SETTLEMENT AGREEMENT

This settlement agreement ("**Settlement**" or "**Agreement**") is made and entered into between Employee David Contreras ("**Employee**" or "**Plaintiff**"), individually, acting in his capacity as private attorney general and on behalf of the state of California, and Employer AAA Quality Services, Inc. ("**Employer**" or "**Defendant**").

This Agreement is subject to the approval of the Court and is made for the sole purpose of consummating the settlement of Plaintiff's individual representative Private Attorneys General Act ("PAGA") claims in the following action pending in Kern County Superior Court: *David Contreras v. AAA Quality Services, Inc.*, Case No. BCV-24-102154, subject to the following terms and conditions. As detailed below, in the event the Court does not enter orders consistent with the terms of the Settlement or the conditions precedent are not met for any reason, this Agreement shall be void and shall be of no force or effect whatsoever.

I. DEFINITIONS

The following terms, when used in this Settlement, shall have the meanings specified below. To the extent terms or phrases used in this Agreement are not specifically defined below, but are defined elsewhere in this Agreement, they are incorporated by reference into this definition section.

1. "**Allegedly Aggrieved Employee**" or "**PAGA Employee**" consists of all current and former non-exempt employees of Defendant AAA Quality Services, Inc. who performed work in California for Defendant at any time during the PAGA Period. The Parties agree that there is no statutory right for any PAGA Employee to opt out or otherwise exclude himself or herself from the Settlement and the associated release of claims and rights under PAGA.

2. "**Court**" means the Superior Court of California for the County of Kern.

3. "**Effective Date**" means the date when all of the following events have occurred: (a) the Agreement has been executed by all Parties; (b) Employee has filed a Second Amended Complaint in the Action, as described in Paragraph III(6) below; (c) the Court enters a Judgment

on its Order approving the Settlement; and (d) the Judgment is final. The Judgment is final as of the day the Court enters Judgment.

4. "**Employee**" or "**Plaintiff**" means David Contreras.

5. "**Employee's Counsel**" means Daniel J. Brown and Kathleen Becket of Stansbury Brown Law, PC.

6. "**Employer**" or "**Defendant**" means AAA Quality Services, Inc.

7. "**Gross Settlement Amount**" is a non-reversionary sum of One Hundred Thousand Dollars and Zero Cents ($100,000.00), which represents the total amount payable under this settlement by Employer (subject to the Escalator Clause described below), including, without limitation, payments to all PAGA Employees, payment to the LWDA, payment to Plaintiff for his Service Award and general release, and payment of Employee's attorneys' fees and costs.

8. "**Individual Settlement Payment**" means the amount to be paid to each PAGA Employee based on the formula described herein.

9. "**LWDA**" means the California Labor and Workforce Development Agency.

10. "**Net Settlement Amount**" is the amount remaining to distribute to the LWDA and PAGA Employees after the following amounts (subject to the Court's approval) are subtracted from the Gross Settlement Amount: (a) Employee's attorneys' fees up to approximately thirty-five percent of the Gross Settlement Amount, currently estimated at Thirty-Five Thousand Dollars and Zero Cents ($35,000.00), (b) Employee's reasonable verified litigation costs up to Five Thousand Five Hundred Ninety Dollars and Ninety-Three Cents ($5,590.93), (c) Service Award of up to One Thousand Dollars and Zero Cents ($1,000.00) to Plaintiff, and (d) Settlement Administration costs and expenses of up to Three Thousand Eight Hundred Fifty Dollars and Zero Cents ($3,850.00).

11. "**PAGA**" means the California Labor Code Private Attorneys General Act, California Labor Code § 2698, *et seq.*

12. The "**PAGA Action**" means the matter entitled *David Contreras v. AAA Quality Services, Inc.*, Case No. BCV-24-102154, filed as a civil action on June 26, 2024 in Kern County

Superior Court, and any amendments thereto, based on and as set forth in Employee's correspondence to the California Labor and Workforce Development Agency ("**LWDA Notice**").

13. "**PAGA Period**" means the time period between July 2, 2023 and ending on the date of approval of the Settlement by the Court.

14. "**PAGA Released Claims**" shall mean and include the following: Employee, the LWDA, and PAGA Employees will fully and finally release and discharge Released Parties from any and all claims under PAGA for the recovery of civil penalties, attorneys' fees, and costs which Plaintiff, the LWDA, or the PAGA Employees had, or may claim to have, against Released Parties based on the allegations and claims that have been stated or pled in Plaintiff's LWDA Notice or Plaintiff's Second Amended Complaint, to be filed in this PAGA Action concurrently with the instant Agreement as set forth herein, including without limitation, alleged violations of California Labor Code sections 201-203, 204, 210, 221-223, 226, 226.3, 226.7, 245.5, 246, 248.2, 248.5, 510, 512, 516, 551-552, 558, 1174, 1182.12, 1194, 1194.2, 1197, 1198, 2751, 2800, 2802, 2804, 2810.5, California Industrial Commission Wage Orders, and including any claims for or related to claims for civil penalties for failure to pay minimum wages, failure to pay overtime wages, failure to provide compliant meal periods, failure to provide compliant rest periods, failure to timely pay wages including upon termination, failure to issue compliant wage statements, failure to reimburse for necessary business expenses, failure to maintain accurate records including written commission agreements, failure to maintain accurate records, failure to provide paid sick leave, failure to pay all agreed-upon wages including bonus wages accrued, and failure to provide legally mandated disclosures and/or written notices regarding the terms of employment under Labor Code § 2810.5. The release extends through the PAGA Period. The PAGA Released Claims do not include the individual claims of the PAGA Employees. The Parties agree the PAGA Employees are not releasing any claims against AAA Security, Inc. and Knight Guard Security, Inc in connection with the PAGA Released Claims.

15. "**Parties**" means Employee and Employer.

16. "**Pay Period**" means any pay period during the PAGA Period which a PAGA Employee worked for Employer in California for at least one day.

17. "**Released Parties**" means Employer and all its past, present and future officers, directors, members, managers, employees, agents, representatives, attorneys (including Employer's counsel in the PAGA Action), insurers, reinsurers, partners, investors, shareholders, administrators, parent companies, subsidiary companies, related, associated, or affiliated companies, divisions, predecessors, successors, assigns, joint venturers, and any individual or entity which could be liable for any of the Released Claims.

18. "**Service Award**" means the payment of up to One Thousand Dollars and Zero Cents ($1,000.00) for Plaintiff's service to PAGA Employees and the LWDA.

19. "**Settlement Administrator**" means Phoenix Settlement Administrators whom the Parties have agreed to engage to administer the Settlement.

II. <u>RECITALS</u>

1. Employee alleges that Employer failed to provide PAGA Employees with accurate wage statements, failed to provide compliant meal and rest periods or premium pay in lieu thereof, failed to pay all minimum and overtime wages, failed to make all necessary written disclosures - including signed written commission agreements, failed to abide by sick leave obligations, and failed to pay all wages including at separation of employment. Employee also alleged that Employer failed to reimburse PAGA Employees for necessary business purchases. Employee alleges that Employer is therefore liable for civil penalties under PAGA. Employer denies these allegations.

2. On June 27, 2024, Employee provided a written notice of his intent to file a claim for civil penalties under PAGA to the LWDA and Employer for alleged violations of a variety of California Labor Code Sections, as described in Section II.1.

3. On June 26, 2024, Employee filed a putative wage-and-hour class action complaint against Employer asserting the following causes of action on behalf of a putative class of all current

and former non-exempt employees who worked for Employer in California from June 26, 2020 through the present: (1) minimum wage violations; (2) failure to pay overtime; (3) meal period violations; (4) rest period violations; (5) waiting time penalties; (6) wage statement violations; (7) unfair competition; and (8) failure to reimburse.

4. On September 5, 2024, Employee amended his complaint to add a ninth cause of action for civil penalties pursuant to PAGA.

5. On February 3, 2025, the Court granted Defendant's Motion to Compel Enforcement of the Parties' Alternative Dispute Resolution Agreement ("**Motion to Compel**") and ordered (i) the dismissal of the class action claims without prejudice, (ii) mediation, and if necessary, arbitration of Plaintiff's individual claims, including Plaintiff's individual claims for PAGA civil penalties, and (iii) stayed Plaintiff's representative PAGA claims pending the completion of arbitration.

6. The Parties agreed to participate in a full-day "Zoom" videoconference mediation with Steven Amundson, Esq. of Amundson Mediation. Mr. Amundson is a knowledgeable and well-regarded employment law mediator with extensive experience mediating class and representative PAGA mediations. Pursuant to the Parties' agreement, Employer produced documents and information responsive to Employee's informal discovery requests in anticipation of the mediation pertaining to, *inter alia*, Employee and the other PAGA Employees' time and pay records, Employer's policies and practices with respect to employee time-keeping, payroll, compensation, and the provisions of meal and rest periods, and documents regarding same in order to allow for Employee's Counsel to investigate Employee's allegations and value the PAGA claim.

7. On June 9, 2025, the Parties participated in a full-day mediation with Mr. Amundson. While the Parties did not reach a settlement at the mediation, in the days that followed the Parties engaged in further settlement discussions with the assistance of Mr. Amundson, which eventually led to Mr. Amundson providing the Parties a mediator's proposal for purposes of settling the PAGA Released Claims (the "Mediator's Proposal").

8. On June 12, 2025, the Parties agreed to and accepted the Mediator's Proposal.

III. OPERATIVE TERMS OF SETTLEMENT

The Parties agree as follows:

1. **Non-Admission:** Nothing in this Settlement shall be construed to be an admission by Employee that his claims do not have merit or by Employer of any liability or wrongdoing whatsoever. Employer expressly and specifically disclaims any such liability or wrongdoing. This Settlement shall not constitute an admission of liability or of the accuracy of any allegation made by Employee or Employee's Counsel. The Parties have entered into this Settlement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses and risks. This Settlement and any related court documents or orders are not, and may not be, cited or admitted as evidence of liability or of the accuracy of any allegation made by Employee or Employee's Counsel.

2. **Gross Settlement Amount:** Employer shall pay One Hundred Thousand Dollars and Zero Cents ($100,000.00) as the non-reversionary Gross Settlement Amount. Employer will not pay more than the Gross Settlement Amount for the claims arising out of this Settlement (subject to the Escalator Clause below).

3. **Escalator Clause:** Employer represents that as of June 9, 2025, PAGA Employees worked approximately a combined 2,400 pay periods during the PAGA Period. If the actual number of pay periods collectively worked by PAGA Employees at the close of the PAGA Period is ten percent (10%) more than 2,400 pay periods (i.e., if there are 2,640 or more total pay periods), then Employer, at its sole discretion, shall either (i) increase the Gross Settlement Amount on a pro-rata basis equal to the increase in the number of the current 2,640 pay periods estimate (e.g., if the number of pay periods increases by fifteen percent (15%), Employer will increase the Gross Settlement Amount by five percent (5%)), or (ii) elect to cut off the PAGA Period as of the date the total pay periods worked by PAGA Employees during the PAGA Period does not exceed ten

percent (10%) of the 2,400 estimate (i.e., the PAGA Period shall end upon the date that the total pay periods worked by the PAGA Employees reached 2,640).

4. **Net Settlement Amount:** The Parties agree that the following amounts should be subtracted from the Gross Settlement Amount, if approved by the Court, resulting in a Net Settlement Amount to distribute to the LWDA and PAGA Employees:

a. Employee's Attorneys' Fees and Costs: Employer will not oppose Employee's request for attorneys' fees in the amount up to approximately thirty-five percent of the Gross Settlement Amount, which is currently estimated at Thirty-Five Thousand Dollars and Zero Cents ($35,000.00) and actual costs incurred in prosecuting this PAGA Action, up to Five Thousand Five Hundred Ninety Dollars and Ninety-Three Cents ($5,590.93). In the event the Court approves a net payment less than these amounts, the difference will be added to the Net Settlement Amount (although Employee may appeal an order granting less than the full amount sought for attorneys' fees and costs). Employer will report these payments on IRS Form 1099 issued to Employee's Counsel.

b. Payment to Employee for Service Award: Employer will not oppose Employee's request of up to One Thousand Dollars and Zero Cents ($1,000.00) for Employee's Service Award, subject to Court approval, in recognition of Employee's contributions to the PAGA Action and service to PAGA Employees. Employer will report this payment on IRS Form 1099 issued to Employee.

c. Settlement Administration: Up to Three Thousand Eight Hundred Fifty Dollars and Zero Cents ($3,850.00). from the Gross Settlement Amount for the Settlement Administrator's services.

5. **Allocation of Net Settlement Amount:** The Net Settlement Amount shall be distributed 65% to the LWDA and 35% to the PAGA Employees, pursuant to Labor Code §

2699(m). The 35% portion to be paid to PAGA Employees shall be paid to all PAGA Employees based on the proportionate number of pay periods worked by each PAGA Employee during the PAGA period.

6. **Amended LWDA Notice and Complaint:** The Parties agree that, to effectuate the Settlement, Employee will amend the existing LWDA Notice to allege all claims alleged in the PAGA Released Claims defined in Paragraph I(13) above. All amended PAGA claims will relate back to the filing of the original LWDA Notice. Employee shall file at the same time as his PAGA approval motion a Second Amended Complaint ("**SAC**") to allege all claims alleged in the PAGA Released Claims defined in Paragraph I(13) above, and will remove Employee's class and individual allegations and claims. The to-be-filed SAC is attached hereto as **Exhibits B.**

7. **Employee's Release**: In addition to the PAGA Released Claims, as described above, Employee and his respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences, including, but not limited to: any and all claims, known and unknown, asserted and not asserted, which each Employee has or may have against the Released Parties as of the date of execution of this Agreement ("Employee's Released Claims"). Employee's Released Claims include, but are not limited to, all of the PAGA Released Claims, and any other claims arising under the California Labor Code; any claim arising out of the California common law of contract; the Fair Labor Standards Act, 29 U.S.C. § 201 *et seq.*, and federal common law; all claims for lost wages and benefits, emotional distress, retaliation, punitive damages, and attorneys' fees and costs arising under federal, state, or local laws for discrimination, harassment, and wrongful termination, including but not limited to, 42 U.S.C. section 1981, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the California Fair Employment and Housing Act, the California Labor Code, and the law of contract and tort. This release excludes the release of claims not permitted by law. Employee's Release does not extend to any claims or actions to enforce this Agreement, or to any

claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits. Furthermore, Employee's Released Claims expressly excludes any and all claims Employee has asserted in the individual lawsuit entitled *David Contreras v. AAA Quality Services, Inc., et al.,* filed in Kern County Superior Court, Case No. 24-102153 ("Individual Action"). Employee acknowledges that Employee may discover facts or law different from, or in addition to, the facts or law that Employee now knows or believe to be true but agree, nonetheless, that Employee's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Employee's discovery of them.

8. **Employee's Waiver of Rights Under Civil Code Section 1542**: For purposes of Employee's Release, Employee expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

> *A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.*

9. **Release by Employee's Counsel:** Employee's Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for Employee's attorneys' fees and costs incurred in connection with the Complaint, the LWDA Notices, and the facts stated in the Complaint, the LWDA Notices, and the explanatory letter.

10. **Waiver of Right to Appeal:** Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Employee's Attorneys' Fees and Costs, the Parties, their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment,

the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

11. **Exclusion from Released Parties:** Released Parties specifically excludes AAA Security, Inc., and Knight Guard Security, Inc., who shall not take part in this Settlement and will have no right or benefit from the claims released in this Settlement.

12. **Court Approval**: After full execution of this Agreement, Employee shall promptly move the court for approval of the Settlement, as well as approval of all amounts to be deducted from the Gross Settlement Amount. Employer shall not oppose the motion, and shall make reasonable efforts to cooperate in obtaining approval of the Settlement. Counsel for Employee shall submit the Agreement to the Court and LWDA, as necessary under Labor Code section 2699(s)(2) and any other applicable provision. Should the Court not grant approval of this Agreement or should the LWDA object to this Agreement, then the entirety of the Agreement shall be null and void, unless otherwise agreed upon in writing by the Parties. The Court shall retain jurisdiction to enforce the terms and conditions of the judgment.

a. Employee's Responsibilities: At least three (3) business days prior to filing the Motion for Approval of PAGA Settlement, Employee will prepare and deliver to Employer's Counsel all documents necessary for obtaining approval of the PAGA Settlement under Labor Code section 2699(f)(2), including drafts of the notice, memorandum in support, declarations in support, and proposed Order Granting Approval of PAGA Settlement. The proposed Order Granting Approval of PAGA Settlement shall be approved by Employer's Counsel prior to Employee filing the proposed Order with the Court. Employee will attempt to incorporate any and all of Employer Counsel's revisions to the drafts of the notice and memorandum in support. In the event Employee disagrees with any of Employer Counsel's revisions, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements prior to the Motion for Approval of PAGA Settlement being filed with the Court.

b. Duty to Cooperate: If the Parties disagree on any aspect of the proposed Motion for Approval of PAGA Settlement and/or the supporting declarations and documents, Employee's Counsel and Employer's Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement.

c. If the Court does not grant Approval of the PAGA Settlement or conditions Approval of the PAGA Settlement on any material change to this Agreement, Employee's Counsel and Employer's Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, in an attempt to modify the Agreement and otherwise satisfy the Court's concerns if possible.

13. **Releases Effective Upon Full Payment:** The releases identified herein will become effective upon entry of an Order approving the Settlement. . However, no obligation to pay the Gross Settlement Amount shall accrue unless and until the Court has entered an Order approving the Settlement. If no such Order is entered, Employer shall have no obligation to pay the Gross Settlement Amount.

14. **Covenants and Representation by Employee:**

a. Employee represents and warrants that he has not assigned or transferred, or purported to assign or transfer, to any person or entity, any claim or portion thereof, or interest therein, which is or may be subject to this Settlement.

b. Employee acknowledges that he has read this Settlement, that he fully understands his rights, privileges and duties under the Settlement, and enters into this Settlement freely and voluntarily. Employee further acknowledges that he had the opportunity to consult with his attorneys to explain the terms of the Settlement and the consequences of signing this Settlement.

15. **Confidentiality Prior to Court Approval:** Employee and Employee's Counsel separately agree that, until the Motion for Approval of PAGA Settlement is filed, they and each of them will not disclose, disseminate and/or make any public disclosures of any kind regarding the Settlement, including but not limited to postings on Employee's Counsel's website and postings on any social media sites/outlets, 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 any related matters; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; (5) in response to questions or inquiries from PAGA Employees; (6) the Settlement Administrator; or (7) in response to an inquiry or subpoena issued by a state or federal government agency. Employee and Employee's Counsel agree to immediately notify Employer's Counsel of any judicial or agency order, inquiry, or subpoena seeking such information within two (2) business days of Employee's and/or Employee's Counsel's receipt of any such order, inquiry, or subpoena. Subject to the above exceptions, Employee and Employee's Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication unrelated to Employee's efforts to obtain approval of this Settlement, before the filing of the Motion for Approval of PAGA Settlement, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. Employee's Counsel will take all steps necessary to ensure Employee is aware of and adhere to the restriction against any public disclosures regarding the Settlement. The Parties agree that the provisions in this Paragraph are material terms of this Settlement Agreement.

16. **Confidentiality After Court Approval:** Employee's Counsel will not include or use the Settlement for any marketing or promotional purposes, or for attempting to influence Employer's business relationships, either before or after the Motion for Approval of PAGA Settlement is filed. Following Court approval of the Settlement, Employee and Employee's Counsel shall issue no press release, and shall not post or display information, opinions, statements or content on any social media site (like Facebook, Twitter etc.), website, or blog, regarding this Settlement Agreement or this Action. In the event that Employee or Employee's Counsel receives any inquiry from a third party about this litigation or its termination, Employee or Employee's Counsel may state only that "the matter was resolved." Employee's Counsel will take all steps necessary to ensure Employee is aware of and adheres to the restriction against initiating any media comment. Nothing herein will restrict Employee's Counsel from including publicly available information regarding this Settlement in future judicial submissions regarding Employee's Counsel's qualifications and experience. The Parties agree that the provisions in this Paragraph are material terms of this Settlement Agreement. The Parties further agree that this provision is subject to the exceptions identified in Paragraph III.15.

17. **Judgment:** As part of the Motion to approve the Settlement, Employee shall submit a proposed order and judgment which enters judgment in the PAGA Action in accordance with the terms of the Settlement and which retains jurisdiction of the Court over the PAGA Action for the purpose of enforcing the terms of the Settlement following approval of the Settlement. This Settlement is expressly conditioned upon the Court entering an order as set forth herein. The order will not release or bar any claims other than the PAGA Released Claims as to PAGA Employees or Employee Release, as set forth in Paragraphs 7 and 8-9, respectively. The Court's entry of judgment shall not be deemed a finding against or an admission by Employer of any liability. The Parties agree to reasonably cooperate in preparing any other filings required by the Court for approval of this Settlement.

IV. ADMINISTRATION OF SETTLEMENT

1. **Settlement Administrator:** The Parties agree to use Phoenix Settlement Administrators to administer the Settlement ("Settlement Administrator") and to Employee's Counsel seeking Court approval to pay up to Three Thousand Eight Hundred Fifty Dollars and Zero Cents ($3,850.00). from the Gross Settlement Amount for the Settlement Administrator's services.

2. **Qualified Settlement Fund:** The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

3. **Funding of Gross Settlement Amount:** Defendant shall fully fund the Gross Settlement Amount to the Settlement Administrator within ten court (10) days of the Effective Date. The payment of Individual Settlement Payments shall not obligate Employer to confer any additional benefits or make any additional payments to the PAGA Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

4. **Provision of Information for PAGA Employees and Payment:** Within ten (10) court days of the Court's approval of the Settlement, Employer will provide to the Settlement Administrator a list in Microsoft Excel format containing each PAGA Employee's: (i) full name, (ii) last known address, (iii) Social Security Number, (iv) dates of employment and (v) total pay periods worked by each PAGA Employee during the PAGA Period ("PAGA List"). The Settlement Administrator shall provide counsel for both Parties an anonymized spreadsheet containing the Individual Settlement Payments to each PAGA Employee and the data used to calculate said payments within five (5) business days of receiving the PAGA List. The Settlement Administrator shall obtain approval from all counsel for the Parties of the calculations before mailing Individual Settlement Payments.

5. **Explanatory Letter and Individual Settlement Payments:** Upon receipt of the PAGA List, the Settlement Administrator will perform a search on the National Change of Address database to update the PAGA Employees' addresses.

No later than ten (10) business days after receiving the PAGA List, the Settlement Administrator shall mail copies of the explanatory letter to PAGA Employees, which has been mutually approved by the Parties and is attached hereto as **Exhibit A**, in English and Spanish, along with the Individual Settlement Payments to all PAGA Employees via First-Class U.S. Mail. Each Individual Settlement Payment shall be deemed penalties and reported using IRS Form 1099.

Checks will remain negotiable for one hundred eighty (180) days from the date the Settlement Administrator mails them. The funds from any check that is not negotiated within one hundred eighty (180) days of mailing to an PAGA Employee shall be transferred to the Boys & Girls Club of Kern County as the designated *cy pres* recipient within two hundred and twenty (220) days of the date the Settlement Administrator mails the checks.

6. **Undeliverable Notices:** The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each PAGA Employee. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each PAGA Employee.

Any Checks returned as non-deliverable on or before the check cashing deadline will be sent promptly via First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a Skip-Trace or other search using the name, address or Social Security number of the PAGA Employee involved, and will perform a single re-mailing.

Employer fully discharges its obligations to those PAGA Employees to whom they will pay an Individual Settlement Payment through the Settlement Administrator's initial mailing of a check, regardless of whether such checks are actually received and/or negotiated by PAGA Employees.

7. **Payment of Remainder:** No later than twenty (20) court days after Court approval of the Settlement, the Settlement Administrator will distribute the following additional payments: (1) the 65% share of the Net Settlement Amount to the LWDA; (2) Court-approved attorneys' fees

and costs to Employee's Counsel; (3) Employee's Service Award; and (4) Settlement Administrator fees and expenses.

8. **Accounting:** Within ten (10) court days following the initial mailing of the Individual Settlement Payments, the Settlement Administrator will provide an accounting under oath to the Parties of the amounts paid from the Settlement. The Settlement Administrator shall provide an updated accounting under oath within fourteen (14) days following the disbursement of any funds to the designated *cy pres*.

9. **Tax Consequences:** Individual Settlement Payments made under this Settlement will be attributed 100% as penalties and interest and paid via IRS Form 1099 issued to each PAGA Employee. Neither Employee nor Employer, nor counsel for either of the Parties, makes any representations or warranties with respect to tax consequences of any payment under this Settlement.

V. MISCELLANEOUS PROVISIONS

1. **Successors:** This Settlement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators and successors.

2. **Costs and Fees:** The Parties shall bear their own costs, attorneys' fees and other fees incurred in connection with this Settlement, the PAGA Action and Employee's claims, except as otherwise set forth specifically herein.

3. **No Tax Advice:** Neither Employee, Employee's Counsel, Employer nor Employer's Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

4. **Governing Law:** This Settlement shall be construed under and governed by the laws of the State of California. Any questions of validity, interpretation or performance of any of its terms or of any rights or obligations of the Parties to this Settlement shall be governed by California law. If any legal or equitable action is necessary to enforce the terms of this Settlement, it shall be brought in the State of California, County of Kern.

5. **Amendment or Modification:** This Settlement may be amended or modified only by written instrument, signed by the Parties or their successors-in-interest or counsel for the Parties.

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

7. **Execution and Counterparts:** The Settlement may be executed in one or more counterparts. All executed counterparts, and each of them, including facsimile and scanned copies of the signature page, will be deemed to be one and the same instrument.

8. **Acknowledgement that the Settlement is Fair and Reasonable:** The Parties believe this settlement is a fair, adequate and reasonable settlement of the PAGA Action, and have arrived at this Settlement after arm's-length negotiations by experienced counsel. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.

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

10. **Enforcement of PAGA Action:** The Parties agree that the Kern County Superior Court shall have jurisdiction to enforce this Settlement pursuant to California Code of Civil Procedure Section 664.6. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

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

12. **Representation by Counsel:** The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement, and this Settlement has been executed with the consent and advice of counsel and reviewed in full.

13. **Cooperation and Execution of Necessary Documents:** The Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement. The Parties agree to work cooperatively, diligently and in good faith to ensure that all documents necessary to seek the Court's approval of this Agreement are timely filed.

14. **Calendar Days:** Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

15. **Binding Agreement:** The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Settlement will be fully enforceable and binding on all Parties and agree that it will be admissible and subject to disclosure

in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that might apply under federal or state law.

IN WITNESS THEREOF, the Parties to this Settlement each acknowledge that they have read the foregoing Settlement, accept and agree to the provisions contained in this Settlement and hereby execute it voluntarily and will full understanding of its consequences.

Dated: August____, 2025

David Contreras

____

David Contreras, Employee

Dated: August 25, 2025

AAA Quality Services, Inc.

____

By: James D. Theis

Its: General Manager

APPROVED AS TO FORM:

Dated: August____, 2025

Stansbury Brown Law, PC

____

Daniel. J Brown, Esq.
Attorney for Employee

Dated: August 25, 2025

Jackson Lewis P.C.

Andrea F. Oxman

Andrea F. Oxman
Attorneys for Employer

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in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that might apply under federal or state law.

IN WITNESS THEREOF, the Parties to this Settlement each acknowledge that they have read the foregoing Settlement, accept and agree to the provisions contained in this Settlement and hereby execute it voluntarily and will full understanding of its consequences.

Dated: August 25, 2025

David Contreras

DocuSigned by:

D4602E356A3B469...

David Contreras, Employee

Dated: August____, 2025

AAA Quality Services, Inc.

By:
Its:

APPROVED AS TO FORM:

Dated: August 25, 2025

Stansbury Brown Law, PC

Daniel. J Brown, Esq.
Attorney for Employee

Dated: August____, 2025

Jackson Lewis P.C.

Andrea F. Oxman
Attorneys for Employer

4922-5422-1407, v. 1

EXHIBIT A

<<FIRST NAME>> <<LAST NAME>>
<<ADDRESS>>

Re: Payment From *David Contreras v. AAA Quality Services, Inc.*

Dear <<FIRST NAME>> <<LAST NAME>>:

Enclosed you will find a check made payable to you. This is your payment from the settlement of a lawsuit entitled *David Contreras v. AAA Quality Services, Inc.*, Superior Court of California, County of Kern, Case No. BCV-24-102154*,* initiated on June 27, 2024, (the "Action"). You have been identified as a current or former non-exempt employee of AAA Quality Services, Inc. ("Employer" or "Defendant") employed at any time between July 2, 2023 <<<DATE OF PAGA APPROVAL>>> ("PAGA Period") ("PAGA Employee").

On June 26, 2024, Plaintiff David Contreras ("Employee" or "Plaintiff") filed a lawsuit against Defendant AAA Quality Services, Inc. As amended, Plaintiff's lawsuit seeks to recover civil penalties for Defendant's alleged failure to pay minimum wages, failure to pay overtime wages, failure to provide compliant meal periods, failure to provide compliant rest periods, failure to timely pay wages including upon termination, failure to issue compliant wage statements, failure to reimburse for necessary business expenses, failure to maintain accurate records including written commission agreements, failure to maintain accurate records, failure to provide paid sick leave, failure to pay all agreed-upon wages including bonus wages accrued, and failure to provide legally mandated disclosures and/or written notices regarding the terms of employment under Labor Code § 2810.5 to Aggrieved Employees (the "Action").

Employer denies Plaintiff's allegations in the Action and disputes all of Plaintiff's claims. Employer asserts that the individuals on whose behalf the Action was brought were provided all wages and compensation to which they were entitled under the law and deny that they owe any unpaid wages or penalties.

Plaintiff and Employer reached a settlement of the claims for PAGA civil penalties alleged in the Action. The Court has not ruled on the merits of the lawsuit, but it has approved the $100,000 gross settlement amount to which the parties have agreed ("Gross Settlement Amount"). You are not a party to this lawsuit, but you and the government will be bound by the order in this matter approving the settlement and dismissing the Action as to PAGA civil penalties. The Court approved the settlement on <<<DATE OF PAGA APPROVAL>>>. The payment which accompanies this notice is made to you pursuant to the terms of the Settlement. You may contact the <<SETTLEMENT ADMINISTRATOR>> if you have any questions about this payment.

The Court-approved settlement contains the following release of claims, to which you are bound:

> Employee, the LWDA, and PAGA Employees will fully and finally release and discharge Released Parties from any and all claims under PAGA for the recovery of civil penalties, attorneys' fees, and costs which Plaintiff, the LWDA, or the PAGA Employees had, or may claim to have, against Released Parties based on the allegations and claims that have been stated or pled in Plaintiff's LWDA Notice or

Plaintiff's Second Amended Complaint, including without limitation, alleged violations of California Labor Code sections 201-203, 204, 210, 221-223, 226, 226.3, 226.7, 245.5, 246, 248.2, 248.5, 510, 512, 516, 551-552, 558, 1174, 1182.12, 1194, 1194.2, 1197, 1198, 2751, 2800, 2802, 2804, 2810.5, California Industrial Commission Wage Orders, and including any claims for or related to claims for civil penalties for failure to pay minimum wages, failure to pay overtime wages, failure to provide compliant meal periods, failure to provide compliant rest periods, failure to timely pay wages including upon termination, failure to issue compliant wage statements, failure to reimburse for necessary business expenses, failure to maintain accurate records including written commission agreements, failure to maintain accurate records, failure to provide paid sick leave, failure to pay all agreed-upon wages including bonus wages accrued, and failure to provide legally mandated disclosures and/or written notices regarding the terms of employment under Labor Code § 2810.5. The release extends through the PAGA Period. The PAGA Released Claims do not include the individual claims of the PAGA Employees. The Parties agree the PAGA Employees are not releasing any claims against AAA Security, Inc. and Knight Guard Security, Inc in connection with the PAGA Released Claims.

If you have any questions regarding the Settlement, you may contact <<SETTLEMENT ADMINISTRATOR>>. You may also contact either Plaintiff's Counsel, or Defendant's Counsel.

<<SETTLEMENT ADMINISTRATOR NAME, CONTACT INFO, ADDRESS>>

Plaintiff's Counsel's contact information: Daniel J. Brown, Esq. of Stansbury Brown Law, PC, 2610 ½ Abbot Kinney Blvd., Venice, CA 90291, (323) 204-3124

Defendant's Counsel's contact information: Andrea F. Oxman Esq. of Jackson Lewis, P.C., 725 South Figueroa Street, Suite 2800, CA 90017 (213) 689-0404

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EXHIBIT B

STANSBURY BROWN LAW, PC
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dbrown@stansburybrownlaw.com
KATHLEEN BECKET (SBN 334091)
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2610 ½ Abbot Kinney Blvd.
Venice, California 90291
Tel: (323) 204-3124

Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF KERN

DAVID CONTRERAS, as an individual, and on behalf of all others similarly situated,

Plaintiff,

v.

AAA QUALITY SERVICES, INC., a California corporation; and DOES 1 through 100, inclusive,

Defendants.

Case No. BCV-24-102154

Amended as a Matter of Right Pursuant to Labor Code Section 2699.3(a)(2)(C)

SECOND AMENDED REPRESENTATIVE ACTION COMPLAINT:

(1) CIVIL PENALTIES UNDER THE PRIVATE ATTORNEYS GENERAL ACT (LABOR CODE § 2698 *et seq.*).

UNLIMITED CIVIL CASE

Plaintiff David Contreras (hereinafter "Plaintiff"), as an individual, and on behalf of all others similarly situated, hereby brings this Second Amended Representative Action Complaint against AAA Quality Services, Inc.; and DOES 1 to 100, inclusive (collectively "Defendants"), and on information and belief alleges as follows:

JURISDICTION

1. Plaintiff hereby brings this Second Amended Representative Action Complaint for recovery of penalties under Labor Code § 2698 *et seq*. This Court has jurisdiction over Defendants' violations of the California Labor Code because the amount in controversy exceeds this Court's jurisdictional minimum.

VENUE

2. Venue is proper in this judicial district pursuant to California Code of Civil Procedure §§ 395(a) and 395.5, as at least some of the acts and omissions complained of herein occurred in the County of Kern. Defendants own, maintain offices, transact business, have an agent or agents within the County of Kern, and/or otherwise are found within the County of Kern, and Defendants are within the jurisdiction of this Court for purposes of service of process.

PARTIES

3. Plaintiff is an individual over the age of eighteen (18). At all relevant times herein, Plaintiff was and currently is a California resident. During the one year immediately preceding this action and within the statute of limitations periods applicable to each cause of action pled herein, Plaintiff was employed by Defendants as a non-exempt employee. Plaintiff was and is a victim of Defendants' policies and/or practices complained of herein, lost money and/or property, and has been deprived of the rights guaranteed by under California Law.

4. Plaintiff is informed and believes, and based thereon alleges, that during the one year preceding the filing of this action and continuing to the present, Defendants did (and continue to do) business in the dairy industry, employed Plaintiff within Kern County and the state of California and, therefore, were (and are) doing business in Kern County and the State of California.

5. Plaintiff does not know the true names or capacities, whether individual, partner,

or corporate, of the defendants sued herein as DOES 1 to 100, inclusive, and for that reason, said defendants are sued under such fictitious names, and Plaintiff will seek leave from this Court to amend this Complaint when such true names and capacities are discovered. Plaintiff is informed, and believes, and based thereon alleges, that each of said fictitious defendants, whether individual, partners, or corporate, were responsible in some manner for the acts and omissions alleged herein, and proximately caused Plaintiff and aggrieved employees to be subjected to the unlawful employment practices, wrongs, injuries and damages complained of herein.

6. Plaintiff is informed, and believes, and thereon alleges, that at all times mentioned herein, Defendants were and are the employers of Plaintiff and all aggrieved Employees.

7. At all times herein mentioned, each of said Defendants participated in the doing of the acts hereinafter alleged to have been done by the named Defendants; and furthermore, the Defendants, and each of them, were the agents, servants, and employees of each and every one of the other Defendants, as well as the agents of all Defendants, and at all times herein mentioned were acting within the course and scope of said agency and employment. Defendants, and each of them, approved of, condoned, and/or otherwise ratified each and every one of the acts or omissions complained of herein.

8. At all times mentioned herein, Defendants, and each of them, were members of and engaged in a joint venture, partnership, and common enterprise, and acting within the course and scope of, and in pursuance of said joint venture, partnership, and common enterprise. Further, Plaintiff alleges that all Defendants were joint employers for all purposes towards Plaintiff and aggrieved Employees.

GENERAL FACTUAL ALLEGATIONS

9. Plaintiff worked for Defendants from approximately February 2001 to approximately April 1, 2024. For most of his career with Defendants, Plaintiff was a maintenance mechanic performing duties such as engaging in the repair/maintenance of company trucks from different departments within the company such as electrical, security guard, fire division and potter division trucks. In the last few months of his employment, Plaintiff worked in the porter department transporting, cleaning and maintaining porta-potties. Plaintiff’s regularly scheduled

hours were Monday through Friday between 6:00 a.m. and 3:00 p.m. with a 1-hour meal period. After Defendants transferred Plaintiff to the porter department, they reduced his daily work hours to 7:00 a.m. to 3:00 p.m. with a 30-minute meal period. Defendants changed Plaintiff's schedule again to 6:15 a.m. to 2:45 p.m. with a 30-minute meal period.

10. Throughout the duration of Plaintiff's employment with Defendants, Plaintiff and other non-exempt employees were not paid for all hours worked as Defendants would not accurately keep track of their actual hours worked. Upon information and belief, the time records maintained by Defendants were not reflective of the actual number of hours that Plaintiff and other non-exempt employees actually worked. Plaintiff and other non-exempt employees clocked in to work on a machine located at Defendants' premises. Defendants instructed Plaintiff and other non-exempt employees that they could not clock in before their scheduled start time. Plaintiff and other non-exempt employees had to arrive early to work in order to clock in at the scheduled start time. Plaintiff usually arrived at least 3 or 4 minutes before his scheduled start time and was therefore subject to the control of his employer, but he was not compensated for this time. Overall, Plaintiff and other non-exempt employees spent at least approximately 20 minutes each week working off the clock waiting to clock in until their scheduled start times. Moreover, Plaintiff alleges on information and believe that Defendants utilized an unlawful one-way rounding policy, which rounded employee time punches to the quarter-hour, which systemically caused employees to be paid for less time than they actually worked.

11. Furthermore, Plaintiff and other non-exempt employees worked overtime hours, but did not receive overtime compensation equal to one and one-half times their regular rates of pay for all overtime hours worked. Upon information and belief, Defendants systematically failed to pay overtime compensation due to Plaintiff and other non-exempt employees when they worked off the clock. Further, when Plaintiff and other non-exempt employees worked overtime, they were not always compensated at the correct regular rate. For example, check number 102140 to Plaintiff dated August 20, 2022 shows that Plaintiff was paid overtime at 1.5 times his base hourly rate and double overtime at twice his base rate without including the allegedly non-discretionary $100 commission that he received that pay period as part of his regular rate. As a

result, Defendants failed to ensure that Plaintiff and other non-exempt employees received proper overtime wages for all overtime hours worked.

12. Defendants also did not provide Plaintiffs and other non-exempt employees with a legally compliant first meal period when they worked shifts in excess of 5.0 hours or a legally compliant second meal period when they worked shifts longer than 10 hours. In addition to time punch records, Defendants created handwritten records of the meal periods taken by Plaintiff and other non-exempt employees and required Plaintiff and other non-exempt employees to sign. However, Defendants also had a policy of limiting overtime hours reflected on paystubs, especially on days when Plaintiff and other non-exempt employees had to move between different cities in one work day. At least once or twice per week, Defendants required Plaintiff and other non-exempt employees to clock out for their meal periods and continue working without time for a meal period in order to avoid reflection in time records that Plaintiff and other non-exempt employees worked overtime and to avoid Plaintiff and other non-exempt employees from working beyond their scheduled end times. When Plaintiff worked in the porter department, Plaintiff and other non-exempt employees did not begin their meal periods until after the fifth hour of work at least twice per week as Plaintiff and other non-exempt employees were required to finish a specific assignment, even if it meant delaying the meal period start time. Even though Plaintiff occasionally worked more than 10 hours in a work day, he does not recall receiving a second meal period. Despite Defendants' failure to provide Plaintiff and other non-exempt employees with all lawful meal periods due to their uniform and unlawful practices, Defendants did not provide Plaintiff and other non-exempt employees with an hour of pay at their regular rate for each meal period violation as required by Labor Code § 226.7. Upon information and belief, during at least a portion of the PAGA period, Defendants maintained no payroll code or another mechanism for the payment of meal period premiums in the event Plaintiff and other non-exempt employees were not authorized to take lawful meal periods.

13. Plaintiff and other non-exempt employees were not authorized to take all legally required rest periods. Generally, on the same dates that Plaintiff and other non-exempt employees

were required to work through their meal periods, they also did not receive their rest periods. Therefore, Plaintiff estimates that at least once or twice per week, he and other non-exempt employees missed their rest periods. Despite Defendants' failure to authorize and permit Plaintiff and other non-exempt employees to take all lawful paid rest periods, due to their uniform and unlawful practices, Defendants never provided Plaintiff and other non-exempt employees with an hour of pay at their regular rate for each rest period violation as required by Labor Code § 226.7. Upon information and belief, during at least a portion of the PAGA period, Defendants maintained no payroll code or another mechanism for the payment of rest period premiums in the event Plaintiff and other non-exempt employees were not authorized to take lawful rest periods.

14. Furthermore, Defendants failed to adequately reimburse Plaintiff and other non-exempt employees for all reasonable and necessary work expenditures, including but not limited to, requiring Plaintiff and other non-exempt employees to utilize their personal cell phones, and to purchase and maintain tools and other equipment for work purposes. Plaintiff was never provided any reimbursement for these necessary uses.

15. Additionally, Defendants forced Plaintiff and other non-exempt employees to wait until the next regular scheduled pay day to receive their final paychecks, in violation of Labor Code § 201.

16. Defendants have maintained inaccurate payroll records, failed to timely pay all wages owed to employees, and failed to timely pay separating employees at the time of their separation, and issued inaccurate wage statements. This is in part a result of Defendants' failure to accurately compensate Plaintiff and other non-exempt employees for all minimum and overtime wages, and failure to pay premium pay for failing to provide all required meal periods and authorize all rest periods.

17. Defendants failed to issue to Plaintiff and other non-exempt employees accurate itemized statements in writing showing (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written

orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.

18. Finally, Defendants failed to conform to the requirements of Labor Code § 2810.5 by failing to provide Plaintiff and other aggrieved employees written notices, in the language normally used to communicate employment related information to the employees, containing information regarding their: i) rate(s) of pay and the basis thereof; ii) allowances claimed as part of the minimum wage; iii) regular payday designated by the employer; iv) the legal name of the employer; v) the address of the legal entity that is the employer; vi) the telephone number of the employer; vii) identifying information for the employer's workers' compensation insurance carrier; and viii) information informing the employee of their right to accrue and use paid sick leave. Despite maintaining an obligation to provide these disclosures to Plaintiff and other aggrieved employees, Defendants failed to do so, in violation of Labor Code § 2810.5. Defendants' failure to maintain accurate records and make necessary written disclosures, includes a failure to maintain signed written commission agreements pursuant to Labor Code § 2751.

FIRST CAUSE OF ACTION

PRIVATE ATTORNEYS GENERAL ACT

(AGAINST ALL DEFENDANTS)

19. Plaintiff re-alleges and incorporates by reference all prior paragraphs as though fully set forth herein.

20. Defendants have committed several Labor Code violations against Plaintiff, and other aggrieved employees. Plaintiff, an "aggrieved employee" within the meaning of Labor Code § 2698 *et seq.,* acting on behalf of himself and other aggrieved employees, brings this representative action against Defendants to recover the civil penalties due to Plaintiff, other

aggrieved employees, and the State of California according to proof pursuant to Labor Code § 558 and § 2699 (a) and (f) including, but not limited to: (1) $100.00 for each initial violation for each failure to pay each employee and $200 for each subsequent violation or willful or intentional violation pursuant to Labor Code § 210 for each failure to pay each employee, plus 25% of the amount unlawfully withheld; (2) $50.00 for each initial violation and $100 for each subsequent violation pursuant to Labor Code § 558 per employee per pay period; (3) $100.00 for each initial violation and $250.00 for each subsequent violation pursuant to Labor Code § 1197.1 per employee per pay period; (4) $250.00 for each initial violation and $1,000.00 for each subsequent violation pursuant to Labor Code § 226.3 per employee per pay period; and/or (5) $100.00 for each initial violation and $200 for each subsequent violation per employee per pay period for those violations of the Labor Code for which no civil penalty is specifically provided, based on the following Labor Code violations:

a. Failing to pay minimum wages for all hours worked to Plaintiff and other aggrieved employees in violation of Labor Code §§ 551-552, 558, 1182.12, 1194, 1194.2, 1197, and 1198;

b. Failing to pay Plaintiff and other aggrieved employees all earned overtime compensation in violation of Labor Code §§ 204, 510, 558, 1194, and 1198;

c. Failing to authorize and permit all legally required rest periods, and failure to pay rest period premium wages, to Plaintiff and other aggrieved employees at the regular rate of compensation in violation of Labor Code §§ 226.7, 516, and 558;

d. Failing to provide all legally required meal periods, and failure to pay meal period premium wages, to Plaintiff and other aggrieved employees at the regular rate of compensation in violation of Labor Code §§ 226.7, 512, and 1198;

e. Failing to reimburse Plaintiff and other aggrieved employees for necessary business expenditures incurred by Plaintiff and other aggrieved employees in violation of Labor Code §§ 2800, 2802 and 2804;

f. Failing to furnish Plaintiff and other aggrieved employees with complete, accurate, itemized wage statements in violation of Labor Code § 226;

g. Failing to timely pay all final wages and compensation earned by Plaintiff and other aggrieved employees at the time of separation in violation of Labor Code §§ 201, 202, and 203;

h. Failing to pay Plaintiff and other aggrieved employees all earned wages at least twice during each calendar month in violation of Labor Code § 204;

i. Failing to permit and authorize Plaintiff and other aggrieved employees to exercise the use of their accrued paid sick leave days in violation of Labor Code § 245.5, 246, and 248.5;

j. Failing to provide legally mandated disclosures and/or written notices regarding the terms of employment of Plaintiff and other aggrieved employees in violation of Labor Code § 2810.5;

k. Failing to maintain executed written commission agreements with Plaintiff and other aggrieved employees;

l. Failing to pay all agreed-upon wages, including bonus wages accrued, to Plaintiff and other aggrieved employees, in violation of Labor Code §§ 204 and 221-223; and

m. Failing to maintain accurate records on behalf of Plaintiff and other aggrieved employees in violation of Labor Code §§ 1174 and 1198.

21. On June 27, 2024, Plaintiff notified Defendants via certified mail, and notified the California Labor and Workforce Development Agency ("LWDA") via its website, of Defendants' violations of the California Labor Code and Plaintiff's intent to bring a claim for civil penalties under California Labor Code § 2698 et seq. with respect to violations of the California Labor Code identified in Paragraph 20 (a)-(l). Now that sixty-five days have passed from Plaintiff's notifying Defendants and the LWDA of these violations, and the LWDA has not provided notice that it intends to investigate the violations, Plaintiff has exhausted his administrative requirements

for bringing a claim under the Private Attorneys General Act with respect to these violations.

22. Plaintiff was compelled to retain the services of counsel to file this court action to protect his interests and the interests of other similarly aggrieved employees, and to assess and collect the civil penalties owed by Defendants. Plaintiff has thereby incurred attorneys' fees and costs, which he is entitled to receive under California Labor Code § 2699(g).

PRAYER

WHEREFORE, Plaintiff prays for judgment for himself and for all others on whose behalf this suit brought against Defendants, as follows:

1. Upon the First Cause of Action, for (1) $100.00 for each initial violation for each failure to pay each employee and $200 for each subsequent violation or willful or intentional violation pursuant to Labor Code § 210 for each failure to pay each employee, plus 25% of the amount unlawfully withheld; (2) $50.00 for each initial violation and $100 for each subsequent violation pursuant to Labor Code § 558 per employee per pay period; (3) $100.00 for each initial violation and $250.00 for each subsequent violation pursuant to Labor Code § 1197.1 per employee per pay period; (4) $250.00 for each initial violation and $1,000.00 for each subsequent violation pursuant to Labor Code § 226.3 per employee per pay period; and/or (5) $100.00 for each initial violation and $200 for each subsequent violation per employee per pay period for the violations of the Labor Code Sections cited in Labor Code § 2699.5;

2. Prejudgment interest on all due and unpaid wages pursuant to California Labor Code § 218.6 and Civil Code §§ 3287 and 3289;

3. On all causes of action, for attorneys' fees and costs, including as provided Labor Code §226, and Code of Civil Procedure § 1021.5; and

4. For such other and further relief the Court may deem just and proper.

Dated: August 21, 2025

Respectfully submitted,
STANSBURY BROWN LAW, PC

By: ______________________

Daniel J. Brown
Kathleen Beckett
Attorneys for Plaintiff