest periods; failure
28 to pay proper meal and/or rest period penalties; payment for all hours worked, including off-the-

1 clock work and reporting time; failure to provide accurate itemized wage statements; failure to
2 reimburse business expenses; failure to timely pay all wages during employment; failure to
3 timely pay all wages due at separation of employment; failure to pay vested vacation at
4 employee's final rate; failure to indemnify business expenses; failure to provide one day's rest
5 in a seven-day workweek; failure to maintain accurate records, including payroll records;
6 misclassification; unfair business practices; declaratory relief; penalties, including but not limited
7 to recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-
8 time penalties; interest; and attorneys' fees and costs. Plaintiff's Released Claims also expressly
9 include all claims arising under the California Labor Code (including but not limited to Sections
10 200, 201, 201.1, 201.3, 201.5, 202, 203, 204, 205.5, 206, 210, 216, 218, 218.5, 218.6, 221, 222,
11 222.5, 223, 224, 225, 225.5, 226, 226.2, 226.3, 226.7, 226.8, 227.3, 256, 450, 510, 511, 512, 516,
12 550, 551, 552, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.2, 1197.5, 1198,
13 2800, 2802, 2698 et seq., and 2699 et seq.); the Wage Orders of the California Industrial Welfare
14 Commission; the California Private Attorneys General Act of 2004 ("PAGA"); California
15 Business and Professions Code Section 17200, et seq.; the California Civil Code, including but
16 not limited to Sections 3287, 3336, and 3294; 8 CCR Sections 11040; California Code of Civil
17 Procedure, including but not limited to Section 1021.5; the California common law of contract;
18 the FLSA, 29 U.S.C. Section 201, et seq.; federal common law; and the Employee Retirement
19 Income Security Act, 29 U.S.C. Section 1001, et seq. ("ERISA"). Plaintiff's Released Claims
20 also include all claims for lost wages and benefits. This release excludes the release of claims not
21 permitted by law. Plaintiff's Released Claims include all claims, whether known or unknown.
22 Even if Plaintiff discovers facts in addition to or different from those that they now know or
23 believe to be true with respect to the subject matter of Plaintiff's Released Claims, those claims
24 will remain released and forever barred. Thus, Plaintiff expressly waives and relinquishes the
25 provisions, rights and benefits of California Civil Code Section 1542, which reads: "A general
26 release does not extend to claims that the creditor or releasing party does not know or suspect to
27 exist in his or her favor at the time of executing the release and that, if known by him or her,
28 would have materially affected his or her settlement with the debtor or released party.

1 5.2. Release by Participating Class Members: For the duration of the Class Period, all
2 Participating Class Members, fully and finally release the Released Parties from the Class
3 Released Claims as defined herein. The Class Released Claims include all claims arising from
4 or reasonably related to the facts and/or claims alleged in the Action and all PAGA letters, and all
5 claims that were asserted or that could have been asserted in the Action, including but not limited
6 to state and/or federal wage and hour claims, failure to pay all wages due, including minimum
7 wages, straight time compensation, overtime compensation, double-time compensation,
8 reporting time compensation, and interest; the calculation of the regular rate of pay; failure to
9 provide meal periods and/or rest periods; failure to pay proper meal and/or rest period penalties;
10 payment for all hours worked, including off-the-clock work and reporting time pay; failure to
11 provide accurate itemized wage statements; failure to reimburse business expenses; failure to
12 timely pay all wages during employment; failure to timely pay all wages due at separation of
13 employment; failure to pay vested vacation at employee's final rate; failure to indemnify business
14 expenses; failure to provide one day's rest in a seven-day workweek; failure to maintain accurate
15 records, including payroll records; misclassification; unfair business practices; declaratory relief;
16 penalties, including but not limited to recordkeeping penalties, wage statement penalties,
17 minimum-wage penalties, and waiting-time penalties; interest; and attorneys' fees and costs. The
18 Class Released Claims also expressly include all claims arising under the California Labor Code
19 (including but not limited to Sections 200-204, 206, 210, 218.5, 218.6, 226, 226.3, 226.7, 227.3,
20 256, 510, 512, 551, 552, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2800, 2802, 2698
21 et seq., and 2699 et seq.); the Wage Orders of the California Industrial Welfare Commission; the
22 California Private Attorneys General Act of 2004 ("PAGA"); California Business and
23 Professions Code Section 17200, et seq.; the California Civil Code, including but not limited to
24 Sections 3287, 3336, and 3294; 8 CCR Section 11040; California Code of Civil Procedure,
25 including but not limited to Section 1021.5; and the FLSA, 29 U.S.C. Section 201, et seq. This
26 release excludes the release of claims not permitted by law.

27 .

28

1 Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release
2 any other claims, including claims for vested benefits, wrongful termination, violation of the Fair
3 Employment and Housing Act, unemployment insurance, disability, social security, workers'
4 compensation, or claims based on facts occurring outside the Class Period.

5 5.3. Release by Aggrieved Employees: For the duration of the PAGA Period, all Aggrieved
6 Employees, on behalf of themselves and their respective past, present, and future
7 representatives, agents, attorneys, heirs, administrators, successors, and assigns, and each and
8 all of them, will be deemed to have fully, finally, and forever released, settled, compromised,
9 relinquished, and discharged the Released Parties from all claims, actions, and causes of action
10 for civil penalties, attorneys' fees, costs or interest arising under the Private Attorneys General
11 Act, California Labor Code Section 2698, et seq. that were alleged or that reasonably could
12 have been alleged in the Action and/or the PAGA letters based on the factual allegations and
13 legal theories contained in the Operative Complaint and/or the PAGA letters, including but
14 not limited to all claims for penalties recoverable under PAGA concerning failure to pay all
15 wages due, including minimum wages, straight time compensation, overtime compensation,
16 double-time compensation, reporting time compensation; and interest; the calculation of the
17 regular rate of pay; failure to provide meal periods and/or rest periods; failure to pay proper
18 meal and/or rest period penalties; failure to pay overtime compensation, double-time
19 compensation, meal and rest period premiums, sick pay, and reporting time pay at the regular
20 rate of pay; payment for all hours worked, including off-the-clock work and reporting time
21 pay; failure to provide accurate itemized wage statements; failure to reimburse business
22 expenses; failure to timely pay all wages during employment, including failure to pay all
23 earned wages twice per month; failure to timely pay all wages due at separation of
24 employment; failure to pay vested vacation at employee's final rate; failure to indemnify
25 business expenses; failure to pay all accrued vacation wages at termination; failure to provide
26 one day's rest in a seven-day workweek; failure to maintain accurate records, including payroll
27 records and records of hours worked and meal periods; failure to provide written notice at the
28 time of hiring under California Labor Code Section 2810.5; waiting time penalties; and

including without limitation any and all potential claims for penalties recoverable under PAGA predicated upon California Labor Code sections 201-203, 204, 210, 218.5, 218.6, 226, 226.3, 226.7, 227.3, 510, 512, 551, 552, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2802, 2810.5; any duplicative or similar provisions arising under the Wage Orders of the California Industrial Welfare Commission, including, without limitation, Wage Orders 1-2001, 4-2001; and any other PAGA penalty claims whatsoever alleged in the Complaints or PAGA letters, whether known or unknown, during the PAGA Period.

6. MOTION FOR PRELIMINARY APPROVAL

The Parties agree to jointly prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s current checklist for Preliminary Approvals.

6.1. Defendants’ Declaration in Support of Preliminary Approval. Within 14 days of full execution of this Agreement, Defendants will prepare and deliver to Class Counsel a signed declaration from Defendants and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator and Cy Pres Recipient.

6.2. Plaintiff’s Responsibilities. Plaintiff will prepare and to deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from 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; amounts 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; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class

Members; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (1)(1)), this Agreement (Labor Code section 2699, subd. (1)(2)); and (vi) all facts relevant to any actual or potential conflict of interest with Class Members and the Administrator.

6.3. Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

6.4. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting and conferring, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting and conferring, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION

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

7.2. Employer Identification Number. The Administrator shall have and use its own Employer

1 Identification Number for purposes of calculating payroll tax withholdings and providing reports
2 state and federal tax authorities.

3 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets
4 the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section
5 468B-1.

6 7.4. Notice to Class Members

7 7.4.1. No later than three (3) business days after receipt of the Class Data, the
8 Administrator shall notify Class Counsel that the list has been received and state the
9 number of Class Members, Aggrieved Employees, and Pay Periods in the Class Data.

10 7.4.2. Using best efforts to perform as soon as possible, and in no event later than 14
11 days after receiving the Class Data, the Administrator will send to all Class Members
12 identified in the Class Data, via first-class United States Postal Service (“USPS”) mail,
13 the Class Notice with Spanish translation, substantially in the form attached to this
14 Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the
15 dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable
16 to the Class Member, and the number of PAGA Pay Periods (if applicable) used to calculate
17 these amounts. Before mailing Class Notices, the Administrator shall update Class Member
18 addresses using the National Change of Address database.

19 7.4.3. Not later than 3 business days after the Administrator’s receipt of any Class Notice
20 returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice
21 using any forwarding address provided by the USPS. If the USPS does not provide a
22 forwarding address, the Administrator shall conduct a Class Member Address Search,
23 and re-mail the Class Notice to the most current address obtained. The Administrator
24 has no obligation to make further attempts to locate or send Class Notice to Class
25 Members whose Class Notice is returned by the USPS a second time.

26 7.4.4. The deadlines for Class Members’ written objections, Challenges to Workweeks
27 and/or Pay Periods, and Requests for Exclusion will be extended an additional 15 days
28 beyond the 45 days otherwise provided in the Class Notice for all Class Members whose

notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5. If the Administrator, Defendant or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer, 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 15 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever ever are later.

7.5. Requests for Exclusion (Opt-Outs).

7.5.1. Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 15 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely postmarked by the Response Deadline.

7.5.2. The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall

1 be final and not appealable or otherwise susceptible to challenge.

2 7.5.3. Every Class Member who does not submit a timely and valid Request for
3 Exclusion is deemed to be a Participating Class Member under this Agreement, entitled
4 to all benefits and bound by all terms and conditions of the Settlement, including the
5 Participating Class Members' Releases under Paragraph 5.2 of this Agreement,
6 regardless whether the Participating Class Member actually receives the Class Notice
7 or objects to the Settlement.

8 7.5.4. Every Class Member who submits a valid and timely Request for Exclusion is a
9 Non-Participating Class Member and shall not receive an Individual Class Payment or
10 have the right to object to the class action components of the Settlement. Because future
11 PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-
12 Participating Class Members who are Aggrieved Employees are deemed to release the
13 claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual
14 PAGA Payment.

15 7.6. Challenges to Calculation of Workweeks. Each Class Member shall have 45 days after
16 the Administrator mails the Class Notice (plus an additional 15 days for Class Members whose
17 Class Notice is re-mailed) to challenge the number of Class Workweeks and/or PAGA Pay
18 Periods allocated to the Class Member in the Class Notice. The Class Member may challenge
19 the allocation by communicating with the Administrator via mail. The Administrator must
20 encourage the challenging Class Member to submit supporting documentation. In the absence
21 of any contrary documentation, the Administrator is entitled to presume that the Workweeks
22 contained in the Class Notice are correct so long as they are consistent with the Class Data. The
23 Administrator's determination of each Class Member's allocation of Workweeks and/or Pay
24 Periods shall be final and not appealable or otherwise susceptible to challenge. The
25 Administrator shall promptly provide copies of all challenges to calculation of Workweeks
26 and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination
27 the challenges.

28 7.7. Objections to Settlement

- 1 7.7.1. Only Participating Class Members may object to the class action components of
2 the Settlement and/or this Agreement, including contesting the fairness of the
3 Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class
4 Counsel Litigation Expenses Payment and/or Class Representative Service Payment.
- 5 7.7.2. Participating Class Members may send written objections to the Administrator, by
6 mail. In the alternative, Participating Class Members may appear in Court (or hire an
7 attorney to appear in Court) to present verbal objections at the Final Approval Hearing.
8 A Participating Class Member who elects to send a written objection to the
9 Administrator must do so not later than 45 days after the Administrator's mailing of the
10 Class Notice (plus an additional 15 days for Class Members whose Class Notice was re-
11 mailed).
- 12 7.7.3. Non-Participating Class Members have no right to object to any of the class action
13 components of the Settlement.
- 14 7.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be
15 performed or observed by the Administrator contained in this Agreement or otherwise.
- 16 7.8.1. Website, Email Address and Toll-Free Number. The Administrator will maintain
17 and use an internet website to post information of interest to Class Members including
18 the date, time and location for the Final Approval Hearing and copies of the Settlement
19 Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class
20 Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment,
21 Class Counsel Litigation Expenses Payment and Class Representative Service Payment,
22 the Final Approval and the Judgment. The Administrator will also maintain and monitor
23 an email address and a toll-free telephone number to receive Class Member calls and
24 emails.
- 25 7.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will
26 promptly review on a rolling basis Requests for Exclusion to ascertain their validity.
27 Not later than 5 days after the expiration of the deadline for submitting Requests for
28 Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel

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

6 7.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written
7 reports to Class Counsel and Defense Counsel that, among other things, tally the number
8 of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for
9 Exclusion (whether valid or invalid) received, objections received, challenges to
10 Workweeks and/or Pay Periods received and/or resolved, and checks mailed for
11 Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The
12 Weekly Reports must include provide the Administrator’s assessment of the validity of
13 Requests for Exclusion and attach copies of all Requests for Exclusion and objections
14 received.

15 7.8.4. Workweek and/or Pay Period Challenges. The Administrator has the authority to
16 address and make final decisions consistent with the terms of this Agreement on all
17 Class Member challenges over the calculation of Workweeks and/or Pay Periods. The
18 Administrator’s decision shall be final and not appealable or otherwise susceptible to
19 challenge.

20 7.8.5. Administrator’s Declaration. Before the date by which Plaintiff is required to file
21 the Motion for Final Approval of the Settlement, the Administrator will provide to Class
22 Counsel and Defense Counsel, a declaration suitable for filing in Court attesting to its
23 due diligence and compliance with all of its obligations under this Agreement,
24 including, but not limited to, its mailing of Class Notice, the Class Notices returned as
25 undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total
26 number of Requests for Exclusion from Settlement it received (both valid or invalid),
27 the number of written objections and attach the Exclusion List. The Administrator will
28 supplement its declaration as needed or requested by the Parties and/or the Court. Class

Counsel is responsible for filing the Administrator's declaration(s) in Court.

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

7.8.7. Defendants' Right to Rescind. If either (i) 10% or more of the Class Members, or, (ii) a number of Class Members whose share of the Class Proceeds is 10% or more either opt out of and/or object to the Settlement, or both (i) and (ii), Defendants may, and their election, rescind the Settlement and all actions taken in furtherance of it will be thereby null and void. Defendants must exercise this right of rescission, in writing, to Class Counsel, within 30 calendar days after the Claims Administrator notifies the Parties of the total number of opt-outs. If the option to rescind is exercised, then Defendants shall be solely responsible for all costs of the claims administration accrued to that point.

8. CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE

Based on its records, Defendant estimates that, as of the date of this Settlement Agreement, there are 142 Aggrieved Employees who worked 10,000 Pay Periods during the PAGA Period.

8.1. Increase in Pay Periods. The Parties estimate that there are approximately 10,000 PAGA Pay Periods worked by non-exempt hourly employees of Defendants in California during PAGA Period (from June 27, 2023, to June 5, 2025). Should the actual number of PAGA Pay Periods worked by this group of people during the PAGA Period increase beyond 10%, Defendants shall have the option of (1) increasing the Gross Settlement Amount by the percentage increase in the number of PAGA Pay Periods worked by the Aggrieved Employees above 10% (e.g. if the number of PAGA Pay Periods increases by 11%, the Total Settlement Amount will increase by

1 1%); or (2) rolling back the end of the Class and PAGA Release periods to the date in which
2 11,000 pay periods is met. Defendant shall make its election no later than 30 days following full
3 execution of this Agreement. Should Defendant fail to make its election within that timeframe,
4 option (2) shall be presumed chosen.

5 8.2. The Parties understand that this Settlement contemplates a release of all workweeks in
6 the Class Release Period, regardless of the number of workweeks there may ultimately be.

7 **9. MOTION FOR FINAL APPROVAL**

8 Prior to the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for
9 final approval of the Settlement that includes a request for approval of the PAGA settlement
10 under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed
11 Judgment (collectively “Motion for Final Approval”). Plaintiff shall endeavor to provide drafts
12 of these documents to Defense Counsel prior to filing the Motion for Final Approval. Class
13 Counsel and Defense Counsel will expeditiously meet and confer, and in good faith, to resolve
14 any disagreements concerning the Motion for Final Approval.

15 9.1. Response to Objections. Each Party retains the right to respond to any objection raised
16 by a Participating Class Member, including the right to file responsive documents in Court no
17 later than 5 court days prior to the Final Approval Hearing, or as otherwise ordered or accepted
18 by the Court.

19 9.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final
20 Approval on any material change to the Settlement (including, but not limited to, the scope of
21 release to be granted by Class Members), the Parties will expeditiously work together in good
22 faith to address the Court’s concerns by revising the Agreement as necessary to obtain Final
23 Approval. The Court’s decision to award less than the amounts requested for the Class
24 Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation
25 Expenses Payment, Administrator Expenses Payment and/or individual claims of plaintiff for
26 alleged wrongful termination, shall not constitute a material modification to the Agreement
27 within the meaning of this paragraph.

28 9.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the

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

4 9.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
5 conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class
6 Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their
7 respective counsel, and all Participating Class Members who did not object to the Settlement as
8 provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to
9 post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions
10 for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver
11 of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the
12 Parties' obligations to perform under this Agreement will be suspended until such time as the
13 appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect
14 the amount of the Net Settlement Amount.

15 9.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
16 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material
17 modification of this Agreement (including, but not limited to, the scope of release to be granted
18 by Class Members), this Agreement shall be null and void. The Parties shall nevertheless
19 expeditiously work together in good faith to address the appellate court's concerns and to obtain
20 Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration
21 Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify
22 the Court's award of the Class Representative Service Payment or any payments to Class Counsel
23 shall not constitute a material modification of the Judgment within the meaning of this paragraph,
24 as long as the Gross Settlement Amount remains unchanged.

25 **10. AMENDED JUDGMENT**

26 If any amended judgment is required under Code of Civil Procedure section 384, the
27 Parties will work together in good faith to jointly submit and a proposed amended judgment.
28

11. ADDITIONAL PROVISIONS

11.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, the stipulation to certification will have no force or effect, Defendants reserve the right to contest certification of any class for any reasons, and Defendants reserve all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendants' defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement). The Parties further agree that certification for purposes of Settlement is in no way an admission that class certification is proper under the standard applied to contested certification motions and that the Settlement will not be admissible in this or any other proceeding as evidence that (i) a class should be certified as Plaintiff proposed; or (ii) Defendants are liable to Plaintiff or the Class as Plaintiff alleged. There is no admission of liability on the part of Defendants.

11.2. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendants and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court

1 order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal
2 government agency. Each Party agrees to immediately notify each other Party of any judicial or
3 agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel,
4 Defendants and Defense Counsel separately agree not to, directly or indirectly, initiate any
5 conversation or other communication, before the filing of the Motion for Preliminary Approval,
6 any with third party regarding this Agreement or the matters giving rise to this Agreement except
7 to respond only that “the matter was resolved,” or words to that effect. This paragraph does not
8 restrict Class Counsel’s communications with Class Members in accordance with Class
9 Counsel’s ethical obligations owed to Class Members.

10 11.3. No Solicitation. The Parties separately agree that they and their respective counsel and
11 employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal
12 from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel’s
13 ability to communicate with Class Members in accordance with Class Counsel’s ethical
14 obligations owed to Class Members.

15 11.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
16 together with its attached exhibits shall constitute the entire agreement between the Parties
17 relating to the Settlement, superseding any and all oral representations, warranties, covenants, or
18 inducements made to or by any Party.

19 11.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
20 represent that they are authorized by Plaintiff and Defendants, respectively, to take all appropriate
21 action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate
22 its terms, and to execute any other documents reasonably required to effectuate the terms of this
23 Agreement including any amendments to this Agreement.

24 11.6. Cooperation. The Parties and their counsel will cooperate with each other and use their
25 best efforts, in good faith, to implement the Settlement by, among other things, modifying the
26 Settlement Agreement, submitting supplemental evidence and supplementing points and
27 authorities as requested by the Court. In the event the Parties are unable to agree upon the form
28 or content of any document necessary to implement the Settlement, or on any modification of the

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

3 11.7. No Prior Assignments. The Parties separately represent and warrant that they have not
4 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
5 encumber to any person or entity and portion of any liability, claim, demand, action, cause of
6 action, or right released and discharged by the Party in this Settlement.

7 11.8. No Tax Advice. Neither Plaintiff, Class Counsel, Defendants nor Defense Counsel are
8 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied
9 upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR
10 Part 10, as amended) or otherwise.

11 11.9. Modification of Agreement. This Agreement, and all parts of it, may be amended,
12 modified, changed, or waived only by an express written instrument signed or agreed to by all
13 Parties or their representatives, and approved by the Court. Plaintiff and Defendant expressly
14 agree that should the Parties agree to amend, modify, change, or waive this Agreement, or any
15 part of it, Class Counsel and Defense Counsel are authorized to submit to the Court any
16 amendments of this Agreement, amended Agreements, or amendments to the Agreement, on
17 behalf of the Parties once fully executed, which includes, but is not limited to, authorization of
18 the use of signatures previously provided by the Parties.

19 11.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to
20 the benefit of, the successors of each of the Parties.

21 11.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be
22 governed by and interpreted according to the internal laws of the state of California, without
23 regard to conflict of law principles.

24 11.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of
25 this Agreement. This Agreement will not be construed against any Party on the basis that the
26 Party was the drafter or participated in the drafting

27 11.13. Confidentiality. To the extent permitted by law, all agreements made, and orders entered
28 during Action and in this Agreement relating to the confidentiality of information shall survive

1 the execution of this Agreement. Plaintiff and Class Counsel agree that they will not issue any
2 press releases, initiate any contact with the press, respond to any press inquiry or have any
3 communication with the press about the amount or terms of Settlement. Class Counsel may
4 respond to press inquiries by stating that the matter has been resolved and refer the press to court
5 filings. In addition, Plaintiff and Class Counsel agree that they will not engage in any advertising
6 or distribute any marketing materials specifying any material terms relating to the Settlement of
7 this case, including but not limited to any postings on any websites maintained by Class Counsel
8 and including but not limited to the identity of Defendants and/or any information that identifies
9 Defendants. The Claims Administrator shall not create nor maintain any website regarding this
10 Settlement at any time. Any communication about the Settlement to Class Members prior to the
11 Court-approved mailing will be limited to a statement that a settlement has been reached and the
12 details will be communicated in a forthcoming Court-approved notice. Plaintiff is prohibited
13 from discussing the terms or the fact of the settlement with third parties other than (1) his
14 immediate family members; (2) his accountants or lawyers as necessary for tax purposes; and/or
15 (3) as necessary to enforce the terms of the settlement. Nothing herein shall prohibit Class
16 Counsel from communicating with Class Members with respect to this Settlement after the Court-
17 approved mailing.

18 11.14. Use of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code
19 §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendants
20 in connection with the mediation, other settlement negotiations, or in connection with the
21 Settlement, may be used only with respect to this Settlement, and no other purpose, and may not
22 be used in any way that violates any existing contractual agreement, statute, or rule of court.

23 11.15. Headings. The descriptive heading of any section or paragraph of this Agreement is
24 inserted for convenience of reference only and does not constitute a part of this Agreement.

25 11.16. Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall
26 be to calendar days. In the event any date or deadline set forth in this Agreement falls on a
27 weekend or federal legal holiday, such date or deadline shall be on the first business day
28 thereafter.

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

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

11.19. Severability. In the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way effect any other provision if Defendants' Counsel and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

///

IT IS SO AGREED:

Fidencio Perez

04/30/2026

Plaintiff, Fidencio Perez

For Defendant, Calo Costa Mesa LLC.

For Defendant, Calo Laguna Niguel LLC.

For Defendant, Calo El Segundo LLC

1 **AGREED AS TO FORM ONLY:**

2
3 *Vedang J. Patel* 4/30/2026

4 David D. Bibryan
5 Vedang J. Patel
6 Counsel for Plaintiff

Greg S. Labate
Anurita S. Varma
Counsel for Defendants

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

EXHIBIT A

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND DATE
FOR FINAL APPROVAL HEARING**
Fidencio Perez v. Calo Costa Mesa LLC, et al.
(County of Los Angeles, California Superior Court Case No. 24STCV18135)

As a current or former non-exempt, hourly-paid California employee of Calo Costa Mesa LLC, Calo Laguna Niguel, LLC, and Calo El Segundo LLC., you are entitled to receive money from a class

Please read this Notice carefully. This Notice relates to a proposed settlement of class action litigation. If you are a Class Member, it contains important information about your right to receive a payment from the Settlement fund.

You have received this Notice of Class Action Settlement because the records of defendant Calo Costa Mesa LLC, defendant Calo Laguna Niguel, LLC, and defendant Calo El Segundo LLC. (collectively, “Defendants”), show that you are a “Class Member” and, therefore, entitled to a payment from this class action settlement. Class Members are all persons currently or formerly employed by Defendants, either directly or through any subsidiary, staffing agency, or professional employer organization, as non-exempt, hourly-paid employees during the period from July 19, 2020 through September 5, 2025 (“Class Period”) in the State of California.

- The settlement is to resolve a class action lawsuit, *Fidencio Perez v. Calo Costa Mesa LLC, et al.*, pending in the Superior Court of California for the County of Los Angeles, Case Number 24STCV18135 (the “Lawsuit”), alleging causes of action against Defendants for: failure to provide meal periods, rest periods, or compensation in lieu thereof; waiting time penalties; wage statement violations, failure to indemnify, violation of labor code § 227.3; and unfair competition (“Action”). Plaintiff also intend to seeks civil penalties under the California Labor Code Private Attorney’s General Act of 2004 (“PAGA”) for violations of Labor Code.
- On _____, the Los Angeles County Superior Court granted preliminary approval of this class action settlement and ordered that all Class Members be notified of the Settlement. The Court has not made any determination of the validity of the claims in the Lawsuit. Defendants vigorously denies the claims in the Lawsuit and contend that they fully complied with all applicable laws.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND RECEIVE PAYMENT	Get a payment and give up your legal rights to pursue claims released by the settlement of the Lawsuit.
OPT OUT OF THE SETTLEMENT	Exclude yourself from the Settlement, get no payment for settlement of the class claims, and retain your legal rights to individually pursue the class claims that would otherwise be released by the settlement of the Lawsuit. If you worked at any time during the period from June 27, 2023, through September 5, 2025. ("PAGA Period") as a non- exempt, hourly-paid employee of Defendants, either directly or through any subsidiary, staffing agency, or professional employer organization, as well, then you will be deemed an “Aggrieved Employee” and you will still receive your share of the proceeds available from the

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

	settlement of the Released PAGA Claims, defined below, (your “Individual PAGA Payment”) even if you opt out of the class settlement.
OBJECT TO THE SETTLEMENT	If you do not opt out, you may write to the Settlement Administrator, [REDACTED], about why you object to the settlement, and they will forward your concerns to counsel which will then be provided to the Court. If the Court approves the Settlement despite your objection, you will still be bound by the Settlement. You or your attorney may also address the Court during the Final Approval Hearing scheduled for [REDACTED] in the Department 17 Courthouse of the Los Angeles County Superior Court, located at 312 N Spring St, Los Angeles, CA 90012.

The Final Approval Hearing on the adequacy, reasonableness and fairness of the Settlement will be held at [REDACTED], in the Department 17 Courthouse of the Los Angeles County Superior Court, located at 312 N Spring St, Los Angeles, CA 90012, You are not required to attend the Hearing, but you are welcome to do so.

Why Am I Receiving This Notice?

Defendants’ records show that you currently work, or previously worked, for Defendants as an hourly-paid, non-exempt employee in the State of California at some point during the Class Period. You were sent this Class Notice because you have a right to know about a proposed settlement of a class action lawsuit, and about all your options before the Court decides whether to finally approve the settlement. If the Court approves the settlement and then any objections and appeals are resolved, a “Settlement Administrator” appointed by the Court will make the payments described in this Notice. This Notice explains the Lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them and how to get them.

What is This Case About?

Fidencio Perez was hourly-paid, non-exempt employee of Defendants. He is the “Plaintiff” in this case and is suing on behalf of himself and Class Members for failure to provide meal periods, rest periods, or compensation in lieu thereof; waiting time penalties; wage statement violations, failure to indemnify, violation of labor code § 227.3; and unfair competition, and Defendants’ alleged civil penalties under the California Labor Code Private Attorney’s General Act of 2004 (“PAGA”) for violations of Labor Code.

Based on the alleged Labor Code violations above-mentioned and other alleged Labor Code violations, Plaintiff also seek penalties under California Labor Code Private Attorneys General Act (“PAGA”).

Defendants deny all the allegations made by Plaintiff deny that it violated any law. The Court has made no ruling on the merits of Plaintiff’s claims. The Court has only preliminarily approved this class action settlement. The Court will decide whether to give final approval to this settlement at the Final Approval Hearing.

Summary of the Settlement Terms

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

Plaintiff and Defendants have agreed to settle this case on behalf of themselves and Class Members and Aggrieved Employees for the Gross Settlement Amount of \$475,000.00, unless increased pursuant to the Settlement Agreement. The Gross Settlement includes (1) Administration Costs up to \$[REDACTED]; (2) a service award of up to \$10,000.00 for his time and effort in pursuing this case; (3) up to 35% Percent of the Gross Settlement Amount in attorneys' fees which, unless increased pursuant to the Settlement Agreement, amounting to \$166,250.00; (4) up to \$30,000.00 in litigation costs to Class Counsel, according to proof; and (5) payment allocated to PAGA penalties in the amount of \$47,500.00 of the Gross Settlement Amount toward PAGA penalties. Pursuant to the PAGA, seventy-five percent (75%) of the amount allocated toward PAGA, or \$[35,625.00], will be paid to the LWDA and twenty-five percent (25%) or \$11,875.00, will be distributed to Aggrieved Employees. After deducting these sums, a total of approximately not less than \$[REDACTED] will be available for distribution to Class Members ("Net Settlement Amount").

Defendants represent that there are no more than 10,000 Workweeks worked during the Class Period. In the event the number of Workweeks worked by Class Members during the Class Period increases by more than 10%, or 1,000 Workweeks, then the Gross Settlement Amount shall be increased proportionally by the Workweeks in excess of 11,000 Workweeks multiplied by the Workweek Value. The Workweek Value shall be calculated by dividing the originally agreed-upon Gross Settlement Amount (\$475,000.00) by 11,000, which amounts to a Workweek Value of \$43.18. Thus, for example, should there be 15,000 Workweeks in the Class Period, then the Gross Settlement Amount shall be increased by \$86,360.00 ((13,000 Workweeks – 11,000 Workweeks) x \$43.18 per Workweek).

Distribution to Class Members

Class Members who do not opt out will receive a *pro rata* payment of the Net Settlement Amount based on the 10,000 worked by Class Members in hourly-paid, non-exempt positions for Defendants in California during the Class Period ("Eligible Workweeks"). Specifically, Class Members' payments will be calculated by dividing the Net Settlement Amount by the total number of Eligible Workweeks attributed to members of the Settlement Class, multiplied by the Class Member's Eligible Workweeks. Otherwise stated, the formula for a Class Member is: (Net Settlement Amount ÷ total Settlement Class Eligible Workweeks) × Class Member's Eligible Workweeks. In addition, Class Members who worked during the PAGA Period (*i.e.*, Aggrieved Employees) will receive a *pro rata* share of the \$11,875.00 allocated as PAGA penalties, whether or not they opt out, based on the number of Pay Periods worked by each Aggrieved Employee during the PAGA Period.

Defendants' records indicate that you worked [REDACTED] Workweeks as a non-exempt, hourly-paid employee in California during the Class Period and [REDACTED] Pay Periods during the PAGA Period. Based on these records, your estimated payment as a Class Member would be [REDACTED] and your estimated payment as an Aggrieved Employee would be [REDACTED]. If you believe this information is incorrect and wish to dispute it, you must mail a dispute to the Settlement Administrator no later than [REDACTED]. Please include any documentation you have that you contend supports your dispute. You should send copies rather than originals because the documents will not be returned to you.

Tax Reporting

100% of the payments for PAGA penalties to Aggrieved Employees will be allocated as penalties reported on IRS Form 1099. 20% of each Settlement Payment to Class Members who do not opt out will be allocated as wages and reported on an IRS Form W-2, and 80% will be allocated as penalties and interest reported on IRS Form 1099. This notice is not intended to provide legal or tax advice on your Settlement Share.

Questions? Contact the Settlement Administrator toll free at [REDACTED]

Your check will be valid for 180 days after issuance. After 180 days, uncashed checks will be cancelled and the funds associated will be transmitted to the California State Controller's Unclaimed Property Fund.

Your Options Under the Settlement

Option 1 – Do Nothing and Receive Your Payment

If you do not opt out, you are automatically entitled to your Individual Settlement Payment (*i.e.*, your share of the Net Settlement Amount) because you are a Class Member. If you do not dispute your settlement share calculation and do not opt out of the settlement, you will be bound by the entire release in the settlement and receive your Individual Settlement Payment, as well as your Individual PAGA Payment if you are also an Aggrieved Employee. **In other words, if you are a Class Member, you do not need to take any action to receive the settlement payment(s) set forth above.**

Class Members who do not submit a valid and timely opt out (pursuant to Option 2 below), will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all "Released Claims" he or she may have or had upon final approval of this Settlement and payment by Defendants to the Settlement Administrator.

Effective upon entry of Judgment, the Order granting Final Approval of this Settlement, and on the date when Defendants fully fund the entire Gross Settlement Amount and fund all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

Class Released Claims: For the duration of the Class Period, all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint ("Class Released Claims").

PAGA Released Claims: For the duration of the PAGA Period, all Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notice ("PAGA Released Claims").

"Released Parties" means Defendants, and each of their owners, parents, and subsidiaries, and all of their current, former, and future officers, directors, members, managers, employees, consultants, partners, shareholders, joint venturers, agents, predecessors, successors, and assigns.

Option 2 – Opt Out of the Settlement

If you do not wish to receive your Individual Settlement Payment or release the Class Released Claims, you may exclude yourself by submitting a written request to be excluded from the Class. Your written request must include your name, address, email address or telephone number, and any statement standing for the proposition that you do not wish to participate in the settlement. Sign, date, and mail your written request for exclusion to the address below.

[Settlement Administrator]
[Mailing Address]

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

To be valid, your written request for exclusion must be mailed and postmarked to the Administrator not later than **[RESPONSE DEADLINE]**.

The proposed settlement includes the settlement of the PAGA Released Claims. An employee may not request exclusion from the settlement of a PAGA claim. Thus, if the court approves the settlement, then even if you request exclusion from the settlement, if you are an Aggrieved Employee, you will still receive your Individual PAGA Payment and will be deemed to have released the PAGA Released Claims. A request for exclusion will preserve your right, if any, to individually pursue only the Class Released Claims.

Option 3 – Submit an Objection to the Settlement

If you wish to object to the Settlement, you may submit an objection in writing by mail, stating why you object to the Settlement. Your written objection should include your name, address, signature, a statement of whether you plan to appear at the Final Approval Hearing, and a statement of the reason(s), along with whatever legal authority, if any, why you believe that the Court should not approve the Settlement. Your written objection must be mailed to the Administrator no later than **[RESPONSE DEADLINE]**. Please note that you cannot both object to the Settlement and opt out of the Settlement. If you exclude yourself, then your objection will be overruled. If the Court overrules your objection, you will be bound by the Settlement and will receive your Settlement Share.

Even if you don't submit a written objection, you may appear at the Final Approval Hearing and provide a verbal objection before the Court.

Final Approval Hearing

You may, if you wish, appear at the Final Approval Hearing set for **[REDACTED]** at **[REDACTED]** a.m. at the Department 17 Courthouse of the Los Angeles County Superior Court, located at 312 N Spring St, Los Angeles, CA 90012, and orally object to the Settlement, discuss your written objections with the Court and the Parties, or otherwise comment on the Settlement at your own expense. You may attend this hearing virtually by audio or video at <https://lacc.lacourt.org/>. You may also retain an attorney to represent you at the Hearing at your own expense.

Additional Information

This Notice of Class Action Settlement is only a summary of this case and the Settlement. For a more detailed statement of the matters involved in this case and the Settlement, you may call the Settlement Administrator at **[PHONE NUMBER]** or Class Counsel, whose information appears below:

BIBIYAN LAW GROUP, P.C.

Vedang J. Patel (SBN 328647)
vedang@tomorrowlaw.com
1460 Westwood Boulevard
Los Angeles, California 90024
Tel: (310) 438-5555; Fax: (310) 300-1705

You may also visit the Settlement Administrator's website at **[WEBSITE]** to gain access to key documents in this case, including the Settlement Agreement, the Order Granting Preliminary Approval of this Settlement, the Order Granting Final Approval of this Settlement, and the Final Judgment.

Questions? Contact the Settlement Administrator toll free at **[PHONE NUMBER]**

You may also refer to the pleadings, the Settlement Agreement, and other papers filed in this case, which may be inspected at the Department 17 Courthouse of the Los Angeles County Superior Court, located at 312 N Spring St, Los Angeles, CA 90012, during regular business hours of each court day. You may also obtain these documents through the Court's website at <https://www.lacourt.ca.gov/pages/lp/access-a-case>.

All inquiries by Class Members regarding this Notice of Class Action Settlement and/or the Settlement should be directed to the Settlement Administrator.

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, DEFENDANTS, OR DEFENDANTS' ATTORNEYS WITH INQUIRIES.

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

EXHIBIT 2

June 27, 2024

PAGA NOTICE FILED ELECTRONICALLY

Re: Notice Letter of on Behalf of FIDENCIO PEREZ Himself
and Aggrieved Employees Under California Labor section 2699.3

Employer: CALO COSTA MESA LLC
22342 AVENIDA EMPRESA SUITE 220
RANCHO SANTA MARGARITA, CA 92688

To Whom It May Concern:

This letter shall constitute notice under Labor Code section 2699.3 (hereinafter “PAGA Notice”). The \$75 filing fee for the PAGA Notice was paid online by credit card at the time this PAGA Notice was submitted online to the Department of Industrial Relations.

This PAGA Notice concerns FIDENCIO PEREZ’s (“Employee”) employment with Employee’s former employer: CALO COSTA MESA LLC. Employee was employed as a non-exempt employee of CALO COSTA MESA LLC at, without limitation, 2191B Rosecrans Ave. El Segundo, CA 90245, with duties that included, but were not limited to, cooking food orders for customer, preparing food, and washing dishes from approximately September 2023 through to the present. Employee is currently employed. In connection with the alleged claims for failure to comply with Labor Code sections 96, 98.6, 200, 201, 202, 203, 204, 210, 226, 226.3, 227.3, 232, 232.5, 245, 246, 432, 432.3, 432.5, 432.7, 432.8, 1102.5, 1197.5, 1198.5, 1527, 3366, 3457, and 8397.4, Employee seeks to represent all employees of CALO COSTA MESA LLC, and each of them, as well as their parents, subsidiaries and affiliates (hereinafter, collectively, “Employer”). On all other claims mentioned herein, Employee seeks to represent only non-exempt employees of Employer.

Employee and other aggrieved employees are covered by Labor Code section 510 and applicable Wage Orders. Employee is informed and believes, and based thereon alleges, that Employer had and has a policy or practice of requiring its employees to work more than eight (8) hours per day, forty (40) hours per week, and/or seven (7) straight workdays in a workweek without paying them proper overtime wages, as a result of, without limitation, failing to accurately track and/or pay for all minutes actually worked; engaging, suffering, or permitting employees to work off the clock, including, without limitation, by requiring employees: to come early to work and leave late work without being able to clock in for all that time, to suffer under Employer’s control due to long lines for clocking in, to complete pre-shift tasks before clocking in and post-shift tasks after clocking out, to clock out for meal periods and continue working, to clock out for rest periods, to don and doff uniforms and/or safety equipment off the clock, to attend company meetings off the clock, to make phone calls or drive off the clock, and/or go through security screenings and/or

temperature checks off the clock; failing to include all forms of remuneration, including non-discretionary bonuses, incentive pay, meal allowances, mask allowances, gift cards and other forms of remuneration into the regular rate of pay for the pay periods where overtime was worked and the additional compensation was earned for the purpose of calculating the overtime rate of pay; detrimental rounding of employee time entries, editing and/or manipulation of time entries to show less hours than actually worked, for paying straight pay instead of overtime pay, and by attempting but failing to properly implement an alternative workweek schedule (“AWS”) (including, without limitation, by failing to implement a written agreement designating the regularly scheduled alternative workweek in which the specified number of work days and work hours are regularly recurring; failing to adopt the AWS in a secret ballot election, before the performance of work, by at least a two-thirds (2/3) vote of the affected employees in the work unit; failing to follow the notice/disclosures procedures prior to any AWS election; and/or failing to register an AWS election with the State of California, as required by Labor Code section 511 and applicable Wage Orders) all to the detriment of Employee and other aggrieved employees. Consequently, Employee is informed and believes, and based thereon alleges, that Employer violated Labor Code sections 510, 1194, and applicable Wage Orders based on its practice of providing total compensation that is less than the required legal overtime compensation for the overtime worked, entitling Employee and other aggrieved employees to damages. Employer would also be liable for civil penalties pursuant to Labor Code sections 558 and 2699.

Employee is informed and believes, and based thereon alleges, that Employer had and has a practice or policy of failing to compensate Employee and other aggrieved employees with minimum wages for all hours worked or otherwise under Employer’s control as a result of, without limitation, failing to accurately track and/or pay for all minutes actually worked; engaging, suffering, or permitting employees to work off the clock, including, without limitation, by requiring employees: to come early to work and leave late work without being able to clock in for all that time, to suffer under Employer’s control due to long lines for clocking in, to complete pre-shift tasks before clocking in and post-shift tasks after clocking out, to clock out for meal periods and continue working, to clock out for rest periods, to don and doff uniforms and/or safety equipment off the clock, to attend company meetings off the clock, to make phone calls or drive off the clock; detrimental rounding of employee time entries; editing and/or manipulation of time entries to show less hours than actually worked; and failing to pay split shift premiums. In addition, Employee and other aggrieved employees were required to report to work, and did report, but were not put to work and/or were furnished less than half their usual or scheduled day’s work without being paid for half the usual or scheduled work at their regular rate of pay. As such, Employee is informed and believes, and based thereon alleges, that Employer violated, without limitation, Labor Code sections 221, 223, 1197, 1182.12, Cal. and applicable Wage Orders based on its continued failure to pay minimum wages for all hours worked, entitling Employee and other aggrieved employees to actual and liquidated damages under, without limitation, Labor Code sections 1194 and 1194.2. Employer would also be liable for civil penalties pursuant to Labor Code sections 558, 1197.1, and 2699.

Employee is informed and believes, and based thereon alleges, that Employer had and has a policy or practice of compelling its employees to work in excess of five (5) and ten (10) hours

per day without being afforded uninterrupted, timely, and complete 30-minute meal periods or compensation in lieu thereof including, without limitation: by interrupting meal periods; not providing timely meal periods; failing to provide first and second meal periods; providing short meal periods; requiring that employees carry cellular telephones or walkie-talkies during meal periods; not permitting employees to leave the premises; otherwise requiring on-duty/on-call meal periods; and auto-deducting meal periods that could not be auto-deducted by law or during which employees worked. Consequently, Employee is informed and believes, and based thereon alleges, that Employer violated Labor Code section 512, entitling Employee and other aggrieved employees to premium payments under Labor Code section 226.7. However, Employee is informed and believes that those premium payments under Labor Code section 226.7 were not made, either, for these non-compliant meal periods, either at all or at the proper regular rate of pay. Employer would thus be liable for civil penalties pursuant to Labor Code sections 558 and 2699 for both failing to authorize the taking of compliant meal periods, as well as for failing to provide premium pay under Labor Code section 226.7.

Employee is informed and believes, and based thereon alleges, that Employer maintains policies or practices of compelling its non-exempt employees, including, without limitation, Employee, to work over four-hour periods (or major fractions thereof) without authorizing and permitting Employee and other aggrieved employees to take uninterrupted, timely, and complete ten-minute rest periods in which the employees are completely relieved of all of their duties, including, without limitation: by failing to provide rest periods all together; requiring that they be bundled together and/or with meal periods; interrupting them; requiring that employees carry cellular telephones or walkie-talkies during rest periods not providing them in a timely fashion; and not permitting employees to leave the premises; and otherwise requiring on-duty/on-call rest periods. As such, Employee is informed and believes, and based thereon alleges, that Employee and other aggrieved employees are entitled to relief under, without limitation, Labor Code section 226.7. However, Employee is informed and believes that those premium payments under Labor Code section 226.7 were not made, either, for these non-compliant rest periods, either at all or at the proper regular rate of pay. Employer would thus be liable for civil penalties pursuant to Labor Code sections 558 and 2699 for both failing to authorize the taking of compliant rest periods, as well as for failing to provide premium pay under Labor Code section 226.7.

Employee is informed and believes, and based thereon alleges, that Employer maintains policies or practices of failing to permit Employee and other aggrieved employees from taking cooldown rest periods as required under California Code of Regulations, Title 8, Section 3395 and premium pay in lieu thereof under Labor Code section 226.7. As a result, Employer would be liable for civil penalties under Labor Code sections 558 and 2699.

In addition to the above, Employee is informed and believes, and based thereon alleges that Employer failed and continue to fail to keep adequate or accurate time records including wage statements and similar payroll documents under Labor Code section 226, documents signed to obtain or hold employment under Labor Code section 432, personnel records under Labor Code section 1198.5, and time records under Labor Code section 1174, making it difficult for Employee and other aggrieved employees to calculate their unpaid wages and/or premium payments.

Employer also failed to provide these documents to Employee and other aggrieved employees upon request. This would entitle Employee and other aggrieved employees to penalties prescribed by Labor Code sections 226 and 1198.5. Employer would also be liable for civil penalties pursuant to Labor Code sections 558, 1174.5 and 2699.

As a result of, among other things, Employer's herein-described policy or practice of failing to: accurately record time; failing to pay overtime and minimum wages; provide meal periods; provide rest periods; and provide compensation in lieu of meal or rest periods; as described above, Employee is informed and believes, and based thereon alleges, that Employer also intentionally failed and continues to fail to furnish aggrieved employees, including, without limitation, Employee, with itemized wage statements that accurately reflect: gross wages earned; total hours worked by the employee; net wages earned; all deductions; all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee; the legal name and address of the other; and other such information as required by Labor Code section 226, subdivision (a). Specifically, Employer intentionally failed to furnish employees with itemized wage statements that accurately reflect the hours worked by Employee and other aggrieved employees and the rates of pay at which they were or should have been paid (including due to failure to pay at the proper regular rate), thus resulting in a failure to reflect gross and net wages earned and paid at each rate, as well. Consequently, since Employer would have failed to comply with Labor Code section 226, subdivision (a), Employee and other aggrieved employees would be entitled to recover penalties under, without limitation, Labor Code section 226, subdivision (e). Employer would also be liable for civil penalties pursuant to Labor Code sections 226.3, 558, and 2699.

Employee is informed and believes, and based thereon alleges, that Employer also failed and refused, and continue to fail and refuse, to timely pay compensation to Employee and other terminated or resigned employees, including but not limited to, all overtime wages owed; all minimum wages owed; all paid sick leave, vacation pay and paid time off; and all premium pay owed as set out above, including, without limitation, for failure to pay at the proper regular rate of pay, among other things. Consequently, Employer would be liable for waiting time penalties for having violated California Labor Code sections 201, 202, and 203. Employer would also be liable for civil penalties pursuant to Labor Code sections 558 and 2699.

Employee is informed and believes, and based thereon alleges, that Employer has or had a policy or practice of unlawfully deducting wages by issuing in payment of wages due, or to become due, or as an advance on wages to be earned: an order, check, draft, note, memorandum, gift card, or other acknowledgement of indebtedness, (unless it was negotiable and payable in cash, on demand, without discount, at some established place of business in the state), the name and address of which must but did not appear on the instrument, and at the time of its issuance and for a reasonable time thereafter, which must be but was not at least 30 days, the maker or drawer did not have sufficient funds in, or credit, arrangement, or understanding with the drawee for its payment or any scrip, coupon, cards, or other thing redeemable, in merchandise or purporting to be payable or redeemable otherwise than in money. Employee is further informed and believes, and based thereon alleges, that such wages were not compensated at the "regular rate" of

compensation as provided under Labor Code sections 226.7 and 510, subsection (a). Consequently, Employee is informed and believes, and based thereon alleges, that Employee and other aggrieved employees are entitled to relief under, without limitation, Labor Code sections 212, 213, 226.7, and 510 subsection (a). Employer would thus be liable for civil penalties pursuant to Labor Code sections 558, 1197.1, and 2699.

Employee is further informed and believes, and based thereon alleges that Employer failed and refused, and continues to fail and refuse, to comply with the notice requirements of Labor Code section 2810.5 (*i.e.*, the Wage Theft Protection Act of 2011) by, among other things, failing to provide Employee and other aggrieved employees with the rates of pay and overtime rates of pay applicable to their employment, allowances claimed as part of the minimum wage, the regular payday designated by Employer, the name of the employer, including any “doing business as” names used, the name, address and telephone number of the workers’ compensation insurance carrier, information regarding paid sick leave, and other pertinent information required to be disclosed by Employer under Labor Code section 2810.5. Employee is informed and believes that failure to provide such information, including rates of pay that are in effect, has permitted Employer to pay employees at rates of pay that were not agreed upon and violate minimum wage and overtime wage laws in California. Employee is additionally informed and believes that the notice requirement of Labor Code section 2810.5 involves a mandatory payroll or workplace injury reporting. Among other relief, employees may collect from Employer in connection with these violations’ civil penalties pursuant to Labor Code sections 558 and 2699.

Employee is informed and believes, and based thereon alleges that Employer also failed and refused, and continues to fail and refuse, to reimburse employees, including, without limitation, Employee and other aggrieved employees, with their costs incurred for driving personal vehicles (*i.e.*, mileage and gas), purchasing uniforms, providing uniform and other deposits, separately laundering mandatory uniforms, for the purchase of tools and safety equipment, and for the purchase and maintenance of cellular phones and cellular phone plans, in direct consequence of the discharge of their duties, or of their obedience to the directions of Employer, as required by Labor Code section 2802, and other statutory and common law offenses. As a result, Employer are liable to reimburse Employee and other aggrieved employees for these costs incurred in furtherance of work duties. In addition, Employer would be liable for civil penalties pursuant to Labor Code sections 558 and 2699.

Employee is further informed and believes, and based thereon alleges, that Employer has or had a policy or practice of failing to reimburse deposits made, including uniform deposits together with all interest owed at the separation of employment in violation of Labor Code section 404, entitling Employee and other aggrieved employees to damages in the amount of the deposit and accrued interest. Employer would also be liable for civil penalties under Labor Code sections 558 and 2699.

Employee is further informed and believes, and based thereon alleges, that Employer has or had a policy or practice of failing to provide Employee and other aggrieved employees with all rights afforded to them under the Healthy Workplace Healthy Families Act of 2014, codified at

Labor Code section 245, *et seq.*, including, without limitation, the amount of paid sick leave required to be provided pursuant to California and local laws. Employee is further informed and believes that the sick pay was not provided at the proper regular of pay as required under California law due to failure to properly calculate the regular rate. Employee is further informed and believes that Employer also did not permit its use upon request by Employee and other aggrieved employees as contemplated under California and local laws. Employee is additionally informed and believes that the notice requirement of Labor Code section 245 and 246 involves a mandatory payroll or workplace injury reporting. As such, Employer would be liable for civil penalties for violation of the paid sick leave regulations under Labor Code section 2699, as well as equitable, injunctive, or restitutionary relief, and reasonable attorneys' fees and costs.

Employee is informed and believes, and based thereon alleges that Employer had and has a policy or practice of failing to pay aggrieved employees their paid time off and vacation time owed upon separation of employment as wages at their final rate of pay in violation of Labor Code section 227.3 and applicable Wage Orders. As such, Employer would be liable for civil penalties for violation of Labor Code section 227.3 under Labor Code section 558 and 2699.

Employee is informed and believes, and based thereon alleges that Employer had and has a policy or practice of failing to pay aggrieved employees their wages in accordance with Labor Code Section 204, which requires that: "[l]abor performed between the 1st and 15th days, inclusive, of any calendar month shall be paid for between the 16th and 26th day of the month during which the labor was performed, and labor performed between the 16th and the last day, inclusive of any calendar month, shall be paid for between the 1st and 10th day of the following month." Employee is informed and believes and based thereon alleges that Employer did not and do not pay Employee and other aggrieved employees in accordance with Labor Code Section 204. As such, Employee is informed and believes, and based thereon alleges that Employer violated Labor Code section 204. Employer would be liable for civil penalties pursuant to Labor Code sections 210, 558 and 2699.

Employee is informed and believes, and based thereon alleges that Employer had and has a policy of failing to provide all temporary workers with owed wages weekly by not later than the regular payday of the following week. As a result, pursuant to Labor Code section 201.3, Employer would be liable for civil penalties pursuant to Labor Code sections 201.3.

Employee is informed and believes, and based thereon alleges that Employer had and has a policy or practice of failing to provide all working employees with suitable seats when the nature of the work reasonably permits the use of seats. Employee is further informed and believes, and based thereon alleges that Employer has failed to place an adequate number of seats in reasonable proximity to the work area and/or permitted employees to use such seats when it does not interfere with the performance of their duties when employees are not engaged in the active duties of their employment and the nature of their work requires standing.

Employee is informed and believes, and based thereon alleges that Employer had and has a policy or practice of preventing Employee and/or other aggrieved employees from using or

disclosing the skills, knowledge and experience they obtained at Employer for purposes of competing with Employer, including, without limitation, preventing Employees from disclosing their wages in negotiating a new job with a prospective employer, and from disclosing who else works at Employer and under what circumstances that they might be receptive to an offer from a rival employer. As such, Employee is informed and believes that this violates Business and Professions Code sections 17200, 16600 and 16700, and, by virtue thereof, various provisions of the Labor Code, including Labor Code sections 232, 232.5, and 1197.5, subdivision (k). Employer would be liable for civil penalties pursuant to Labor Code section 2699.

Employee is informed and believes, and based thereon alleges that Employer had and has a policy or practice of preventing Employee and/or other aggrieved employees from disclosing violations of state and federal law, either within Employer to their managers or outside Employer to private attorneys or government officials, among others, in violation of Business and Professions Code section 17200, and, thus, in violation of Labor Code section 1102.5. In addition, Employee is informed and believes that these policies and/or practices prevent Employee and/or other aggrieved employees from disclosing information about unsafe or discriminatory working conditions, or about wage and hour violations in violation of Labor Code section 232 and 232.5. These violations of the Labor Code would expose Employer to liability for civil penalties pursuant to Labor Code section 2699.

Employee is informed and believes, and based thereon alleges that Employer had and has a policy or practice of preventing Employee and/or other aggrieved employees from engaging in lawful conduct during non-work hours, thus violating state statutes entitling employees to disclose wages, working conditions, and illegal conduct, including, without limitation, Labor Code sections 96, subdivision (k), 98.6, 232, 232.5, and 1197.5, subdivision (k). Employee is informed and believes that this lawful conduct includes the exercise of Employee and/or other aggrieved employee's constitutional rights of freedom of speech and economic liberty and would thus expose Employer to liability for civil penalties pursuant to Labor Code section 2699.

Employee is informed and believes, and based thereon alleges that Employer violated Labor Code sections 1527, 3366, 3457 and 8397.4 by failing to provide adequate and readily accessible sanitation facilities; a regular schedule for servicing, cleaning, and supplying each facility to ensure it is maintained in a clean, sanitary and serviceable condition; an adequate supply of suitable cleansing agents, water, single-use towels or blowers; and a sufficient number of toilets to be used by each sex of employee.

Employee is informed and believes, and based thereon alleges, that Employer had and has a practice or policy of conducting unlawful background checks on prospective and current employees prior to making a conditional offer. Employee is informed and believes, and based thereon alleges, that Employer violated applicable laws by, without limitation: requiring job applicants and employees to disclose their conviction history before Employer made a conditional offer of employment; inquiring into or considering the conviction history of applicants before Employer made any conditional offers of employment; considering, distributing, or disseminating information about arrests not followed by conviction, referrals to or participation in a pretrial or

posttrial diversion program, convictions that have been sealed, dismissed, expunged, or statutorily eradicated pursuant to law, or any conviction for which the convicted person has received a full pardon or has been issued a certificate of rehabilitation, while conducting conviction history background checks in connection with any applications for employment; intending to deny an applicant a position of employment solely or in part because of the applicant's conviction history; and asking applicants for employment to disclose, through any written form or verbally, information concerning or related to an arrest, detention, processing, diversion, supervision, adjudication, or court disposition that occurred while the person was subject to the process and jurisdiction of the juvenile court, to the detriment of Employee and other aggrieved employees. As such, Employee is informed and believes, and based thereon alleges, that Employer violated, without limitation, Labor Code section 432.7 and Government Code section 12952, entitling Employee and other aggrieved employees to damages. Employer would also be liable for civil penalties pursuant to Labor Code sections 432.7, 432.8, and 2699.

Employee is informed and believes, and based thereon alleges, that Employer had and has a practice or policy of relying on the salary history information of an applicant for employment as a factor in determining whether to offer employment to an applicant or what salary to offer the applicant in violation of Labor Code section 432.3 by including, on Employer's application for employment, an inquiry regarding current and/or former salary history information, including, without limitation, compensation and benefits of the applicant for employment. As such, Employee is informed and believes, and based thereon alleges, that Employer violated, without limitation, Labor Code section 432.3 entitling Employee and other aggrieved employees to damages. Employer would also be liable for civil penalties pursuant to Labor Code sections 432.3 and 2699.

Employee is informed and believes, and based thereon alleges, that Employer had and has a practice or policy of requiring Employees to agree in writing to confidentiality policies that unlawfully restrain trade by prohibiting Employees from speaking with prospective employers about their work with Employer, including but not limited to their wages and working conditions. Employer also required Employees to inform prospective employers of Employer's restrictions of Employee's freedom to work. This is a violation of Labor Code section 432.5. As such, Employee is informed and believes, and based thereon alleges, that Employer violated, without limitation, Labor Code section 432.5 entitling Employee and other aggrieved employees to damages. Employer would also be liable for civil penalties pursuant to Labor Code sections 432.5 and 2699.

Pursuant to Labor Code section 2699.3, subdivision (a)(2)(A), please advise within sixty-five (65) calendar days of the postmarked date of this notice whether the LWDA intends to investigate the violations alleged above. Our office understands that if we do not receive a response within sixty-five (65) calendar days of the postmark date of this PAGA Notice that the LWDA intends to investigate these allegations, Employee may immediately thereafter file a civil complaint against Employer to allege causes of action for civil penalties under the Private Attorney General Act for the herein-described alleged violations of the Labor Code.

California Labor and Workforce Development Agency
June 27, 2024
Page 9

Very truly yours,

Beth Christopher

[Beth Christopher \(Jun 26, 2024 16:12 PDT\)](#)

Elizebeth A. Christopher

BIBIYAN LAW GROUP, P.C.

cc: CALO COSTA MESA LLC
(via U.S. Certified Mail, Return Receipt Requested)

EXHIBIT 3