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HealthRight 360 Foundation

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN FRANCISCO

JAMAAL RAMIREZ, an individual, on behalf
of himself, and on behalf of all persons similarly
situated,

Plaintiffs,

v.

HEALTHRIGHT 360, a California Corporation;
HEALTHRIGHT 360 FOUNDATION, a
California Corporation; and DOES 1-50,
Inclusive,

Defendants.

Case No. CGC-23-607274

**JOINT STIPULATION AND
SETTLEMENT AGREEMENT OF
CLASS AND PAGA ACTION CLAIMS**

Trial Date: N/A
Complaint Filed: June 26, 2023

1 This Joint Stipulation of Class and PAGA Representative Action Settlement and Release
2 (“Settlement” or “Settlement Agreement”) is made and entered into by and between Plaintiffs
3 Alfonso Jamaal Ramirez, Sharon Fennix, and Terri Devereaux (collectively, “Plaintiffs” or “Class
4 Representatives”), as individuals and on behalf of all others similarly situated and allegedly
5 aggrieved, and Defendants HealthRight 360 and HealthRight 360 Foundation (collectively,
6 “Defendants”).

7 **DEFINITIONS**

8 The following definitions are applicable to this Settlement Agreement. Definitions
9 contained elsewhere in this Settlement Agreement will also be effective:

10 1. “Actions” mean the *Ramirez, et al. v. HealthRight 360, et al.*, San Francisco County
11 Superior Court of California, Case No. CGC-23-607274 and *Ramirez v. HealthRight 360, et al.*
12 United States District Court, Northern District of California, Case No. 3:23-cv-02601-JSC to be
13 amended as set forth in Paragraph 38.

14 2. “Attorneys’ Fees and Costs” means attorneys’ fees approved by the Court for Class
15 Counsel’s litigation and resolution of the Actions, and all Court approved costs incurred and to be
16 incurred by Class Counsel in the Actions, including but not limited to, costs associated with
17 documenting the Settlement, providing any notices to governmental agencies required as part of
18 the Settlement or Court Order, securing the Court’s approval of the Settlement, administering the
19 Settlement, obtaining entry of a Judgment terminating the Actions, and expenses for any experts.
20 Class Counsel will request attorneys’ fees not in excess of one third of the Gross Settlement
21 Amount, or \$150,000. Class Counsel will request costs not in excess of \$32,500, subject to proof.
22 Attorneys’ Fees and Costs shall be paid from the Gross Settlement Amount.

23 3. “Claims Administration Expenses” means the costs payable from the Gross
24 Settlement Amount to the Settlement Administrator for administering the Settlement, including,
25 but not limited to, printing, distributing, and tracking documents for the Settlement, tax reporting,
26 distributing the Gross Settlement Amount, and providing necessary reports and declarations, as
27 requested by the Parties.

1 4. “Class” or “Class Member(s)” means all persons who are or previously were
2 employed by Defendants in California and classified as non-exempt employees at any time from
3 July 14, 2020, through the date of Preliminary Approval.

4 5. “Class Counsel” means Matthew Haulk and Jose Herrera of Haulk & Herrera LLP.

5 6. “Class List” means a complete list of all Class Members that Defendants will
6 diligently and in good faith compile from Defendants’ records and provide to the Settlement
7 Administrator within twenty (20) business days after Preliminary Approval of this Settlement. The
8 Class List will be formatted in Microsoft Excel and will include each Class Member’s full name,
9 last known mailing address, last known email address (if applicable), social security number,
10 number of workweeks that each Class Member worked during the Class Period and the PAGA
11 Period, and any other relevant information needed to calculate settlement payments.

12 7. “Class Notice” means the Notice of Class Action Settlement, substantially in the
13 format attached as **Exhibit A**.

14 8. “Class Period” means the time period from July 14, 2020, through the date of
15 Preliminary Approval.

16 9. “Court” means the California Superior Court for the County of San Francisco.

17 10. “Defendants” mean HealthRight 360 and HealthRight 360 Foundation.

18 11. “Effective Date” means the latter of (5) five calendar days after the final judgment
19 by which a notice of appeal of the order granting final approval or the final judgment may be timely
20 filed, and none is filed (i.e., 65 days after the date of entry of the order granting final approval); or
21 (2) if a notice of appeal from the order granting final approval or the final judgment is filed, five
22 (5) business days after the date on which the Superior Court’s order granting final approval or final
23 judgment is finally affirmed or upheld without any further right of appeal by any party or third
24 party and following the expiration of any such period for such further appeal that may be available.
25 The Effective Date is a condition of performance of the obligations under this Settlement.

26 12. “Gross Settlement Amount” means the agreed amount of Four Hundred Fifty
27 Thousand Dollars and Zero Cents (\$450,000), to be paid by Defendants in full satisfaction of all
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1 Released Claims by the Qualified Class Members and PAGA Settlement Group arising from the
2 Actions, which includes all Individual Settlement Payments to Class Members, Attorneys' Fees
3 and Costs to Class Counsel, Service Award to Plaintiffs, the Labor and Workforce Development
4 Agency ("LWDA") Payment, and Claims Administration Expenses to the Settlement
5 Administrator. This Gross Settlement Amount has been agreed to by Plaintiffs and Defendants
6 based on the aggregation of the agreed-upon settlement value of individual claims in the Actions.
7 In no event will Defendants be liable for more than the Gross Settlement Amount. The Gross
8 Settlement Amount includes employee payroll taxes. However, Defendants shall pay the
9 employer's portion of payroll taxes on all wage allocation in addition to the Gross Settlement
10 Amount. There will be no reversion of the Gross Settlement Amount to Defendants.

11 13. "Individual Settlement Payment(s)" means each Class Members' share of the Net
12 Settlement Amount and Net PAGA Settlement Amount.

13 14. "LWDA Payment" means the amount that the Parties have agreed to pay to the
14 LWDA in connection with the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code
15 § 2698 *et seq.*) ("PAGA") out of the PAGA Settlement Amount. The Parties have agreed that
16 Thirty Thousand Dollars and Zero Cents (\$30,000.00) of the Gross Settlement Amount will
17 constitute the PAGA Settlement Amount and be remitted in consideration for the resolution of
18 PAGA Settlement Groups' claims arising under PAGA during the PAGA Period. Per PAGA, 75%
19 (\$22,500.00) of the PAGA Settlement Amount will be distributed to the LWDA as a PAGA
20 payment.

21 15. "Net PAGA Settlement Amount" refers to the 25% portion of the PAGA Settlement
22 Amount available for distribution to the PAGA Settlement Group. The Net PAGA Settlement
23 Amount will be automatically distributed to the PAGA Settlement Group per the methodologies in
24 this Settlement, even if they opt-out of the class portion of the Settlement.

25 16. "Net Settlement Amount" means the portion of the Gross Settlement Amount
26 remaining after deducting the Attorneys' Fees and Costs, the Service Award, the LWDA Payment,
27 and Claims Administration Expenses that will be automatically distributed to Qualified Class
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Members.

17. “Notice of Objection” means a Class Member’s valid and timely written objection to the Settlement Agreement. For the Notice of Objection to be valid, it must include: (i) the objector’s full name, signature, address, and telephone number, (ii) a written statement of all grounds for the objection accompanied by any legal support for such objection, and (iii) copies of any papers, briefs, or other documents upon which the objection is based, if any documents are a basis of the objection.

18. “PAGA Claims” means the claims for the imposition of civil penalties pursuant to the PAGA arising out of alleged violations of the California Labor Code and/or wage orders as outlined in the Released Claims by the PAGA Settlement Group.

19. “PAGA Settlement Amount” means the amount the Parties have agreed to allocate to the resolution of PAGA Claims during the PAGA Period. The Parties have agreed that Thirty Thousand Dollars and Zero Cents (\$30,000.00) of the Gross Settlement Amount will constitute the PAGA Settlement Amount and be remitted in consideration for the resolution of the aggrieved employees’ claims arising under PAGA during the PAGA Period. Of the PAGA Settlement Amount, 75% (\$22,500) will be distributed to the LWDA as a PAGA payment with the remaining 25% (\$7,500) distributed to PAGA Settlement Group per PAGA.

20. “PAGA Period” means the time period from April 19, 2022, through the date of Preliminary Approval.

21. “PAGA Settlement Group” means all persons who are or previously were employed by Defendants in California and classified as non-exempt employees at any time from April 19, 2022, through the date of Preliminary Approval.

22. “Parties” means Plaintiffs and Defendants, collectively.

23. “Plaintiffs” or “Class Representatives” mean Alfonso Jamaal Ramirez, Sharon Fennix, and Terri Devereaux.

24. “Preliminary Approval” means the Court order granting preliminary approval of the Settlement Agreement.

1 25. “Qualified Class Member(s)” means any Class Member who does not timely opt-
2 out of the Class settlement pursuant to procedures outlined in this Settlement.

3 26. “Released Class Claims by Qualified Class Members” means the Class claims that
4 occurred during the Class Period set forth in the complaints filed in the Actions, including all
5 claims, rights, demands, liabilities, and causes of action, arising from or related to any claims for
6 unpaid wages including minimum, regular, or overtime wages (Cal. Lab. Code §§ 204, 210, 510,
7 515, 551, 552, 558, 558.1, 1182.12, 1194, 1197, 1197.1, 1198, tit. 8 CCR § 11040(5)(A)-(B); and
8 the applicable Wage Order); non-compliant meal periods and any unpaid meal premiums (Lab.
9 Code §§ 210, 512, 226.7, and applicable Wage Order); non-compliant rest breaks and any unpaid
10 rest break premiums (Lab. Code §§ 210, 512, 226.7, and applicable Wage Order); improper
11 deductions (Lab. Code § 221); failing to timely pay wages, vacation pay, or sick pay (Lab. Code
12 §§ 201-204, 227.3, 245-249); non-compliant wage statements (Lab. Code § 226); failure to
13 reimburse business expenses (Lab. Code §§ 2800 and 2802); unfair competition or unlawful
14 business practices (Bus. & Prof. Code § 17200 et seq.); failure to maintain accurate records (Lab.
15 Code § 1174, 1174.5, and applicable Wage Order); claims for statutory penalties based on the same
16 or similar facts alleged in the putative class action complaints filed in the Actions; claims for
17 interest, penalties (including but not limited to waiting time penalties at Lab. Code §§ 201-204), or
18 premiums in connection with any of the preceding claims; as well as any claims under the California
19 Labor Code, California Industrial Welfare Commission’s Wage Orders, or the California Code of
20 Regulations, that were alleged or which could have been alleged under the same or similar facts of
21 complaints filed in the Actions. The Released Class Claims by Qualified Class Members includes
22 any claims occurring during the Class Period for injunctive relief, declaratory relief, restitution,
23 fraudulent business practices or punitive damages alleged or which could have been alleged under
24 the facts, allegations and/or claims pleaded in the complaints filed as part of the Actions. The
25 Released Class Claims by Qualified Class Members includes any and all other claims that occurred
26 during the Class Period under California common law, the California Labor Code including the
27 Fair Labor Standards Act (“FLSA”), California Industrial Welfare Commission Wage Orders,
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1 California Code of Regulations, and the California Business and Professions Code alleged in or
2 that could have been alleged under the same or similar facts, allegations and/or claims pleaded in
3 the Actions. In addition, to the extent required by law, the cashing of the settlement check by a
4 Class Member shall be deemed to be an opt-in for purposes of releasing the Released Parties from
5 any claims predicated under the FLSA that could have been alleged under the same or similar facts,
6 allegations and/or claims pleaded in the Class Lawsuit. The Settlement Administrator shall include
7 a legend on the settlement check stating: “By cashing this check, I am opting into the settlement in
8 *Ramirez v. HealthRight 360; HealthRight 360 Foundation*, San Francisco County Superior Court,
9 Case No. CGC-23-607274 under the Fair Labor Standards Act, 29 U.S.C. § 216(b), and releasing
10 the Released Claims described in the Class and PAGA Settlement Agreement.

11 27. “Released PAGA Claims by PAGA Settlement Group” means any claims that
12 occurred during the PAGA Period for unpaid wages including unpaid minimum, regular, overtime,
13 regular rate (Cal. Lab. Code §§ 204, 210, 510, 551, 552, 558, 558.1, 1182.12, 1194, 1197, 1197.1,
14 1198, tit. 8 CCR § 11040(5)(A)-(B), and applicable Wage Order); non-compliant meal periods and
15 any unpaid meal premiums (Lab. Code §§ 210, 512, 226.7, and applicable Wage Order); non-
16 compliant rest breaks and any unpaid rest break premiums (Lab. Code §§ 210, 512, 226.7, and
17 applicable Wage Order); failing to timely pay wages, vacation pay, or sick pay; (Lab. Code §§ 201-
18 204, 227.3, 245-249); non-compliant wage statements (Lab. Code § 226); failure to reimburse
19 business expenses (Lab. Code §§ 2800, 2802); improper deductions (Lab. Code § 221); failure to
20 maintain accurate records (Lab. Code § 1174, 1174.5, and applicable Wage Order); claims for
21 statutory penalties based on the same or similar facts alleged in the complaints on file in the Actions
22 or any PAGA Notice letter set to the LWDA by any Plaintiff in or prior to the Actions; claims for
23 interest, penalties (including waiting time penalties at Lab. Code §§ 201-204), or premiums in
24 connection with any of the preceding claims; as well as any claims under the California Labor
25 Code, California Industrial Welfare Commission’s Wage Orders, or the California Code of
26 Regulations, that were alleged or which could have been alleged under the same or similar facts of
27 the PAGA complaints filed in the Actions. The Released PAGA Claims by PAGA Settlement
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1 Group apply to PAGA Settlement Group members who are deemed to release, on behalf of
2 themselves and their respective former and present representatives, agents, attorneys, heirs,
3 administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties
4 that were alleged, or reasonably could have been alleged, based on the facts stated in the complaints
5 filed or PAGA Notices submitted to the LDWA that occurred during the PAGA Period. The
6 Released Class and PAGA claims excludes all other claims by the Class Members for vested
7 benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment
8 insurance, disability, social security, workers' compensation, and California class claims outside of
9 the Class Period, and PAGA claims outside of the PAGA Period.

10 28. "Released Parties" means Defendants and their past, present, and future direct or
11 indirect parents, subsidiaries, predecessors, successors, divisions, and affiliates and each of their
12 respective past, present, and future officers, directors, employees, partners, members, owners,
13 shareholders, principals, agents, attorneys, insurers, and any other assigns or legal representatives
14 which could be jointly liable with Defendants.

15 29. "Request for Exclusion" means a timely letter submitted by a Class Member
16 indicating a request to be excluded from the non-PAGA portion of the Settlement. The Request
17 for Exclusion must: (i) set forth the name, address, telephone number, and last four digits of the
18 social security number of the Class Member requesting exclusion; (ii) be signed by the Class
19 Member; (iii) be returned to the Settlement Administrator; (iv) clearly state that the Class Member
20 does not wish to be included in the Settlement; and (v) be faxed or postmarked on or before the
21 Response Deadline.

22 30. "Response Deadline" means the deadline by which Class Members must postmark
23 or fax to the Settlement Administrator Requests for Exclusion, Notices of Objection or workweek
24 disputes. The Response Deadline will be forty-five (45) calendar days from the initial mailing of
25 the Class Notice by the Settlement Administrator, unless the forty-fifth (45th) calendar day falls on
26 a Sunday or State holiday, in which case the Response Deadline will be extended to the next day
27 on which the U.S. Postal Service is open.
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31. “Service Award(s)” means the amount to be paid to Plaintiffs in the Actions in recognition of their efforts and work in prosecuting the Actions on behalf of Class Members, and for Plaintiffs’ general release of claims. Subject to the Court granting final approval of this Settlement Agreement and subject to the exhaustion of any and all appeals, Plaintiffs will request Court approval of Service Award of Thirty Thousand Dollars and Zero Cents (\$30,000) to be allocated equally amongst the Plaintiffs at Ten Thousand Dollars and Zero Cents (\$10,000) each.

32. “Settlement Administrator” means the third-party class action settlement administrator agreed to by the Parties and approved by the Court for the purposes of administering the Settlement. The Parties each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

33. “Workweeks” means the number of weeks that each Class Member worked for Defendants during the Class Period or the PAGA Period. All Class Members will be credited with at least one workweek.

TERMS OF AGREEMENT

Plaintiffs, on behalf of themselves and the Class and PAGA Settlement Group, and Defendants agree as follows:

34. Funding of the Gross Settlement Amount. Defendants will issue payment in the amount of the Gross Settlement Amount of \$450,000 to the Settlement Administrator, which will be deposited into a Qualified Settlement Account to be established by the Settlement Administrator. After the Effective Date, the Gross Settlement Amount will be used for: (i) Individual Settlement Payments; (ii) the LWDA Payment; (iii) the Service Awards; (iv) Attorneys' Fees and Costs; and (v) Claims Administration Expenses. Defendants will issue payment in the amount of the Gross Settlement Amount within 15 calendar days of the Effective Date. Within 20 calendar days after the Effective Date and after Defendants receive the necessary calculations from the Settlement Administrator, Defendants will submit a payment for the employer's portion of payroll taxes on all wage allocation in addition to the Gross Settlement Amount.

1 35. Attorneys' Fees and Costs. Class Counsel will file a motion for Attorneys' Fees and
2 Costs of not more than one-third of the Gross Settlement Amount (projected to be \$150,000), plus
3 the reimbursement of costs and expenses associated with Class Counsel's litigation and settlement
4 of the Action, not to exceed \$32,500, both of which will be paid from the Gross Settlement Amount.
5 These amounts satisfy all of the claims for attorneys' fees and costs in the Actions. A reduction in
6 these amounts by the Court is not grounds to void the Settlement. Defendants agree not to oppose
7 any application or motion consistent with this paragraph.

8 36. Service Awards. In exchange for a general and complete release, and in recognition
9 of Plaintiffs' effort and work in prosecuting the Actions on behalf of Class Members, Defendants
10 agree not to oppose any application or motion for a Service Award of up to \$30,000 in total, which
11 shall be allocated equally amongst the Plaintiffs at Ten Thousand Dollars and Zero Cents (\$10,000)
12 each. A reduction in this amount by the Court is not grounds to void the Settlement. The Service
13 Award will be paid from the Gross Settlement Amount and will be in addition to any Individual
14 Settlement Payment Plaintiffs may be entitled to pursuant to the Settlement. Plaintiffs will be solely
15 and legally responsible to pay any and all applicable taxes on the Service Award.

16 37. Claims Administration Expenses. The Settlement Administrator will be paid for the
17 reasonable costs of administration of the Settlement and distribution of payments from the Gross
18 Settlement Amount, which shall not exceed Fifteen Thousand Dollars and Zero Cents (\$15,000).
19 These costs, which will be paid from the Gross Settlement Amount, will include, *inter alia*, the
20 required tax reporting on the Individual Settlement Payments, the issuing of 1099 and W-2 IRS
21 Forms, distributing Class Notices, calculating and distributing the Gross Settlement Amount,
22 establishing and maintaining a settlement website in the manner described below and providing
23 necessary reports and declarations.

24 38. Amending Pleadings. For settlement approval purposes only, the Parties agree that
25 Plaintiffs' counsel will amend the PAGA Action, Case No. CGC-23-607274, currently pending in
26 the San Francisco County Superior Court, to add plaintiff Terri Devereaux, and to allege the
27 putative class claims in the putative class Action in the Northern District Court of California, Case
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No. 3:23-cv-02601, including all facts and legal theories that it encompasses (the “Operative Complaint”) and seek approval of the settlement in the resulting Operative Complaint. A true and correct copy of the draft Operative Complaint is attached as **Exhibit B**. Once the San Francisco County Superior Court has approved the Settlement Agreement and the expiration of the time to appeal has expired, Plaintiffs will voluntarily dismiss the putative class Action in the Northern District Court of California, Case No. 3:23-cv-02601, with prejudice by preparing and filing a joint stipulation of voluntary dismissal with prejudice within seven (7) calendar days. In the interim, the Parties shall file a joint stipulation to stay the putative class Action in the Northern District Court of California, Case No. 3:23-cv-02601 until the San Francisco County Superior Court has approved the Settlement Agreement and the expiration of the time to appeal has expired. Plaintiffs maintains the Actions have merit and Defendants deny the Actions are appropriate for class treatment or manageable at trial that for any purpose other than settling the Actions.

39. PAGA Settlement Amount and Distribution. Subject to Court approval, the Parties agree that the amount of Thirty Thousand Dollars and Zero Cents (\$30,000) from the Gross Settlement Amount will be designated for satisfaction of civil penalties arising out of the PAGA Claims by PAGA Settlement Group during the PAGA Period. Per PAGA, Seventy-Five Percent (75%), or \$22,500, of this sum will be paid to the LWDA and Twenty-Five Percent (25%), or \$7,500, will constitute the Net PAGA Settlement Amount and will be paid to PAGA Settlement Group (regardless of whether they object to or are excluded from the non-PAGA portion of the Settlement) as part of their Individual Settlement Payment. To determine each PAGA Settlement Group member’s share of the Net PAGA Settlement Amount, the Settlement Administrator will use the following formula: The PAGA Net Settlement Amount will be divided by the total number of pay periods worked by PAGA Settlement Group during the PAGA Period and then multiplied by each PAGA Settlement Group member’s number of pay periods during the PAGA Period.

40. Net Settlement Amount and Distribution. The Net Settlement Amount of each Qualified Class Members’ Individual Settlement Payments will be based on the number of Workweeks each Qualified Class Member worked during the Class Period. To determine each

1 Class Member's share of the Net Settlement Amount, the Settlement Administrator will use the
2 following formula: The Net Settlement Amount will be divided by the total number of Workweeks
3 worked by all Class Members during the Class Period, resulting in the "Workweek Value". Then,
4 each Class Member's share of the Net Settlement Amount will be calculated by multiplying each
5 Class Member's total number of Workweeks during the Class Period by the Workweek Value. The
6 Individual Settlement Payment will be reduced by any required deductions for each Class Member
7 as specifically set forth herein, including employee-side tax withholdings or deductions.

8 41. No Credit Toward Benefit Plans. The Individual Settlement Payments made to
9 Qualified Class Members under this Settlement, as well as any other payments made pursuant to
10 this Settlement, will not be utilized to calculate any additional benefits under any benefit plans to
11 which any Class Member may be eligible. It is the Parties' intention that this Settlement will not
12 affect any rights, contributions, or amounts to which any Class Member may be entitled under any
13 benefit plans.

14 42. Administration Process. The Parties agree to cooperate in the administration of the
15 settlement and to make all reasonable efforts to control and minimize the costs and expenses
16 incurred in administration of the Settlement.

17 43. Delivery of the Class List. Within 20 business days of Preliminary Approval,
18 Defendants will provide the Class List to the Settlement Administrator.

19 44. Notice by First-Class U.S. Mail. Within 10 calendar days after receiving the Class
20 List from Defendants, the Settlement Administrator will mail a Class Notice to all Class Members
21 via regular First-Class U.S. Mail, using the most current, known mailing address identified in the
22 Class List as updated by the process in Paragraph 45 below. In addition to, the Administrator shall
23 provide Class Notice to the Class Members by e-mail, where e-mail addresses are available and
24 have been provided to the Administrator with the Class Data.

25 45. Confirmation of Contact Information in the Class Lists. Prior to mailing, the
26 Settlement Administrator will perform a search based on the National Change of Address Database
27 for information to update and correct for any known or identifiable address changes. Any Class
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1 Notices returned to the Settlement Administrator as non-deliverable on or before the Response
2 Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed
3 thereto and the Settlement Administrator will indicate the date of such re-mailing on the Class
4 Notice. If no forwarding address is provided, the Settlement Administrator will promptly attempt
5 to determine the correct address using a skip-trace, or other search using the name, address, and/or
6 social security number of the Class Member involved and will then perform a single re-mailing.
7 Those Class Members who receive a re-mailed Class Notice, whether by skip-trace or by request,
8 will have between the later of (i) an additional 15 calendar days or (ii) the Response Deadline to
9 submit a Request for Exclusion or an objection to the Settlement.

10 46. Class Notices. All Class Members will be mailed a Class Notice (and e-mailed
11 where e-mail addresses are available, as provided in Paragraph 44 of this Agreement). Each Class
12 Notice will provide: (i) information regarding the nature of the Action; (ii) a summary of the
13 Settlement's principal terms; (iii) the definition of the Class; (iv) the total number of Workweeks
14 each Class Member worked for Defendants during the Class Period; (v) the total number of pay
15 periods each member of the PAGA Settlement Group worked for Defendants during the PAGA
16 Period; (vi) each Class Member's estimated Individual Settlement Payment and the formulas for
17 calculating Individual Settlement Payments; (vii) the dates which comprise the Class Period and
18 PAGA Period; (viii) instructions on how to submit Requests for Exclusion, Notices of Objection
19 or Workweek disputes; (ix) the deadlines by which the Class Member must postmark or fax Request
20 for Exclusions, Notices of Objection or Workweek disputes; and (x) the claims to be released.

21 47. Disputed Information on Class Notices. Class Members will have 45 calendar days
22 from the mailing of their Class Notices to submit their objection to Settlement to the Settlement
23 Administrator. The Settlement Administrator shall email a copy of any such objection to the
24 Parties' counsels and Class Counsel shall lodge a copy of the objection with the Court, or to indicate
25 their decision to opt-out of the class settlement or to dispute the number of Workweeks. To the
26 extent Class Members dispute their employment dates or the number of Workweeks on record,
27 Defendants' records shall presumptively control. The Administrator's determination of each Class
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1 Member's allocation of Workweeks and/or PAGA Pay Periods shall be final and not appealable or
2 otherwise susceptible to challenge. The Administrator shall promptly provide its final
3 determination regarding the challenge to the challenging Class Member.

4 48. Defective Submissions. If a Class Member's Request for Exclusion is defective as
5 to the requirements listed herein, that Class Member will be given an opportunity to cure the
6 defect(s). The Settlement Administrator will mail the Class Member a cure letter within three (3)
7 business days of receiving the defective submission to advise the Class Member that his or her
8 submission is defective and that the defect must be cured to render the Request for Exclusion valid.
9 The Class Member will have until the later of (i) Response Deadline or (ii) 15 calendar days from
10 the date of the cure letter, which ever date is later, to postmark or fax a revised Request for
11 Exclusion. If the revised Request for Exclusion is not postmarked or received within that period,
12 it will be deemed untimely.

13 49. Request for Exclusion Procedures. Any Class Member wishing to opt-out from the
14 class portion of the Settlement (*i.e.*, to not waive individual claims for relief encompassed by the
15 Released Class Claims by Qualified Class Members and not receive a portion of the Net Settlement
16 Amount) must sign and facsimile or postmark written Request for Exclusion to the Settlement
17 Administrator within the Response Deadline. In the case of Requests for Exclusion that are mailed
18 to the Settlement Administrator, the postmark date will be the exclusive means to determine
19 whether a Request for Exclusion has been timely submitted. Any Class Member who requests to
20 be excluded from the class settlement will not be entitled to any portion of the Net Settlement
21 Amount and will not be bound by the terms of the class settlement or have any right to object,
22 appeal, or comment thereon, although the PAGA settlement and release provisions applicable to
23 the PAGA Period will still apply to each such individual, and each such individual shall be entitled
24 to his or her pro rata share of the Net PAGA Settlement Amount.

25 50. Class Size. The Gross Settlement Amount was calculated based on the
26 understanding that there are approximately 1,291 employees who worked approximately 103,482
27 Workweeks during the Class Period. In the event the final class list or total workweeks through
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1 the conclusion of the Class Period is more than 15% larger than these numbers combined, at the
2 option of Defendants, the Gross Settlement Amount shall increase pro rata with a 15% grace margin
3 (i.e., if the aggregate workweek numbers increase by 16%, the Gross Class Settlement Amount
4 shall increase by 1%), or the date for determining the class membership (“Class Cut-Off”) shall be
5 adjusted as to limit the class size to a maximum of no more than 15% of the estimated 103,482
6 Workweeks (i.e., 119,005 Workweeks) during the Class Period as identified above.

7 51. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class
8 Member who does not affirmatively opt-out of the Settlement Agreement by submitting a timely
9 and valid Request for Exclusion will be bound by all of its terms, including those pertaining to the
10 Released Class Claims by Qualified Class Members and the Released PAGA Claims by PAGA
11 Settlement Group, as well as any Judgment that may be entered by the Court if it grants final
12 approval to the Settlement.

13 52. FLSA Opt-In. Class Members who choose to participate in this Settlement by not
14 opting out and cashing their checks (that will include language to the effect that cashing the check
15 will release their rights under the FLSA for any claims pled or that could have been pled based on
16 the factual allegations alleged in the operative Complaint, any Amended Complaint in the Actions
17 or LWDA letters; e.g., “By cashing this check, I am opting into the settlement in *Ramirez, et al. v.*
18 *HealthRight 360 and HealthRight 360 Foundation*, San Francisco County Superior Court, Case
19 No. CGC-23-607274, under the Fair Labor Standards Act, 29 U.S.C. § 216(b), and releasing the
20 Released Claims described in the Settlement Agreement”), will also be deemed to have opted in
21 for purposes of the FLSA, and their released claims will include a release of the FLSA claims based
22 on claims alleged, or that could have been alleged based on the factual allegations pled in the
23 operative Complaint or any Amended Complaint in the Action.

24 53. Objection Procedures. To object to the Settlement Agreement, a Class Member
25 must fax or postmark a valid Notice of Objection to the Settlement Administrator on or before the
26 Response Deadline. The Notice of Objection must be signed by the Class Member and contain all
27 information required by this Settlement Agreement. At no time will any of the Parties or their
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1 counsel seek to solicit or otherwise encourage Class Members to submit written objections to the
2 Settlement Agreement or appeal from the Order and/or Judgment. Class Counsel will not represent
3 Class Members with respect to any such objections to this Settlement. If a Class Member submits
4 both a valid Request for Exclusion and a Notice of Objection, the Notice of Objection shall be void
5 and the Class Member will be deemed to have opted out of membership as a Qualified Class
6 Member.

7 54. Certification Reports Regarding Individual Settlement Payment Calculations. The
8 Settlement Administrator will provide Defendants' counsel and Class Counsel a weekly report that
9 certifies the number of Class Members who have submitted valid Requests for Exclusion,
10 objections to the Settlement, and whether any Class Member has submitted a challenge to any
11 information contained in their Class Notice. Additionally, the Settlement Administrator will
12 provide to counsel for both Parties any updated reports regarding the administration of the
13 Settlement Agreement as needed or requested.

14 55. Distribution Timing of Settlement Payments. Within 20 calendar days of the
15 Effective Date, the Settlement Administrator will issue payments to: (i) Individual Settlement
16 Payments from the Net Settlement Amount to Qualified Class Members, (ii) the LWDA, (iii)
17 Individual Settlement Payments from the Net PAGA Settlement Amount to PAGA Settlement
18 Group, (iv) Service Awards to Class Representatives, and (v) Class Counsel. The Settlement
19 Administrator will also issue a payment to itself for Court-approved services performed in
20 connection with the Settlement.

21 56. Un-cashed Settlement Checks. Funds represented by Individual Settlement
22 Payments returned as undeliverable and/or remaining un-cashed for more than 180 calendar days
23 after issuance will be tendered to San Francisco Court Appointed Special Advocates
24 (www.sfcasa.org).

25 57. Certification of Completion. Upon completion of administration of the Settlement,
26 the Settlement Administrator will provide a written declaration under oath to certify such
27 completion to the Court and counsel for all Parties. The Settlement Administrator will be solely
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1 responsible for preparation of the declaration, and the Settlement Administrator's failure to comply
2 with this requirement will not affect the Settlement's validity.

3 58. Treatment of Individual Settlement Payments. The Net Class Amount shall be
4 allocated as: (i) 20% as wages for which IRS Forms W-2 will be issued, and (ii) 80% toward
5 penalties and interest reported as such to each applicable Qualified Class Member on an IRS Form
6 W-2 and IRS Form 1099 MISC as applicable. Each PAGA Settlement Group member's PAGA
7 payment will be allocated as non-wages (for alleged interest and penalties) for which IRS Forms
8 1099-MISC will be issued.

9 59. Administration of Taxes by the Settlement Administrator. The Settlement
10 Administrator will be responsible for issuing to Plaintiffs, Qualified Class Members, PAGA
11 Settlement Group members, and Class Counsel any W-2, 1099, or other tax forms as may be
12 required by law for all amounts paid pursuant to this Settlement. The Settlement Administrator
13 will also be responsible for forwarding all payroll taxes and penalties to the appropriate
14 government authorities.

15 60. Tax Liability. Defendants makes no representation as to the tax treatment or legal
16 effect of the payments called for hereunder, and Plaintiffs and Class Members are not relying on
17 any statement, representation, or calculation by Defendants or by the Settlement Administrator in
18 this regard.

19 61. Circular 230 Disclaimer. Each party to this agreement (for purposes of this section,
20 the "acknowledging party" and each party to this agreement other than the acknowledging party,
21 an "other party") acknowledges and agrees that (1) no provision of this agreement, and no written
22 communication or disclosure between or among the parties or their attorneys and other advisers, is
23 or was intended to be, nor will any such communication or disclosure constitute or be construed or
24 be relied upon as tax advice within the meaning of the United States Treasury Department circular
25 230 (31 CFR part 10, as amended), (2) the acknowledging party (a) has relied exclusively upon his,
26 her, or its own, independent legal and tax counsel for advice (including tax advice) in connection
27 with this agreement, (b) has not entered into this agreement based upon the recommendation of any
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1 other party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any
2 communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty
3 that may be imposed on the acknowledging party, and (3) no attorney or adviser to any other party
4 has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax
5 strategies (regardless of whether such limitation is legally binding) upon disclosure by the
6 acknowledging party of the tax treatment or tax structure of any transaction, including any
7 transaction contemplated by this agreement.

8 62. No Prior Assignments. The Parties and their counsel represent, covenant, and
9 warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to
10 assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand,
11 action, cause of action or right herein released and discharged.

12 63. Nullification of Settlement Agreement. In the event that: (i) the Court does not
13 finally approve the Settlement as provided herein, or (ii) the Settlement does not become final for
14 any other reason, then this Settlement, and any documents generated to bring it into effect, will be
15 null and void. Any order or judgment entered by the Court in furtherance of this Settlement
16 Agreement will likewise be treated as void from the beginning. Furthermore, in the event that 3%
17 or more of the Class Members opt-out of the Settlement, or Class Members who represent more
18 than 3% of the aggregate Workweeks opt-out of the Settlement, then Defendants have in their sole
19 discretion the option to nullify the Settlement which shall thereafter be null and void. The amount
20 of the Gross Settlement Amount is deemed a material term and Defendants may revoke the
21 agreement if the Court insists on a change that increases the obligation of Defendants to pay an
22 amount in excess of the Gross Settlement Amount. In the event that Defendants exercise their right
23 to nullify the Settlement, Defendants shall be responsible for any and all costs incurred by the
24 Settlement Administrator to date. Changes requested by the Court to the allocation of funds
25 between PAGA and the remaining class claims, or changes in the amount of attorneys' fees and
26 costs or Service Awards to Class Representatives, or changes to the procedures accompanying the
27 administration of the Settlement will not form the basis for any party in the action to revoke this
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1 Settlement.

2 64. Preliminary Approval Hearing. Plaintiffs will obtain a hearing before the Court to
3 request the Preliminary Approval of the Settlement, and the entry of a Preliminary Approval Order
4 for: (i) conditional certification of the Class for settlement purposes only; (ii) preliminary approval
5 of the proposed Settlement Agreement; (iii) setting a date for a Final Approval/Settlement Fairness
6 Hearing. The Preliminary Approval Order will provide for the Class Notice to be sent to all Class
7 Members as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiffs will
8 submit this Settlement Agreement, which sets forth the terms of this Settlement, and will include
9 the proposed Class Notice, which will include both the proposed Notice of Class Action Settlement
10 Document, attached as **Exhibit A**. Class Counsel will be responsible for drafting all documents
11 necessary to obtain preliminary approval and filing a motion for preliminary approval within 60
12 days of the execution of the Memorandum of Understanding for this Settlement. Class Counsel
13 shall provide Defendants reasonable time (i.e., at least five business days) to review the drafts of
14 all documents necessary to obtain preliminary approval prior to filing. Plaintiffs' failure to comply
15 with the deadline for filing the motion for preliminary approval in the time required by this
16 paragraph will result in a 1% reduction in Class Counsel's Attorneys' Fees for every 15-calendar
17 day period of delay absent further agreement by the Parties.

18 65. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the
19 deadlines to postmark Requests for Exclusion or objections to the Settlement Agreement, and with
20 the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to
21 determine the Final Approval of the Settlement Agreement along with the amounts properly
22 payable for: (i) Attorneys' Fees and Costs; (ii) the Service Awards; (iii) Individual Settlement
23 Payments; (iv) the LWDA Payment; and (v) all Claims Administration Expenses. The Final
24 Approval/Settlement Fairness Hearing will not be held earlier than 15 calendar days after the
25 Response Deadline. Class Counsel will be responsible for drafting all documents necessary to
26 obtain final approval. Class Counsel will also be responsible for drafting the attorneys' fees and
27 costs application to be heard at the final approval hearing, but Defendants' counsel shall be
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1 provided reasonable time (*i.e.*, at least five business days) to review and edit the drafts prior to
2 filing.

3 66. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by the
4 Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present the Judgment
5 to the Court for its approval. After entry of the Judgment, the Court will have continuing
6 jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms
7 of the Settlement; (ii) Settlement administration matters; and (iii) such post-Judgment matters as
8 may be appropriate under court rules or as set forth in this Settlement Agreement.

9 67. Release by Plaintiffs. Upon the Effective Date, and subject to Defendants' full
10 payment of the Gross Settlement Amount, in addition to the claims being released by all Qualified
11 Class Members and PAGA Settlement Group, Plaintiffs will release and forever discharge the
12 Released Parties, to the fullest extent permitted by law, of and from any and all claims, known and
13 unknown, asserted and not asserted, which Plaintiffs have or may have against the Released Parties
14 as of the date of Plaintiffs' execution of this Settlement Agreement, including Plaintiffs' individual
15 PAGA claims. To the extent the foregoing release is a release to which Section 1542 of the
16 California Civil Code or similar provisions of other applicable law may apply, Plaintiffs expressly
17 waive any and all rights and benefits conferred by the provisions of Section 1542 of the California
18 Civil Code or similar provisions of applicable law which are as follows: A general release does not
19 extend to claims that the creditor or releasing party does not know or suspect to exist in his or her
20 favor at the time of executing the release, and that, if known by him or her would have materially
21 affected his or her settlement with the debtor or released party.

22 68. Release by Qualified Class Members. Upon the Effective Date, and subject to
23 Defendants' full payment of the Gross Settlement Amount, Qualified Class Members shall release
24 the Released Parties from all Released Class Claims by Qualified Class Members.

25 69. Release by PAGA Settlement Group. In light of the binding nature of a PAGA
26 judgment on non-party employees pursuant to *Arias v. Superior Court of San Joaquin County*
27 (*Dairy*), 46 Cal.4th 969 (2009), and *Cardenas v. McLane Foodservice, Inc.*, 2011 WL 379413 at
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1 *3 (C.D. Cal. Jan. 31, 2011), subject to the occurrence of the Effective Date and Defendants' full
2 payment of the Gross Settlement Amount, all PAGA Settlement Group members, including those
3 who exclude themselves from the Class, shall release the Released Parties from the Released PAGA
4 Claims by PAGA Settlement Group.

5 70. Exhibits Incorporated by Reference. The terms of this Settlement Agreement
6 include the terms set forth in any attached exhibits, which are incorporated by this reference as
7 though fully set forth herein. Any exhibits to this Settlement Agreement are an integral part of the
8 Settlement.

9 71. Entire Agreement. This Settlement Agreement and any attached exhibits constitute
10 the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral
11 agreements may be deemed binding on the Parties, and no Party is relying on any representation
12 not contained in agreement.

13 72. Amendment or Modification. No amendment, change, or modification to this
14 Settlement Agreement will be valid unless in writing and signed, either by the Parties or their
15 counsel.

16 73. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant
17 and represent they are expressly authorized by Parties whom they represent to negotiate this
18 Settlement Agreement and to take all appropriate action required or permitted to be taken by such
19 Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other
20 documents required to effectuate the terms of this Settlement Agreement. The Parties and their
21 counsel will cooperate with each other and use their best efforts to effect the implementation of the
22 Settlement. If the Parties are unable to reach agreement on the form or content of any document
23 needed to implement the Settlement, or any supplemental provisions that may become necessary to
24 effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve
25 such disagreement.

26 74. Binding on Successors and Assigns. This Settlement Agreement will be binding
27 upon and inure to the benefit of, the successors or assigns of the Parties hereto, as previously
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1 defined.

2 75. California Law Governs. All substantive terms of this Settlement Agreement and
3 exhibits hereto will be governed by and interpreted according to the laws of the State of California,
4 except to the extent Federal law applies.

5 76. Execution and Counterparts. This Settlement Agreement is subject only to the
6 execution of all Parties. However, the Settlement Agreement may be executed in one or more
7 counterparts. All executed counterparts and each of them , including electronic (e.g., DocuSign),
8 facsimile, and scanned copies of the signature page, will be deemed to be one and the same
9 instrument.

10 77. Acknowledgement the Settlement Is Fair and Reasonable. The Parties believe this
11 Settlement Agreement is a fair, adequate, and reasonable settlement of the Actions and have arrived
12 at this Settlement after arm's length negotiations with the assistance of an experience wage/hour
13 mediator and in the context of adversarial litigation, taking into account all relevant factors, present
14 and potential. The Parties further acknowledge that they are each represented by competent counsel
15 and that they have had an opportunity to consult with their counsel regarding the fairness and
16 reasonableness of this Settlement.

17 78. Invalidity of Any Provision. Before declaring any provision of this Settlement
18 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
19 possible consistent with applicable precedents so as to define all provisions of this Settlement
20 Agreement as valid and enforceable.

21 79. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to
22 class certification for purposes of this Settlement only; except, however, that Plaintiffs or Class
23 Counsel may appeal any reduction to the Attorneys' Fees and Costs below the amount they request
24 from the Court, and either party may file an appeal or cross-appeal as to any court order that
25 materially alters the Settlement Agreement's terms.

26 80. Class Action Certification for Settlement Purposes Only. The Parties agree to
27 stipulate to class action certification for purposes of the Settlement only. If, for any reason, the
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1 Settlement is not approved, the stipulation to certification will be void. The Parties further agree
2 that certification for purposes of the Settlement is not an admission that class action certification is
3 proper under the standards applied to contested certification motions and that this Settlement
4 Agreement will not be admissible in this or any other proceeding as evidence that either (i) a class
5 action should be certified, or (ii) Defendants are liable to Plaintiffs or any Class Member or any
6 other person or entity, other than according to the Settlement's terms.

7 81. Non-Admission of Liability. The Parties enter into this Settlement to resolve the
8 dispute that has arisen between them and to avoid the burden, expense and risk of continued
9 litigation. In entering into this Settlement, Defendants do not admit, and specifically deny, that
10 Defendants violated any federal, state, or local law; violated any regulations or guidelines
11 promulgated pursuant to any statute or any other applicable laws, regulations or legal requirements;
12 breached any contract; violated or breached any duty; engaged in any misrepresentation or
13 deception; or engaged in any other unlawful conduct with respect to its employees or anyone else.
14 Neither this Settlement Agreement, nor any of its terms or provisions, nor any of the negotiations
15 connected with it, will be construed as an admission or concession by Defendants of any such
16 violations or failures to comply with any applicable law. Except as necessary in a proceeding to
17 enforce the terms of this Settlement, this Settlement Agreement and its terms and provisions will
18 not be offered or received as evidence in any action or proceeding to establish any liability or
19 admission on the part of Defendants or to establish the existence of any condition constituting a
20 violation of, or a non-compliance with, federal, state, local or other applicable law.

21 82. Injunction Against Duplicative Claims. Upon Preliminary Approval of the
22 Settlement Agreement, all Class Members shall be enjoined from filing, joining, or becoming a
23 party, member or representative in any actions, claims, complaints, or proceedings in any state or
24 federal court on an individual, representative, collective or class action basis, or with the California
25 Department of Industrial Relations' Division of Labor Standards Enforcement ("DLSE") or the
26 United States Department of Labor ("DOL"), or from initiating any other proceedings, regarding
27 any of the Released Claims by Qualified Class Members defined herein above any related pending
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1 actions, claims, complaints, or proceedings in any state or federal court or with the DLSE or DOL,
2 shall be stayed until the Class Members have had an opportunity to decide to participate, object or
3 file a request for exclusion from this Settlement.

4 83. No Public Comment. Following the filing of the Motion for Preliminary Approval,
5 the Parties understand and agree that there may be media coverage of the Settlement not initiated
6 by Plaintiffs or Defendants, directly or indirectly, as a result of the public filings. Notwithstanding
7 the foregoing, Plaintiffs, Defendants, and their respective counsel agree that no Party shall issue
8 any press release to the news media, nor shall any Party disclose any information regarding this
9 settlement in their marketing materials or firm websites, nor shall any Party communicate in any
10 way with news media concerning the settlement of the Actions. This provision shall not apply to
11 or limit the public filing of motions or other case materials in the Actions or to the LWDA related
12 to seeking and obtaining Court approval of the proposed Settlement Agreement, the fees and costs
13 of Class Counsel, the Service Awards to the Class Representatives, and the other relief set forth in
14 this Settlement Agreement. This provision shall not prohibit Class Counsel from listing the Actions
15 by name in support of motions for appointments as class counsel, certification, attorneys' fees and
16 costs, or the like.

17 84. Encouragement of Class Members. The Parties to this Agreement and the counsel
18 representing such Parties shall not, directly or indirectly, through any person, encourage or solicit
19 any Class Member to exclude himself or herself from this Settlement (opt-out) or to object to it.
20 However, Class Counsel and Defendants may respond to inquiries from Class Members. Class
21 Counsel and Defendants' counsel represent, through their signatures below, that they have not taken
22 any action prior to signing this Agreement that would encourage any Class Member to exclude
23 himself or herself from this Settlement, or to object to it. Class Counsel represents and warrants
24 that at the time of signing this Agreement, it has no clients or prospective clients who are potential
25 plaintiffs with potential or actual causes of action against Defendants.

26 85. Captions. The captions and section numbers in this Settlement Agreement are
27 inserted for the reader's convenience, and in no way define, limit, construe or describe the scope
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1 or intent of the provisions of this Agreement.

2 86. Waiver. No waiver of any condition or covenant contained in this Settlement
3 Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered
4 to imply or constitute a further waiver by such Party of the same or any other condition, covenant,
5 right or remedy.

6 87. Enforcement of Actions. In the event that one or more of the Parties institutes any
7 legal action or other proceeding against any other Party or Parties to enforce the provisions of this
8 Settlement or to declare rights and/or obligations under this Settlement, the successful Party or
9 Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees
10 and costs, including expert witness fees incurred in connection with any enforcement actions.

11 88. Mutual Preparation. The Parties have had an opportunity to negotiate the terms and
12 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be
13 construed more strictly against one party than another merely by virtue of the fact that it may have
14 been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length
15 negotiations between the Parties, all Parties have contributed to the preparation of this Settlement
16 Agreement.

17 89. Representation by Counsel. The Parties acknowledge that they have been
18 represented by counsel throughout all negotiations that preceded the execution of this Settlement
19 Agreement, and that this Settlement Agreement has been executed with the consent and advice of
20 counsel. Further, Plaintiffs and Class Counsel warrant and represent that there are no liens on the
21 Settlement Agreement.

22 90. All Terms Subject to Final Court Approval. All amounts and procedures described
23 in this Settlement Agreement will be subject to final Court approval.

24 91. Cooperation and Execution of Necessary Documents. All Parties will cooperate in
25 good faith and execute all documents to the extent reasonably necessary to effectuate the terms of
26 this Settlement Agreement.

92. Submission of Settlement Agreement to LWDA. The Settlement Agreement shall be submitted by Plaintiff to the LWDA within the time limits as prescribed by law.

93. Destruction of Confidential Information. Within 30 calendar days of the distribution of all funds and Defendants' explicit request therefor, counsel for Plaintiff shall confirm in writing that all of Defendants' confidential documents and information have been returned or destroyed, including any employee roster and any and all time and/or payroll information that was exchanged informally related to the Class Members.

94. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement Agreement, and further intend that this Settlement Agreement 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.

Dated: April 11, 2025



Plaintiff Alfonso Jamaal Ramirez

Dated: April 11, 2025



Plaintiff Sharon Fennix

Dated: April 11, 2025



Plaintiff Terri Devereaux

Dated: April , 2025

HealthRight 360

By: Nilab Nawabi

Its: Chief People Officer

Dated: April , 2025

HealthRight 360 Foundation

By: Tony Duong

Its: Chief Financial Officer

AGREED AS TO FORM:

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93. Destruction of Confidential Information. Within 30 calendar days of the distribution of all funds and Defendants' explicit request therefor, counsel for Plaintiff shall confirm in writing that all of Defendants' confidential documents and information have been returned or destroyed, including any employee roster and any and all time and/or payroll information that was exchanged informally related to the Class Members.

94. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement Agreement, and further intend that this Settlement Agreement 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.

Dated: April , 2025

Plaintiff Alfonso Jamaal Ramirez

Dated: April , 2025

Plaintiff Sharon Fennix

Dated: April , 2025

Plaintiff Terri Devereaux

Dated: April ¹⁴ , 2025

HealthRight 360



By: Nilab Nawabi

Its: Chief People Officer

Dated: April ¹⁵ , 2025

HealthRight 360 Foundation



By: Tony Duong

Its: Chief Financial Officer

AGREED AS TO FORM:

1 Dated: April 15 , 2025



Matthew Haulk
Jose Herrera
HAULK & HERRERA LLP
Attorneys for Plaintiffs Alfonso Jamaal
Ramirez, Sharon Fennix, and Terri Devereaux

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3
4
5 Dated: April 15, 2025



Chad Greeson
Daniel XuLi
LITTLER MENDELSON, P.C.
Attorneys for Defendants HealthRight 360 and
HealthRight 360 Foundation

EXHIBIT A

**NOTICE OF SETTLEMENT OF CLASS ACTION AND
PAGA REPRESENTATIVE ACTION**

Ramirez, et al. v. HealthRight 360, et al.,

San Francisco County Superior Court of California, Case No. CGC-23-607274

To: All current and former California employees who were employed by HealthRight 360 and HealthRight 360 Foundation (“Defendants”) in California at any time between July 14, 2020, and [REDACTED], 2025 (*Settlement Administrator to fill in the PA Date or Class Cut-Off Date) (the “Class”):

THIS NOTICE is of a proposed settlement of the above-referenced class action and representative action lawsuit (the “Lawsuit”), and a court hearing that you may attend. Your rights may be affected by the legal proceedings in this Lawsuit. The Court will conduct a hearing on [REDACTED], 2025, to address whether the proposed settlement should be approved (the “Final Approval Hearing”). You may be entitled to receive a payment under the terms of this class action settlement (“Settlement”).

[IDENTIFYING INFORMATION]

You have been identified as a Class Member and possible Aggrieved Employee in the above Lawsuit. Under the terms of the proposed settlement, your Individual Settlement Payment may be comprised an Individual Class Payment and Individual PAGA Payment. **Your Individual Class Payment is estimated to be \$ [REDACTED] and your Individual PAGA Payment is estimated to be \$ [REDACTED]** based on the number of eligible weeks that you worked for Defendants in California between July 14, 2020 and [REDACTED], 2025 (*Settlement Administrator to fill in the PA Date or Class Cut-Off Date) (the “Class Period”) as your share of the Settlement should the Court approve the Settlement. The above estimates are based on Defendants’ records showing that **you worked [REDACTED] Workweeks** during the Class Period and **you worked [REDACTED] PAGA pay periods** during the PAGA Period. Please note your actual share of the Settlement may be more or less than this estimate. If no amount is stated for your Individual PAGA Payment, then according to Defendants’ records you are not eligible for an Individual PAGA Payment under the Settlement because you did not work during the PAGA Period. Your options and eligibility requirements for receiving payments are described below.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	If you want to receive your full settlement payment, no further action is required. You will automatically receive your settlement payment from the Settlement Administrator if the Settlement receives final approval by the Court. By accepting your full settlement payment, you will be bound by the terms of the Settlement and will give up your right to sue on the released Class and PAGA claims described in Section III under the provisions titled “Released Class Claims” and “Released PAGA Claims.”

EXCLUDE YOURSELF	If you do not wish to participate in the settlement of the Class Claims, you may “opt-out” of the settlement of the Class Claims. If you choose to opt-out, you must submit a Request for Exclusion by <u> </u> , 2025 (see Section V(B) for more details on how to opt- out). If you opt-out of the settlement of the Class Claims, you will no longer be a Class Member, and you will (1) neither receive any settlement payment for the Class Claims nor release any Class Claims as set forth in Section III , and (2) be barred from filing an objection to the Settlement. You still will receive a payment as part of the civil penalties paid pursuant to the California Private Attorneys General Act of 2004 (“PAGA”) and will release your claims for such civil penalties.
OBJECT	If you decide to object to the Settlement with respect to the Class Claims, you must submit an objection by <u> </u> , 2025 (see Section V(C) for more details on how to object).

1. WHY SHOULD I READ THIS NOTICE?

The Court has granted preliminary approval of a proposed settlement (the “Settlement”) in *Ramirez, et al. v. HealthRight 360, et al.*, San Francisco County Superior Court Case No. CGC-23-607274 (the “Lawsuit”). Because your rights may be affected by the Settlement, it is important that you read this notice carefully.

Defendants’ records show that you were an employee in California at some point between July 14, 2020 and , 2025 (*Settlement Administrator to fill in the PA Date or Class Cut-Off Date). The Court ordered this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

NO ACTION NEEDS TO BE TAKEN TO RECEIVE MONEY UNDER THE

SETTLEMENT: If you were employed by Defendants as an employee in California at any time during the Class Period, you are automatically included in the Settlement and do not need to take any further action to receive a payment.

2. WHAT IS THE LAWSUIT ABOUT?

On April 19, 2023, Plaintiff and Class Representative Alfonso Jamaal Ramirez through his attorneys (“Class Counsel”) filed a putative class action alleging wage-and-hour violations on behalf of all current and former employees employed by Defendants in California at any time since April 19, 2020 (San Francisco County Superior Court, Case No. CGC-23-605974; later removed to United States District Court for Northern District of California, Case No. 3:23-cv-02601-JSC). The putative class action alleges that Defendants violated various Labor Code sections by failing to pay all required wages (including minimum and overtime wages), failing to pay sick pay, failing to provide meal and rest periods, failing to maintain records, failing to reimburse necessary business expenses, failing to provide wages when due, and failing to provide accurate wage statements during the Class Period. The putative class action also sought equitable relief under the Unfair Competition Law. All these claims are called the “Class Claims.” On June 26, 2023, Plaintiff Ramirez filed this Lawsuit, a separate PAGA representative action (San Francisco County Superior Court, Case No. CGC-23-607274), on behalf of himself, other allegedly Aggrieved Employees, and the California Labor and Workforce Development Agency (“LWDA”) seeking

civil penalties for the same alleged wage and hour violations in the putative class action. The civil penalty claims are called “PAGA Claims” and the relevant period for PAGA claims is April 19, 2022, through [REDACTED], 2025 (*Settlement Administrator to fill in PA Date or Class Cut-Off Date) (“PAGA Period”). As of [REDACTED] (insert date of preliminary approval), the Lawsuit has been amended to add Sharon Fennix and Terri Devereaux as additional named plaintiffs and Class Representatives and to wage and hour violations, including those alleged in the putative class action, on behalf of the Class Members into the present Lawsuit.

The Court has not ruled on the merits of Plaintiffs’ factual or legal allegations in the Lawsuit. The Defendants have denied, and continue to deny, the factual and legal allegations in the Lawsuit and believe that Defendants have and are in compliance with California law or have valid defenses. By settling, Defendants are not admitting liability on any of Plaintiffs’ factual legal allegations in the case or that the case can proceed as a class action and/or a representative action.

After considering the risks, expenses, and inconvenience of continued litigation, Defendants and Plaintiffs have concluded that it is in their best interests and the interests of the Class to settle the Lawsuit on the terms summarized in this Notice. The Settlement was reached following arm’s length mediations with a respected and experienced mediator after the Parties exchanged extensive information. By approving the Settlement and issuing this Notice, the Court is not suggesting which party would win or lose this case if it went to trial.

The Class Representatives and Class Counsel support this Settlement. Among the reasons for their support are the defenses to liability potentially available to Defendants, the risk of denial of class certification or representative status, the inherent risk of trial on the merits, and the delays and uncertainties associated with such litigation.

If you are still employed by Defendants, this Settlement will NOT affect your employment.

California law strictly prohibits unlawful retaliation. Defendants will not take any adverse action against or otherwise target, retaliate, or discriminate against any Class Member regardless of whether the Class Member chooses to participate or not in the Settlement. If a Class Member does not participate as to the Class Claims, his/her share of the settlement of the Class Claims will be paid to those who do participate.

3. WHAT ARE THE IMPORTANT TERMS OF THE SETTLEMENT?

On [PA DATE], the Court certified a class, for settlement purposes only, of all current and former employees employed by Defendants in California at any time from July 14, 2020, through [REDACTED], 2025 (*Settlement Administrator to fill in PA Date or Class Cut-Off Date) (the “Class Members”) and approved a representative class comprised of all current and former employees employed by Defendants in California at any time from April 19, 2022, through [REDACTED], 2025 (*administrator to fill in PA Date or Class Cut-Off Date) (“Aggrieved Employees”)

Individuals who do not opt out of the class settlement, pursuant to the procedures set forth in this Notice, will become “Qualified Class Members,” be mailed Settlement checks, and be bound by the Settlement and release certain wage and penalty claims against Defendants.

Without admitting any wrongdoing, Defendants have agreed to pay \$450,000 (the “Gross

Settlement Amount”) to fully resolve all claims in the Lawsuit. The Parties agreed to the following payments from the Gross Settlement Amount:

Settlement Administration expenses. The Court has approved ILYM Group, Inc. to act as the “Settlement Administrator,” who is sending this Notice to you and will perform many other duties relating to the Settlement. Under the Settlement, a maximum of \$15,000 will be paid from the Gross Settlement Amount to pay the Settlement Administration expenses.

Settlement Administrator
ILYM GROUP, Inc.
Address
Telephone
Fax
Email Address

Penalties to the California Labor Workforce and Development Agency. The Labor Code Private Attorneys General Act (“PAGA”) authorizes employees to file lawsuits to attempt to recover civil penalties on behalf of other Aggrieved Employees and the State of California for alleged Labor Code violations. Under the Settlement, \$30,000 of the Gross Settlement Amount will be allocated to Plaintiffs’ PAGA Claims. Of the \$30,000, \$22,500 (75%) will be paid to the LWDA in satisfaction of the claims for civil penalties under PAGA, and the remaining \$7,500 (25%) will be divided between all Aggrieved Employees based on the number of pay periods during the PAGA Period. Aggrieved Employees includes all current and former employees employed by Defendants in California at any time during the PAGA Period. You do not have the right to opt-out or exclude yourself from receiving the civil penalties paid to pursuant to PAGA.

Class Representative Service Payment. Class Counsel will ask the Court to award the Class Representatives a service payment in the amount of up to \$10,000 each to compensate Class Representatives for service and extra work provided on behalf of the Class Members and in exchange for a general release of claims. The Class Representatives also will receive their individual share of the Settlement as a Class Member and Aggrieved Employee.

Class Counsel’s Attorneys’ Fees and Costs. Class Counsel have been prosecuting the Lawsuit on behalf of the Class Members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys’ fees, which will be paid from the Gross Settlement Amount. Class Members are not personally responsible for any of Class Counsel’s attorneys’ fees or costs. Class Counsel will seek fees of one-third (1/3) (\$150,000.00) of the Gross Settlement Amount as reasonable compensation for the work Class Counsel performed and will continue to perform in this Lawsuit through finalization of the Settlement. Class Counsel also will ask for reimbursement of up to \$32,500 for the costs Class Counsel incurred in connection with the Lawsuit.

Calculation of Individual Class Payments to Class Members. After deducting the amounts above from the Gross Settlement Amount, the balance will form the “Net Settlement Amount” for distribution to Qualified Class Members. The Net Settlement Amount will total approximately

\$192,500. Individual Class Payments to Class Members will be calculated and apportioned from the Net Settlement Amount based on the number of Workweeks worked by Class Members.

Disputes to Workweeks or Pay Periods. For each Class Member, the Workweeks during the Class Period and the pay periods worked during the PAGA Period will be calculated from Defendants' records. If you disagree with the numbers above, you may submit evidence to the Settlement Administrator on or before , 2025, to establish the number of Workweeks you claim to have actually worked for Defendants in California during the relevant periods. **DO NOT SEND ORIGINALS AS DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.** The Parties and Settlement Administrator will evaluate the evidence submitted by the Class member and discuss in good faith how many Workweeks should be credited to the Class member.

Payments to Class Members. After the Court grants Final Approval of the Settlement and judgment is entered, settlement checks will be mailed to Qualified Class Members. For Aggrieved Employees who requested to be excluded from the Class Claims settlement, their settlement checks will only be for their share of PAGA civil penalties for release of their PAGA Claims. Qualified Class Members and Aggrieved Employees will have 180 days from the issuance of the last check to cash all of the checks. In the event that any Qualified Class Member or Aggrieved Employee fails to timely cash a settlement check, a stop payment will be placed on the check and the funds will be paid to the San Francisco Court Appointed Special Advocates for Children (www.sfcasa.org), or an alternative recipient as approved by the Court.

Allocation and Taxes. Twenty percent (20%) of the Individual Class Payment distributed to each Qualified Class Member will be considered and reported as wages (Form W-2 reporting). The remaining eighty percent (80%) will be considered and reported as interest and penalties (Form 1099 reporting). The Settlement Administrator shall take all usual and customary deductions from the Individual Class Payments that are distributed as wages, including, but not limited to, state and federal tax withholding, disability premiums, and unemployment insurance premiums. There will be no deduction taken from the interest and penalty distribution; however, the payments will be reported on IRS Form 1099 as income. Payments for PAGA penalties shall be paid one hundred percent (100%) as penalties for which no taxes shall be withheld and for which payment will be reported on IRS Form 1099. Qualified Class Members and Aggrieved Employees are responsible for the proper income tax treatment of the Individual Class Payments and their payments for PAGA Claims. The Settlement Administrator, Defendants and their counsel, and Class Counsel cannot provide tax advice and make no representations as to the tax treatment or legal effect of the Individual Class Payments or payments for PAGA Claims. Qualified Class Members and Aggrieved Employees will be solely responsible for the proper income tax treatment and payment of any taxes and penalties assessed on their Individual Class Payments or payments for PAGA Claims. Qualified Class Members and Aggrieved Employees should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Release by Qualified Class Members. Upon the Effective Date, and subject to Defendants' full payment of the Gross Settlement Amount, Qualified Class Members shall release the Released Parties from all Released Class Claims by Qualified Class Members

“Released Class Claims by Qualified Class Members” means the Class claims that occurred during the Class Period set forth in the complaints filed in the Actions, including all claims, rights, demands, liabilities, and causes of action, arising from or related to any claims for unpaid wages including minimum, regular, or overtime wages (Cal. Lab. Code §§ 204, 210, 510, 515, 551, 552, 558, 558.1, 1182.12, 1194, 1197, 1197.1, 1198, tit. 8 CCR § 11040(5)(A)-(B); and the applicable Wage Order); non-compliant meal periods and any unpaid meal premiums (Lab. Code §§ 210, 512, 226.7, and applicable Wage Order); non-compliant rest breaks and any unpaid rest break premiums (Lab. Code §§ 210, 512, 226.7, and applicable Wage Order); improper deductions (Lab. Code § 221); failing to timely pay wages, vacation pay, or sick pay (Lab. Code §§ 201-204, 227.3, 245-249); non-compliant wage statements (Lab. Code § 226); failure to reimburse business expenses (Lab. Code §§ 2800 and 2802); unfair competition or unlawful business practices (Bus. & Prof. Code § 17200 et seq.); failure to maintain accurate records (Lab. Code § 1174, 1174.5, and applicable Wage Order); claims for statutory penalties based on the same or similar facts alleged in the putative class action complaints filed in the Actions; claims for interest, penalties (including but not limited to waiting time penalties at Lab. Code §§ 201-204), or premiums in connection with any of the preceding claims; as well as any claims under the California Labor Code, California Industrial Welfare Commission’s Wage Orders, or the California Code of Regulations, that were alleged or which could have been alleged under the same or similar facts of complaints filed in the Actions. The Released Class Claims by Qualified Class Members includes any claims occurring during the Class Period for injunctive relief, declaratory relief, restitution, fraudulent business practices or punitive damages alleged or which could have been alleged under the facts, allegations and/or claims pleaded in the complaints filed as part of the Actions. The Released Class Claims by Qualified Class Members includes any and all other claims that occurred during the Class Period under California common law, the California Labor Code including the Fair Labor Standards Act (“FLSA”), California Industrial Welfare Commission Wage Orders, California Code of Regulations, and the California Business and Professions Code alleged in or that could have been alleged under the same or similar facts, allegations and/or claims pleaded in the Actions.

Release by Aggrieved Employees. In light of the binding nature of a PAGA judgment on non-party employees pursuant to *Arias v. Superior Court of San Joaquin County (Dairy)*, 46 Cal.4th 969 (2009), and *Cardenas v. McLane Foodservice, Inc.*, 2011 WL 379413 at *3 (C.D. Cal. Jan. 31, 2011), subject to the occurrence of the Effective Date and Defendants’ full payment of the Gross Settlement Amount, all PAGA Settlement Group members, including those who exclude themselves from the Class, shall release the Released Parties from the Released PAGA Claims by PAGA Settlement Group.

“Released PAGA Claims by PAGA Settlement Group” means any claims that occurred during the PAGA Period for unpaid wages including unpaid minimum, regular, overtime, regular rate (Cal. Lab. Code §§ 204, 210, 510, 558, 558.1, 1182.12, 1194, 1197, 1197.1, 1198, tit. 8 CCR § 11040(5)(A)-(B), and applicable Wage Order); non-compliant meal periods and any unpaid meal premiums (Lab. Code §§ 210, 512, 226.7, and applicable Wage Order); non-compliant rest breaks and any unpaid rest break premiums (Lab. Code §§ 210, 512, 226.7, and applicable Wage Order); failing to timely pay wages, vacation pay, or sick pay; (Lab. Code §§ 201-204, 227.3, 245-249); non-compliant wage statements (Lab. Code § 226); failure to reimburse business expenses (Lab. Code §§ 2800, 2802); improper deductions (Lab. Code § 221); failure to maintain accurate records

(Lab. Code § 1174, 1174.5, and applicable Wage Order); claims for statutory penalties based on the same or similar facts alleged in the complaints on file in the Actions or any PAGA Notice letter set to the LWDA by any Plaintiff in or prior to the Actions; claims for interest, penalties (including waiting time penalties at Lab. Code §§ 201-204), or premiums in connection with any of the preceding claims; as well as any claims under the California Labor Code, California Industrial Welfare Commission's Wage Orders, or the California Code of Regulations, that were alleged or which could have been alleged under the same or similar facts of the PAGA complaints filed in the Actions. The Released PAGA Claims by PAGA Settlement Group apply to PAGA Settlement Group members who 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 complaints filed or PAGA Notices submitted to the LDWA that occurred during the PAGA Period. The Released Class and PAGA claims excludes all other claims by the Class Members for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, and California class claims outside of the Class Period, and PAGA claims outside of the PAGA Period.

The "Released Parties" means Defendants and their past, present, and future direct or indirect parents, subsidiaries, predecessors, successors, divisions, and affiliates and each of their respective past, present, and future officers, directors, employees, partners, members, owners, shareholders, principals, agents, attorneys, insurers, and any other assigns or legal representatives which could be jointly liable with Defendants.

The "Effective Date" means the latter of (5) five calendar days after the final judgment by which a notice of appeal of the order granting final approval or the final judgment may be timely filed, and none is filed (i.e., 65 days after the date of entry of the order granting final approval); or (2) if a notice of appeal from the order granting final approval or the final judgment is filed, five (5) business days after the date on which the Superior Court's order granting final approval or final judgment is finally affirmed or upheld without any further right of appeal by any party or third party and following the expiration of any such period for such further appeal that may be available.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement as fair, reasonable, adequate and in the best interests of the Settlement Class, and the entry of judgment.

4. WHO ARE THE ATTORNEYS REPRESENTING THE PARTIES?

Attorneys for Plaintiffs and Class Members:	Attorneys for Defendants:
Matthew A. Haulk mhaulk@hemploymentlaw.com Jose M. Herrera jherrera@hemploymentlaw.com HAULK & HERRERA, LLP 100 Pine Street, Ste 1250, San Francisco, CA 94111 Telephone: (415) 745-3219	Chad Greeson cgreeson@littler.com Daniel XuLi dxuli@littler.com LITTLER MENDELSON, P.C. 1255 Treat Blvd, Suite 600 Walnut Creek, CA 94597 Telephone: (925) 932-2468

5. WHAT OPTIONS DO I HAVE?

- A. **Do Nothing and Participate in the Settlement.** Under the Settlement, you will automatically receive a class settlement payment unless you exclude yourself from the class settlement by following the exclusion procedure set forth below. If you disagree with the number of Workweeks credited, as described in this Notice, you may dispute the allocation of the Settlement without excluding yourself or objecting, as described below.
- B. **Exclude Yourself from the Class Claims in the Settlement.** If you do not wish to take part in the release of the Class Claims in the Settlement, you may exclude yourself by sending to the Settlement Administrator a “Request for Exclusion from the Class Claims in the Class Action Settlement” letter/card postmarked no later than [REDACTED], 2025 with your full name, address, telephone number, last four digits of your social security number, and signature. The Request for Exclusion should state:

“I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE RAMIREZ V. HEALTHRIGHT360, ET AL. LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE CLASS SETTLEMENT, I WILL NOT RECEIVE ANY MONEY FROM THE CLASS ACTION PORTION OF THIS LAWSUIT.”

Send the Request for Exclusion directly to the Settlement Administrator, [ADDRESS], [FAX] postmarked (or, if sent by fax, transmitted and received) no later than [REDACTED], 2025. Any person who files a timely Request for Exclusion from the class settlement, upon receipt: (1) will not have any rights under this Settlement with respect to the Class Claims, including the right to object, appeal or comment on the Settlement; (2) will not be entitled to receive any money for the Class Claims under this Settlement; and (3) will not be bound by this Settlement, or the Judgment, with respect to the Class Claims. You still will be bound by this Settlement with respect to the release of the PAGA Claims.

- C. **Object to Settlement.** You also have the right to object to the terms of the Settlement with respect to the Class Claims if you believe they are unfair or unreasonable. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Class Claims portion of the Settlement, you must submit a written objection stating your full name, your address, your telephone number, the last four digits of your social security number, your dates of employment with Defendants, the case name and number, the name and address of your attorney(s) if you are represented, your signature, and each specific reason in support of your objection. You must also include any documentation or evidence in support of the objection, if any. Objections must be in writing and mailed or faxed to the Settlement Administrator, [ADDRESS], [FAX] by no later than [REDACTED], 2025. Objections that do not include all required information, or that are not submitted timely, may not be considered by the Court. You need not object to the Settlement if you only dispute the

number of Workweeks credited. To dispute the number of the number of Workweeks credited, please refer to the directions provided under the provision entitled “Calculation of Individual Class Payments to Class Members” in **Section IV** of this Notice.

If you choose to object to the Class Claims portion of the Settlement, you may also appear at the Final Approval Hearing scheduled for [REDACTED], 2025, at [REDACTED] a.m. [REDACTED] in Department 304 of the San Francisco County Superior Court, located at 400 McAllister Street, San Francisco, California 94102. You have the right to appear either in person or through your own attorney at this hearing. Any attorney who intends to represent an individual objecting to the Settlement must file a notice of appearance with the Court and serve counsel for all parties on or before [REDACTED], 2025. All objections or other correspondence must state the name and number of the case. If you wish to appear at the Final Approval hearing, please contact Class Counsel or the Settlement Administrator in advance of the scheduled hearing to ensure that the hearing has not been continued by the Court.

If you object to the Settlement, you will remain a Class Member, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Participating Class Members who do not object. Submitting an objection does not preserve the right to appeal a final judgment. Rather, the right to appeal is preserved by becoming a party of record by timely and properly intervening or filing a motion to vacate the judgment before entry of judgment.

6. WHAT IS THE NEXT STEP?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement, including Class Counsel’s request for attorneys’ fees and reimbursement of documented litigation costs, and the Service Payment to the Class Representative **on [REDACTED], 2025 at 9:00 a.m.** in Department 304 of the San Francisco County Superior Court, located at 400 McAllister Street, San Francisco, California 94102.

You are not required to attend the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

It’s possible the Court will reschedule the Final Approval Hearing. You should check the Settlement Administrator’s website **[INSERT URL]** beforehand or check the Court’s website for the most current information by navigating to <https://sf.courts.ca.gov/online-services/case-information> and entering the Case Number: CGC-23-607274.

7. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Settlement Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should promptly notify the Settlement Administrator.

8. WHAT IF I CHANGE MY ADDRESS?

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

9. HOW CAN I GET MORE INFORMATION?

This Notice is only a summary of the Lawsuit and the Settlement. For more information, you can access an electronic version of this Notice and other important documents in this Lawsuit, including the Settlement Agreement and operative complaint, by visiting this website: **INSERT WEBSITE HERE**. You may also contact Class Counsel at the contact information listed in **Section IV above**. Additionally, you may inspect the pleadings, records, and other papers on file in this lawsuit by visiting the San Francisco County Superior Court located at 400 McAllister Street, San Francisco, California 94102. Lastly, you can also consult the San Francisco County Superior Court website by going to <https://sf.courts.ca.gov/online-services/case-information> and entering the Case Number for the Action, Case No. CGC-23-607274.

**DO NOT TELEPHONE OR WRITE THE SUPERIOR COURT FOR INFORMATION
ABOUT THE SETTLEMENT.**

EXHIBIT B

Matthew A. Haulk (SBN 272457)
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Jose M. Herrera (SBN 289590)
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Attorneys for PLAINTIFFS
JAMMAL RAMIREZ, SHARON FENNIX, and TERRI DEVEREAUX
and all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN FRANCISCO

JAMAAL RAMIREZ, SHARON FENNIX
and TERRI DEVEREAUX, individuals, on
behalf of themselves, and on behalf of all
persons similarly situated,

PLAINTIFFS,

vs.

HEALTHRIGHT 360, a California
Corporation; HEALTHRIGHT 360
FOUNDATION, a California Corporation;
and DOES 1-50, Inclusive,

Defendants.

CASE NO.: CGC-23-607274

**SECOND AMENDED CONSOLIDATED
CLASS AND PAGA REPRESENTATIVE
ACTION COMPLAINT FOR:**

- (1) **UNFAIR COMPETITION IN
VIOLATION OF CAL. BUS. & PROF.
CODE § 17200, et seq.**
- (2) **FAILURE TO PAY MINIMUM WAGES
IN VIOLATION OF CAL. LAB. CODE
§§ 1194, 1197 & 1197.1**
- (3) **FAILURE TO PAY OVERTIME
WAGES IN VIOLATION OF CAL.
LABOR CODE §§ 510, et seq.**
- (4) **FAILURE TO PROVIDE REQUIRED
MEAL PERIODS IN VIOLATION OF
CAL. LAB. CODE §§ 226.7 AND 512
AND THE APPLICABLE IWC WAGE
ORDER**
- (5) **FAILURE TO PROVIDE REQUIRED
REST PERIODS IN VIOLATION OF
CAL. LAB. CODE §§ 226.7 & 512
AND THE APPLICABLE IWC WAGE
ORDER**
- (6) **FAILURE TO REIMBURSE
EMPLOYEES FOR REQUIRED
EXPENSES IN VIOLATION OF CAL.
LAB. CODE § 2802;**
- (7) **FAILURE TO PROVIDE WAGES
WHEN DUE IN VIOLATION OF CAL.
LAB. CODE §§ 201, 202 AND 203;**

1 (8) FAILURE TO PROVIDE ACCURATE
2 ITEMIZED STATEMENTS IN
3 VIOLATION OF CAL. LAB. CODE §
4 226

5 (9) VIOLATIONS OF THE PRIVATE
6 ATTORNEY GENERAL ACT AT
7 LABOR CODE SECTIONS 2698 ET
8 SEQ.

9 **DEMAND FOR JURY TRIAL**

10 Complaint Filed: June 26, 2023

11 Trial Date: None

12 PLAINTIFFS JAMAAL RAMIREZ, SHARON FENNIX, and TERRI DEVEREAUX
13 (collectively hereinafter "PLAINTIFFS"), individually, on behalf of themselves and all other
14 similarly situated employees, allegedly aggrieved employees, and the State of California
15 allege on information and belief, except for their own acts and knowledge which are based
16 on personal knowledge, the following:

17 **PRELIMINARY ALLEGATIONS**

18 1. PLAINTIFFS were employed by DEFENDANTS HEALTHRIGHT 360 and
19 HEALTHRIGHT 360 FOUNDATION (collectively hereinafter "DEFENDANTS"), in
20 California as non-exempt employees, paid on an hourly basis, and entitled to the legally
21 required meal and rest periods and payment of minimum and overtime wages due for all
22 time worked.

23 2. PLAINTIFF Jamaal Ramirez was employed by DEFENDANTS in California
24 from June of 2020 to February 2023.

25 3. PLAINTIFF Sharon Fennix was employed by DEFENDANTS in California
26 from 2018 to July 2022.

27 4. PLAINTIFF Terri Devereaux was employed by DEFENDANTS in California
28 from 2021 to August 2022.

5. PLAINTIFFS bring this Class Action on behalf of themselves and a California
class, defined as all persons who are or previously were employed by Defendant
HealthRight 360 and/or Defendant Healthright 360 Foundation in California and classified

1 as non-exempt employees (the "CALIFORNIA CLASS") at any time during the period
2 beginning July 14, 2020 and ending on the date as determined by the Court (the "CLASS
3 PERIOD").

4 6. PLAINTIFFS bring this Class Action on behalf of themselves and a
5 CALIFORNIA CLASS in order to fully compensate the CALIFORNIA CLASS for their
6 losses incurred during the CLASS PERIOD caused by DEFENDANTS' uniform policies
7 and practices which failed to lawfully compensate these employees. DEFENDANTS'
8 uniform policies and practices alleged herein were unlawful, unfair, and deceptive
9 business practice whereby DEFENDANTS retained and continues to retain wages due to
10 PLAINTIFFS and the other members of the CALIFORNIA CLASS. PLAINTIFFS and the
11 other members of the CALIFORNIA CLASS seek an injunction enjoining such conduct by
12 DEFENDANTS in the future, relief for the named PLAINTIFFS and the other members of
13 the CALIFORNIA CLASS who have been economically injured by DEFENDANTS' past
14 and current unlawful conduct, and all other appropriate legal and equitable relief.

15 7. PLAINTIFFS also bring a representative action pursuant to the Private
16 Attorneys General Act of 2004, California Labor Code § 2698, et seq. ("PAGA"),
17 individually and in their representative capacity on behalf of the State of California and on
18 behalf of all individuals who are or previously were employed by DEFENDANTS in
19 California and classified as non-exempt employees who suffered one or more Labor Code
20 violations enumerated in Labor Code §§ 2698 et seq. (hereinafter "AGGRIEVED
21 EMPLOYEES") and who worked for DEFENDANTS between April 19, 2022 and the
22 present ("PAGA PERIOD").

23 8. PLAINTIFFS bring this representative action against DEFENDANTS for
24 engaging in a pattern and practice of wage and hour violations under the California Labor
25 Code.

26 9. Each PLAINTIFF is an "AGGRIEVED EMPLOYEE" within the meaning of
27 Labor Code § 2699(c) because they were employed by DEFENDANTS and suffered one
28 or more of the alleged Labor Code violations committed by DEFENDANTS.

1 10. PLAINTIFFS and all other AGGRIEVED EMPLOYEES are, and at all
2 relevant times were, employees of DEFENDANTS, within the meanings set forth in the
3 California Labor Code and the applicable Industrial Welfare Commission Wage Order.

4 11. PLAINTIFFS are informed and believe, and thereon allege, that
5 DEFENDANTS decreased their employment-related costs by systematically violating
6 California wage and hour laws.

7 12. Defendant HEALTHRIGHT 360 is a California corporation that at all relevant
8 times mentioned herein conducted and continues to conduct substantial and regular
9 business throughout California.

10 13. Defendant HEALTHRIGHT 360 FOUNDATION is a California corporation
11 that at all relevant times mentioned herein conducted and continues to conduct substantial
12 and regular business throughout California.

13 14. Defendant HealthRight 360 and Defendant HealthRight 360 Foundation
14 were the joint employers of PLAINTIFFS as evidenced by the documents issued to
15 PLAINTIFFS and by the company PLAINTIFFS performed work for respectively and are
16 therefore jointly responsible as employers for the conduct alleged herein as
17 "DEFENDANTS" and/or "DEFENDANT."

18 15. DEFENDANTS own, operate, and/or manage healthcare facilities, providing
19 various healthcare services to patients, such as primary medical, mental health, substance
20 use disorder treatment, and re-entry services, throughout the state of California, including
21 in the county of San Francisco, where PLAINTIFFS worked.

22 16. The true names and capacities, whether individual, corporate, subsidiary,
23 partnership, associate or otherwise of DEFENDANTS DOES 1 through 50, inclusive, are
24 presently unknown to PLAINTIFFS who therefore sues these DEFENDANTS by such
25 fictitious names pursuant to Cal. Civ. Proc. Code § 474. PLAINTIFFS will seek leave to
26 amend this Complaint to allege the true names and capacities of Does 1 through 50,
27 inclusive, when they are ascertained. PLAINTIFFS are informed and believe, and based
28 upon that information and belief allege, that the DEFENDANTS named in this Complaint,

1 including DOES 1 through 50, inclusive, are responsible in some manner for one or more
2 of the events and happenings that proximately caused the injuries and damages
3 hereinafter alleged.

4 17. The agents, servants and/or employees of the DEFENDANTS and each of
5 them acting on behalf of the DEFENDANTS acted within the course and scope of his, her
6 or its authority as the agent, servant and/or employee of the DEFENDANTS , and
7 personally participated in the conduct alleged herein on behalf of the DEFENDANTS with
8 respect to the conduct alleged herein. Consequently, the acts of each Defendant are
9 legally attributable to the other DEFENDANTS and all DEFENDANTS are jointly and
10 severally liable to PLAINTIFFS and the other members of the CALIFORNIA CLASS, for
11 the loss sustained as a proximate result of the conduct of the Defendants' agents, servants
12 and/or employees.

13 18. DEFENDANTS were PLAINTIFFS' employers or persons acting on behalf
14 of the PLAINTIFFS' employer, within the meaning of California Labor Code § 558, who
15 violated or caused to be violated, a section of Part 2, Chapter 1 of the California Labor
16 Code or any provision regulating hours and days of work in any order of the Industrial
17 Welfare Commission and, as such, are subject to civil penalties for each underpaid
18 employee, as set forth in Labor Code § 558, at all relevant times.

19 19. DEFENDANTS were PLAINTIFFS' employers or persons acting on behalf
20 of PLAINTIFFS' employer either individually or as an officer, agent, or employee of another
21 person, within the meaning of California Labor Code § 1197.1, who paid or caused to be
22 paid to any employee a wage less than the minimum fixed by California state law, and as
23 such, are subject to civil penalties for each underpaid employee.

24 20. DEFENDANTS' uniform policies and practices alleged herein were unlawful,
25 unfair, and deceptive business practices whereby DEFENDANTS retained and continue
26 to retain wages due to PLAINTIFFS and other members of the CALIFORNIA CLASS.

27 21. DEFENDANTS' systemic pattern of wage and hour and IWC Wage Order
28 violations towards PLAINTIFFS, other members of the CALIFORNIA CLASS, and other

1 AGGRIEVED EMPLOYEES in California include:

- 2 A. Failure to provide compliant meal and rest periods;
- 3 B. Failure to allow employees to take duty-free meal and rest periods;
- 4 C. Failure to pay all minimum, sick pay, regular and overtime wages;
- 5 D. Failure to correctly calculate the regular rate of pay;
- 6 E. Failure to pay within seven (7) days of the close of payroll;
- 7 F. Failure to pay for all hours worked;
- 8 G. Failure to maintain true and accurate records;
- 9 H. Failure to reimburse for required business expenses;
- 10 I. Failure to provide accurate itemized wage statements;
- 11 J. Violation of Labor Code §§ 551 and 552;
- 12 K. Failure to timely pay wages due during and upon termination of
- 13 employment;
- 14 L. For violations of Labor Code Section 227.3; and
- 15 M. Failure to adhere to Labor Code §§ 245, et seq., and 246.

16 22. PLAINTIFFS and other members of the CALIFORNIA CLASS seek an
17 injunction enjoining such conduct by DEFENDANTS in the future, relief for the named
18 PLAINTIFFS and other members of the CALIFORNIA CLASS who has been economically
19 injured by DEFENDANTS' past and current unlawful conduct, and all other appropriate
20 legal and equitable relief.

21 **JURISDICTION AND VENUE**

22 23. This Court has jurisdiction over this Action pursuant to California Code of
23 Civil Procedure, Section 410.10 and California Business & Professions Code, Section
24 17203. This action is brought as a Class Action on behalf of PLAINTIFFS and similarly
25 situated employees of DEFENDANTS pursuant to Cal. Code of Civ. Proc. § 382.

26 24. Venue is proper in this Court pursuant to California Code of Civil Procedure,
27 Sections 395 and 395.5, because DEFENDANTS operate in locations across California,
28 employs the CALIFORNIA CLASS across California, including in this County, and

1 committed the wrongful conduct herein alleged in this County against the CALIFORNIA
2 CLASS.

3 **THE CONDUCT**

4 25. In violation of the applicable sections of the California Labor Code and the
5 requirements of the Industrial Welfare Commission ("IWC") Wage Order, DEFENDANTS
6 as a matter of company policy, practice, and procedure, intentionally, knowingly, and
7 systematically failed to provide legally compliant meal and rest periods, failed to accurately
8 compensate PLAINTIFFS and the other members of the CALIFORNIA CLASS for missed
9 meal and rest periods, failed to pay PLAINTIFFS and the other members of the
10 CALIFORNIA CLASS for all time worked, failed to compensate PLAINTIFFS and other
11 members of the CALIFORNIA CLASS vested vacation at the correct rate, failed to provide
12 PLAINTIFFS and other members of the CALIFORNIA CLASS paid sick leave per Labor
13 Code sections 245, et seq and 246., failed compensate PLAINTIFFS and other members
14 of the CALIFORNIA CLASS for off-the-clock work, failed to pay PLAINTIFFS and the other
15 members of the CALIFORNIA CLASS overtime at the correct regular rate of pay
16 incorporating non-discretionary compensation (such as, but not limited to shift differential
17 pay, commissions, non-discretionary bonuses, non-discretionary performance pay), failed
18 to compensate PLAINTIFFS and other members of the CALIFORNIA CLASS meal rest
19 premiums at the regular rate, failed to provide PLAINTIFFS and other members of the
20 CALIFORNIA CLASS with all wages earned within required time both during their
21 employment and upon their discharge or resignation, failed to reimburse PLAINTIFFS and
22 other CALIFORNIA CLASS Members for business expenses, caused PLAINTIFFS and
23 other CALIFORNIA CLASS Members to work more than six days in seven days; and failed
24 to issue to PLAINTIFFS and the members of the CALIFORNIA CLASS with accurate
25 itemized wage statements showing, among other things, all applicable hourly rates in
26 effect during the pay periods and the corresponding amount of time worked at each hourly
27 rate. DEFENDANTS' uniform policies and practices are intended to purposefully avoid the
28 accurate and full payment for all time worked as required by California law which allows

DEFENDANTS to illegally profit and gain an unfair advantage over competitors who comply with the law. To the extent equitable tolling operates to toll claims by the CALIFORNIA CLASS against DEFENDANTS, the CLASS PERIOD should be adjusted accordingly.

A. Meal Period Violations

26. Pursuant to the Industrial Welfare Commission Wage Orders, DEFENDANTS were required to pay PLAINTIFFS and CALIFORNIA CLASS Members for all their time worked, meaning the time during which an employee is subject to the control of an employer, including all the time the employee is suffered or permitted to work. From time to time during the CLASS PERIOD, DEFENDANTS required PLAINTIFFS and CALIFORNIA CLASS Members to work without paying them for all the time they were under DEFENDANTS' control. Specifically, DEFENDANTS required PLAINTIFFS to work while clocked out during what was supposed to be PLAINTIFFS' off-duty meal break. Indeed, there were many days where PLAINTIFFS did not even receive a partial lunch. As a result, the PLAINTIFFS and other CALIFORNIA CLASS Members forfeited minimum wage and overtime compensation by regularly working without their time being accurately recorded and without compensation at the applicable minimum wage and overtime rates. DEFENDANTS' uniform policy and practice not to pay PLAINTIFFS and other CALIFORNIA CLASS Members for all time worked is evidenced by DEFENDANTS' business records.

27. From time to time during the CLASS PERIOD, as a result of their rigorous work schedules and DEFENDANTS' inadequate staffing practices, PLAINTIFFS and other CALIFORNIA CLASS Members are from time to time unable to take thirty (30) minute off duty meal breaks and were not fully relieved of duty for their meal periods. PLAINTIFFS and other CALIFORNIA CLASS Members are required to perform work as ordered by DEFENDANTS for more than five (5) hours during some shifts without receiving a meal break. Further, DEFENDANTS fail to provide PLAINTIFFS and CALIFORNIA CLASS Members with a second off-duty meal period for some workdays in which these employees

are required by DEFENDANTS to work ten (10) hours of work. The nature of the work performed by PLAINTIFFS and other CALIFORNIA CLASS Members does not qualify for the limited and narrowly construed "on-duty" meal period exception. When they were provided with meal periods, PLAINTIFFS and other CALIFORNIA CLASS Members were, from time to time, required to remain on premises, on duty and on call. DEFENDANTS' failure to provide PLAINTIFFS and the CALIFORNIA CLASS Members with legally required meal breaks is evidenced by DEFENDANTS' business records. PLAINTIFFS and other members of the CALIFORNIA CLASS therefore forfeit meal breaks without additional compensation and in accordance with DEFENDANTS' strict corporate policy and practice.

B. Rest Period Violations

28. From time to time during the CLASS PERIOD, PLAINTIFFS and other CALIFORNIA CLASS Members were also required to work in excess of four (4) hours without being provided ten (10) minute rest periods as a result of their rigorous work requirements and DEFENDANTS' inadequate staffing. Further, for the same reasons, these employees were denied their first rest periods of at least ten (10) minutes for some shifts worked of at least two (2) to four (4) hours from time to time, a first and second rest period of at least ten (10) minutes for some shifts worked of between six (6) and eight (8) hours from time to time, and a first, second and third rest period of at least ten (10) minutes for some shifts worked of ten (10) hours or more from time to time. When they were provided with rest breaks, PLAINTIFFS and other CALIFORNIA CLASS Members were, from time to time, required to remain on premises, on duty and/or on call. PLAINTIFFS and other CALIFORNIA CLASS Members were also not provided with one-hour wages in lieu thereof. As a result of their rigorous work schedules and DEFENDANTS' inadequate staffing, PLAINTIFFS and other CALIFORNIA CLASS Members were from time to time denied their proper rest periods by DEFENDANTS and DEFENDANTS' managers.

C. Unreimbursed Business Expenses

29. DEFENDANTS as a matter of corporate policy, practice, and procedure,

1 intentionally, knowingly, and systematically failed to reimburse and indemnify the
2 PLAINTIFFS and the other CALIFORNIA CLASS Members for required business
3 expenses incurred by the PLAINTIFFS and other CALIFORNIA CLASS Members in direct
4 consequence of discharging their duties on behalf of DEFENDANTS. Under California
5 Labor Code Section 2802, employers are required to indemnify employees for all
6 expenses incurred in the course and scope of their employment. Cal. Lab. Code § 2802
7 expressly states that "an employer shall indemnify his or her employee for all necessary
8 expenditures or losses incurred by the employee in direct consequence of the discharge
9 of his or her duties, or of his or her obedience to the directions of the employer, even
10 though unlawful, unless the employee, at the time of obeying the directions, believed them
11 to be unlawful."

12 30. In the course of their employment, DEFENDANTS required PLAINTIFFS
13 and other CALIFORNIA CLASS Members to incur personal expenses for the use of their
14 personal cell phones and personal vehicles as a result of and in furtherance of their job
15 duties. Specifically, PLAINTIFFS and other CALIFORNIA CLASS Members were required
16 to use their own cell phones in order to contact their supervisors and to clock in and out
17 of work. Further, PLAINTIFFS and other CALIFORNIA CLASS Members were required to
18 use their own personal vehicles for work-related tasks. However, DEFENDANTS
19 unlawfully failed to reimburse PLAINTIFFS and other CALIFORNIA CLASS Members for
20 the personal expenses incurred, such as but not limited to the use of their personal cell
21 phones and personal vehicles. As a result, in the course of their employment with
22 DEFENDANT, the PLAINTIFFS and other CALIFORNIA CLASS Members incurred
23 unreimbursed business expenses that included, but were not limited to, costs related to
24 the use of their personal cell phones and personal vehicles, all on behalf of and for the
25 benefit of DEFENDANT.

26 **D. Wage Statement Violations**

27 31. California Labor Code Section 226 required an employer to furnish its
28 employees and accurate itemized wage statement in writing showing (1) gross wages

1 earned, (2) total hours worked, (3) the number of piece-rate units earned and any
2 applicable piece-rate, (4) all deductions, (5) net wages earned, (6) the inclusive dates of
3 the period for which the employee is paid, (7) the name of the employee and only the last
4 four digits of the employee's social security number or an employee identification number
5 other than a social security number, (8) the name and address of the legal entity that is
6 the employer, and (9) all applicable hourly rates in effect during the pay period and the
7 corresponding number of hours worked at each hourly rate by the employee.

8 32. From time to time during the CLASS PERIOD, when PLAINTIFFS and other
9 CALIFORNIA CLASS Members missed meal and rest breaks, or were paid inaccurately
10 for missed meal and rest period premiums, or were not paid for all hours worked or had
11 their recorded work time rounded, DEFENDANTS also failed to provide PLAINTIFFS and
12 other CALIFORNIA CLASS Members with complete and accurate wage statements which
13 failed to show, among other things, all deductions, the total hours worked and all
14 applicable hourly rates in effect during the pay period, and the corresponding amount of
15 time worked at each hourly rate, correct rates of pay for penalty payments or missed meal
16 and rest periods.

17 33. In addition to the foregoing, DEFENDANTS, from time to time, failed to
18 provide PLAINTIFFS and the CALIFORNIA CLASS Members with wage statements that
19 comply with Cal. Lab. Code § 226.

20 34. As a result, DEFENDANTS issued PLAINTIFFS and other members of the
21 CALIFORNIA CLASS with wage statements that violate Cal. Lab. Code § 226. Further,
22 DEFENDANTS' violations are knowing and intentional, were not isolated due to an
23 unintentional payroll error due to clerical or inadvertent mistake.

24 **E. Off-the-Clock Work Resulting in Minimum Wage and Overtime**
25 **Violations**

26 35. During the CLASS PERIOD, from time-to-time DEFENDANTS failed and
27 continues to fail to accurately pay PLAINTIFFS and other members of the CALIFORNIA
28 CLASS for all hours worked.

1 36. During the CLASS PERIOD, from time-to-time DEFENDANTS required
2 PLAINTIFFS and other members of the CALIFORNIA CLASS to perform pre-shift or post-
3 shift working, including but not limited to, drafting reports regarding DEFENDANTS' clients
4 and/or patients. DEFENDANTS also rounded recorded time worked by PLAINTIFFS and
5 other members of the CALIFORNIA CLASS. This resulted in PLAINTIFFS and other
6 members of the CALIFORNIA CLASS to have to work while off-the-clock or be deprived
7 of wages for time worked due to rounding of work time.

8 37. DDEFENDANTS directed and directly benefited from the
9 undercompensated off-the-clock work performed by PLAINTIFFS and the other
10 CALIFORNIA CLASS Members.

11 38. DEFENDANTS controlled the work schedules, duties, and protocols,
12 applications, assignments, and employment conditions of PLAINTIFFS and the other
13 members of the CALIFORNIA CLASS.

14 39. DEFENDANTS were able to track the amount of time PLAINTIFFS and the
15 other members of the CALIFORNIA CLASS spent working; however, DEFENDANTS
16 failed to document, track, or pay PLAINTIFFS and the other members of the CALIFORNIA
17 CLASS all wages earned and owed for all the work they performed.

18 40. PLAINTIFFS and the other members of the CALIFORNIA CLASS were non-
19 exempt employees, subject to the requirements of the California Labor Code.

20 41. DEFENDANTS' policies and practices deprived PLAINTIFFS and the other
21 CALIFORNIA CLASS Members of all minimum regular, overtime, and double time wages
22 owed for the off-the-clock work activities. Because PLAINTIFFS and the other members
23 of the CALIFORNIA CLASS typically worked over forty (40) hours in a workweek, and
24 more than eight (8) hours per day, DEFENDANTS' policies and practices also deprived
25 them of overtime pay.

26 42. DEFENDANTS knew or should have known that PLAINTIFFS and the other
27 members of the CALIFORNIA CLASS off-the-clock work was compensable under the law.

28 43. As a result, PLAINTIFFS and the other members of the CALIFORNIA

1 CLASS forfeited wages due to them for all hours worked at DEFENDANTS' direction,
2 control, and benefit for the time spent working while off-the-clock. DEFENDANTS' uniform
3 policy and practice to not pay PLAINTIFFS and the members of the CALIFORNIA CLASS
4 wages for all hours worked in accordance with applicable law is evidenced by
5 DEFENDANTS' business records.

6 **F. Regular Rate Violation — Overtime, Double Time, Meal and Rest Period**
7 **Premiums, and Redeemed Sick Pay**

8 44. From time to time during the CLASS PERIOD, DEFENDANTS failed and
9 continues to fail to accurately calculate and pay PLAINTIFFS and the other CALIFORNIA
10 CLASS Members for their overtime and double time hours worked, meal and rest period
11 premiums, and redeemed sick pay. As a result, PLAINTIFFS and the other CALIFORNIA
12 CLASS Members forfeited wages due to them for working overtime without compensation
13 at the correct overtime and double time rates, meal and rest period premiums, and
14 redeemed sick pay rates. DEFENDANTS' uniform policy and practice not to pay the
15 CALIFORNIA CLASS Members at the correct rate for all overtime and double time worked,
16 meal and rest period premiums, and redeemed sick pay in accordance with applicable law
17 is evidenced by DEFENDANTS' business records.

18 45. State law provides that employees must be paid overtime at one-and-one-
19 half times their "regular rate of pay." PLAINTIFFS and other CALIFORNIA CLASS
20 Members were compensated at an hourly rate plus incentive pay that was tied to specific
21 elements of an employee's performance.

22 46. The second component of PLAINTIFFS' and other CALIFORNIA CLASS
23 Members' compensation was DEFENDANTS' non-discretionary incentive program that
24 paid PLAINTIFFS and other CLASS MEMBERS incentive wages based on their
25 performance for DEFENDANTS. The non-discretionary bonus program provided all
26 employees paid on an hourly basis with bonus compensation when the employees met
27 the various performance goals set by DEFENDANTS.

28 47. However, from-time-to-time, when calculating the regular rate of pay, in

1 those pay periods where PLAINTIFFS and other CALIFORNIA CLASS members worked
2 overtime, double time, paid meal and rest period premium payments, and/or redeemed
3 sick pay, and earned non-discretionary bonus, DEFENDANTS failed to accurately include
4 the non-discretionary bonus compensation as part of the employees' "regular rate of pay"
5 and/or calculated all hours worked rather than just all non-overtime hours worked.
6 Management and supervisors described the incentive/bonus program to potential and new
7 employees as part of the compensation package. As a matter of law, the incentive
8 compensation received by PLAINTIFFS and other CALIFORNIA CLASS members must
9 be included in the "regular rate of pay." The failure to do so has resulted in a systematic
10 underpayment of overtime and double time compensation, meal and rest period
11 premiums, and redeemed sick pay to PLAINTIFFS and other CALIFORNIA CLASS
12 members by DEFENDANTS. Specifically, California Labor Code Section 246 mandates
13 that paid sick time for non-employees shall be calculated in the same manner as the
14 regular rate of pay for the workweek in which the non-exempt employee uses paid sick
15 time, whether or not the employee actually works overtime in that workweek.
16 DEFENDANTS' conduct, as articulated herein, by failing to include the incentive
17 compensation as part of the "regular rate of pay" for purposes of sick pay compensation
18 was in violation of Cal. Lab. Code § 246 the underpayment of which is recoverable under
19 Cal. Labor Code Sections 201, 202, 203 and/or 204.

20 48. In violation of the applicable sections of the California Labor Code and the
21 requirements of the Industrial Welfare Commission ("IWC") Wage Order, DEFENDANTS
22 as a matter of company policy, practice, and procedure, intentionally and knowingly failed
23 to compensate PLAINTIFFS and the other members of the CALIFORNIA CLASS at the
24 correct rate of pay for all overtime and double time worked, meal and rest period
25 premiums, and sick pay. This uniform policy and practice of DEFENDANTS are intended
26 to purposefully avoid the payment of the correct overtime and double time compensation,
27 meal and rest period premiums, and sick pay as required by California law which allowed
28 DEFENDANTS to illegally profit and gain an unfair advantage over competitors who

1 complied with the law. To the extent equitable tolling operates to toll claims by the
2 CALIFORNIA CLASS members against DEFENDANTS, the CLASS PERIOD should be
3 adjusted accordingly.

4 **G. Unlawful Rounding Practices**

5 49. During the CALIFORNIA CLASS PERIOD, DEFENDANTS did not have in
6 place an immutable timekeeping system to accurately record and pay PLAINTIFFS and
7 other CALIFORNIA CLASS Members for the actual time these employees worked each
8 day, including overtime hours. Specifically, DEFENDANTS had in place an unlawful
9 rounding policy and practice that resulted in PLAINTIFFS and CALIFORNIA CLASS
10 Members being undercompensated for all of their time worked. As a result, DEFENDANTS
11 were able to and did in fact unlawfully, and unilaterally round the time recorded in
12 DEFENDANTS' timekeeping system for PLAINTIFFS and the members of the
13 CALIFORNIA CLASS in order to avoid paying these employees for all their time worked,
14 including the applicable overtime compensation for overtime worked. As a result,
15 PLAINTIFFS and other CALIFORNIA CLASS Members, from time to time, forfeited
16 compensation for their time worked by working without their time being accurately
17 recorded and without compensation at the applicable overtime rates.

18 50. Further, the mutability of DEFENDANTS' timekeeping system and unlawful
19 rounding policy and practice resulted in PLAINTIFFS and CALIFORNIA CLASS Members'
20 time being inaccurately recorded. As a result, from time to time, DEFENDANTS' unlawful
21 rounding policy and practice caused PLAINTIFFS and CALIFORNIA CLASS Members to
22 perform work as ordered by DEFENDANTS for more than five (5) hours during a shift
23 without receiving an off-duty meal break.

24 **H. Timekeeping Manipulation**

25 51. During the CLASS PERIOD, DEFENDANTS, from time-to-time, did not have
26 an immutable timekeeping system to accurately record and pay PLAINTIFFS and other
27 members of the CALIFORNIA CLASS for the actual time PLAINTIFFS and other members
28 of the CALIFORNIA CLASS worked each day, including regular time, overtime hours, sick

1 pay, meal and rest breaks. As a result, DEFENDANTS were able to and did in fact,
2 unlawfully, and unilaterally alter the time recorded in DEFENDANTS' timekeeping system
3 for PLAINTIFFS and other members of the CALIFORNIA CLASS in order to avoid paying
4 these employees for all hours worked, applicable overtime compensation, applicable sick
5 pay, missed meal breaks and missed rest break.

6 52. As a result, PLAINTIFFS and other members of the CALIFORNIA CLASS,
7 from time-to-time, forfeited time worked by working without their time being accurately
8 recorded and without compensation at the applicable pay rates.

9 53. The mutability of the timekeeping system also allowed DEFENDANTS to
10 alter employee time records by recording fictitious thirty (30) minute meal breaks in
11 DEFENDANTS' timekeeping system so as to create the appearance that PLAINTIFFS and
12 other members of the CALIFORNIA CLASS clocked out for thirty (30) minute meal break
13 when in fact the employees were not at all times provided an off-duty meal break. This
14 practice is a direct result of DEFENDANTS' uniform policy and practice of denying
15 employees uninterrupted thirty (30) minute off-duty meal breaks each day or otherwise
16 compensate them for missed meal breaks.

17 54. As a result, PLAINTIFFS and the other members of the CALIFORNIA
18 CLASS forfeited wages due them for all hours worked at DEFENDANTS' direction, control
19 and benefit for the time the timekeeping system was inoperable. DEFENDANTS' uniform
20 policy and practice to not pay PLAINTIFFS and the members of the CALIFORNIA CLASS
21 wages for all hours worked in accordance with applicable law is evidenced by
22 DEFENDANTS' business records.

23 **I. Violations for Untimely Payment of Wages**

24 55. Pursuant to California Labor Code section 204, PLAINTIFFS and the
25 CALIFORNIA CLASS members were entitled to timely payment of wages during their
26 employment. PLAINTIFFS and the CALIFORNIA CLASS members, from time to time, did
27 not receive payment of all wages, including, but not limited to, overtime wages, minimum
28 wages, meal period premium wages, and rest period premium wages within permissible

1 time period.

2 **J. Unlawful Deductions**

3 56. DEFENDANTS from time-to-time unlawfully deducted wages from
4 PLAINTIFFS and CALIFORNIA CLASS Members' pay without explanations and without
5 authorization to do so or notice to PLAINTIFFS and the CALIFORNIA CLASS Members.
6 As a result, DEFENDANTS violated Labor Code § 221.

7 **K. Violations for Failure to Pay Vacation and/or Paid Time Off (PTO)**
8 **Wages**

9 57. Upon PLAINTIFFS' and CALIFORNIA CLASS Members' separation of
10 employment, they had not used all of their vested vacation and/or paid time off (PTO) and
11 thus their unused, vested vacation and/or PTO was required to have been paid at their
12 final rate upon separation of employment. DEFENDANTS, however failed to pay the
13 vested vacation and/or PTO time, and when it did, it paid it at the wrong rate. Further,
14 DEFENDANTS failed to allow PLAINTIFFS and CALIFORNIA CLASS Members to accrue
15 vacation and/or PTO, from time to time, in accordance with DEFENDANTS' accrual policy.
16 As a result of the foregoing, DEFENDANTS violated Labor Code § 227.3.

17 58. Specifically, as to PLAINTIFFS, PLAINTIFFS were from time to time unable
18 to take off duty meal and rest breaks and was not fully relieved of duty for his rest and
19 meal periods. PLAINTIFFS were required to perform work as ordered by DEFENDANTS
20 for more than five (5) hours during a shift without receiving an off-duty meal break. Further,
21 DEFENDANTS failed to provide PLAINTIFFS with a second off-duty meal period each
22 workday in which they were required by DEFENDANTS to work ten (10) hours of work.
23 When DEFENDANTS provided PLAINTIFFS with a rest break, they required PLAINTIFFS
24 to remain on premises, on-duty and on-call for the rest break. DEFENDANTS' policy
25 caused PLAINTIFFS to remain on premises, on-call and on-duty during what was
26 supposed to be his off-duty meal periods. PLAINTIFFS therefore forfeited meal and rest
27 breaks without additional compensation and in accordance with DEFENDANTS' strict
28 corporate policy and practice. Moreover, DEFENDANTS also provided PLAINTIFFS with

1 paystubs that failed to comply with Cal. Lab. Code § 226. Further, DEFENDANTS failed
2 to reimburse PLAINTIFFS for the use of his personal vehicle in violation of Cal. Lab. Code
3 § 2802. To date, DEFENDANTS have not fully paid PLAINTIFFS the minimum, overtime
4 and double time compensation still owed to him or any penalty wages owed to him under
5 Cal. Lab. Code § 203. The amount in controversy for PLAINTIFFS individually do not
6 exceed the sum or value of \$75,000.

7 **CLASS ACTION ALLEGATIONS**

8 59. PLAINTIFFS bring this Class Action on behalf of themselves, and a
9 California class defined as all persons who are or previously were employed by Defendant
10 HealthRight 360 and/or Defendant HealthRight 360 in California and classified as non-
11 exempt employees (the "CALIFORNIA CLASS") at any time during the period beginning
12 July 14, 2020 and ending on the date as determined by the Court (the "CLASS PERIOD").

13 60. PLAINTIFFS and the other CALIFORNIA CLASS Members have uniformly
14 been deprived of wages and penalties from unpaid wages earned and due, including but
15 not limited to unpaid minimum wages, unpaid overtime compensation, unpaid meal and
16 rest period premiums, illegal meal and rest period policies, failed to reimburse for business
17 expenses, failed compensate for off-the-clock work, failure to provide sick pay, failure to
18 provide accurate itemized wage statements, failure to maintain required records, and
19 interest, statutory and civil penalties, attorney's fees, costs, and expenses.

20 61. The members of the class are so numerous that joinder of all class members
21 is impractical.

22 62. Common questions of law and fact regarding DEFENDANTS' conduct,
23 including but not limited to, off-the-clock work, unpaid meal and rest period premiums,
24 failure to accurately calculate the regular rate of pay for overtime compensation, failure to
25 accurately calculate the regular rate of compensation for missed meal and rest period
26 premiums, failing to provide legally compliant meal and rest periods, failed to reimburse
27 for business expenses, failure to provide sick pay, failure to provide accurate itemized
28 wage statements accurate, and failure to ensure they are paid at least minimum wage and

overtime, exist as to all members of the class and predominate over any questions affecting solely any individual members of the class. Among the questions of law and fact common to the class are:

- a. Whether DEFENDANTS maintained legally compliant meal period policies and practices;
- b. Whether DEFENDANTS maintained legally compliant rest period policies and practices;
- c. Whether DEFENDANTS failed to pay PLAINTIFFS and the CALIFORNIA CLASS Members accurate premium payments for missed meal and rest periods;
- d. Whether DEFENDANTS failed to pay PLAINTIFFS and the CALIFORNIA CLASS Members accurate overtime wages;
- e. Whether DEFENDANTS failed to pay PLAINTIFFS and the CALIFORNIA CLASS Members at least minimum wage for all hours worked;
- f. Whether DEFENDANTS failed to compensate PLAINTIFFS and the CALIFORNIA CLASS Members for required business expenses;
- g. Whether DEFENDANTS failed to provide PLAINTIFFS and the CALIFORNIA CLASS Members with paid sick leave per Labor Code sections 245, et seq and 246;
- h. Whether DEFENDANTS failed to compensated PLAINTIFFS and the CALIFORNIA CLASS Members vested vacation at the correct rate,
- i. Whether DEFENDANTS issued legally compliant wage statements;
- j. Whether DEFENDANTS committed an act of unfair competition by systematically failing to record and pay PLAINTIFFS and the other members of the CALIFORNIA CLASS for all time worked;
- k. Whether DEFENDANTS committed an act of unfair competition by systematically failing to record all meal and rest breaks missed by

1 PLAINTIFFS and other CALIFORNIA CLASS Members, even though
2 DEFENDANTS enjoyed the benefit of this work, required employees
3 to perform this work and permits or suffers to permit this work;

4 I. Whether DEFENDANTS committed an act of unfair competition in
5 violation of the UCL, by failing to provide the PLAINTIFFS and the
6 other members of the CALIFORNIA CLASS with the legally required
7 meal and rest periods.

8 63. PLAINTIFFS are members of the CALIFORNIA CLASS and suffered
9 damages as a result of DEFENDANTS' conduct and actions alleged herein.

10 64. PLAINTIFFS' claims are typical of the claims of the CALIFORNIA CLASS,
11 and PLAINTIFFS have the same interests as the other members of the class.

12 65. PLAINTIFFS will fairly and adequately represent and protect the interests of
13 the CALIFORNIA CLASS Members.

14 66. PLAINTIFFS retained able class counsel with extensive experience in class
15 action litigation.

16 67. Further, PLAINTIFFS' interests are coincident with, and not antagonistic to,
17 the interest of the other CALIFORNIA CLASS Members.

18 68. There is a strong community of interest among PLAINTIFFS and the
19 members of the CALIFORNIA CLASS to, inter alia, ensure that the combined assets of
20 DEFENDANTS are sufficient to adequately compensate the members of the CALIFORNIA
21 CLASS for the injuries sustained.

22 69. The questions of law and fact common to the CALIFORNIA CLASS
23 Members predominate over any questions affecting only individual members, including
24 legal and factual issues relating to liability and damages.

25 70. A class action is superior to other available methods for the fair and efficient
26 adjudication of this controversy because joinder of all class members is impractical.
27 Moreover, since the damages suffered by individual members of the class may be
28 relatively small, the expense and burden of individual litigation makes it practically

impossible for the members of the class individually to redress the wrongs done to them. Without class certification and determination of declaratory, injunctive, statutory, and other legal questions within the class format, prosecution of separate actions by individual members of the CALIFORNIA CLASS will create the risk of:

- a. Inconsistent or varying adjudications with respect to individual members of the CALIFORNIA CLASS which would establish incompatible standards of conduct for the parties opposing the CALIFORNIA CLASS; and/or,
- b. Adjudication with respect to individual members of the CALIFORNIA CLASS which would as a practical matter be dispositive of the interests of the other members not party to the adjudication or substantially impair or impeded their ability to protect their interests.

71. Class treatment provides manageable judicial treatment calculated to bring an efficient and rapid conclusion to all litigation of all wage and hour related claims arising out of the conduct of DEFENDANTS.

FIRST CAUSE OF ACTION
Unlawful Business Practices
(Cal. Bus. And Prof. Code §§ 17200, et seq.)
(Alleged by PLAINTIFFS and the CALIFORNIA CLASS against all DEFENDANTS)

72. PLAINTIFFS, and the other members of the CALIFORNIA CLASS, reallege and incorporate by this reference, as though fully set forth herein, the prior paragraphs of this Complaint.

73. DEFENDANTS are a "person" as that term is defined under Cal. Bus. And Prof. Code § 17021.

74. California Business & Professions Code §§ 17200, et seq. (the "UCL") defines unfair competition as any unlawful, unfair, or fraudulent business act or practice. Section 17203 authorizes injunctive, declaratory, and/or other equitable relief with respect to unfair competition as follows:

Any person who engages, has engaged, or proposes to engage

1 in unfair competition may be enjoined in any court of competent
2 jurisdiction. The court may make such orders or judgments,
3 including the appointment of a receiver, as may be necessary
4 to prevent the use or employment by any person of any practice
5 which constitutes unfair competition, as defined in this chapter,
6 or as may be necessary to restore to any person in interest any
7 money or property, real or personal, which may have been
8 acquired by means of such unfair competition. (Cal. Bus. &
9 Prof. Code § 17203).

10 75. By the conduct alleged herein, DEFENDANTS have engaged and continues
11 to engage in a business practice which violates California law, including but not limited to,
12 the applicable Wage Order(s), the California Code of Regulations and the California Labor
13 Code including Sections 201, 202, 203, 204, 210, 226.7, 246, 510, 512, 558, 1194, 1197,
14 1197.1, 1198, and 2802, for which this Court should issue declaratory and other equitable
15 relief pursuant to Cal. Bus. & Prof Code § 17203 as may be necessary to prevent and
16 remedy the conduct held to constitute unfair competition, including restitution of wages
17 wrongfully withheld.

18 76. By the conduct alleged herein, DEFENDANTS' practices were unlawful and
19 unfair in that these practices violated public policy, were immoral, unethical, oppressive
20 unscrupulous or substantially injurious to employees, and were without valid justification
21 or utility for which this Court should issue equitable and injunctive relief pursuant to Section
22 17203 of the California Business & Professions Code, including restitution of wages
23 wrongfully withheld.

24 77. By the conduct alleged herein, DEFENDANTS' practices were deceptive
25 and fraudulent in that DEFENDANTS' uniform policy and practice failed to provide the
26 legally mandated meal and rest periods and the required amount of compensation for
27 missed meal and rest periods, failed to pay minimum and overtime wages owed, and failed
28 to reimburse all necessary business expenses incurred, due to a systematic business
practice that cannot be justified, pursuant to the applicable Cal. Lab. Code, and Industrial
Welfare Commission requirements in violation of Cal. Bus. Code §§ 17200, et seq., and
for which this Court should issue injunctive and equitable relief, pursuant to Cal. Bus. &
Prof. Code § 17203, including restitution of wages wrongfully withheld.

1 78. By the conduct alleged herein, DEFENDANTS' practices were also unlawful,
2 unfair, and deceptive in that DEFENDANTS' employment practices caused PLAINTIFFS
3 and the other members of the CALIFORNIA CLASS to be underpaid during their
4 employment with DEFENDANTS.

5 79. By the conduct alleged herein, DEFENDANTS' practices were also unfair
6 and deceptive in that DEFENDANTS' uniform policies, practices and procedures failed to
7 provide mandatory meal and/or rest breaks to PLAINTIFFS and the CALIFORNIA CLASS
8 members as required by Cal. Lab. Code §§ 226.7 and 512.

9 80. Therefore, PLAINTIFFS demand on behalf of themselves and on behalf of
10 each CALIFORNIA CLASS member, one (1) hour of pay for each workday in which an off-
11 duty meal period was not timely provided for each five (5) hours of work, and/or one (1)
12 hour of pay for each workday in which a second off-duty meal period was not timely
13 provided for each ten (10) hours of work.

14 81. PLAINTIFFS further demand on behalf of themselves and on behalf of each
15 CALIFORNIA CLASS member, one (1) hour of pay for each workday in which a rest period
16 was not timely provided as required by law.

17 82. By and through the unlawful and unfair business practices described herein,
18 DEFENDANTS have obtained valuable property, money and services from PLAINTIFFS
19 and the other members of the CALIFORNIA CLASS, including earned wages for all time
20 worked, and has deprived them of valuable rights and benefits guaranteed by law and
21 contract, all to the detriment of these employees and to the benefit of DEFENDANTS so
22 as to allow DEFENDANTS to unfairly compete against competitors who comply with the
23 law.

24 83. All the acts described herein as violations of, among other things, the
25 Industrial Welfare Commission Wage Orders, the California Code of Regulations, and the
26 California Labor Code, were unlawful and in violation of public policy, were immoral,
27 unethical, oppressive, and unscrupulous, were deceptive, and thereby constitute unlawful,
28 unfair, and deceptive business practices in violation of Cal. Bus. & Prof. Code §§ 17200,

et seq.

84. PLAINTIFFS and the other members of the CALIFORNIA CLASS are entitled to, and do, seek such relief as may be necessary to restore to them the money and property which DEFENDANTS have acquired, or of which PLAINTIFFS and the other members of the CALIFORNIA CLASS have been deprived, by means of the above described unlawful and unfair business practices, including earned but unpaid wages for all time worked.

85. PLAINTIFFS and the other members of the CALIFORNIA CLASS are further entitled to, and do, seek a declaration that the described business practices are unlawful, unfair, and deceptive, and that injunctive relief should be issued restraining DEFENDANTS from engaging in any unlawful and unfair business practices in the future.

86. PLAINTIFFS and the other members of the CALIFORNIA CLASS have no plain, speedy and/or adequate remedy at law that will end the unlawful and unfair business practices of DEFENDANTS. Further, the practices herein alleged presently continue to occur unabated. As a result of the unlawful and unfair business practices described herein, PLAINTIFFS and the other members of the CALIFORNIA CLASS have suffered and will continue to suffer irreparable legal and economic harm unless DEFENDANTS are restrained from continuing to engage in these unlawful and unfair business practices.

SECOND CAUSE OF ACTION

Failure To Pay Minimum Wages

(Cal. Lab. Code §§ 1194, 1197 and 1197.1)

(Alleged by PLAINTIFFS and the CALIFORNIA CLASS against ALL DEFENDANTS)

87. PLAINTIFFS, and the other members of the CALIFORNIA CLASS, reallege and incorporate by this reference, as though fully set forth herein, the prior paragraphs of this Complaint.

88. PLAINTIFFS and the other members of the CALIFORNIA CLASS bring a claim for DEFENDANT's willful and intentional violations of the California Labor Code and the Industrial Welfare Commission requirements for DEFENDANTS' failure to accurately calculate and pay minimum wages to PLAINTIFFS and CALIFORNIA CLASS Members.

1 89. Pursuant to Cal. Lab. Code § 204, other applicable laws and regulations,
2 and public policy, an employer must timely pay its employees for all hours worked.

3 90. Cal. Lab. Code § 1197 provides the minimum wage for employees fixed by
4 the commission is the minimum wage to be paid to employees, and the payment of a less
5 wage than the minimum so fixed is unlawful.

6 91. Cal. Lab. Code § 1194 establishes an employee's right to recover unpaid
7 wages, including minimum wage compensation and interest thereon, together with the
8 costs of suit.

9 92. DEFENDANTS maintained a uniform wage practice of paying PLAINTIFFS
10 and the other members of the CALIFORNIA CLASS without regard to the correct amount
11 of time they work. As set forth herein, DEFENDANTS' uniform policy and practice was to
12 unlawfully and intentionally deny timely payment of wages due to PLAINTIFFS and the
13 other members of the CALIFORNIA CLASS.

14 93. DEFENDANTS' uniform pattern of unlawful wage and hour practices
15 manifested, without limitation, applicable to the CALIFORNIA CLASS as a whole, as a
16 result of implementing a uniform policy and practice that denies accurate compensation to
17 PLAINTIFFS and the other members of the CALIFORNIA CLASS in regard to minimum
18 wage pay.

19 94. In committing these violations of the California Labor Code, DEFENDANTS
20 inaccurately calculated the correct time worked and consequently underpaid the actual
21 time worked by PLAINTIFFS and other members of the CALIFORNIA CLASS.
22 DEFENDANTS acted in an illegal attempt to avoid the payment of all earned wages, and
23 other benefits in violation of the California Labor Code, the Industrial Welfare Commission
24 requirements and other applicable laws and regulations.

25 95. As a direct result of DEFENDANTS' unlawful wage practices as alleged
26 herein, PLAINTIFFS and the other members of the CALIFORNIA CLASS did not receive
27 the correct minimum wage compensation for their time worked for DEFENDANTS.

28 96. During the CLASS PERIOD, PLAINTIFFS and the other members of the

1 CALIFORNIA CLASS were paid less for time worked that they were entitled to, constituting
2 a failure to pay all earned wages.

3 97. By virtue of DEFENDANTS' unlawful failure to accurately pay all earned
4 compensation to PLAINTIFFS and the other members of the CALIFORNIA CLASS for the
5 true time they worked, PLAINTIFFS and the other members of the CALIFORNIA CLASS
6 have suffered and will continue to suffer an economic injury in amounts which are
7 presently unknown to them, and which will be ascertained according to proof at trial.

8 98. DEFENDANTS knew or should have known that PLAINTIFFS and the other
9 members of the CALIFORNIA CLASS were under-compensated for their time worked.
10 DEFENDANTS systematically elected, either through intentional malfeasance or gross
11 nonfeasance, to not pay employees for their labor as a matter of uniform company policy,
12 practice and procedure, and DEFENDANTS perpetrated this systematic scheme by
13 refusing to pay PLAINTIFFS and the other members of the CALIFORNIA CLASS the
14 correct minimum wages for their time worked.

15 99. In performing the acts and practices herein alleged in violation of California
16 labor laws, and refusing to compensate the members of the CALIFORNIA CLASS for all
17 time worked and provide them with the requisite compensation, DEFENDANTS acted and
18 continues to act intentionally, oppressively, and maliciously toward PLAINTIFFS and the
19 other members of the CALIFORNIA CLASS with a conscious and utter disregard for their
20 legal rights, or the consequences to them, and with the despicable intent of depriving them
21 of their property and legal rights, and otherwise causing them injury in order to increase
22 company profits at the expense of these employees.

23 100. PLAINTIFFS and the other members of the CALIFORNIA CLASS therefore
24 request recovery of all unpaid wages, according to proof, interest, statutory costs, as well
25 as the assessment of any statutory penalties against DEFENDANTS, in a sum as provided
26 by the California Labor Code and/or other applicable statutes. To the extent minimum
27 wage compensation is determined to be owed to the CALIFORNIA CLASS Members who
28 have terminated their employment, DEFENDANTS' conduct also violates Labor Code §§

201 and/or 202, and therefore these individuals are also be entitled to waiting time penalties under Cal. Lab. Code § 203, which penalties are sought herein on behalf of these CALIFORNIA CLASS Members. DEFENDANTS' conduct as alleged herein was willful, intentional and not in good faith. Further, PLAINTIFFS and other CALIFORNIA CLASS Members are entitled to seek and recover statutory costs.

THIRD CAUSE OF ACTION

Failure To Pay Overtime Compensation

(Cal. Lab. Code §§ 204, 510, 1194 and 1198)

(Alleged by PLAINTIFFS and the CALIFORNIA CLASS against ALL DEFENDANTS)

101. PLAINTIFFS, and the other members of the CALIFORNIA CLASS, reallege and incorporate by this reference, as though fully set forth herein, the prior paragraphs of this Complaint.

102. PLAINTIFFS and the other members of the CALIFORNIA CLASS bring a claim for DEFENDANTS' willful and intentional violations of the California Labor Code and the Industrial Welfare Commission requirements for DEFENDANTS' failure to pay these employees for all overtime worked, including, work performed in excess of eight (8) hours in a workday, and/or twelve (12) hours in a workday, and/or forty (40) hours in any workweek.

103. Pursuant to Cal. Lab. Code § 204, other applicable laws and regulations, and public policy, an employer must timely pay its employees for all hours worked.

104. Cal. Lab. Code § 510 provides that employees in California shall not be employed more than eight (8) hours per workday and/or more than forty (40) hours per workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

105. Cal. Lab. Code § 1194 establishes an employee's right to recover unpaid wages, including minimum and overtime compensation and interest thereon, together with the costs of suit. Cal. Lab. Code § 1198 further states that the employment of an employee for longer hours than those fixed by the Industrial Welfare Commission is unlawful.

106. During the CLASS PERIOD, PLAINTIFFS and CALIFORNIA CLASS

1 Members were required by DEFENDANTS to work for DEFENDANTS and were not paid
2 for all the time they worked, including overtime work.

3 107. DEFENDANTS' uniform pattern of unlawful wage and hour practices
4 manifested, without limitation, applicable to the CALIFORNIA CLASS as a whole, as a
5 result of implementing a uniform policy and practice that failed to accurately record
6 overtime worked by PLAINTIFFS and other CALIFORNIA CLASS Members and denied
7 accurate compensation to PLAINTIFFS and the other members of the CALIFORNIA
8 CLASS for overtime worked, including, the overtime work performed in excess of eight (8)
9 hours in a workday, and/or twelve (12) hours in a workday, and/or forty (40) hours in any
10 workweek.

11 108. In committing these violations of the California Labor Code, DEFENDANTS
12 inaccurately recorded overtime worked and consequently underpaid the overtime worked
13 by PLAINTIFFS and other CALIFORNIA CLASS Members. DEFENDANTS acted in an
14 illegal attempt to avoid the payment of all earned wages, and other benefits in violation of
15 the California Labor Code, the Industrial Welfare Commission requirements and other
16 applicable laws and regulations.

17 109. As a direct result of DEFENDANTS' unlawful wage practices as alleged
18 herein, PLAINTIFFS and the other members of the CALIFORNIA CLASS did not receive
19 the correct overtime compensation for their time worked for DEFENDANTS.

20 110. Cal. Lab. Code § 515 sets out various categories of employees who are
21 exempt from the overtime requirements of the law. None of these exemptions are
22 applicable to PLAINTIFFS and the other members of the CALIFORNIA CLASS. Further,
23 PLAINTIFFS and the other members of the CALIFORNIA CLASS are not subject to a valid
24 collective bargaining agreement that would preclude the causes of action contained herein
25 this Complaint. Rather, PLAINTIFFS bring this Action on behalf of themselves, and the
26 CALIFORNIA CLASS, based on DEFENDANTS' violations of non-negotiable, non-
27 waivable rights provided by the State of California.

28 111. During the CLASS PERIOD, PLAINTIFFS and the other members of the

1 CALIFORNIA CLASS were paid less for overtime worked that they were entitled to,
2 constituting a failure to pay all earned wages.

3 112. DEFENDANTS failed to accurately pay PLAINTIFFS and the other members
4 of the CALIFORNIA CLASS overtime wages for the time they worked which was in excess
5 of the maximum hours permissible by law as required by Cal. Lab. Code §§ 510, 1194, &
6 1198, even though PLAINTIFFS and the other members of the CALIFORNIA CLASS were
7 regularly required to work, and did in fact work overtime, and did in fact work overtime as
8 to which DEFENDANTS failed to accurately record and pay as evidenced by
9 DEFENDANTS' business records and witnessed by employees.

10 113. By virtue of DEFENDANTS' unlawful failure to accurately pay all earned
11 compensation to PLAINTIFFS and the other members of the CALIFORNIA CLASS for the
12 true amount of overtime they worked, PLAINTIFFS and the other members of the
13 CALIFORNIA CLASS have suffered and will continue to suffer an economic injury in
14 amounts which are presently unknown to them, and which will be ascertained according
15 to proof at trial.

16 114. DEFENDANTS knew or should have known that PLAINTIFFS and the other
17 members of the CALIFORNIA CLASS were undercompensated for their time worked.
18 DEFENDANTS systematically elected, either through intentional malfeasance or gross
19 nonfeasance, to not pay them for their labor as a matter of uniform company policy,
20 practice and procedure, and DEFENDANTS perpetrated this systematic scheme by
21 refusing to pay PLAINTIFFS and the other members of the CALIFORNIA CLASS the
22 correct overtime wages for their overtime worked.

23 115. In performing the acts and practices herein alleged in violation of California
24 labor laws, and refusing to compensate the members of the CALIFORNIA CLASS for all
25 time worked and provide them with the requisite compensation, DEFENDANTS acted and
26 continues to act intentionally, oppressively, and maliciously toward PLAINTIFFS and the
27 other members of the CALIFORNIA CLASS with a conscious of and utter disregard for
28 their legal rights, or the consequences to them, and with the despicable intent of depriving

1 them of their property and legal rights, and otherwise causing them injury in order to
2 increase company profits at the expense of these employees.

3 116. Therefore, PLAINTIFFS and the other members of the CALIFORNIA CLASS
4 request recovery of overtime wages, according to proof, interest, statutory costs, as well
5 as the assessment of any statutory penalties against DEFENDANTS, in a sum as provided
6 by the California Labor Code and/or other applicable statutes. To the extent overtime
7 compensation is determined to be owed to the CALIFORNIA CLASS Members who have
8 terminated their employment, DEFENDANTS' conduct also violates Labor Code §§ 201
9 and/or 202, and therefore these individuals are also be entitled to waiting time penalties
10 under Cal. Lab. Code § 203, which penalties are sought herein. DEFENDANTS' conduct
11 as alleged herein was willful, intentional, and not in good faith. Further, PLAINTIFFS and
12 other CALIFORNIA CLASS Members are entitled to seek and recover statutory costs.

13 **FOURTH CAUSE OF ACTION**

14 **Failure To Provide Required Meal Periods**

15 **(Cal. Lab. Code §§ 226.7 & 512)**

16 **(Alleged by PLAINTIFFS and the CALIFORNIA CLASS against all DEFENDANTS)**

17 117. PLAINTIFFS and the other members of the CALIFORNIA CLASS, reallege
18 and incorporate by this reference, as though fully set forth herein, the prior paragraphs of
19 this Complaint.

20 118. During the CLASS PERIOD, DEFENDANTS failed to provide all the legally
21 required off-duty meal breaks to PLAINTIFFS and the other CALIFORNIA CLASS
22 Members as required by the applicable Wage Order and Labor Code. The nature of the
23 work performed by PLAINTIFFS and CALIFORNIA CLASS Members did not prevent
24 these employees from being relieved of all of their duties for the legally required off-duty
25 meal periods. As a result of their rigorous work schedules, PLAINTIFFS and other
26 CALIFORNIA CLASS Members were often not fully relieved of duty by DEFENDANTS for
27 their meal periods. Additionally, DEFENDANTS' failure to provide PLAINTIFFS and the
28 CALIFORNIA CLASS Members with legally required meal breaks prior to their fifth (5th)
hour of work is evidenced by DEFENDANTS' business records. Further, DEFENDANTS

1 failed to provide PLAINTIFFS and CALIFORNIA CLASS Members with a second off-duty
2 meal period in some workdays in which these employees were required by DEFENDANTS
3 to work ten (10) hours of work. As a result, PLAINTIFFS and other members of the
4 CALIFORNIA CLASS forfeited meal breaks without additional compensation and in
5 accordance with DEFENDANTS' strict corporate policy and practice.

6 119. DEFENDANTS further violated California Labor Code §§ 226.7 and the
7 applicable IWC Wage Order by failing to compensate PLAINTIFFS and CALIFORNIA
8 CLASS Members who were not provided a meal period, in accordance with the applicable
9 Wage Order, one additional hour of compensation at each employee's regular rate of pay
10 for each workday that a meal period was not provided.

11 120. As a proximate result of the aforementioned violations, PLAINTIFFS and
12 CALIFORNIA CLASS Members have been damaged in an amount according to proof at
13 trial, and seek all wages earned and due, interest, penalties, expenses and costs of suit.

14 **FIFTH CAUSE OF ACTION**

15 **Failure To Provide Required Rest Periods**

16 **(Cal. Lab. Code §§ 226.7 & 512)**

17 **(Alleged by PLAINTIFFS and the CALIFORNIA CLASS against all DEFENDANTS)**

18 121. PLAINTIFFS, and the other members of the CALIFORNIA CLASS, reallege
19 and incorporate by this reference, as though fully set forth herein, the prior paragraphs of
20 this Complaint.

21 122. From time to time, PLAINTIFFS and other CALIFORNIA CLASS Members
22 were required to work in excess of four (4) hours without being provided ten (10) minute
23 rest periods. Further, these employees were denied their first rest periods of at least ten
24 (10) minutes for some shifts worked of at least two (2) to four (4) hours, a first and second
25 rest period of at least ten (10) minutes for some shifts worked of between six (6) and eight
26 (8) hours, and a first, second and third rest period of at least ten (10) minutes for some
27 shifts worked of ten (10) hours or more. PLAINTIFFS and other CALIFORNIA CLASS
28 Members were also not provided with one-hour wages in lieu thereof. As a result of their
rigorous work schedules, PLAINTIFFS and other CALIFORNIA CLASS Members were

periodically denied their proper rest periods by DEFENDANTS and DEFENDANTS' managers. In addition, DEFENDANTS failed to compensate PLAINTIFFS and other CALIFORNIA CLASS Members for their rest periods as required by the applicable Wage Order and Labor Code. As a result, DEFENDANTS' failure to provide PLAINTIFFS and the CALIFORNIA CLASS Members with all the legally required paid rest periods is evidenced by DEFENDANTS' business records.

123. DEFENDANTS further violated California Labor Code §§ 226.7 and the applicable IWC Wage Order by failing to compensate PLAINTIFFS and CALIFORNIA CLASS Members who were not provided a rest period, in accordance with the applicable Wage Order, one additional hour of compensation at each employee's regular rate of pay for each workday that rest period was not provided.

124. As a proximate result of the aforementioned violations, PLAINTIFFS and CALIFORNIA CLASS Members have been damaged in an amount according to proof at trial, and seek all wages earned and due, interest, penalties, expenses and costs of suit.

SIXTH CAUSE OF ACTION

Failure To Reimburse Employees for Required Expenses

(Cal. Lab. Code §§ 2802)

(Alleged by PLAINTIFFS and the CALIFORNIA CLASS against all DEFENDANTS)

125. PLAINTIFFS, and the other members of the CALIFORNIA CLASS, reallege and incorporate by this reference, as though fully set forth herein, the prior paragraphs of this Complaint.

126. Cal. Lab. Code § 2802 provides, in relevant part, that:

An employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer, even though unlawful, unless the employee, at the time of obeying the directions, believed them to be unlawful.

127. From time to time during the CLASS PERIOD, DEFENDANTS violated Cal. Lab. Code § 2802, by failing to indemnify and reimburse PLAINTIFFS and the CALIFORNIA CLASS members for required expenses incurred in the discharge of their

1 job duties for DEFENDANTS' benefit. DEFENDANTS failed to reimburse PLAINTIFFS and
2 the CALIFORNIA CLASS members for expenses which included, but were not limited to,
3 personal expenses incurred for the use of their personal cell phones and person vehicles,
4 all on behalf of and for the benefit of DEFENDANTS. Specifically, PLAINTIFFS and other
5 CALIFORNIA CLASS Members were required by DEFENDANTS to use their cell phones
6 and vehicles to execute their essential job duties on behalf of DEFENDANTS.
7 DEFENDANTS' uniform policy, practice and procedure was to not reimburse PLAINTIFFS
8 and the CALIFORNIA CLASS members for expenses resulting from the use of their
9 personal cell phones and personal vehicles for DEFENDANTS within the course and
10 scope of their employment for DEFENDANTS. These expenses were necessary to
11 complete their principal job duties. DEFENDANTS are estopped by DEFENDANTS'
12 conduct to assert any waiver of this expectation. Although these expenses were necessary
13 expenses incurred by PLAINTIFFS and the CALIFORNIA CLASS members,
14 DEFENDANTS failed to indemnify and reimburse PLAINTIFFS and the CALIFORNIA
15 CLASS members for these expenses as an employer is required to do under the laws and
16 regulations of California.

17 128. PLAINTIFFS therefore demand reimbursement for expenditures or losses
18 incurred by him and the CALIFORNIA CLASS members in the discharge of their job duties
19 for DEFENDANT, or their obedience to the directions of DEFENDANTS, with interest at
20 the statutory rate and costs under Cal. Lab. Code § 2802.

21 **SEVENTH CAUSE OF ACTION**
22 **Failure To Pay Wages When Due**
23 **(Cal. Lab. Code § 203)**

24 **(Alleged by PLAINTIFFS and the CALIFORNIA CLASS against all DEFENDANTS)**

25 129. PLAINTIFFS, and the other members of the CALIFORNIA CLASS, reallege
26 and incorporate by this reference, as though fully set forth herein, the prior paragraphs of
27 this Complaint.

28 130. Cal. Lab. Code § 200 provides that:

As used in this article:

- 1 (d) "Wages" includes all amounts for labor performed by
2 employees of every description, whether the amount is
3 fixed or ascertained by the standard of time, task, piece,
4 Commission basis, or other method of calculation.
5 (e) "Labor" includes labor, work, or service whether
6 rendered or performed under contract, subcontract,
7 partnership, station plan, or other agreement if the to be
8 paid for is performed personally by the person
9 demanding payment.

10 131. Cal. Lab. Code § 201 provides, in relevant part, that "If an employer
11 discharges an employee, the wages earned and unpaid at the time of discharge are due
12 and payable immediately."

13 132. Cal. Lab. Code § 202 provides, in relevant part, that:

14 If an employee not having a written contract for a definite period
15 quits his or her employment, his or her wages shall become
16 due and payable not later than 72 hours thereafter, unless the
17 employee has given 72 hours previous notice of his or her
18 intention to quit, in which case the employee is entitled to his or
19 her wages at the time of quitting. Notwithstanding any other
20 provision of law, an employee who quits without providing a 72-
21 hour notice shall be entitled to receive payment by mail if he or
22 she so requests and designates a mailing address. The date of
23 the mailing shall constitute the date of payment for purposes of
24 the requirement to provide payment within 72 hours of the
25 notice of quitting.

26 133. There was no definite term in PLAINTIFFS' or any CALIFORNIA CLASS
27 Members' employment contract.

28 134. Cal. Lab. Code § 203 provides:

If an employer willfully fails to pay, without abatement or
reduction, in accordance with Sections 201, 201.5, 202, and
205.5, any wages of an employee who is discharged or who
quits, the wages of the employee shall continue as a penalty
from the due date thereof at the same rate until paid or until an
action therefor is commenced; but the wages shall not continue
for more than 30 days.

135. The employment of PLAINTIFFS and many CALIFORNIA CLASS Members
terminated, and DEFENDANTS have not tendered payment of wages to these employees
who missed meal and rest breaks, as required by law.

136. Therefore, as provided by Cal Lab. Code § 203, on behalf of themselves and the members of the CALIFORNIA CLASS whose employment has, PLAINTIFFS demand up to thirty (30) days of pay as penalty for not paying all wages due at time of termination for all employees who terminated employment during the CLASS PERIOD and demand an accounting and payment of all wages due, plus interest and statutory costs as allowed by law.

EIGHTH CAUSE OF ACTION
Failure To Provide Accurate Itemized Statements
(Cal. Lab. Code § 226)
(Alleged by PLAINTIFFS and the CALIFORNIA CLASS against all DEFENDANTS)

137. PLAINTIFFS, and the other members of the CALIFORNIA CLASS, reallege and incorporate by this reference, as though fully set forth herein, the prior paragraphs of this Complaint.

138. Cal. Labor Code § 226 provides that an employer must furnish employees with an "accurate itemized" statement in writing showing:

- a. Gross wages earned,
- b. (2) total hours worked by the employee, except for any employee whose compensation is solely based on a salary and who is exempt from payment of overtime under subdivision (a) of Section 515 or any applicable order of the Industrial Welfare Commission,
- c. the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis,
- d. all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item,
- e. net wages earned,
- f. the inclusive dates of the period for which the employee is paid,
- g. the name of the employee and his or her social security number, except that by January 1, 2008, only the last four digits of his or her social security number of an employee identification number other

- 1 than social security number may be shown on the itemized statement,
- 2 h. the name and address of the legal entity that is the employer, and
- 3 i. all applicable hourly rates in effect during the pay period and the
- 4 corresponding number of hours worked at each hourly rate by the
- 5 employee.

6 139. When DEFENDANTS did not accurately record PLAINTIFFS' and other

7 CALIFORNIA CLASS Members' missed meal and rest breaks, or were paid inaccurate

8 missed meal and rest break premiums, or were not paid for all hours worked,

9 DEFENDANTS violated Cal. Lab. Code § 226 in that DEFENDANTS failed to provide

10 PLAINTIFFS and other CALIFORNIA CLASS Members with complete and accurate wage

11 statements which failed to show, among other things, all deductions, the accurate gross

12 wages earned, net wages earned, the total hours worked and all applicable hourly rates

13 in effect during the pay period and the corresponding amount of time worked at each

14 hourly rate, and correct rates of pay for penalty payments or missed meal and rest periods.

15 140. In addition to the foregoing, DEFENDANTS failed to provide itemized wage

16 statements to PLAINTIFFS and members of the CALIFORNIA CLASS that complied with

17 the requirements of California Labor Code Section 226.

18 141. DEFENDANTS knowingly and intentionally failed to comply with Cal. Lab.

19 Code § 226, causing injury and damages to PLAINTIFFS and the other members of the

20 CALIFORNIA CLASS. These damages include, but are not limited to, costs expended

21 calculating the correct wages for all missed meal and rest breaks and the amount of

22 employment taxes which were not properly paid to state and federal tax authorities. These

23 damages are difficult to estimate. Therefore, PLAINTIFFS and the other members of the

24 CALIFORNIA CLASS may elect to recover liquidated damages of fifty dollars (\$50.00) for

25 the initial pay period in which the violation occurred, and one hundred dollars (\$100.00)

26 for each violation in a subsequent pay period pursuant to Cal. Lab. Code § 226, in an

27 amount according to proof at the time of trial (but in no event more than four thousand

28 dollars (\$4,000.00) for PLAINTIFFS and each respective member of the CALIFORNIA

1 CLASS herein).

2 **NINTH CAUSE OF ACTION**

3 **For Civil Penalties Pursuant to Private Attorneys General Act ("PAGA")**

4 **(Cal. Lab. Code §§ 2698, et seq.)**

5 **(By PLAINTIFFS and AGGRIEVED EMPLOYEES Against All DEFENDANTS)**

6 142. PLAINTIFFS and the AGGRIEVED EMPLOYEES reallege and incorporate
7 by this reference, as though fully set forth herein, the prior paragraphs of this Complaint.

8 143. PAGA is a mechanism by which the State of California itself can enforce
9 state labor laws through the employee suing under the PAGA who do so as the proxy or
10 agent of the state's labor law enforcement agencies. An action to recover civil penalties
11 under PAGA is fundamentally a law enforcement action designed to protect the public and
12 not to benefit private parties. The purpose of the PAGA is not to recover damages or
13 restitution, but to create a means of "deputizing" citizens as private attorneys general to
14 enforce the Labor Code. In enacting PAGA, the California Legislature specified that "it was
15 ... in the public interest to allow aggrieved employees, acting as private attorneys general
16 to recover civil penalties for Labor Code violations ..." Stats. 2003, ch. 906, § 1.
17 Accordingly, PAGA claims cannot be subject to arbitration..

18 144. PLAINTIFFS bring this Representative Action on behalf of the State of
19 California with respect to themselves and all other current and former AGGRIEVED
20 EMPLOYEES employed by DEFENDANTS during the PAGA PERIOD.

21 145. At all relevant times, for the reasons described herein, and others,
22 PLAINTIFFS and the AGGRIEVED EMPLOYEES were aggrieved employees of
23 DEFENDANTS within the meaning of Labor Code Section 2699(c).

24 146. Labor Code Sections 2699(a) and (g) authorize an AGGRIEVED
25 EMPLOYEE, like PLAINTIFFS, on behalf of themselves and other current or former
26 employees, to bring a civil action to recover civil penalties pursuant to the procedures
27 specified in Labor Code Section 2699.3.

28 147. PLAINTIFFS complied with the procedures for bringing suit specified in
Labor Code Section 2699.3. By certified letter, return receipt requested, PLAINTIFFS gave

1 written notice to the Labor and Workforce Development Agency (“LWDA”) and to
2 DEENDANTS of the specific provisions of the Labor Code alleged to have been violated,
3 including the facts and theories to support the alleged violations.

4 148. As of the date of this complaint, more than sixty-five (65) days after serving
5 the LWDA with notice and amended notice of DEFENDANTS’ violations, the LWDA has
6 not provided any notice by certified mail of its intent to investigate the DEFENDANTS’
7 alleged violations as mandated by Labor Code Section 2699.3(a)(2)(A). Accordingly,
8 pursuant to Labor Code Section 2699.3(a)(2)(A), PLAINTIFFS may commence and are
9 authorized to pursue this cause of action.

10 149. To the extent that it applies, PLAINTIFFS invoke the tolling permitted
11 pursuant to the California State Judicial Counsel amended Rule of Court, Emergency Rule
12 Number 9, tolled the statute of limitation and statutes of repose from April 6, 2020 to either
13 (a) August 3, 2020 for statutes of limitation and repose for civil causes of action that are
14 180 days or less, of (b) October 1, 2020 for statutes of limitation and repose for civil causes
15 of action that exceed 180 days.

16 150. Pursuant to Labor Code Sections 2699(a) and (f), PLAINTIFFS and the
17 AGGRIEVED EMPLOYEES are entitled to civil penalties for DEFENDANTS’ violations of
18 Labor Code Section 201, 201.3, 202, 203, 204, 210, 218.5, 218.6, 221, 226, 226.2, 226.3,
19 226.7, 227.3, 245 et seq, 246, 510, 512, 551, 552, 558, 1174(d), 1174.5, 1194, 1194.2,
20 1197, 1197.1, 1197.14, 1198, 1198.5, 1199, 2802, and 2804 in the following amounts:

21 A. For violation of Labor Code Sections 201, 202, 203, and 204, one
22 hundred dollars (\$100) for each AGGRIEVED EMPLOYEES per pay
23 period for the initial violation and two hundred dollars (\$200) for
24 AGGRIEVED EMPLOYEES per pay period for each subsequent
25 violation [penalty per Labor Code Section 2699(f)(2)];

26 B. For violations of Labor Code Section 226(a), a civil penalty in the
27 amount of two hundred fifty dollars (\$250) for each AGGRIEVED
28 EMPLOYEES for any initial violation and one thousand dollars for

- each subsequent violation [penalty per Labor Code Section 226.3];
- C. For violations of Labor Code Sections 204, a civil penalty in the amount of one hundred dollars (\$100) for each AGGRIEVED EMPLOYEES for any initial violation and two hundred dollars (\$200) for AGGRIEVED EMPLOYEES for each subsequent violation [penalty per Labor Code Section 210];
- D. For violations of Labor Code Sections 226.7, 510 and 512, a civil penalty in the amount of fifty dollars (\$50) for each underpaid AGGRIEVED EMPLOYEES for the initial violation and hundred dollars (\$100) for each underpaid AGGRIEVED EMPLOYEES for each subsequent violation [penalty per Labor Code Section 558];
- E. For violations of Labor Code Section 2269(a), a civil penalty in the amount of two hundred fifty dollars (\$250) per AGGRIEVED EMPLOYEES per violation in an initial citation and one thousand dollars (\$1,000) per AGGRIEVED EMPLOYEES for each subsequent violation [penalty per Labor Code Section 226.3];
- F. For violations of Labor Code Section 1174(d), a civil penalty in the amount of five hundred (\$500) dollars for per AGGRIEVED EMPLOYEES [penalty per Labor Code Section 1174.5];
- G. For violations of Labor Code Sections 1194, 1194.2, 1197, 1198, 1198.5, and 1199, a civil penalty in the amount of one hundred dollars (\$100) per AGGRIEVED EMPLOYEES per pay period for the initial violation and two hundred dollars fifty (\$250) per AGGRIEVED EMPLOYEES per pay period for each subsequent violation [penalty per Labor Code Section];
- H. For violations of Labor Code Section 227.3;
- I. For violations of Labor Code Section 245 et seq., and 246
151. For all provisions of the Labor Code for which civil penalty is not specifically

provided, Labor Code § 2699(f) imposes upon DEFENDANTS a penalty of one hundred dollars (\$100) for each AGGRIEVED EMPLOYEES per pay period for the initial violation and two hundred dollars (\$200) for each AGGRIEVED EMPLOYEES per pay period for each subsequent violation. PLAINTIFFS and the AGGRIEVED EMPLOYEES are entitled to an award of reasonable attorney's fees and costs in connection with their claims for civil penalties pursuant to Labor Code Section 2699(g)(1).

152. To the extent that any of the conduct and violations alleged herein did not affect PLAINTIFFS during the PAGA PERIOD, PLAINTIFFS seek penalties for those violations that affected other AGGRIEVED EMPLOYEES. (*Carrington v. Starbucks Corp.* (2018) 30 Cal.App.5th 504, 519; See also *Huff v. Securitas Security Services USA, Inc.* (2018) 23 Cal. App. 5th 745, 751 ["PAGA allows an "aggrieved employee"—a person affected by at least one Labor Code violation committed by an employer—to pursue penalties for all the Labor Code violations committed by that employer."], Emphasis added, reh'g denied (June 13, 2018).)

PRAYER FOR RELIEF

WHEREFORE, PLAINTIFFS pray for a judgment against each Defendant, jointly and severally, as follows:

1. On behalf of the CALIFORNIA CLASS:

- a. That the Court certify the First Cause of Action asserted by the CALIFORNIA CLASS as a class action pursuant to Cal. Code of Civ. Proc. § 382;
- b. An order temporarily, preliminarily and permanently enjoining and restraining DEFENDANTS from engaging in similar unlawful conduct as set forth herein;
- c. An order requiring DEFENDANTS to pay all overtime wages and all sums unlawfully withheld from compensation due to PLAINTIFFS and the other members of the CALIFORNIA CLASS; and
- d. Restitutionary disgorgement of DEFENDANTS' ill-gotten gains into a

1 fluid fund for restitution of the sums incidental to DEFENDANTS'
2 violations due to PLAINTIFFS and to the other members of the
3 CALIFORNIA CLASS.

4 2. On behalf of the CALIFORNIA CLASS:

- 5 a. That the Court certify the Second, Third, Fourth, Fifth, Sixth, Seventh,
6 and Eighth Causes of Action asserted by the CALIFORNIA CLASS
7 as a class action pursuant to Cal. Code of Civ. Proc. § 382;
- 8 b. Compensatory damages, according to proof at trial, including
9 compensatory damages for overtime compensation due to
10 PLAINTIFFS and the other members of the CALIFORNIA CLASS,
11 during the applicable CLASS PERIOD plus interest thereon at the
12 statutory rate;
- 13 c. Meal and rest period compensation pursuant to Cal. Lab. Code §§
14 226.7, 512 and the applicable IWC Wage Order;
- 15 d. The greater of all actual damages or fifty dollars (\$50) for the initial
16 pay period in which a violation occurs and one hundred dollars (\$100)
17 per each member of the CALIFORNIA CLASS for each violation in a
18 subsequent pay period, not exceeding an aggregate penalty of four
19 thousand dollars (\$4,000), and an award of costs for violation of Cal.
20 Lab. Code § 226
- 21 e. The wages of all terminated employees from the CALIFORNIA
22 CLASS as a penalty from the due date thereof at the same rate until
23 paid or until an action therefore is commenced, in accordance with
24 Cal. Lab. Code § 203.
- 25 f. The amount of the expenses PLAINTIFFS and each member of the
26 CALIFORNIA CLASS incurred in the course of their job duties, plus
27 interest, and costs of suit.

28 3. For civil penalties to the extent permitted by law pursuant to the Labor Code

1 under the Private Attorneys General Act; and

2 4. On all claims:

- 3 a. An award of interest, including prejudgment interest at the legal rate:
- 4 b. Such other and further relief as the Court deems just and equitable;
- 5 and
- 6 c. An award of penalties, attorneys' fees, and costs of suit, as allowed
- 7 under the law, including, but not limited to, pursuant to Labor Code §
- 8 218.5, § 226, and/or § 1194.

9 **DEMAND FOR TRIAL BY JURY**

10 PLAINTIFFS demand a jury trial on all issues triable to a jury.

11 Dated: April 2, 2025

HAULK & HERRERA LLP

12

13

14 By: _____

Matthew A. Haulk, Esq.

15 Jose M. Herrera, Esq.

16 Attorneys for PLAINTIFFS

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