

AMENDED CLASS ACTION SETTLEMENT AGREEMENT AND RELEASE

1. This Amended Class Action Settlement Agreement and Release (the “Settlement Agreement,” “Settlement,” or “Agreement”) is entered into between Plaintiff Justin Espinosa-Hineline (“Plaintiff” or “Named Plaintiff”), individually and on behalf of all other similarly situated persons, and Harold A. Steuber Enterprises, Inc. dba Associated Services Company (“Associated Services” or “Defendant”), subject to the approval of the Court. Plaintiff and Defendant are collectively referred to as the “Parties.”

DEFINITIONS

2. The following terms used in this Settlement Agreement shall have the meanings ascribed to them below:

- a. “Actions” means collectively the Class Action and PAGA Action.
- b. “Aggrieved Employees” means all persons who are employed or have been employed by Defendant as a non-exempt employee in the State of California at any time during the PAGA Period.
- c. “Class Action” means the action *Justin Espinosa-Hineline, individually, on behalf of all others similarly situated v. Harold A. Steuber Enterprises, Inc.*, Alameda County Superior Court, Case No. 24CV081059, including any and all complaints filed and any amended complaint necessary to effectuate release of the Released Claims, including the Operative Complaint referenced in Paragraph 11 below and any and all related letters to the Labor and Workforce Development Agency (“LWDA”) and any amended letters necessary to effectuate release of the Released Claims.
- d. “Class” or “Class Members” or “Members of the Class” means all persons who are employed or have been employed by Defendant as a non-exempt employee in the State of California during the Class Period.
- e. “Class Counsel” means John G. Yslas and William M. Pao of the Wilshire Law Firm, PC.
- f. “Class Counsel’s Costs” refers to the actual amount of reasonable litigation expenses Class Counsel incurred in connection with the Actions, including their pre-filing investigation, their filing of the Actions and all related litigation activities, translation of the Settlement Agreement and Settlement Notices, and all post-Settlement compliance procedures.
- g. “Class List” means an electronic database containing a list of Class Members that Defendant will compile from its records. The Class List shall include: each Class Member’s: (1) full name; (2) last known address; (3) last known telephone number (if any); and (4) Social Security number or tax ID number. The Class List shall also include: (5) the total number of workweeks that each Class Member worked in the state of California during the Class Period; and (6) and the total number of pay periods that each Aggrieved Employee worked in the state of California during the PAGA Period. The total number of workweeks may be determined by reference to weeks worked as reflected in timekeeping, payroll, and/or other records.

h. “Class Period” shall mean June 24, 2020 through the earlier of the date the Court grants Preliminary Approval or the date triggered by Paragraph 21 below, if applicable.

i. “Costs Award” means the award of attorneys’ costs that the Court authorizes to be paid to Class Counsel for the costs they advanced to Named Plaintiff and the Class in the Actions.

j. “Court” means the Superior Court of the State of California for the County of Alameda.

k. “Defendant” means Harold A. Steuber Enterprises, Inc. dba Associated Services Company.

l. “Defendant’s Counsel” means Constangy, Brooks, Smith & Prophete LLP.

m. “Effective” or “Effective Date” means ten (10) calendar days after the Settlement becomes Final, as set forth in Paragraph 2.o.

n. “Fee Award” means the award of attorneys’ fees that the Court authorizes to be paid to Class Counsel for the services they rendered to Named Plaintiff and the Class in the Actions. Class Counsel will not seek more than one third (1/3) of the Gross Settlement Amount as their Fee Award.

o. “Final” shall mean the later of: (a) the date which is sixty-five (65) calendar days after Notice of Entry of the Final Approval Order, as defined in Paragraph 2.p, and no appeal, motion, objection, or petition to review or intervene has been taken with respect to the Final Approval Order and all times to appeal, move, object, or petition to review or intervene therefrom have expired, or (b) if an appeal, motion or petition to intervene or other review proceeding of the Final Approval Order has been commenced, the date such appeal, motion, objection, or petition to review or intervene or other review is finally concluded and no longer is subject to review by any court, whether by appeal, petitions for rehearing or re-argument, petitions for rehearing en banc, petitions for writ of certiorari or otherwise, and such appeal or other review has been finally resolved in such manner that affirms the Final Approval Order in its entirety.

p. “Final Approval” or “Final Approval Order” means the Court’s Final Approval Order approving the Settlement and entering judgment.

q. “Final Approval Hearing” means the hearing to be held by the Court to consider the Final Approval of the Settlement.

r. “Gross Settlement Amount” means the maximum non-reversionary total amount that Defendant shall pay in connection with this Settlement in exchange for the release of the Released Claims. The Gross Settlement Amount is the gross sum of Six Hundred and Seventy-Five Thousand Dollars (\$675,000.00). The Gross Settlement Amount includes: (a) all Settlement Awards to Participating Individuals; (b) the PAGA Payment; (c) Named Plaintiff’s Service Award; (d) Fee Award and Costs Award; and (e) Settlement Administrator Costs. The Parties agree that Defendant will have no obligation to pay any amount in connection with this Settlement

Agreement apart from the Gross Settlement Amount and Defendant's employer's portion of payroll taxes on Settlement Awards to Participating Individuals. There will be no reversion.

s. "Named Plaintiff" means Justin Espinosa-Hineline.

t. "Net PAGA Amount" means the thirty-five percent (35%) of the \$20,000.00 PAGA Payment payable to the Aggrieved Employees, or \$7,000.00.

u. "Net Settlement Amount" means the Gross Settlement Amount less: (i) Named Plaintiff's Service Award; (ii) Class Counsel's Fee Award; (iii) Class Counsel's Costs Award; (iv) Settlement Administrator Costs; and (v) the PAGA Payment. The Parties acknowledge that all of these amounts are subject to the Court's approval.

v. "Notice Deadline" means the date forty-five (45) calendar days after the Settlement Notice is initially mailed to the Class. Class Members shall have until the Notice Deadline to object to or opt-out of the Settlement.

w. "PAGA Action" means the action *Justin Espinosa-Hineline, individually, on behalf of all others similarly situated v. Harold A. Steuber Enterprises, Inc.*, Alameda County Superior Court, Case No. 25CV109856, including any and all complaints and any amended complaint necessary to effectuate release of the Released Claims, the Operative Complaint as referenced in Paragraph 11 below, any and all related letters to the LWDA, and any amended letters necessary to effectuate release of the Released Claims.

x. "PAGA Payment" means the amount of the Gross Settlement Amount allocated to settle all claims and remedies under the Private Attorneys General Act, California Labor Code sections 2698 et seq. ("PAGA"). The PAGA Payment shall be \$20,000, or an amount to be approved by the Court, of which 65%, or \$13,000, shall be paid to the LWDA out of the Gross Settlement Amount and 35%, or \$7,000, shall be paid to the Aggrieved Employees out of the Gross Settlement Amount.

y. "PAGA Period" means the period from December 3, 2023 through the date Court grants Preliminary Approval.

z. "Participating Individual(s)" means (a) any Class Member(s) who do not submit a valid letter requesting to be excluded from the Settlement, consistent with the terms set forth in this Settlement Agreement and (b) all Aggrieved Employees. All Participating Individuals will be bound by all terms and conditions of the Settlement Agreement, including the release of the Class Released Claims and PAGA Released Claims (as set forth in Paragraphs 16 and 17).

aa. "Preliminary Approval" or "Preliminary Approval Order" means the Court's Preliminary Approval Order preliminarily approving the terms and conditions of this Settlement Agreement.

bb. "Released Claims" means Class Released Claims (as set forth in Paragraph 16) and PAGA Released Claims (as set forth in Paragraph 17) and Named Plaintiff's Released Claims (as set forth in Paragraph 18).

cc. “Released Parties” means Defendant and any of its past, present, and future parents, affiliates, subsidiaries, communities, divisions, joint employers, predecessors, successors, and assigns, and each of their current or former officers, directors, board members, trustees, owners, shareholders, employees, agents, attorneys, auditors, accountants, experts, contractors, stockholders, representatives, partners, insurers, reinsurers, and other persons acting on their behalf, as well as any individual or entity that could be liable for any of the Released Claims.

dd. “Service Award” means the payment to the Named Plaintiff for his efforts in bringing and prosecuting the cases against the Defendant. The Service Award will not exceed the following amount: Ten Thousand Dollars (\$10,000.00).

ee. “Settlement Administrator” means ILYM Group, Inc., the third-party class action settlement administrator that will handle the administration of this Settlement, subject to approval by the Court.

ff. “Settlement Administrator Costs” refer to the costs the Settlement Administrator will incur to distribute the Settlement Notice to Class Members, including translation of the Settlement Agreement and Settlement Notice, and to distribute the Settlement Awards to Participating Individuals, which are estimated to be less than \$7,850.00.

gg. “Settlement Award” means the payment that each Class Member shall be entitled to receive pursuant to the terms of this Settlement Agreement.

hh. “Settlement Notice” means the Notice of Class Action Settlement to be issued to Class Members, including Aggrieved Employees and the Named Plaintiff, an example of which is attached hereto as **Exhibit 1**, or as approved by the Court.

RECITALS

3. Named Plaintiff is alleged to have been a former employee of Defendant.

4. On or around June 24, 2024, Plaintiff filed the Class Action.

5. On or around June 20, 2024, Plaintiff sent PAGA Notice to the LWDA. On or around February 6, 2025, Plaintiff filed the PAGA Action.

6. The Parties agreed to attempt to resolve the Actions through mediation. On March 25, 2025, the Parties participated in a full-day mediation before mediator Steve Cerveris. The Parties thereafter negotiated the specific terms of this Settlement and have agreed to settle all pending claims as provided in this Settlement Agreement.

7. Class Counsel has made a thorough and independent investigation of the facts and law relating to the allegations in the Actions and of other potential claims that could have been asserted in the Actions. In agreeing to this Settlement Agreement, Named Plaintiff has considered: (a) the facts developed during pre-mediation, informal discovery and the Parties’ mediation process, and the law applicable thereto; (b) the attendant risks of continued litigation and the uncertainty of the outcome of the claims alleged against the Released Parties; and (c) the desirability of consummating this Settlement according to the terms of this Settlement Agreement.

Named Plaintiff has concluded that the terms of this Settlement are fair, reasonable, and adequate, and that it is in the best interests of the Class and Aggrieved Employees to settle their claims against the Released Parties pursuant to the terms set forth herein.

8. Defendant denies all claims as to liability, damages, penalties, interest, fees, and all other forms of relief, as well as denies the allegations asserted in the Actions. Defendant has agreed to resolve the Actions via this Settlement, but to the extent this Settlement Agreement is deemed void or the Effective Date does not occur, Defendant does not waive, but rather expressly reserves, all rights to challenge all such claims and allegations in the Actions upon all procedural, merits, and factual grounds, including, without limitation, the ability to challenge class and/or representative action treatment on any grounds, as well as asserting any and all other privileges and potential defenses. This Settlement Agreement shall not be construed as an admission by Defendant or any of the Released Parties of any fault, liability or wrongdoing, which Defendant expressly denies.

9. The Parties recognize that Court approval of this Settlement is required to effectuate the Settlement, and that the Settlement will not become operative until the Court grants Final Approval of it and the Settlement Effective Date occurs.

10. The Parties have stipulated to certification of the Class for settlement purposes only, and this Settlement Agreement requires Preliminary Approval and Final Approval by the Court. Accordingly, this Settlement Agreement is contingent upon the approval and certification by the Court. If the Court does not grant Preliminary Approval or Final Approval of the Settlement, the fact that the Parties were willing to stipulate to class certification for the purposes of this Settlement Agreement shall have no bearing on, nor be admissible in connection with, the issues of whether any class should be certified or whether it is appropriate for any claims to proceed on a representative basis. Defendant expressly reserves the right to challenge the propriety of class certification for any purpose if the Settlement does not become final. Defendant denies that class action treatment is appropriate in the litigation context or for trial or that it is appropriate to proceed on a representative basis in the litigation context or for trial.

11. The Parties stipulate and agree that for settlement purposes only, the Parties shall file a stipulation in the Class Action and PAGA Action to consolidate the Actions under the Class Action pending approval of this Settlement (the "Consolidated Class and PAGA Action"). The Parties stipulate and agree that for settlement purposes only, following consolidation of the Actions under the Class Action and prior to seeking Preliminary Approval of this Settlement Agreement, to the prompt filing of a Consolidated Amended Class Action and PAGA Complaint in the Consolidated Class and PAGA Action ("Operative Complaint") after execution of this Settlement Agreement that consolidates the claims, legal allegations, and factual allegations pled in the Actions, and to assert additional claims, legal allegations, and factual allegations necessary to effectuate the Released Claims in this Settlement Agreement.

12. This Settlement is conditioned on the consolidation of the PAGA Action under the Class Action, and the release of the Released Claims. If the Court does not approve this Settlement, the Parties shall meet and confer to make reasonable efforts to obtain approval of this Settlement and secure a release of the claims against the Released Parties in the Operative Complaint in the Consolidated Class and PAGA Action. Defendant shall not be required under any circumstances

to increase or pay more than the Gross Settlement Amount, except as provided in Paragraph 21 below. If the Parties cannot obtain judicial approval of this Settlement and secure a release of the claims against the Released Parties in the Consolidated Class and PAGA Action, this Settlement Agreement shall be deemed null and void, shall be of no force or effect whatsoever, and shall not be referred to or used in the Actions or any other legal proceeding.

13. In the event the Settlement is not approved, the Parties agree that the Parties shall be placed in the same position as they were in immediately prior to execution of this Settlement Agreement.

14. The Parties executed a Settlement Agreement on September 4, 2025. On January 13, 2026, the Court issued a tentative ruling and advised the Parties to amend the agreement pursuant to its instructions. This Amended Settlement Agreement reflects these changes.

15. In consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each party to the other, **IT IS HEREBY AGREED**, by and between the undersigned, subject to Final Approval of the Court and the other conditions set forth herein, that Named Plaintiff's and the Participating Individuals' claims as described herein against the Released Parties shall be settled, and that the Released Claims shall be finally and fully compromised and settled as to the Released Parties in the manner and upon the terms and conditions set forth below.

RELEASES

In exchange for the consideration set forth in this Settlement Agreement, Named Plaintiff, on behalf of the LWDA and Participating Individuals, agrees to release all claims against the Released Parties as set forth herein as applicable.

16. **Class Released Claims.** Upon Final Approval of this Settlement Agreement, Named Plaintiff on his own behalf and as the class representative, all Class Members who did not opt out of this lawsuit by filing a timely, valid request for exclusion from the settlement pursuant to Paragraph 24, and all persons purporting to act on their behalf, including, but not limited to, their dependents, attorneys, heirs and assigns, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, personal representatives, and successors-in-interest, whether individual, class, representative, legal, equitable, direct or indirect, or any other type or in any other capacity (collectively, the "Releasing Parties") shall and hereby do release and discharge all Released Parties, finally, irrevocably, forever, and with prejudice, from all claims, rights, damages, liquidated damages, premiums, wages, compensation, reimbursement, punitive damages, statutory damages, penalties, liabilities, costs, expenses, attorneys' fees, interest, restitution, equitable relief, injunctive relief, declaratory relief, accounting, losses, or causes of action alleged in the Actions and/or that could have been alleged in the Actions, under the laws of any jurisdiction, including federal law, state law, and common law, whether at law or equity, arising out of, or reasonably relating to, the claims, facts, and allegations pled in the Actions, including but not limited to the Operative Complaint, during the Class Period. This shall include any claims during the Class Period for the purported payment or nonpayment of compensation (including, but not limited to, wages, minimum wages, straight time, overtime (including double time), and/or premium pay); failure to pay for all hours worked (including, but not limited to, off-

the-clock, donning and doffing, meal and rest periods, rounding/time shaving, editing and/or manipulation of time entries, and auto-deduction of meal periods); failure to pay overtime, double time, premium, sick pay, on-call pay, and other compensation at the accurate rate (including but not limited to failure to include non-discretionary bonuses, incentive compensation, and shift differentials in the regular rate); failure to timely pay wages during employment; failure to pay wages at termination/resignation; failure to provide meal and rest breaks (including but not limited to otherwise requiring on-duty/on-call meal and rest periods); failure to accurately record time including all time worked (including but not limited to off-the-clock, meal periods, rounding, editing and/or manipulation of time entries, and auto-deduction of meal periods); failure to provide timely and compliant wage statements; failure to maintain and provide required records; failure to reimburse for all reasonable business expenses (including but not limited to cell phones, internet, home office, uniforms, required clothing, equipment, vehicle usage, mileage, travel expenses); failure to pay paid time off and vacation time and other compensation owed (during employment and upon separation); failure to pay sick pay (including but not limited to paid sick leave and COVID Supplemental Paid Sick Leave); failure to pay reporting time wages, paying wages lower than contract or statute, failure to provide safe working conditions; failure to place an adequate number of seats in reasonable proximity to the work area and/or permit employees to use such seats; failure to provide potable water; failure to comply with Labor Code sections 432.5 and 432.6; engaging in unlawful agreements (including but not limited to background checks, credit checks, applications, separation agreements, offer letters, confidentiality agreements, and PAGA waivers); conducting unlawful background checks in violation of Labor Code sections 432.7 and 1024.5, Civil Code section 1786, et seq. at 15 U.S.C. section 1681, and Government Code section 12952; relying on the salary history information on an application for employment in violation of Labor Code section 432.3; prohibiting employees from using or disclosing skills, knowledge, offers, wages, and experience; whistleblower violations; failure to comply with Business and Professions Code section 17200 et seq.; failure to comply with the Wage Theft Protection Act; and failing to comply with California Labor Code; applicable wage orders, and Civil Code section 3287(b) and 3289, Government Code section 12952; related premiums, statutory penalties, waiting time penalties, liquidated damages, interest, punitive damages, costs, attorneys' fees, equitable relief, injunctive relief, declaratory relief, or accounting, whether such causes of action are in tort, contract, or pursuant to a statutory remedy (collectively, "Class Released Claims").

17. **PAGA Released Claims.** Upon final approval of this Settlement Agreement, the LWDA, by and through its authorized agent, Plaintiff, shall and hereby does release and discharge all Released Parties, finally, forever and with prejudice, from any and all claims and rights to recover civil penalties, costs, expenses, attorneys' fees, interest, injunctive relief, declaratory relief, and/or accounting, against the Released Parties from any and all causes of action under the Private Attorneys General Act ("PAGA") alleged or that could have been alleged based on the claims, facts and allegations in any and all related letters to the LWDA and any amended letters in the Actions (including the letter from Class Counsel to the LWDA dated June 20, 2024 and attached to the Operative Complaint as Exhibit 1) during the PAGA Period. All Aggrieved Employees shall be bound by the LWDA's release of the Released Parties from these claims. This shall include any claims during the PAGA Period for civil penalties pursuant to PAGA for the purported payment or nonpayment of compensation (including, but not limited to, wages, minimum wages, straight time, overtime (including double time), and/or premium pay); failure to pay for all hours worked (including, but not limited to, off-the-clock, donning and doffing, meal and rest periods, rounding/time shaving, editing and/or manipulation of time entries, and auto-

deduction of meal periods); failure to pay overtime, double time, premium, sick pay, on-call pay, and other compensation at the accurate rate (including but not limited to failure to include non-discretionary bonuses, incentive compensation, and shift differentials in the regular rate); failure to timely pay wages during employment; failure to pay wages at termination/resignation; failure to provide meal and rest breaks (including but not limited to otherwise requiring on-duty/on-call meal and rest periods); failure to accurately record time including all time worked (including but not limited to off-the-clock, meal periods, rounding, editing and/or manipulation of time entries, and auto-deduction of meal periods); failure to provide timely and compliant wage statements; failure to maintain and provide required records; failure to reimburse for all reasonable business expenses (including but not limited to cell phones, internet, home office, uniforms, required clothing, equipment, vehicle usage, mileage, travel expenses); failure to pay paid time off and vacation time and other compensation owed (during employment and upon separation); failure to pay sick pay (including but not limited to paid sick leave and COVID Supplemental Paid Sick Leave); failure to pay reporting time wages, paying wages lower than contract or statute, failure to provide safe working conditions; failure to place an adequate number of seats in reasonable proximity to the work area and/or permit employees to use such seats; failure to provide potable water; failure to comply with Labor Code sections 432.5 and 432.6; engaging in unlawful agreements (including but not limited to background checks, credit checks, applications, separation agreements, offer letters, confidentiality agreements, and PAGA waivers); conducting unlawful background checks in violation of Labor Code sections 432.7 and 1024.5, Civil Code section 1786, et seq. at 15 U.S.C. section 1681, and Government Code section 12952; relying on the salary history information on an application for employment in violation of Labor Code section 432.3; prohibiting employees from using or disclosing skills, knowledge, offers, wages, and experience; whistleblower violations; failure to comply with the Wage Theft Protection Act; and failing to comply with California Labor Code, applicable wage orders, and Civil Code section 3287(b) and 3289; related premiums, statutory penalties, waiting time penalties, or civil penalties; costs; attorneys' fees; equitable relief; injunctive relief; declaratory relief; or accounting (collectively, "PAGA Released Claims"). The Parties agree that there shall be no right for any Aggrieved Employees to opt out or otherwise exclude themselves from the release of PAGA claims. The Parties intend and agree that the Final Approval Order and the Judgment entered as a result of this Settlement shall have *res judicata* and preclusive effect to the fullest extent allowed by law and shall also be effective to adjudicate and release the claims and/or rights of the LWDA to recover civil penalties against the Released Parties on behalf of the Aggrieved Employees for any PAGA Released Claims (i.e., the Judgment on this Settlement will have *res judicata* effect as to those claims whether pursued directly by the LWDA or by a representative pursuant to PAGA).

18. **Named Plaintiff Released Claims.** Upon the Effective Date, Named Plaintiff shall and hereby does generally release, finally, forever and with prejudice, any and all claims, obligations, demands, actions, rights, causes of action, and liabilities against the Released Parties, of whatever kind and nature, character, and description, whether in law or equity, whether sounding in tort, contract, federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law or contract, whether known or unknown, and whether anticipated or unanticipated, including all unknown claims covered by California Civil Code section 1542 that could be or are asserted based upon any theory or facts whatsoever, arising at any time up to and including the date of the execution of this Settlement Agreement, for any type of relief, including, without limitation, claims for minimum wages, straight time wages, or overtime wages, meal breaks, rest breaks, premium pay, other damages, penalties (including, but not limited to, waiting

time penalties), liquidated damages, punitive damages, interest, attorneys' fees, litigation and other costs, expenses, restitution, and equitable and declaratory relief. This shall include, but is not limited to, the Class Released Claims and PAGA Released Claims, as well as any other claims under any provision of federal, state, or local law. Upon the Effective Date, Named Plaintiff shall be deemed to have expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights, and benefits he may otherwise have had relating to the Released Claims pursuant to Section 1542 of the California Civil Code, which provides as follows:

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

Named Plaintiff understands that this release does not apply to any claims or rights that cannot be waived as a matter of law. Named Plaintiff acknowledges, however, that he has no workers' compensation claim pending at the time of signing this Settlement Agreement. Nothing in this Settlement Agreement shall be construed to prohibit Named Plaintiff from filing a charge or cooperating with any investigation by any federal, state, or local government agency (including without limitation the United States Department of Labor, the Equal Employment Opportunity Commission, the Securities and Exchange Commission, the Department of Justice, and/or the National Labor Relations Board). However, Named Plaintiff understands that he will not be entitled to recover any monetary damages or any other form of personal relief in connection with such a claim, investigation or proceeding. To the extent that Plaintiff is a party to any claims against the Defendant, he agrees to dismiss with prejudice.

DISMISSAL OF APPEAL

19. Upon the Effective Date, Defendant shall cause to be dismissed with prejudice the appeal of the trial court's order denying its motion to compel arbitration currently pending in the First Appellate District of the California Court of Appeals, Case No. A172631. The Parties will cooperate in submitting requests for a stay and/or extensions of time for appellate briefing until the Effective Date.

CERTIFICATION, NOTICE, AND SETTLEMENT IMPLEMENTATION

20. The Parties agree to the following procedures for obtaining Preliminary Approval of the Settlement, certifying the Class, and notifying the Class of this Settlement:

- a. **Complaint.** The Parties stipulate and agree that for settlement purposes only, the Parties consent to the filing of the Operative Complaint to effectuate the release of the Released Claims in this Settlement Agreement, and to personal and subject matter jurisdiction in the Court. The Operative Complaint will be in the form attached hereto as **Exhibit 2**. In the event that any of the stipulated requests for consolidation is not granted by the Court, the Parties stipulate and agree that for settlement purposes only, the Parties shall meet and confer regarding a process for approval that is acceptable to all Parties. Named Plaintiff shall file, with Defendant's stipulation, the

Operative Complaint in the Court before the filing of the Motion for Preliminary Approval of Settlement Agreement discussed in Paragraph 20.b. and shall take any other necessary steps to effectuate the release of the Released Claims in this Settlement Agreement. These agreements will be effectuated through stipulations to be filed with the Court as appropriate. The Settlement is expressly conditioned upon the approval by all Parties of the Operative Complaint.

- b. **Request for Class Certification and Preliminary Approval Order.** Named Plaintiff shall file a Motion for Preliminary Approval of Settlement Agreement, requesting that the Court certify the Class for the sole purpose of settlement; preliminarily approve the Settlement Agreement and its terms; approve the proposed form of the Settlement Notice and find that the proposed method of disseminating the Settlement Notice meets the requirements of due process and is the best notice practicable under the circumstances; set a date for Named Plaintiff's Motion for Final Approval of the Settlement, and approval of the requested Service Award, Fee Award, Costs Award, and Settlement Administrator's Costs; and set a date for the Final Approval Hearing. Class Counsel shall provide Defendant's Counsel a copy of a draft Motion for Preliminary Approval of Settlement Agreement at least five (5) business days in advance of filing it with the Court.
- c. **Notice.** The Settlement Administrator shall be responsible for preparing, printing and mailing the Settlement Notice to all Class Members. The Settlement Administrator shall also create a toll-free telephone number to field telephone inquiries from Class Members during the notice and settlement administration periods. The Settlement Administrator will be directed to take the call center down after the 180-day check cashing period for Settlement Award Checks. The Settlement Administrator shall also post the Final Judgment on its website.
- d. Within thirty (30) calendar days after the Court's Preliminary Approval of the Settlement, Defendant shall provide to the Settlement Administrator the Class List.
- e. In order to provide the best notice practicable, prior to mailing the Settlement Notice, the Settlement Administrator will take reasonable efforts to identify current addresses via public and proprietary systems.
- f. Using best efforts to perform as soon as possible, and in no event later than fourteen (14) calendar days after receiving the Class List, the Settlement Administrator shall send to all Class Members identified in the Class List, via first-class United States Postal Service ("USPS") mail, the Settlement Notice (with Spanish translation) substantially in the form attached to this Settlement Agreement as **Exhibit 1**. The first page of the Settlement Notice shall prominently estimate the dollar amounts of any Settlement Award to Class Members, and the number of workweeks used to calculate these

amounts. Before mailing Settlement Notices, the Administrator shall update Class Members' addresses using the National Change of Address database. Any Settlement Notice returned to the Settlement Administrator with a forwarding address shall be re-mailed within three (3) business days following receipt of the returned mail. If no forwarding address is provided, the Settlement Administrator shall promptly attempt to determine a correct address using a skip-trace, or other search using the name, address and/or Social Security number of the Class Member involved and shall re-mail the Notice of Settlement. Under no circumstances shall such re-mailing extend the Notice Deadline.

21. **Escalator Clause.** Based on its time and pay records, Defendant estimates that there are approximately 282 people who collectively worked approximately 21,214 workweeks from June 24, 2020 through December 17, 2024. Should the number of workweeks during the Class Period increase by more than 20% ($21,214 \times 120\% = 25,457$ workweeks), then Defendant shall have the option to either (1) increase the Gross Settlement Amount on a proportional basis (i.e., if there is a 21% increase in the number work weeks, the Gross Settlement Amount shall increase by 1%), or (2) end the Class Period on the date after the number of workweeks reaches 25,457. To avoid any uncertainty as to the Class Period end date, the Administrator must verify the workweek total and confirm the end date of the Class Period selected by Defendant pursuant to this Paragraph, if applicable, prior to Preliminary Approval.

22. **Disputes Regarding Workweeks.** To the extent that any Class Member disputes the number of workweeks that the Class Member worked, as shown in their Settlement Notice, such Class Members may produce evidence to the Settlement Administrator establishing the dates they contend to have worked for Defendant. Weeks "worked" for purposes of this settlement will be determined by reference to timekeeping, payroll, and/or other records. The deadline for Class Members to submit disputes pursuant to this Paragraph is the Notice Deadline (disputes must be postmarked by the Notice Deadline). Unless the Class Member presents convincing evidence proving they worked more workweeks than shown by Defendant's records, their Settlement Award will be determined based on Defendant's records. The Settlement Administrator shall notify counsel for the Parties of any disputes it receives. Defendant shall review its records and provide further information to the Settlement Administrator, as necessary. The Settlement Administrator shall provide a recommendation to counsel for the Parties. Counsel for the Parties shall then meet and confer in an effort to resolve the dispute. If the dispute cannot be resolved by the Parties, it shall be presented to the Court for a resolution. The Settlement Administrator will notify the disputing Class Member of the decision.

23. **Objections.** The Settlement Notice shall provide that Class Members who wish to object to the Settlement may appear at the Final Approval Hearing or may send written objections to the Administrator, by fax, email or mail no later than the Response Deadline. The Settlement Notice shall advise Class Members that objections shall only be considered if the Class Member has not opted out of the Settlement. None of the Parties, their counsel, nor any person on their behalf, shall seek to solicit or otherwise encourage anyone to object to the Settlement, or appeal from any order of the Court that is consistent with the terms of this Settlement.

24. **Requests for Exclusion.** The Settlement Notice shall provide that Class Members, other than Named Plaintiff, who wish to exclude themselves from the Settlement (“opt out”) must mail to the Settlement Administrator a written statement indicating that they do not wish to participate or be bound by the Settlement. The written request for exclusion must contain the Class Member’s full name, address, telephone number, email address (if applicable), and last four digits of their social security number, and must be signed individually by the Class Member. No opt-out request may be made on behalf of a group. Such written statement must be postmarked by the Notice Deadline. None of the Parties, their counsel, nor any person on their behalf, shall seek to solicit or otherwise encourage anyone to exclude themselves from the settlement. Aggrieved Employees are bound by and cannot exclude themselves from the PAGA component of the Settlement even if they request exclusion.

25. **Termination or Revocation of Settlement.** If ten percent (10%) or more of the Class Members submit valid and timely Requests for Exclusion from the Settlement, Defendant may, at its election and in its sole discretion, rescind and nullify the Settlement Agreement. Defendant must exercise this right of rescission in a writing that is provided to Class Counsel within fourteen (14) calendar days after the Settlement Administrator notifies the Parties of the total number of Requests for Exclusion received by the Response Deadline.

- a. If Defendant exercises its right to rescind and or nullify the Settlement Agreement pursuant to this Paragraph, Defendant shall pay the Settlement Administrator Costs incurred by the Settlement Administrator as of the date of Defendant’s rescission and/or nullification.
- b. If there is a material change in the scope of the Released Claims, Class Period, PAGA Period, or Released Parties under the Settlement Agreement, Defendant may, at its election, rescind the Settlement Agreement and all actions taken in furtherance of it will thereby be null and void, however this option to rescind the Settlement Agreement may only be exercised within ten (10) business days of a change in the scope of the Released Claims, Class Period, PAGA Period, or Released Parties under the Settlement.
- c. If the Court finds the Gross Settlement Amount to be insufficient to warrant Preliminary Approval or Final Approval of the Settlement, Defendant may, at its election, rescind the Settlement Agreement and all actions taken in furtherance of it will thereby be null and void.

26. **Cure Period.** In the event any request for exclusion is timely submitted but does not contain sufficient information to be valid, the Settlement Administrator shall provide the Class Member, within seven (7) calendar days, a letter requesting the information that was not provided and giving the Class Member fourteen (14) calendar days from the mailing of such cure letter to respond. Any invalid submission that is not timely cured will be considered a nullity.

27. **Final Approval Hearing.** Class Counsel will be responsible for drafting the Motion for Final Approval of Settlement Agreement and for requesting approval of the Service Award, Fee Award, Class Counsel’s Costs, and Settlement Administrator’s Costs to be heard at the Final Approval Hearing. Class Counsel shall provide Defendant’s Counsel a copy of a draft

Motion for Final Approval of Settlement Agreement at least five (5) business days in advance of filing it with the Court. Named Plaintiff shall request that the Court schedule the Final Approval Hearing no earlier than 100 calendar days after Preliminary Approval, and at least thirty (30) calendar days after the Settlement Administrator's deadline to provide the report of objections, opt-outs and awards to determine Final Approval of the settlement and to enter a Final Approval Order:

- a. certifying the Operative Complaint as a class action;
- b. finding dissemination of the Settlement Notice was accomplished as directed and met the requirements of due process;
- c. approving the Settlement as final and its terms as a fair, reasonable and adequate;
- d. approving the payment of the Service Award to Named Plaintiff;
- e. approving Class Counsel's application for an award of attorneys' fees and reimbursement of out-of-pocket litigation costs and expenses;
- f. approving the Settlement Administrator's fees and expenses for settlement administration;
- g. directing that the Settlement funds be distributed in accordance with the terms of this Settlement Agreement;
- h. directing a full and final discharge of any and all Released Claims, and the related claims, if any, of the LWDA;
- i. directing that a Final Judgment be entered; and
- j. retaining continuing jurisdiction over the Actions for purposes only of overseeing all settlement administration matters.

28. **Post Judgment Report.** At the conclusion of the 180-day check cashing period set forth below and following receipt of the Settlement Administrator's report showing the total funds that were actually paid to Participating Individuals, Class Counsel shall submit a post-judgment report to the Court of regarding any funds that remain from checks that are returned as undeliverable or are not negotiated.

SETTLEMENT FUNDS AND AWARD CALCULATION

29. **Funding of Settlement.** The Settlement Administrator will administer this Settlement. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1 for the funding of the Gross Settlement Amount. Any interest that accrues on the Gross Settlement Amount sums paid into the QSF prior to distribution by the Administrator will become part of the Net Settlement Amount for distribution to Participating Class Members. Within thirty (30) calendar days of the

Effective Date of the Settlement, Defendant shall deposit the Gross Settlement Amount into the Settlement Administrator's designated account. Defendant shall not have access to the Gross Settlement Amount once those funds are deposited into the Settlement Administrator's designated account, including any earned interest accrued following deposit. The Gross Settlement Amount is fully non-reversionary. All disbursements shall be made from the Gross Settlement Amount.

30. **Payments.** Subject to the Court's Final Approval Order and the occurrence of the Effective Date, the following amounts shall be paid by the Settlement Administrator from the Gross Settlement Amount:

- a. **Service Award to Named Plaintiff.** Named Plaintiff shall receive the Service Award approved by the Court. This payment shall be made within ten (10) calendar days after Defendant's deadline to deposit the Gross Settlement Amount into the Settlement Administrator's designated account or as soon as reasonably practicable thereafter. If the Court approves the Service Award in amounts less than what Named Plaintiff requests, the reduction in the Service Award shall not be a basis for nullification of this Settlement. Nor shall a reduction in the Service Award in any way delay or preclude the judgment from becoming a final judgment or the Settlement from becoming Effective. The Named Plaintiff assumes full responsibility for paying all taxes, if any, due as a result of the Service Award.
- b. **Fee Award and Costs Award.**
 - i. Class Counsel shall receive the Fee Award, which will compensate Class Counsel for all work performed in the Actions as of the date of this Settlement Agreement as well as all of the work remaining to be performed, including but not limited to documenting the Settlement, securing Court approval of the Settlement, making sure that the Settlement is fairly administered and implemented, and obtaining final dismissal of the Actions. In addition, Class Counsel shall, subject to Court approval, receive the Costs Award. These payments of attorneys' fees and costs shall be made within ten (10) calendar days after Defendant's deadline to deposit the Gross Settlement Amount into the Settlement Administrator's designated account or as soon as reasonably practicable thereafter. However, ten percent (10%) of the attorney's fee award may be held by the Settlement Administrator until completion of the distribution process and court approval of a final accounting.
 - ii. The approved Fee Award and Costs Award, even if less than what Class Counsel requests, shall constitute full satisfaction of the Released Parties' obligations to pay amounts to any person, attorney, or law firm for attorneys' fees or costs in the Actions on behalf of Named Plaintiff and/or any other Participating Individual, and shall relieve the Released Parties from any other claims or liability to any other attorney or law firm for any attorneys' fees or

costs which any of them may claim to be entitled on behalf of Named Plaintiff or any other Participating Individual. If the Court approves a Fee Award and/or Costs Award in an amount less than what Class Counsel requests, the reduction in the Fee Award and/or Costs Award shall not be a basis for nullification of this Settlement. Nor shall a reduction in the Fee Award and/or Costs Award in any way delay or preclude the judgment from becoming a Final or the Settlement from becoming effective.

- iii. An IRS Form 1099 shall be provided to Class Counsel for the payments made to Class Counsel. Class Counsel shall be solely and legally responsible to pay any and all applicable taxes on the payment(s) made to Class Counsel.

- c. **Labor and Workforce Development Agency Payment and Net PAGA Amount for Distribution.** The Parties agree that the amount of \$20,000 from the Gross Settlement Amount will be paid in settlement of all individual and representative claims pursuant to PAGA in the Actions. Sixty-Five Percent (65%), or \$13,000, of this sum will be paid to the LWDA. Thirty-Five Percent (35%), or \$7,000, will be allocated to the Net PAGA Amount to be distributed to Aggrieved Employees as set forth below. The payment to the LWDA shall be made by the Settlement Administrator within ten (10) calendar days after Defendant's deadline to deposit the Gross Settlement Amount into the Settlement Administrator's designated account or as soon as reasonably practicable thereafter.
- d. **Settlement Administration Costs.** Settlement Administrator's Costs shall be paid from the Gross Settlement Amount. The Parties agree to cooperate in the settlement administration process and to make all reasonable efforts to control and minimize the costs incurred in the administration of the Settlement.
- e. **Settlement Awards to Eligible Class Members.** Settlement Awards shall be made to Participating Individuals as set forth below in Paragraph 34.

31. **No Claim Based Upon Distributions or Payments in Accordance with This Settlement Agreement.** No person shall have any claim against the Released Parties, Class Counsel, or Defendant's Counsel based on distributions or payments made in accordance with this Settlement Agreement.

CALCULATION AND DISTRIBUTION OF SETTLEMENT AWARDS

32. **Settlement Award Eligibility.** Subject to the Court's Final Approval Order and the occurrence of the Effective Date, all Participating Individuals shall be paid a Settlement Award from the Net Settlement Amount and/or the Net PAGA Amount as set forth below:

33. Any Class Member who fails to submit a timely request to exclude themselves from the Settlement by following the procedure set forth in the Settlement Notice shall automatically be

deemed a Participating Individual whose rights and claims with respect to the issues raised in the Actions are determined by any order the Court enters granting Final Approval, and any judgment the Court ultimately enters in the Actions and are subject to the Class Released Claims (as defined in Paragraph 16 above). Any such Class Member's rights to pursue any Class Released Claims will be extinguished if they do not timely request exclusion. Any Aggrieved Employee will be automatically deemed a Participating Individual as determined by any order by the Court approving the Settlement, and their rights to pursue any PAGA Released Claims (as defined in Paragraph 17 above) will be extinguished. Any Aggrieved Employee will not have a right to request exclusion from the Settlement.

34. **Settlement Award Calculations.** The Settlement Administrator shall be responsible for determining the amount of the Settlement Award to be paid to Participating Individuals based on the below formulas:

- a. Class Members who do not timely request exclusion shall receive a *pro rata* portion of the Net Settlement Amount as follows: For each week during which the Class Member who did not timely request exclusion performed work for Defendant, they shall be eligible to receive a *pro rata* portion of the Net Settlement Amount based on the number of workweeks the Class Member who did not timely request exclusion worked at any time in California during the Class Period. The total number of workweeks may be determined by reference to weeks worked by Class Member who did not timely request exclusion as reflected in timekeeping, payroll, and/or other records. A Class Member who timely requests exclusion will not receive a *pro rata* portion of the Net Settlement Amount, other than the payment described in Paragraph 34.b.i.
- b. Aggrieved Employees shall also receive a *pro rata* portion of the Net PAGA Amount as follows:
 - i. For each pay period during which the Aggrieved Employees performed work for Defendant, they shall be eligible to receive a *pro rata* portion of the Net PAGA Amount based on the number of workweeks the Aggrieved Employee worked at any time in California during the PAGA Period. The resulting share of the Net PAGA Amount per Participating Individual, if any, will be added to the Participating Individual's share of the Net Settlement Amount, to determine the Participating Individual's Settlement Award. The total number of workweeks may be determined by reference to weeks worked as reflected in timekeeping, payroll, and/or other records.

35. In addition to other information contained on the Settlement Notice, the Settlement Notice shall state the estimated minimum payment the class member is expected to receive assuming full participation of all Class Members.

36. All Settlement Award determinations shall be based on the pay periods and/or weeks worked (as applicable) as reflected by the Released Parties' timekeeping, payroll, and/or other records. If the Parties determine, based upon further review of available data, that a person previously identified as being a Class Member is not a Class Member, or an individual who was not previously identified as a Class Member is in fact a Class Member but was not so included, the Settlement Administrator shall promptly make such addition or deletion as appropriate.

37. **Settlement Award Allocations.** Any portion of each Settlement Award that is provided from the Net PAGA Amount shall be allocated as penalties. For the remainder of each Settlement Award that is provided from the Net Settlement Amount, twenty percent (20%) of each Settlement Award shall be allocated as wages, and eighty percent (80%) of each Settlement Award shall be allocated as penalties and interest. Settlement Awards will be paid out to Participating Individuals subject to reduction for all employees' share of withholdings and taxes associated with the wage-portion of the Settlement Awards, for which Participating Individuals shall be issued an IRS Form W-2 for the portions of the Settlement Awards that are allocated to wages, if any. Participating Individuals will also be issued an IRS Form 1099 for the portions of the Settlement Awards that are allocated to penalties and interest. The Settlement Administrator shall provide Defendant's Counsel with a final Settlement Award calculation award for each Participating Individual within seven (7) calendar days after the Effective Date. Amounts withheld will be remitted by the Settlement Administrator from the Net Settlement Amount to the appropriate governmental authorities. Defendant shall cooperate with the Settlement Administrator to provide payroll tax information as necessary to accomplish the income and employment tax withholding on the wage portion of each Settlement Award, and the Form 1099 reporting for the non-wage portion of each Settlement Award.

38. Class Counsel and Defendant's Counsel do not intend this Settlement Agreement to constitute legal advice relating to the tax liability of any Class Member. To the extent that this Settlement Agreement, or any of its attachments, is interpreted to contain or constitute advice regarding any federal, state or local tax issue, such advice is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding any tax liability or penalties.

39. The payments made to Participating Individuals pursuant to this Settlement Agreement are not being made for any other purpose and shall not be construed as compensation for purposes of determining eligibility for any health and welfare benefits or unemployment compensation, and no benefits, including but not limited to pension and/or 401(k), shall increase or accrue as a result of any payment made as a result of this Settlement, unless required by the plan documents or otherwise required by law.

40. The Settlement Administrator shall provide Class Counsel and Defendant's Counsel with a final report of all Settlement Awards, no more than ten (10) business days after the Effective Date.

41. The Settlement Administrator shall mail all Settlement Awards to Participating Individuals who do not timely request exclusion within ten (10) calendar days after Defendant's deadline to deposit the Gross Settlement Amount into the Settlement Administrator's designated account or as soon as reasonably practicable thereafter. The Settlement Administrator shall then provide written certification of mailing to Class Counsel and Defendant's Counsel.

42. All Settlement Award checks shall remain valid and negotiable for one hundred eighty (180) calendar days from the date of their issuance and may thereafter automatically be canceled if not cashed within that time, at which time the right to recover any Settlement Award will be deemed void and of no further force and effect. With ninety (90) calendar days remaining, a reminder letter, an example of which is attached hereto as **Exhibit 3**, will be sent via U.S. mail to those who have not yet cashed their settlement check. At the conclusion of the 180-day check cashing deadline, Participating Individuals who have not cashed their Settlement Award checks shall nevertheless be deemed to have finally and forever released the Named Plaintiff's Released Claims or Participating Individuals' Released Claims.

43. **Remaining Monies.** If, at the conclusion of the 180-day check cashing period set forth above, any funds remain from checks that are returned as undeliverable or are not negotiated, checks for such payments shall be canceled and funds associated with such checks shall be considered unpaid, unclaimed or abandoned cash residue pursuant to Code of Civil Procedure section 384 ("Unpaid Residue"). The Unpaid Residue plus accrued interest, if any, as provided in Code of Civil Procedure section 384, shall be transmitted to Legal Services for Children. The Settlement Administrator shall prepare a report regarding the distribution plan pursuant to Code of Civil Procedure section 384 and the report shall be presented to the Court by Class Counsel along with a proposed amended judgment that is consistent with the provisions of Code of Civil Procedure section 384.

- a. Within twenty-one (21) calendar days after the distribution of any remaining monies to the, Class Counsel will file a "Post-Distribution Accounting." The Post-Distribution Accounting will set forth the Gross Settlement Amount, the total number of Class Members, the total number of Class Members to whom notice was sent and not returned as undeliverable, the number and percentage of opt-outs, the number and percentage of objections, the average and median recovery per Participating Individual, the largest and smallest amounts paid to Participating Individuals, the method(s) of notice and the method(s) of payment to Participating Individuals, the number and value of checks not cashed, the amounts distributed to the California State Controller Unclaimed Property Fund (if applicable), the PAGA Payment, the Settlement Administrator's Costs, the Fee Award and Costs Award, the attorneys' fees in terms of percentage of the Gross Settlement Amount, and the multiplier, if any.

MISCELLANEOUS

44. **Submissions to the LWDA.** At the same time as they submit this Class Action Settlement Agreement and Release to the Court for Preliminary Approval, Class Counsel shall submit a copy of this Settlement Agreement to the LWDA, as required by California Labor Code § 2699(l)(2). Within ten (10) calendar days following the Effective Date, Class Counsel shall submit a copy of the Final Approval Order and Judgment entered by the Court to the LWDA, as required by California Labor Code § 2699(l)(3).

45. **Confidentiality.** The Named Plaintiff and his Counsel agree to keep the facts and terms of this Settlement confidential until approval of the Settlement is sought from the Court to

the extent permitted by law. Thereafter, the Named Plaintiff and his Counsel agree that they will not issue a press release or hold any press conferences or initiate contact with a member of the press, including on social media, about this case and/or the fact, amount or terms of the Settlement to the extent permitted by law. If the Named Plaintiff is contacted by the press about the Settlement, they will respond only that the case has been resolved. Nothing in this Paragraph shall prevent Class Counsel from communicating with the Class Members, the LWDA, or the Court in which the Actions are pending, as may be required to carry out the terms of this Settlement and/or fulfill their ethical responsibilities under the Settlement and to their respective clients. Nothing in this provision is intended to violate applicable state law and this provision will be interpreted in accordance with applicable state law.

46. **No Admission of Liability.** Defendant expressly denies all of the allegations in the Actions. Defendant expressly denies that the Released Parties have violated the PAGA, California wage and hour laws, or any other provision of federal or state law with respect to any of their employees. This Settlement Agreement and all related documents are not and shall not be construed as an admission by the Released Parties of any fault or liability or wrongdoing. If this Settlement Agreement does not become Final, this Settlement Agreement, and/or the circumstances leading to this Settlement Agreement, may not be used as an admission by the Released Parties of any wrongdoing or evidence of any wrongdoing by the Released Parties.

47. **Defendant's Legal Fees.** Defendant's legal fees and expenses in the Actions shall be borne by Defendant.

48. **Nullification of the Settlement Agreement.** In the event that (a) the Court does not preliminarily or finally approve the Settlement as provided herein, (b) the Settlement does not become Final for any other reason, or (c) the Effective Date does not occur, the Parties agree to engage in follow up negotiations with the intent of resolving the Court's concerns that precluded approval, and if feasible, to resubmit the Settlement for approval within thirty (30) calendar days. If the Settlement is not approved as resubmitted or if the Parties are not able to reach another agreement, then either Party may void this Settlement Agreement; at that point, the Parties agree that each shall return to their respective positions on the day before this Settlement Agreement and that this Settlement Agreement shall not be used in evidence or argument in any other aspect of their litigation.

49. **Reduced Service Award, Fee Award, or Costs Award Not a Basis for Voiding Settlement.** If the Court approves a Service Award, a Fee Award, and/or Costs Award in amounts less than what Named Plaintiff and/or Class Counsel request, the Parties agree that the reduction in the Service Award, Fee Award, and/or Costs Award will not be a basis for nullification of this Settlement. Nor will a reduction in the Service Award, Fee Award, or Costs Award in any way delay or preclude the judgment from becoming Final or the Settlement from becoming effective. Any amount resulting from the reduction in the Service Award, Fee Award, and/or Costs Award shall be included in the Net Settlement Amount.

50. **Inadmissibility of Settlement Agreement.** Except for purposes of settling the Actions, or enforcing this Settlement Agreement's terms (including that claims were settled and released), resolving an alleged breach, or for resolution of other tax or legal issues arising from a payment under this Settlement Agreement, neither this Settlement Agreement, nor its terms, nor

any document, statement, proceeding, or conduct related to this Settlement Agreement, nor any reports or accounts thereof, shall be construed as, offered or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to any of the Parties or the Released Parties, including, without limitation, evidence of a presumption, concession, indication, or admission by any of the Parties or the Released Parties of any liability, fault, wrongdoing, omission, concession, or damage.

51. **Computation of Time.** For purposes of this Settlement Agreement, if the prescribed time period in which to complete any required or permitted action expires on a Saturday, Sunday, or legal holiday, such time period shall be continued to the following business day. The term “days” shall mean calendar days unless otherwise noted.

52. **Interim Stay of Proceedings.** The Parties agree to hold in abeyance all proceedings in the Actions, including filing stipulations and requests for stays and/or extensions, as appropriate, in the appellate proceedings on Defendant’s appeal of the trial court’s order denying its motion to compel arbitration pending in the First Appellate District of the California Court of Appeal, Case No. A172631, except such proceedings necessary to implement and complete the Settlement. Further, without further order of the Court, the Parties hereto may agree in writing to reasonable extensions of time to carry out any of the provisions of the Settlement.

53. **Amendment or Modification.** This Settlement Agreement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors in interest. This Settlement Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by all Parties hereto.

54. **Entire Settlement Agreement.** This Settlement Agreement with exhibits constitutes the entire agreement among the Parties, and no oral or written representations, warranties, or inducements have been made to any Party concerning this Settlement Agreement other than the representations, warranties, and covenants contained and memorialized in such documents. All prior or contemporaneous negotiations, memoranda, agreements, understandings, and representations, whether written or oral, are expressly superseded hereby and are of no further force and effect, other than any obligation which, by its terms or by operation of law, survives the termination of Named Plaintiff’s employment (including but not limited to any obligation to protect proprietary information and agreement to arbitrate), all of which shall remain unaffected by this Settlement Agreement. Such agreements shall also be enforced to the extent allowed by applicable federal, state, or local law. Each of the Parties acknowledges that they have not relied on any promise, representation, or warranty, express or implied, not contained in this Settlement Agreement concerning the subject matter of this Settlement Agreement. No rights hereunder may be waived except in writing.

55. **Authorization to Enter into Settlement Agreement.** The Parties warrant and represent that they are authorized to enter into this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel shall cooperate with each other and use their best efforts to effect the implementation of the Settlement Agreement. In the event that the Parties are unable to reach resolution on the form or content of any document needed to

implement this Settlement Agreement, or on any supplemental provisions or actions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties shall seek the assistance of a mediator.

56. **Binding on Successors and Assigns.** This Settlement shall be binding upon, and inure to the benefit of Named Plaintiff, the Released Parties, the Participating Individuals and their heirs, beneficiaries, executors, attorneys, administrators, successors, transferees, successors, assigns, or any corporation or any entity with which any party may merge, consolidate, or reorganize. The Parties hereto represent, covenant and warrant that they have not directly or indirectly assigned, transferred, encumbered or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or rights herein released and discharged except as set forth herein.

57. **Counterparts.** This Settlement Agreement may be executed in one or more counterparts, including by facsimile or email. All executed counterparts and each of them shall be deemed to be one and the same instrument. All executed copies of this Settlement Agreement, and photocopies thereof (including facsimile and/or emailed copies of the signature pages), shall have the same force and effect and shall be as legally binding and enforceable as the original.

58. **No Signature Required by Participating Individuals.** Only the Named Plaintiff will be required to execute this Settlement Agreement. The Settlement Notice will advise all Class Members of the binding nature of the release and such shall have the same force and effect as if this Settlement Agreement were executed by each Participating Individual.

59. **Cooperation and Drafting.** The Parties have cooperated in the drafting and preparation of this Settlement Agreement; hence the drafting of this Settlement Agreement shall not be construed against any of the Parties. The Parties agree that the terms and conditions of this Settlement Agreement were negotiated at arm's length and in good faith by the Parties and reflect a settlement that was reached voluntarily based upon adequate information and sufficient discovery and after consultation with experienced legal counsel.

60. **Mutual Full Cooperation.** The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement, including, but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this Settlement. The Parties shall use their best efforts, including all efforts contemplated by this Settlement and any other efforts that may become necessary by order of the Court to effectuate this Settlement and the terms set forth herein. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions or actions that may become necessary to effectuate the terms of this Settlement, the Parties shall seek the assistance of the mediator and/or the Court to resolve such disagreement. The Parties agree to cooperate in the settlement administration process and to make all reasonable efforts to control and minimize the costs and expenses incurred in administration of the Settlement, noting that the cost of administering the Settlement shall be deducted from the Gross Settlement Amount subject to approval by the Court.

61. **Governing Law.** All terms of this Settlement Agreement and the exhibits hereto shall be governed by and interpreted according to the laws of the State of California.

62. **Jurisdiction of the Court.** The Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement and all orders and judgments entered in connection therewith, and the Parties and their Counsel submit to the jurisdiction of the Court for this purpose.

IN WITNESS WHEREOF, the Parties and their Counsel have executed this Settlement Agreement as follows:

PLAINTIFF:

Signed by:

FB0F5D20C5C7437...
Justin Espinosa-Hineline

Date: 2/6/2026

APPROVED AS TO FORM BY CLASS COUNSEL:


John C. Yslas
William M. Pao
WILSHIRE LAW FIRM, PLC
660 S. Figueroa Street, Sky Lobby
Los Angeles, California 90017

Date: 2/6/2026

Attorneys for Plaintiff Justin Espinosa-Hineline

DEFENDANT:

Name and Title:

on behalf of Harold A. Steuber Enterprises, Inc.
dba Associated Services Company

Date: _____

APPROVED AS TO FORM BY DEFENDANT'S COUNSEL:

Barbara I. Antonucci
Sarah K. Hamilton
Stacy Lall
Dongying Zhang
CONSTANGY, BROOKS, SMITH & PROPHETE LLP
601 Montgomery Street, Suite 350
San Francisco, CA 94111

Date: _____

Attorneys for Defendant Harold A. Steuber Enterprises, Inc.

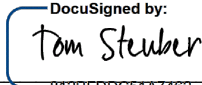
62. **Jurisdiction of the Court.** The Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement and all orders and judgments entered in connection therewith, and the Parties and their Counsel submit to the jurisdiction of the Court for this purpose.

IN WITNESS WHEREOF, the Parties and their Counsel have executed this Settlement Agreement as follows:

PLAINTIFF: _____ Date: _____
Justin Espinosa-Himeline

APPROVED AS TO FORM BY CLASS COUNSEL:

John G. Yslas
William M. Pao
WILSHIRE LAW FIRM, PLC
660 S. Figueroa Street, Sky Lobby
Los Angeles, California 90017
Attorneys for Plaintiff Justin Espinosa-Himeline

DEFENDANT: _____ Date: 2/6/2026
Name and Title:  Tom Steuber CEO
on behalf of Harold A. Steuber Enterprises, Inc.
dba Associated Services Company

APPROVED AS TO FORM BY DEFENDANT'S COUNSEL:

 _____ Date: 2/06/2028
Barbara I. Antonucci
Sarah K. Hamilton
Stacy Lall
Dongying Zhang
CONSTANGY, BROOKS, SMITH & PROPHETE LLP
601 Montgomery Street, Suite 350
San Francisco, CA 94111
Attorneys for Defendant Harold A. Steuber Enterprises, Inc.

EXHIBIT 1

Justin Espinosa-Hineline, individually, on behalf of all others similarly situated v. Harold A. Steuber Enterprises, Inc
Superior Court of California, County of Alameda, Case No. 24CV081059

NOTICE OF SETTLEMENT
PLEASE READ THIS NOTICE CAREFULLY.

You received this Notice of Settlement (“Settlement Notice”) because the records of Harold A. Steuber Enterprises, Inc. dba Associated Services Company (“Associated Services” or “Defendant”) show you performed work for Defendant in California sometime between June 24, 2020 and **<CLOSE OF CLASS PERIOD>**. Because you fit this definition, **you may be entitled to receive money from a Settlement¹ in this case, as described below.**

1. Why Should You Read This Settlement Notice?

This Settlement Notice explains your right to share in the monetary proceeds of this Settlement, exclude yourself (“opt out”) from the Settlement, or object to the Settlement. If you object to the Settlement, you cannot opt out of the Settlement, and you will be bound by the terms of Settlement in the event the Court denies your objection.

The California Superior Court, County of Alameda has preliminarily approved the Settlement as fair and reasonable. The Court will hold a Final Approval Hearing on **[REDACTED]**, 2025 at __:__, before the Honorable _____ at the Administration Building, 1221 Oak Street, Oakland, CA 94612, Courtroom ____.

2. What Is This Case About?

This class and representative lawsuit alleges that individuals whom Defendant employed as non-exempt employees in California between June 24, 2020 and **<CLOSE OF CLASS PERIOD>**, were not provided compliant meal and rest breaks; were not compensated for all hours worked; were not paid minimum, straight time, overtime, double time wages, reporting time wages, sick pay, or at the appropriate rate of pay; were not timely paid all wages due upon termination and/or during employment; were not provided timely and compliant itemized wage statements and pay and personnel records; were not reimbursed for required business expenses, and did not have all required employment records maintained, among other claims asserted in the Action. This lawsuit seeks recovery of unpaid wages, statutory damages, civil penalties under the California Labor Code, California Business and Professions Code, Private Attorneys General Act (“PAGA”), restitution, interest, and attorneys’ fees and costs. The claims in this lawsuit are brought under California law.

Defendant contends that it has legal and factual defenses to these claims, but recognizes the risks, distractions, and costs associated with litigation. Defendant contends that the wage and hour

¹ This notice summarizes the proposed Settlement. The capitalized terms in this Settlement Notice have defined meanings that are set out in detail in the Settlement Agreement. To review a copy of the Settlement Agreement, please visit the Settlement website at **[INSERT URL]**.

policies and practices at issue, including those regarding payment for time worked, overtime pay, meal breaks, rest breaks, and record keeping, are lawful and have been lawful throughout the relevant time period. Defendant also contends that Plaintiff's claims do not meet the requirements for class certification.

This Settlement is the result of good faith, arm's length negotiations between Plaintiff and Defendant, through their respective attorneys. Both sides agree that in light of the risks and expenses associated with continued litigation, this Settlement is fair and appropriate under the circumstances, and in the best interests of the Class Members. This Settlement is a compromise and is not an admission of liability on the part of Defendant.

The Court has not ruled on the merits of Plaintiff's claims or Defendant's defenses.

The Settlement Administrator has created a Settlement website, which can be accessed at [INSERT URL]. The Settlement website allows interested persons to view the Settlement Agreement, all papers filed by Class Counsel to obtain Court approval of the Settlement Agreement, and this Settlement Notice (in generic form). The Settlement website also provides contact information for Class Counsel and the Settlement Administrator.

3. What Are the Terms of the Settlement?

Defendant has agreed to pay Six Hundred and Seventy-Five Thousand Dollars (\$675,000.00) to settle this lawsuit ("Gross Settlement Amount"). Deductions from this amount will be made for attorneys' fees and costs for Class Counsel (up to \$225,000.00, plus actual attorneys' costs; see Section 10 below), settlement administration costs (estimated to be \$7,850.00), a service award in the amount not to exceed Ten Thousand Dollars (\$10,000.00) to Named Plaintiff Justin Espinosa-Hineline for his service to the Class, and penalties of Thirteen Thousand Dollars (\$13,000) to the Labor and Workforce Development Agency, and Seven Thousand Dollars (\$7,000) to Aggrieved Employees for their portion of the Net PAGA Amount (regardless of whether they opt-out of the Class). After deductions of these amounts, what remains of the Gross Settlement Amount (the total of the "Net Settlement Amount") will be available to pay monetary Settlement Awards to (i) Plaintiff and (ii) all Class Members who do not opt out of the Class.

The following persons will be eligible to receive a monetary award from the Net Settlement Amount: (1) Plaintiff and (2) all persons who are employed or have been employed by Defendant as a non-exempt employee in the State of California between June 24, 2020 and <CLOSE OF CLASS PERIOD> in the state of California ("Class Period").

All persons who are employed or have been employed by Defendant as a non-exempt employee in the State of California between December 3, 2023 and <CLOSE OF CLASS PERIOD> ("PAGA Period") in the state of California ("Aggrieved Employees") will also receive a monetary award from the Net PAGA Amount.

4. How Much Can I Expect to Receive?

All Participating Individuals who do not timely request exclusion will receive a *pro rata* share of the Net Settlement Amount based on the total number of workweeks that the Participating Individual who did not timely request exclusion worked for Defendant during the Class Period. Participating Individuals shall receive a *pro rata* portion of the Net Settlement Amount as follows:

1. Each Participating Individual who did not timely request exclusion shall be eligible to receive a *pro rata* portion of the Net Settlement Amount based on the number of workweeks the Participating Individual who did not timely request exclusion worked during this Class Period. Each workweek will be equal to one (1) settlement share. A Participating Individual who did not timely request exclusion will not receive a *pro rata* portion of the Net Settlement Amount.
2. The total number of settlement shares for all Participating Individuals who do not timely request exclusion will be added together and the resulting sum will be divided into the Net Settlement Amount to reach a per share dollar figure. That figure will then be multiplied by the number of settlement shares from each Participating Individual who did not timely request exclusion to determine the share of the Net Settlement Amount for each Participating Individual who did not timely request exclusion.

Aggrieved Employees who are employed or have been employed by Defendant between December 3, 2023 and **<CLOSE OF PAGA PERIOD>** in the State of California shall also receive an equal share of the Net PAGA Amount. The Net PAGA Amount is \$7,000. The total number of Aggrieved Employees will be divided into the Net PAGA Amount. The resulting Net PAGA Amount per Aggrieved Employee, if any, will be included in the Participating Individual's share (if any) of the Net Settlement Amount, to determine the Participating Individual's Settlement Award. Aggrieved Employees who are not Participating Individuals because they have timely opted out will still receive their share of the Net PAGA Amount.

All Settlement Award determinations will be based on Defendant's timekeeping, payroll, and/or other records for Class members. According to records maintained by Defendant, your total estimated settlement payment will be at least \$**[REDACTED]**. This amount is an estimated amount, and your final settlement payment is expected to differ from this amount (i.e., it could be higher or lower) and will be calculated as set forth above. Based on Defendant's records, you are estimated to have worked **[REDACTED]** workweeks for Defendant.

If you dispute the number of workweeks as shown on this Settlement Notice, you may produce evidence to the Settlement Administrator establishing the dates you contend to have worked for Defendant. To do so, send a letter to the Settlement Administrator explaining the basis for your dispute and attach copies of the supporting evidence. Unless you present convincing evidence proving you worked more workweeks than shown by Defendant's records, your Settlement Award will be determined based on Defendant's records. Any disputes must be postmarked by **[INSERT DATE]**, which is **forty-five (45) days** from the mailing of this Settlement Notice] and should be mailed to **[INSERT SETTLEMENT ADMINISTRATOR ADDRESS]**. The Settlement Administrator will notify you of the decision on the dispute.

For tax reporting purposes, Settlement Awards to Participating Individuals and Aggrieved

Employees will be allocated as follows: any portion of each Settlement Award that is provided from the Net PAGA Amount shall be allocated as penalties; for the remainder, if any, of each Settlement Award, one-fifth (20%) of each Settlement Award shall be allocated as wages, four-fifths (80%) of each Settlement Award shall be allocated as penalties and as interest. You will receive an IRS form 1099 for your portion of the Net PAGA Amount and, where applicable, penalties and interest portion of your Settlement Award, and an IRS Form W-2 for the wage portion of your Settlement Award. None of the Parties or attorneys makes any representations concerning the tax consequences of this Settlement or your participation in it. Participating Individuals should consult with their own tax advisors concerning the tax consequences of the Settlement.

If you participate in the Settlement, you will have 180 days to cash the check that will be sent to you, and if not cashed by then, the check will be void. If at the conclusion of the 180-day check void period, there are any uncashed checks, those monies will be submitted to Legal Services for Children, subject to the Court's approval in the Final Approval Order.

It is your responsibility to keep a current address on file with the Settlement Administrator to ensure receipt of your monetary Settlement Award. If you fail to keep your address current, you may not receive your Settlement Award. You may contact the Settlement Administrator [name]_at [contact information] to update your address.

5. How Do I Appear at the Final Approval and Fairness Hearing?

If you do not request to be excluded from the settlement, you may appear at the Final Approval Hearing. You do not have to attend the Final Approval Hearing, but you may do so at your own expense. You may also pay your own lawyer to attend, but it is not necessary.

You may remotely appear at the Final Approval Hearing by scheduling an appearance via Zoom at <https://apps.cand.uscourts.gov/telhrg/>. You may also attend the Fairness Hearing in person, but due to the evolving nature of the pandemic, you should check for the latest updates on accessing the courthouse by viewing the Court's website at <https://www.cand.uscourts.gov/>.

6. What Are The Releases?

Upon Final Approval of the Settlement Agreement, Named Plaintiff, on behalf of the LWDA and Participating Individuals releases claims as follows ("Released Claims") against Defendant and any of its past, present, and future parents, affiliates, subsidiaries, communities, divisions, joint employers, predecessors, successors, and assigns, and each of their current or former officers, directors, board members, trustees, owners, shareholders, employees, agents, attorneys, auditors, accountants, experts, contractors, stockholders, representatives, partners, insurers, reinsurers, and other persons acting on their behalf, as well as any individual or entity that could be liable for any of the Released Claims (collectively, the "Released Parties"):

- Participating Individuals: All Class Members who did not opt out of this lawsuit by filing a timely, valid request for exclusion from the settlement who do not timely and validly request exclusion from the Settlement shall and hereby do release and discharge all

Released Parties, finally, irrevocably, forever, and with prejudice, from all claims, rights, damages, liquidated damages, premiums, wages, compensation, reimbursement, punitive damages, statutory damages, penalties, liabilities, costs, expenses, attorneys' fees, interest, restitution, equitable relief, injunctive relief, declaratory relief, accounting, losses, or causes of action alleged in the Actions and/or that could have been alleged in the Actions, under the laws of any jurisdiction, including federal law, state law, and common law, whether at law or equity, arising out of, or reasonably relating to, the claims, facts, and allegations pled in the Actions, including but not limited to the Operative Complaint, during the Class Period. This shall include any claims during the Class Period for the purported payment or nonpayment of compensation (including, but not limited to, wages, minimum wages, straight time, overtime (including double time), and/or premium pay); failure to pay for all hours worked (including, but not limited to, off-the-clock, donning and doffing, meal and rest periods, rounding/time shaving, editing and/or manipulation of time entries, and auto-deduction of meal periods); failure to pay overtime, double time, premium, sick pay, on-call pay, and other compensation at the accurate rate (including but not limited to failure to include non-discretionary bonuses, incentive compensation, and shift differentials in the regular rate); failure to timely pay wages during employment; failure to pay wages at termination/resignation; failure to provide meal and rest breaks (including but not limited to otherwise requiring on-duty/on-call meal and rest periods); failure to accurately record time including all time worked (including but not limited to off-the-clock, meal periods, rounding, editing and/or manipulation of time entries, and auto-deduction of meal periods); failure to provide timely and compliant wage statements; failure to maintain and provide required records; failure to reimburse for all reasonable business expenses (including but not limited to cell phones, internet, home office, uniforms, required clothing, equipment, vehicle usage, mileage, travel expenses); failure to pay paid time off and vacation time and other compensation owed (during employment and upon separation); failure to pay sick pay (including but not limited to paid sick leave and COVID Supplemental Paid Sick Leave); failure to pay reporting time wages, paying wages lower than contract or statute, failure to provide safe working conditions; failure to place an adequate number of seats in reasonable proximity to the work area and/or permit employees to use such seats; failure to provide potable water; failure to comply with Labor Code sections 432.5 and 432.6; engaging in unlawful agreements (including but not limited to background checks, credit checks, applications, separation agreements, offer letters, confidentiality agreements, and PAGA waivers); conducting unlawful background checks in violation of Labor Code sections 432.7 and 1024.5, Civil Code section 1786, et seq. at 15 U.S.C. section 1681, and Government Code section 12952; relying on the salary history information on an application for employment in violation of Labor Code section 432.3; prohibiting employees from using or disclosing skills, knowledge, offers, wages, and experience; whistleblower violations; failure to comply with Business and Professions Code section 17200 et seq.; failure to comply with the Wage Theft Protection Act; and failing to comply with California Labor Code; applicable wage orders, and Civil Code section 3287(b) and 3289, Government Code section 12952; related premiums, statutory penalties, waiting time penalties, liquidated damages, interest, punitive damages, costs, attorneys' fees, equitable relief, injunctive relief, declaratory relief, or accounting, whether such causes of action are in tort, contract, or pursuant to a statutory remedy (collectively, "Class Released Claims")

- The release period for PAGA claims runs from December 3, 2023 through **<CLOSE OF CLASS PERIOD>** (“PAGA Period”), and covers all claims pursuant to PAGA that were alleged in the Action, for the PAGA Period.
- Upon final approval of this Settlement Agreement the LWDA, by and through its authorized agent, Plaintiff, shall and hereby does release and discharge all Released Parties, finally, forever and with prejudice, from any and all claims and rights to recover civil penalties, costs, expenses, attorneys’ fees, interest, injunctive relief, declaratory relief, and/or accounting, against the Released Parties from any and all causes of action under the PAGA alleged or that could have been alleged based on the claims, facts and allegations in any and all related letters to the LWDA and any amended letters in the Actions (including the letter from Class Counsel to the LWDA dated June 20, 2024 and attached to the Operative Complaint as Exhibit 1) during the PAGA Period. All Aggrieved Employees shall be bound by the LWDA’s release of the Released Parties from these claims. This shall include any claims during the PAGA Period for civil penalties pursuant to PAGA for the purported payment or nonpayment of compensation (including, but not limited to, wages, minimum wages, straight time, overtime (including double time), and/or premium pay); failure to pay for all hours worked (including, but not limited to, off-the-clock, donning and doffing, meal and rest periods, rounding/time shaving, editing and/or manipulation of time entries, and auto-deduction of meal periods); failure to pay overtime, double time, premium, sick pay, on-call pay, and other compensation at the accurate rate (including but not limited to failure to include non-discretionary bonuses, incentive compensation, and shift differentials in the regular rate); failure to timely pay wages during employment; failure to pay wages at termination/resignation; failure to provide meal and rest breaks (including but not limited to otherwise requiring on-duty/on-call meal and rest periods); failure to accurately record time including all time worked (including but not limited to off-the-clock, meal periods, rounding, editing and/or manipulation of time entries, and auto-deduction of meal periods); failure to provide timely and compliant wage statements; failure to maintain and provide required records; failure to reimburse for all reasonable business expenses (including but not limited to cell phones, internet, home office, uniforms, required clothing, equipment, vehicle usage, mileage, travel expenses); failure to pay paid time off and vacation time and other compensation owed (during employment and upon separation); failure to pay sick pay (including but not limited to paid sick leave and COVID Supplemental Paid Sick Leave); failure to pay reporting time wages, paying wages lower than contract or statute, failure to provide safe working conditions; failure to place an adequate number of seats in reasonable proximity to the work area and/or permit employees to use such seats; failure to provide potable water; failure to comply with Labor Code sections 432.5 and 432.6; engaging in unlawful agreements (including but not limited to background checks, credit checks, applications, separation agreements, offer letters, confidentiality agreements, and PAGA waivers); conducting unlawful background checks in violation of Labor Code sections 432.7 and 1024.5, Civil Code section 1786, et seq. at 15 U.S.C. section 1681, and Government Code section 12952; relying on the salary history information on an application for employment in violation of Labor Code section 432.3; prohibiting employees from using or disclosing skills, knowledge, offers, wages, and experience; whistleblower violations; failure to comply with the Wage Theft Protection Act; and failing to comply with California Labor Code, applicable wage orders, and Civil

Code section 3287(b) and 3289; related premiums, statutory penalties, waiting time penalties, or civil penalties; costs; attorneys' fees; equitable relief; injunctive relief; declaratory relief; or accounting (collectively, "PAGA Released Claims"). The Parties agree that there shall be no right for any Aggrieved Employees to opt out or otherwise exclude themselves from the release of PAGA claims.

- There shall be no right for any Aggrieved Employee to opt out or otherwise exclude himself or herself from the release of PAGA claims. The Final Approval Order and the Judgment entered as a result of this Settlement shall have *res judicata* and preclusive effect to the fullest extent allowed by law.

7. What Are My Rights?

- **Do Nothing:** If you are a Class Member and do not timely and validly opt-out, you will automatically become a Participating Individual and receive your Settlement Award, and will be bound by the Settlement including its release provisions.
- **Opt-Out:** If you are a member of the Class and do not wish to be bound by the Settlement, you must submit a written exclusion from the Settlement ("opt-out"), postmarked by [INSERT DATE], which is **forty-five (45) days** from the mailing of this Settlement Notice]. The written request for exclusion must contain your full name, address, telephone number, email address (if applicable), last four digits of your social security number, and must be signed individually by you. No opt-out request may be made on behalf of a group. The opt-out request must be sent by mail to the Settlement Administrator at [INSERT SETTLEMENT ADMINISTRATOR ADDRESS]. **Any person who requests exclusion (opts out) of the settlement will not be entitled to any Settlement Award and will not be bound by the Settlement Agreement or have any right to object, appeal or comment thereon, however Class Members may not Opt-Out of the PAGA portion of the release.**

Object: If you received this Settlement Notice and wish to object to the Settlement, you may object at the Final Approval Hearing or object by sending a written objection to the Administrator, by fax, email or mail no later than [INSERT DATE], which is **forty-five (45) days** from the mailing of this Settlement Notice].

For mailed objections, the postmark date of mailing to the Settlement Administrator shall be the exclusive means for determining that an objection is timely. Objections shall only be considered if the Class Member has not opted out of the Settlement.

8. Can Defendant Retaliate Against Me for Participating in this Settlement?

No. Your decision as to whether or not to participate in this Settlement will in no way affect your work or employment with Defendant or future work or employment with Defendant. It is unlawful

for Defendant to take any adverse action against you as a result of your participation in this Settlement. In fact, Defendant encourages you to participate in this Settlement.

9. Who Are the Attorneys Representing Plaintiffs and the Class Members?

Plaintiffs and the Class Members are represented by the following attorneys acting as Class Counsel:

John G. Yslas
William M. Pao
Wilshire Law Firm, PC
660 South Figueroa Street, Sky Lobby
Los Angeles, California 90017
Telephone (213) 381-9988
Facsimile (213) 381-9989
john.yslas@wilshirelawfirm.com
william.pao@wilshirelawfirm.com

Defendant is represented by the following attorneys:

Barbara I. Antonucci (SBN 209039)
Sarah K. Hamilton (SBN 238819)
**CONSTANGY, BROOKS, SMITH &
PROPHETE, LLP**
601 Montgomery Street, Suite 350
San Francisco, CA 94111
Telephone: 415.918.3000
bantonucci@constangy.com
shamilton@constangy.com

10. How Will the Attorneys for the Class Be Paid?

Class Counsel will be paid from the Gross Settlement Amount of \$675,000. You do not have to pay the attorneys who represent the Class. The Settlement Agreement provides that Class Counsel will receive attorneys' fees of up one-third (1/3) of \$675,000.00 (i.e., \$225,000.00) plus their actual out-of-pocket costs. The amount of attorneys' fees and costs awarded will be determined by the Court at the Final Approval Hearing.

11. Where can I get more information?

If you have questions about this Settlement Notice, or the Settlement, or if you did not receive this Settlement Notice in the mail and you believe that you are or may be a member of the Settlement, you should contact the Class Counsel.

This Settlement Notice is only a summary. For the precise terms and conditions of the Settlement, please see the Settlement Agreement available at the Settlement website at [\[INSERT URL\]](#), by contacting the Settlement Administrator toll-free at [dedicated phone number] or Class Counsel at the contact information listed above, by accessing the Court docket in this case by searching the

case number (24CV081059) through the Court's electronic public records system at [INSERT URL] or by visiting the office of the Clerk of the Court for the Alameda Superior Court, Rene C. Davidson Courthouse, 1225 Fallon Street Oakland, CA 94612, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays, to simply request to order public court documents filed in the Action.

PLEASE DO NOT CONTACT THE COURT, THE CLERK OF THE COURT, THE JUDGE, OR DEFENDANT FOR INFORMATION ABOUT THE PROPOSED SETTLEMENT OR THIS ACTION.

EXHIBIT 2

WILSHIRE LAW FIRM, PLC
3055 Wilshire Blvd, 12th Floor
Los Angeles, CA 90010-1137

John G. Yslas (SBN 187324)
john.yslas@wilshirelawfirm.com
William M. Pao (SBN 219846)
william.pao@wilshirelawfirm.com
Refugio Ortega-Carrillo (SBN 346933)
refugio.ortegacarrillo@wilshirelawfirm.com
WILSHIRE LAW FIRM
660 South Figueroa Street, Sky Lobby
Los Angeles, California 90017
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

Attorneys for Plaintiff
JUSTIN ESPINOSA-HINELINE

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ALAMEDA
COMPLEX CIVIL LITGATION

JUSTIN ESPINOSA-HINELINE, individually,
and on behalf of all others similarly situated,

Plaintiff,

v.

HAROLD A. STEUBER ENTERPRISES, INC.,
a California corporation; and DOES 1 through
10, inclusive,

Defendants.

JUSTIN ESPINOSA-HINELINE, individually,
and on behalf of the State of California and other
aggrieved persons,

Plaintiff,

v.

HAROLD A. STEUBER ENTERPRISES, INC.,
a California corporation; and DOES 1 through
10, inclusive,

Defendants.

Case No.: 24CV081059

CONSOLIDATED WITH
Case No. 25CV109856

[caption continues on next page]

**CONSOLIDATED AMENDED CLASS
AND REPRESENTATIVE ACTION
COMPLAINT:**

1. Failure to Pay Minimum and Straight Time Wages (Cal. Lab. Code §§ 204, 1194, 1194.2, 1197, and 1197.1);
2. Failure to Pay Overtime Wages (Cal. Lab. Code §§ 1194 and 1198);
3. Failure to Provide Meal Periods (Cal. Lab. Code §§ 226.7, 512);
4. Failure to Authorize and Permit Rest Periods (Cal. Lab. Code §§ 226.7);
5. Failure to Timely Pay Final Wages at Termination (Cal. Lab. Code §§ 201-203);
6. Failure to Provide Accurate Itemized Wage Statements (Cal. Lab. Code § 226);
7. Failure to Indemnify Employees for Expenditures (Cal. Lab. Code § 2802);
8. Failure to Produce Requested Employment Records (Cal. Lab. Code §§ 226 and 1198.5);

WILSHIRE LAW FIRM, PLC
3055 Wilshire Blvd, 12th Floor
Los Angeles, CA 90010-1137

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- 9. Unfair Business Practices (Cal. Bus. & Prof. Code §§ 17200, *et seq.*); and
- 10. Civil Penalties Under PAGA (Cal. Lab. Code § 2699, *et seq.*)

DEMAND FOR JURY TRIAL

Plaintiff Justin Espinosa-Hineline (“Plaintiff”), on information and belief, alleges as follows:

INTRODUCTION & PRELIMINARY STATEMENT

1. Plaintiff brings this action against Defendant Harold A. Steuber Enterprises, Inc., and DOES 1 through 10 (hereinafter collectively referred to as “Defendants”) for California Labor Code violations, unfair business practices and civil penalties under the Labor Code Private Attorneys General Act of 2004 (Lab. Code §§ 2698 *et seq.*) (“PAGA”), stemming from Defendants’ failure to pay for all hours worked (minimum, straight time, overtime and double time wages), failure to provide meal periods, failure to authorize and permit rest periods, failure to timely pay final wages, failure to furnish accurate wage statements, failure to indemnify employees for expenditures, and failure to produce requested employment records.

2. Plaintiff brings the First through Ninth Causes of Action individually and as a class action on behalf of Plaintiff and certain current and former employees of Defendants (hereinafter collectively referred to as the “Class” or “Class Members,” and defined more fully below). The Class consists of Plaintiff and all other persons who have been employed by any Defendant in California as an hourly-paid or non-exempt employee during the statute of limitations period applicable to the claims pleaded here.

3. Plaintiff brings the Tenth Cause of Action as a representative action on behalf of Plaintiff and other Aggrieved Employees. Plaintiff provided notice of his claims pursuant to §2698 *et seq.*, to the Labor and Workforce and Development Agency (“LWDA”) on June 20, 2024, attached hereto as Exhibits 1, the content of which is expressly incorporated herein. All California hourly paid or non-exempt employees who worked for Defendants from December 3, 2023 through the present are “Aggrieved Employees.” The LWDA did not provide any notice to Plaintiff following the exhaustion of the 65-day notice period required by 2699.3(a)(2)(B). Accordingly, Plaintiff brings this Consolidated Amended Complaint, including for civil penalties under the Private Attorneys General Act (“PAGA”), Labor Code §2698 *et seq.*

4. Defendants own/owned and operate/operated an industry, business, and establishment within the State of California, including Alameda County. As such and based upon

all the facts and circumstances incident to Defendants’ business in California, Defendants are subject to the California Labor Code, Wage Orders issued by the Industrial Welfare Commission (“IWC”), and the California Business & Professions Code.

5. Despite these requirements, throughout the statutory period, Defendants have, at times:

- (a) Failed to pay employees, or some of them, for all hours worked, including all minimum, straight time, overtime, and double time wages at the regular rate of pay in compliance with the California Labor Code and IWC Wage Orders;
- (b) Failed to provide employees, or some of them, with timely and duty-free meal periods in compliance with the California Labor Code and IWC Wage Orders, failed to maintain accurate records of all meal periods taken or missed, and failed to pay an additional hour’s pay at the regular rate of pay for each workday a meal period violation occurred;
- (c) Failed to authorize and permit employees, or some of them, to take timely and duty-free rest periods in compliance with the California Labor Code and IWC Wage Orders, and failed to pay an additional hour’s pay at the regular rate of pay for each workday a rest period violation occurred;
- (d) Failed to and refused to timely pay the employees all wages due during employment in accordance with California law;
- (a) Willfully failed to pay employees, or some of them, all minimum wage, straight time wages, overtime wages, double time wages, meal period premium wages, and rest period premium wages at the regular rate of pay due within the time period specified by California law when employment terminates;
- (b) Failed to provide employees, or some of them, with accurate, itemized wage statements containing all the information required by the California Labor Code and IWC Wage Orders;

- (c) Failed to indemnify employees, or some of them, for expenditures incurred in direct discharge of duties of employment;
- (d) Failed to timely produce requested employment records as required by the California Labor Code and IWC Wage Order;
- (e) Failed to provide and maintain records required by the California Labor Code and the applicable IWC Wage Orders, including but not limited to Labor Code sections 226, 1198.5, and 432;
- (f) Failed to keep accurate and complete payroll records as required by law, including but not limited to the following records: total daily hours worked, applicable rates of pay, time records showing when employees began and ended each work period, time records of meal periods, and accurate itemized wage statements;
- (g) Failed to comply with the notice requirements of Labor Code section 2810.5 (i.e., the Wage Theft Protection Act of 2011);
- (h) Failed to provide proper paid sick leave to employees by failing to provide paid sick leave at all or improperly calculating the sick leave accrual and the sick leave rate of pay, by failing to base the accrued sick leave hours on the correct number of hours worked, by failing at times to incorporate all non-discretionary remuneration into the sick leave pay rate calculation, by failing at times to provide notice of the correct sick leave amount balance available to employees on their wage statements or other written statement, by failing to provide employees of notice of their paid sick leave rights, by failing to maintain accurate records of used sick leave and the balance of paid sick leave left employees, and by failing comply with Labor Code sections 245-248.5 and 226;
- (i) Failed to provide employees, or some of them, with required 2021 COVID-19 Supplemental Paid Sick Leave in violation of Labor Code section 248.2;

- (j) Failed to pay employees for all hours worked at the proper wage rate and by failing to pay employees an additional hour of pay for each meal and/or rest period not provided or that was invalid in violation of Labor Code section 216;
- (k) Failed to provide employees with suitable seating, and when such employees were not engaged in duties which required them to stand, at times no seating was placed in reasonable proximity to their workstations in violation of section 14(A-B) of applicable Wage Orders, and Labor Code sections 1198 and 1199;
- (l) Willfully and systematically denied employees of minimum and overtime wage compensation for all hours worked which resulted in the payment of less than statutorily required wages owed to them and acted with the intent to deprive some or all of them of statutory wages to which they were entitled to under California law, in violation of Labor Code section 223;
- (m) Failed to allow employees to use their earned vacation/paid time off during their employment and failing at times to pay all vested, accrued paid time off to employees and/or upon separation of employment, in violation of California law, including but not limited to, Labor Code section 227.3;
- (n) Ordered unlawful financial credit checks on employees, or some of them, in violation of Labor Code section 1024.5, at times required employees to provide ongoing written consent to the unlawful credit checks as a condition of employment, in violation of California and federal law, which results in a further violation of Labor Code section 432.5, required employees to submit and/or agree to submit in writing to unlawful criminal background checks as a condition of obtaining and/or holding employment in violation of the ICRAA and the FCRA, and required employees to agree in writing to a background check which failed to abide by the requirements set forth in

California Civil Code section 1786, et seq. and 15 U.S.C. section 1681, et seq.;

(o) At times asked employees about convictions prior to extending an offer of employment and/or otherwise impermissibly inquired into criminal history on their employment application in violation of California law, including but not limited to the Fair Chance Act/the California Fair Employment and Housing Act ("FEHA");

(p) Required employees to agree, in writing, to an unlawful agreement, including but not limited to a PAGA waiver and confidentiality agreements in violation of labor code section 432.5;

(q) Prevented employees from using or disclosing the skills, knowledge, and experience they obtained at Defendants for purposes of competing with Defendants, including, without limitation, preventing employees, or some of them, from disclosing their wages in negotiating a new job with a prospective employer, and from disclosing who else works at Defendants and under what circumstances they might be receptive to an offer from a rival employer;

(r) Prevented employees from disclosing violations of state and federal law, either within Defendants to their managers or outside Defendants to private attorneys or government officials, among others, in violation of Business and Professions Code section 17200, and thus in violation of Labor Code sections 98.6, 232, 232.5, and 1102.5;

(s) Failed to furnish and use safety devices and safeguards, and adopt and use practices, means, methods, operations and processes which are reasonably adequate to render such employment and place of employment safe and healthful, required or permitted employees to go or be in any employment or place of employment which is not safe and healthful, failed or neglected to provide and use safety devices and safeguards reasonably adequate to

render the employment and place of employment safe; adopt and use methods and processes reasonably adequate to render the employment and place of employment safe; and do every other thing reasonably necessary to protect the life, safety, and health of employees, and failed to disinfect time clocks and other surfaces after use by employees; at times failing to provide adequate protection equipment to employees; and at times failing to provide adequate distance in working conditions between employees in violation of, including but not limited to, Labor Code sections 6401-6403; and,

(t) Violated section 1527, 3366, 3457 and 8397.4 by failing at times to provide adequate and readily accessible sanitation facilities; a regular schedule for servicing, cleaning, and supplying each facility to ensure it is maintained in a clean, sanitary and serviceable condition; an adequate supply of suitable cleansing agents, water, single-use towels or blowers; and a sufficient number of toilets to be used by each sex of employee.

6. On information and belief, Defendants were on actual and constructive notice of the improprieties alleged herein and intentionally refused to rectify their unlawful conduct. Defendants' violations, as alleged above, during all relevant times herein were willful and deliberate.

7. At all relevant times, Defendants were and are legally responsible for all of the unlawful conduct, policies, acts and omissions as described in each and all of the foregoing paragraphs as the employers of Plaintiff, the Class and Aggrieved Employees. Further, Defendants are responsible for each of the unlawful acts or omissions complained of herein under the doctrine of "respondeat superior."

THE PARTIES

A. Plaintiff

8. Plaintiff Justin Espinosa-Hineline is a resident of San Leandro, California who worked for Defendants in Alameda County, California as an hourly-paid, non-exempt employee from approximately March 2022 to approximately February 2024.

9. Plaintiff reserves the right to seek leave to amend this complaint to add new Plaintiffs, if necessary, in order to establish suitable representative(s) pursuant to *La Sala v. American Savings and Loan Association* (1971) 5 Cal.3d 864, 872, and other applicable law.

B. Defendants

10. Plaintiff is informed and believes, and based upon that information and belief alleges, that Defendant Harold A. Steuber Enterprises, Inc. is, and at all times herein mentioned, was:

- (a) A business entity conducting business in numerous counties throughout the State of California, including Alameda County; and,
- (b) The former employer of Plaintiff, and the current and/or former employer of the putative Class and Aggrieved Employees because Defendant Harold A. Steuber Enterprises, Inc. suffered and permitted Plaintiff, the Class, and Aggrieved Employees to work; and/or exercised control over their wages, hours, or working conditions; and/or engaged Plaintiff, the Class, and Aggrieved Employees thereby creating a common law employment relationship.

11. Plaintiff does not know the true names or capacities of the persons or entities sued herein as Does 1-10, inclusive, and therefore sues said Defendants by such fictitious names. Each of the Doe Defendants was in some manner legally responsible for the damages suffered by Plaintiff, the Class and Aggrieved Employees as alleged herein. Plaintiff will amend this complaint to set forth the true names and capacities of these Defendants when they have been ascertained, together with appropriate charging allegations, as may be necessary.

12. At all times mentioned herein, the Defendants named as Does 1-10, inclusive, and each of them, were residents of, doing business in, availed themselves of the jurisdiction of, and/or injured a significant number of the Plaintiff, the Class and Aggrieved Employees in the State of California.

13. Plaintiff is informed and believes and thereon alleges that at all relevant times each Defendant, directly or indirectly, or through agents or other persons, employed Plaintiff and the

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

ALLEGATIONS COMMON TO ALL CAUSES OF ACTION

14. Plaintiff worked for Defendants in Alameda County, California as an hourly-paid, non-exempt employee from approximately March 2022 to approximately February 2024. During Plaintiff's employment for Defendants, Defendants paid Plaintiff an hourly wage and classified Plaintiff as non-exempt from overtime. Defendants typically scheduled Plaintiff to work at least five days in a workweek and at least eight hours per day, but Plaintiff also worked more than eight hours in a workday and more than forty (40) hours in a workweek.

15. Throughout Plaintiff's employment, Defendants, at times, failed to pay for all hours worked (including minimum, straight time, and overtime wages), failed to provide Plaintiff with legally compliant meal periods, failed to authorize and permit Plaintiff to take rest periods, failed to pay all earned wages timely during employment, failed to maintain accurate records of hours worked and meal periods, failed to timely pay all final wages to Plaintiff when Defendants terminated Plaintiff's employment, failed to furnish accurate wage statements to Plaintiff, failed to produce requested employment records, failed to indemnify Plaintiff for expenditures, and failed to produce requested employment records. As discussed below, Plaintiff's experience working for Defendants was typical and illustrative.

16. Throughout the statutory period, Defendants, at times, failed to pay Plaintiff, the Class and Aggrieved Employees, or some of them, for all hours worked, including minimum, straight time, overtime, and double time wages at the regular rate of pay. Defendants would, at times, manufacture time keeping records to falsely show that Plaintiff, the Class and Aggrieved Employees took meal periods when in fact they worked “off-the-clock,” uncompensated. The effect is that Plaintiff, the Class and Aggrieved Employees, or some of them, worked through meal periods “off-the-clock,” and continued to work after they had clocked out for the workday. Defendants paid Plaintiff, the Class and Aggrieved Employees, or some of them, less than all their work time. Much of this unpaid work should have been paid at the overtime rate. In failing to pay for all hours worked, Defendants also failed to maintain accurate records of the hours Plaintiff, the Class and Aggrieved Employees, or some of them, worked. Defendant did not pay Plaintiff, the Class and Aggrieved Employees for all of their work time as a result of improper rounding of meals and/or shift start and end times, automatic deduction policies and practices for meal periods, and other required off-the-clock work including, but not limited to, unpaid meal periods that were restricted to Defendants’ premises. Further, Defendant failed at times to incorporate all non-discretionary remuneration, including but not limited to, non-discretionary bonuses, shift differential pay and/or other non-discretionary compensation into the calculation of the regular rate of pay.

17. Throughout the statutory period, Defendants wrongfully failed to provide Plaintiff, the Class and Aggrieved Employees, or some of them, with legally compliant meal periods. Defendants required Plaintiff, the Class and Aggrieved Employees, or some of them, to work in excess of five consecutive hours a day without providing a 30-minute, uninterrupted, and duty-free meal period for every five hours of work, or without compensating Plaintiff, the Class and Aggrieved Employees, or some of them, for all missed meal periods that were not provided by the end of the fifth hour of work or tenth hour of work. Instead, Defendants continued to assert control over Plaintiff, the Class and Aggrieved Employees, or some of them, by requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory meal periods, or by denying Plaintiff, the Class and Aggrieved Employees, or

some of them, permission to take a meal period. Defendants also failed, at times, to permit Plaintiff to take a second meal period when Plaintiff worked at least ten hours of work in a workday. As described above, Defendants would manufacture time keeping records to falsely show that Plaintiff, the Class and Aggrieved Employees, or some of them, took meal periods by the fifth hour of work or took meal periods when in fact they worked off-the-clock, uncompensated. Accordingly, Defendants failed to provide meal periods to Plaintiff, the Class and Aggrieved Employees, or some of them, in compliance with California law. Defendant did not pay Plaintiff, the Class and Aggrieved Employees for meal premiums at the regular rate of pay and failed at times to incorporate all non-discretionary remuneration, including but not limited to, non-discretionary bonuses, shift differential pay and/or other non-discretionary compensation into the calculation of the regular rate of pay.

18. Throughout the statutory period, Defendants have, at times, wrongfully failed to authorize and permit Plaintiff, the Class and Aggrieved Employees, or some of them, to take legally compliant rest periods. Defendants required Plaintiff, the Class and Aggrieved Employees, or some of them, to work in excess of four consecutive hours a day without Defendants authorizing and permitting them to take a 10-minute, uninterrupted, duty-free rest period for every four hours of work (or major fraction of four hours), or without compensating Plaintiff, the Class and Aggrieved Employees, or some of them, for rest periods that were not authorized or permitted. Instead, Defendants continued to assert control over Plaintiff, the Class and Aggrieved Employees, or some of them, by requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory rest periods, by denying Plaintiff, the Class and Aggrieved Employees, or some of them, permission to take a rest period and/or requiring employees to remain on premise during their rest periods. Accordingly, Defendants failed to authorize and permit Plaintiff, the Class and Aggrieved Employees, or some of them, to take rest periods in compliance with California law. Defendant did not pay Plaintiff, the Class and Aggrieved Employees for rest premiums at the regular rate of pay and failed at times to incorporate all non-discretionary remuneration, including but not limited to, non-discretionary bonuses, shift differential pay and/or other non-discretionary compensation into the calculation of the regular rate

of pay.

19. Throughout the statutory period, Defendants, at times, failed to timely pay Plaintiff, the Class and Aggrieved Employees, or some of them, during employment for all wages as discussed above. The California Labor Code requires employees to be paid during employment at certain times. For example, Labor Code § 204 requires employers to pay employees all earned wages two times per month. Throughout the period applicable to this cause of action, employees were entitled to be paid timely during employment and at least twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for overtime hours worked. However, Defendants, at times, failed and refused to pay the employees all wages due, and failed, at times, to pay those wages timely during employment and at least twice a month, in that employees were not paid all wages for all meal periods not provided by Defendants, all wages for all rest periods not authorized and permitted by Defendants, and all wages for all hours worked.

20. Throughout the statutory period, Defendants, at times, willfully failed and refused to timely pay Plaintiff, the Class and Aggrieved Employees, or some of them, all final wages due at their termination of employment in violation of Labor Code sections 201 through 203. In addition, Plaintiff's final paychecks did not include payment for all expenditures, minimum wage, straight time wages, overtime wages, meal period premium wages, and rest period premium wages owed to Plaintiff by Defendants at the conclusion of Plaintiff's employment. On information and belief, Defendants' failure to timely pay Plaintiff's final wages when Plaintiff's employment terminated was not a single, isolated incident, but was instead consistent with Defendants' practices that applied, at times, to Plaintiff, the Class and Aggrieved Employees.

21. Throughout the statutory period, Defendants failed, at times, to furnish Plaintiff, the Class and Aggrieved Employees, or some of them, with accurate, itemized wage statements showing all applicable hourly rates, and all gross and net wages earned (including correct hours worked, correct wages for meal periods that were not provided in accordance with California law, and correct wages for rest periods that were not authorized and permitted to take in accordance

with California law). As a result of these violations of California Labor Code § 226(a), the Plaintiff, the Class and Aggrieved Employees, or some of them, suffered injury because, among other things:

- (a) the violations led them to believe that they were not entitled to be paid minimum wage, straight time wages, overtime wages, meal period premium wages, and rest period premium wages, even though they were entitled;
- (b) the violations led them to believe that they had been paid the minimum wage, straight time wages, overtime wages, meal period premium wages, and rest period premium wages, even though they had not been;
- (c) the violations led them to believe they were not entitled to be paid minimum wage, straight time wages, overtime wages, meal period premium wages, and rest period premium wages at the correct California rate even though they were entitled;
- (d) the violations led them to believe they had been paid minimum wage, straight time wages, overtime wages, meal period premium wages, and rest period premium wages at the correct California rate even though they had not been;
- (e) the violations hindered them from determining the amounts of minimum wage, straight time wages, overtime wages, meal period premium wages, and rest period premium wages owed to them;
- (f) in connection with their employment before and during this action, and in connection with prosecuting this action, the violations caused them to have to perform mathematical computations to determine the amounts of wages owed to them, computations they would not have to make if the wage statements contained the required accurate information;
- (g) by understating the wages truly due to them, the violations caused them to lose entitlement and/or accrual of the full amount of Social Security, disability, unemployment, and other governmental benefits;

(h) the wage statements inaccurately understated the wages, hours, and wage rates to which Plaintiff, the Class and Aggrieved Employees, or some of them, were entitled, and Plaintiff, the Class and Aggrieved Employees, or some of them, were paid less than the wages and wage rates to which they were entitled.

Thus, Plaintiff, the Class and Aggrieved Employees, or some of them, are owed the amounts provided for in California Labor Code § 226(e).

22. Throughout the statutory period, Defendants have wrongfully required Plaintiff, the Class and Aggrieved Employees, or some of them, to pay expenses that they incurred in direct discharge of their duties for Defendants. Plaintiff, the Class and Aggrieved Employees, or some of them, paid out-of-pocket for necessary employment-related expenses, including, without limitation, car/mileage expenses, internet, work attire, safety equipment, and cell phone expenses.

23. Plaintiff, the Class and Aggrieved Employees, or some of them, incurred substantial expenses as a direct result of performing their job duties for Defendants, but Defendants failed to indemnify Plaintiff, the Class and Aggrieved Employees, or some of them, for these employment-related expenses.

24. Plaintiff sent written requests through Plaintiff's counsel to Defendants for Plaintiff's personnel file, pay records, wage statements, timekeeping records, and other employment-related documents pursuant to Labor Code section 226 and 1198.5. However, Defendants failed to timely produce the requested employment records, in violation of Labor Code sections 226 and 1198.5.

25. Throughout the statutory period, Defendants failed, and continue at times to fail, to provide and maintain accurate and complete records as required by the California Labor Code and the applicable IWC Orders, including but not limited to the following records: total daily hours worked (by virtue of Defendants' time rounding and/or auto deduction policies and practices and/or other off-the-clock work policies and practices, failure to relieve Plaintiff, the Class and Aggrieved Employees, or some of them, of all duties and Defendants' control for unpaid meal periods, and/or failure to record the true start and end times of employees' meal periods and work shifts),

applicable rates of pay, time records showing when employees began and ended each work period, time records of meal periods, and accurate itemized wage statements (e.g., by not documenting accrued sick time for employees, or some of them).

26. Defendants failed at times, and continue at times to fail, to comply with the notice requirements of Labor Code section 2810.5 (i.e., the Wage Theft Protection Act of 2011) by, among other things, failing to provide Plaintiff, the Class and Aggrieved Employees, or some of them, with the rates of pay and overtime rates of pay applicable to their employment, allowances claimed as part of the minimum wage, the regular payday designated by Defendants, the name of the employer, including any "doing business as" names used, the name, address and telephone number of the workers' compensation insurance carrier, information regarding paid sick leave, and other pertinent information required to be disclosed by Defendants under Labor Code section 2810.5.

27. Defendants failed to provide proper paid sick leave to Plaintiff, the Class and Aggrieved Employees, or some of them, by failing to provide paid sick leave at all or improperly calculated the sick leave accrual and the sick leave rate of pay, by failing at times to base the accrued sick leave hours on the correct number of hours worked (as a result of the rounding/automatic deduction policies and practices for meal periods and/or shift start and end times/other required off-the-clock work including but not limited to unpaid meal periods that were restricted to Defendants' premises), by failing at times to incorporate all non-discretionary remuneration, including but not limited to, non-discretionary bonuses, shift differential pay and/or other non-discretionary compensation into the sick leave pay rate calculation, by failing at times to provide notice of the correct sick leave amount balance available to Plaintiff, the Class and Aggrieved Employees, or some of them, on their wage statements or other written statement, by failing to provide Plaintiff, the Class, and Aggrieved Employees, or some of them, on notice of their paid sick leave rights, thereby failing at times to put their entitlement to sick leave in a Labor Code section 2810.5 notice, by failing to maintain accurate records of used sick leave and the balance of paid sick leave left Plaintiff, and the Class and Aggrieved Employees, or some of them, and by failing comply with Labor Code sections 245-248.5 and 226.

28. Defendants failed to provide Plaintiff, the Class and Aggrieved Employees, or some of them, with required 2021 COVID-19 Supplemental Paid Sick Leave in violation of Labor Code section 248.2.

29. Defendants failed to pay Plaintiff, the Class, and Aggrieved Employees or some of them, for all hours worked at the proper wage rate and by failing to pay Plaintiff, the Class, and Aggrieved Employees or some of them, an additional hour of pay for each meal and/or rest period not provided or that was invalid in violation of Labor Code section 216.

30. Defendants failed to provide Plaintiff, the Class, and Aggrieved Employees, or some of them, with suitable seating, and when such employees, or some of them, were not engaged in duties which required them to stand, at times no seating was placed in reasonable proximity to their workstations in violation of section 14(A-B) of applicable Wage Orders, and Labor Code sections 1198 and 1199.

31. Defendants willfully and systematically denied Plaintiff, the Class, and Aggrieved Employees, or some of them, of minimum and overtime wage compensation for all hours worked which resulted in the payment of less than statutorily required wages owed to them and acted with the intent to deprive some or all of them of statutory wages, including, but not limited to, overtime wages and minimum wages, to which they were entitled to under California law, in violation of Labor Code section 223.

32. Defendants failed to allow Plaintiff, the Class, and Aggrieved Employees, or some of them, to use their earned vacation/paid time off during their employment and failing at times to pay all vested, accrued paid time off to Plaintiff, the Class, and Aggrieved Employees, or some of them, and/or upon separation of employment, in violation of California law, including but not limited to, Labor Code section 227.3.

33. Defendants ordered unlawful financial credit checks on Plaintiff, the Class, and Aggrieved Employees, or some of them, in violation of Labor Code section 1024.5, at times required Plaintiff, the Class, and Aggrieved Employees, or some of them, to provide ongoing written consent to the unlawful credit checks as a condition of employment, in violation of California and Federal law, which results in a further violation of Labor Code section 432.5,

required Plaintiff, the Class, and Aggrieved Employees, or some of them, to submit and/or agree to submit in writing to unlawful criminal background checks as a condition of obtaining and/or holding employment in violation of the ICRAA and the FCRA, and required Plaintiff, the Class, and Aggrieved Employees, or some of them, to agree in writing to a background check which failed to abide by the requirements set forth in California Civil Code section 1786, et seq. and 15 U.S.C. section 1681, et seq..

34. Defendants at times asked Plaintiff, the Class, and Aggrieved Employees, or some of them, about convictions prior to extending an offer of employment and/or otherwise impermissibly inquired into criminal history on their employment application in violation of California law, including but not limited to the Fair Chance Act/the California Fair Employment and Housing Act ("FEHA").

35. Defendants required Plaintiff, the Class, and Aggrieved Employees, or some of them, to agree, in writing, to an unlawful agreement, including but not limited to a PAGA waiver and confidentiality agreements. Defendants at times required written agreement to an unlawful provision as a condition of employment, which is a violation of labor code section 432.5.

36. Defendants prevented Plaintiff, the Class, and Aggrieved Employees, or some of them, from using or disclosing the skills, knowledge, and experience they obtained at Defendants for purposes of competing with Defendants, including, without limitation, preventing Plaintiff, the Class, and Aggrieved Employees, or some of them, from disclosing their wages in negotiating a new job with a prospective employer, and from disclosing who else works at Defendants and under what circumstances they might be receptive to an offer from a rival employer.

37. Defendants prevented Plaintiff, the Class, and Aggrieved Employees, or some of them, from disclosing violations of state and federal law, either within Defendants to their managers or outside Defendants to private attorneys or government officials, among others, in violation of Business and Professions Code section 17200, and thus in violation of Labor Code sections 98.6, 232, 232.5, and 1102.5.

38. Defendants failed to furnish and use safety devices and safeguards, and adopt and use practices, means, methods, operations and processes which are reasonably adequate to render such employment and place of employment safe and healthful, required or permitted Plaintiff, the Class, and Aggrieved Employees, or some of them, to go or be in any employment or place of employment which is not safe and healthful, failed or neglected to provide and use safety devices and safeguards reasonably adequate to render the employment and place of employment safe; adopt and use methods and processes reasonably adequate to render the employment and place of employment safe; and do every other thing reasonably necessary to protect the life, safety, and health of Plaintiff, the Class, and Aggrieved Employees, and failed to disinfect time clocks and other surfaces after use by Plaintiff, the Class, and Aggrieved Employees, or some of them; at times failing to provide adequate protection equipment to Plaintiff, the Class, and Aggrieved Employees, or some of them; and at times failing to provide adequate distance in working conditions between Plaintiff, the Class, and Aggrieved Employees, or some of them. in violation of, including but not limited to, Labor Code sections 6401-6403.

39. Defendants violated section 1527, 3366, 3457 and 8397.4 by failing at times to provide adequate and readily accessible sanitation facilities; a regular schedule for servicing, cleaning, and supplying each facility to ensure it is maintained in a clean, sanitary and serviceable condition; an adequate supply of suitable cleansing agents, water, single-use towels or blowers; and a sufficient number of toilets to be used by each sex of employee.

CLASS ACTION ALLEGATIONS

40. Plaintiff brings certain claims individually, as well as on behalf of each and all other persons similarly situated, and thus, seeks class certification under California Code of Civil Procedure § 382.

41. All claims alleged herein arise under California law for which Plaintiff seeks relief authorized by California law.

42. The proposed Class consists of and is defined as:

All persons who worked for any Defendant in California as an hourly-paid or non-exempt employee at any time during the period beginning four years before

the filing of the initial complaint in this action and ending when notice to the Class is sent.

43. At all material times, Plaintiff was a member of the Class.

44. Plaintiff undertakes this concerted activity to improve the wages and working conditions of all Class Members.

45. There is a well-defined community of interest in the litigation and the Class is readily ascertainable:

(a) Numerosity: The members of the Class (and each subclass, if any) are so numerous that joinder of all members would be unfeasible and impractical. The membership of the entire Class is unknown to Plaintiff at this time; however, the Class is estimated to be greater than forty (40) individuals and the identity of such membership is readily ascertainable by inspection of Defendants' records.

(b) Typicality: Plaintiff is qualified to, and will, fairly and adequately protect the interests of each Class Member with whom there is a shared, well-defined community of interest, and Plaintiff's claims (or defenses, if any) are typical of all Class Members' claims as demonstrated herein.

(c) Adequacy: Plaintiff is qualified to, and will, fairly and adequately protect the interests of each Class Member with whom there is a shared, well-defined community of interest and typicality of claims, as demonstrated herein. Plaintiff has no conflicts with or interests antagonistic to any Class Member. Plaintiff's attorneys, the proposed class counsel, are versed in the rules governing class action discovery, certification, and settlement. Plaintiff has incurred, and throughout the duration of this action, will continue to incur costs and attorneys' fees that have been, are, and will be necessarily expended for the prosecution of this action for the substantial benefit of each class member.

(d) Superiority: A Class Action is superior to other available methods for the

fair and efficient adjudication of the controversy, including consideration of:

- 1) The interests of the members of the Class in individually controlling the prosecution or defense of separate actions;
- 2) The extent and nature of any litigation concerning the controversy already commenced by or against members of the Class;
- 3) The desirability or undesirability of concentrating the litigation of the claims in the particular forum; and,
- 4) The difficulties likely to be encountered in the management of a class action.

(e) Public Policy Considerations: The public policy of the State of California is to resolve the California Labor Code claims of many employees through a class action. Indeed, current employees are often afraid to assert their rights out of fear of direct or indirect retaliation. Former employees are also fearful of bringing actions because they believe their former employers might damage their future endeavors through negative references and/or other means. Class actions provide the class members who are not named in the complaint with a type of anonymity that allows for the vindication of their rights at the same time as their privacy is protected.

46. There are common questions of law and fact as to the Class (and each subclass, if any) that predominate over questions affecting only individual members, including without limitation, whether, as alleged herein, Defendants have:

- (a) Failed to pay Class Members for all hours worked, including minimum, straight time, and overtime wages;
- (b) Failed to provide meal periods and pay meal period premium wages to Class Members;
- (c) Failed to authorize and permit rest periods and pay rest period premium wages to Class Members;
- (d) Failed to provide Class Members with timely final wages;

- (e) Failed to provide Class Members with accurate wage statements;
- (f) Failed to indemnify Class Members for expenditures;
- (g) Failed to produce requested employment records; and
- (h) Violated California Business & Professions Code §§ 17200 *et. seq.* as a result of their illegal conduct as described above.

47. This Court should permit this action to be maintained as a class action pursuant to California Code of Civil Procedure § 382 because:

- (a) The questions of law and fact common to the Class predominate over any question affecting only individual Class Members;
- (b) A class action is superior to any other available method for the fair and efficient adjudication of the claims of the Class Members;
- (c) The members of the Class are so numerous that it is impractical to bring all members of the class before the Court;
- (d) Plaintiff, and the other members of the Class, will not be able to obtain effective and economic legal redress unless the action is maintained as a class action;
- (e) There is a community of interest in obtaining appropriate legal and equitable relief for the statutory violations, and in obtaining adequate compensation for the damages and injuries for which Defendants are responsible in an amount sufficient to adequately compensate the members of the Class for the injuries sustained;
- (f) Without class certification, the prosecution of separate actions by individual members of the Class would create a risk of:
 - 1) Inconsistent or varying adjudications with respect to individual members of the Class which would establish incompatible standards of conduct for Defendants; and/or,
 - 2) Adjudications with respect to the individual members which would, as a practical matter, be dispositive of the interests of other members

not parties to the adjudications, or would substantially impair or impede their ability to protect their interests, including but not limited to the potential for exhausting the funds available from those parties who are, or may be, responsible Defendants; and,

(g) Defendants have acted or refused to act on grounds generally applicable to the Class, thereby making final injunctive relief appropriate with respect to the class as a whole.

48. Plaintiff contemplates the eventual issuance of notice to the proposed members of the Class that would set forth the subject and nature of the instant action. The Defendants' own business records may be utilized for assistance in the preparation and issuance of the contemplated notices. To the extent that any further notices may be required, Plaintiff contemplates the use of additional techniques and forms commonly used in class actions, such as published notice, e-mail notice, website notice, first-class mail, or combinations thereof, or by other methods suitable to the Class and deemed necessary and/or appropriate by the Court.

FIRST CAUSE OF ACTION

(Against All Defendants for Failure to Pay Minimum and Straight Time Wages for All Hours Worked)

49. Plaintiff incorporates by reference and re-alleges as if fully stated herein paragraphs 1 through 48 in this Complaint.

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

51. At all relevant times herein mentioned, Defendants, at times, knowingly failed to pay to Plaintiff, the Class and Aggrieved Employees, or some of them, compensation for all hours they worked. By their failure to pay compensation for each hour worked as alleged above, Defendants willfully violated the provisions of California Labor Code § 1194, and any additional applicable Wage Orders, which require such compensation to non-exempt employees.

52. Accordingly, Plaintiff, the Class and Aggrieved Employees are entitled to recover minimum and straight time wages for all non-overtime hours worked for Defendants.

53. By and through the conduct described above, Plaintiff, the Class and Aggrieved Employees have been deprived of their rights to be paid wages earned by virtue of their employment with Defendants.

54. By virtue of the Defendants' unlawful failure to pay additional compensation to Plaintiff, the Class and Aggrieved Employees for their non-overtime hours worked without pay, Plaintiff, the Class and Aggrieved Employees suffered, and will continue to suffer, damages in amounts which are presently unknown to Plaintiff and the Class, and which will be ascertained according to proof at trial.

55. By failing to keep adequate time records required by California Labor Code § 1174(d), Defendants have made it difficult to calculate the full extent of minimum wage compensation due Plaintiff, the Class and Aggrieved Employees.

56. Pursuant to California Labor Code § 1194.2, Plaintiff, the Class and Aggrieved Employees are entitled to recover liquidated damages (double damages) for Defendants' failure to pay minimum wages.

57. California Labor Code § 204 requires employers to provide employees with all wages due and payable twice a month. Throughout the statute of limitations period applicable to this cause of action, Plaintiff, the Class and Aggrieved Employees were entitled to be paid twice a month at rates required by law, including minimum and straight time wages. However, Defendants failed and refused to pay Plaintiff, the Class and Aggrieved Employees, or some of them, all such wages due and failed to pay those wages twice a month.

58. Plaintiff, the Class and Aggrieved Employees are also entitled to seek recovery of all unpaid minimum and straight time wages, interest, and reasonable attorneys' fees and costs pursuant to California Labor Code §§ 218.5, 218.6, and 1194(a).

SECOND CAUSE OF ACTION

(Against All Defendants for Failure to Pay Overtime and Double time Wages)

59. Plaintiff incorporates by reference and re-alleges as if fully stated herein paragraphs

1 through 58 in this Complaint.

60. California Labor Code § 510 provides that employees in California shall not be employed more than eight hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

61. California Labor Code §§ 1194 and 1198 provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, California Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the IWC is unlawful.

62. At all times relevant hereto, Plaintiff, the Class and Aggrieved Employees, or some of them, have at times worked more than eight hours in a workday and/or more than forty (40) hours in a workweek, as employees of Defendants.

63. At all times relevant hereto, Defendants failed to pay Plaintiff, the Class and Aggrieved Employees, or some of them, overtime and double time compensation for the hours they have worked in excess of the maximum hours permissible by law as required by California Labor Code §§ 510 and 1198.

64. By virtue of Defendants' unlawful failure to pay additional premium rate compensation at the regular rate of pay to the Plaintiff, the Class and Aggrieved Employees for their overtime hours worked, Plaintiff, the Class and Aggrieved Employees have suffered, and will continue to suffer, damages in amounts which are presently unknown to them, but which exceed the jurisdictional minimum of this Court and which will be ascertained according to proof at trial.

65. By failing to keep adequate time records required by Labor Code § 1174(d), Defendants have made it difficult to calculate the full extent of overtime compensation due to Plaintiff, the Class and Aggrieved Employees.

66. Plaintiff, the Class and Aggrieved Employees also request recovery of overtime compensation according to proof, interest, attorneys' fees and costs pursuant to California Labor Code § 1194(a), as well as the assessment of any statutory penalties against Defendants, in a sum as provided by the California Labor Code and/or other statutes.

67. California Labor Code § 204 requires employers to provide employees with all wages due and payable twice a month. The Wage Orders also provide that every employer shall pay to each employee, on the established payday for the period involved, overtime wages for all overtime hours worked in the payroll period. Defendants failed to provide Plaintiff, the Class and Aggrieved Employees with all compensation due, in violation of California Labor Code § 204.

THIRD CAUSE OF ACTION

(Against All Defendants for Failure to Provide Meal Periods)

68. Plaintiff incorporates by reference and re-alleges as if fully stated herein paragraphs 1 through 67 in this Complaint.

69. Under California law, Defendants have an affirmative obligation to relieve the Plaintiff, the Class and Aggrieved Employees of all duty in order to take their first daily meal periods no later than at the end of Plaintiff, the Class and Aggrieved Employees' fifth hour of work in a workday, and to take their second meal periods no later than at the end of the tenth hour of work in the workday. California Labor Code § 512, and Section 11 of the applicable Wage Orders require that an employer provide unpaid meal periods of at least thirty (30) minutes for each five-hour period worked. It is a violation of California Labor Code § 226.7 for an employer to require any employee to work during any meal period mandated under any Wage Order.

70. Despite these legal requirements, Defendants, at times, failed to provide Plaintiff, the Class and Aggrieved Employees, or some of them, with both meal periods as required by California law. By their failure to permit and authorize Plaintiff, the Class and Aggrieved Employees, or some of them, to take all meal periods as alleged above (or due to the fact that Defendants made it impossible or impracticable to take these uninterrupted meal periods), Defendants willfully violated the provisions of California Labor Code § 226.7 and the applicable Wage Orders.

71. Under California law, Plaintiff, the Class and Aggrieved Employees are entitled to be paid one hour of additional wages at the regular rate of pay for each workday he or she was not provided with all required meal period(s), plus interest thereon.

FOURTH CAUSE OF ACTION

(Against All Defendants for Failure to Authorize and Permit Rest Periods)

72. Plaintiff incorporates by reference and re-alleges as if fully stated herein paragraphs 1 through 71 in this Complaint.

73. Defendants are required by California law to authorize and permit breaks of ten uninterrupted minutes for each four hours of work or major fraction of four hours (i.e. more than two hours). California Labor Code § 512, the applicable Wage Orders require that the employer permit and authorize all employees to take paid rest periods of ten minutes each for each 4-hour period worked. Thus, for example, if an employee's work time is six hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws. It is a violation of California Labor Code § 226.7 for an employer to require any employee to work during any rest period mandated under any Wage Order.

74. Despite these legal requirements, Defendants at times failed to authorize Plaintiff, the Class and Aggrieved Employees, or some of them, to take rest breaks, regardless of whether employees worked more than four hours in a workday. By their failure to permit and authorize Plaintiff, the Class and Aggrieved Employees to take rest periods as alleged above (or due to the fact that Defendants made it impossible or impracticable to take these uninterrupted rest periods), Defendants willfully violated the provisions of California Labor Code § 226.7 and the applicable Wage Orders.

75. Under California law, Plaintiff, the Class and Aggrieved Employees are entitled to be paid one hour of premium wages rate at the regular rate of pay for each workday he or she was not provided with all required rest break(s), plus interest thereon.

FIFTH CAUSE OF ACTION

(Against All Defendants for Failure to Pay Final Wages at Termination – Waiting Time Penalties)

76. Plaintiff incorporates by reference and re-alleges as if fully stated herein paragraphs 1 through 75 in this Complaint.

77. At all times herein set forth, California Labor Code §§ 201 and 202 provide that if

an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

78. Within the applicable statute of limitations, the employment of many other members of the Class ended, *i.e.*, were terminated by quitting or discharge, and the employment of others will be. However, during the relevant time period, Defendants at times failed, and continue to fail, to pay terminated Class Members and Aggrieved Employees, without abatement, all wages required to be paid by California Labor Code §§ 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Defendants' employ.

79. Defendants' failure to pay those Class members and Aggrieved Employees who are no longer employed by Defendants their wages earned and unpaid at the time of discharge, or within seventy-two (72) hours of their leaving Defendants' employ, is in violation of California Labor Code §§ 201 and 202.

80. California Labor Code § 203 provides that if an employer willfully fails to pay wages owed, in accordance with §§ 201 and 202, then the wages of the employee shall continue as a penalty wage from the due date, and at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

81. The Class and Aggrieved Employees are entitled to recover from Defendants their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to thirty (30) days maximum pursuant to California Labor Code § 203.

82. The Aggrieved Employees are entitled to recover civil penalties from Defendants for each pay period during which Defendants failed to comply with Labor Codes sections 201 and 202.

83. Pursuant to California Labor Code §§ 218.5, 218.6 and 1194, Plaintiff, the Class and Aggrieved Employees are also entitled to an award of reasonable attorneys' fees, interest, expenses, and costs incurred in this action.

SIXTH CAUSE OF ACTION

(Against All Defendants for Failure to Provide and Maintain Accurate and Compliant Wage Records)

84. Plaintiff incorporates by reference and re-alleges as if fully stated herein paragraphs 1 through 83 in this Complaint.

85. At all material times set forth herein, California Labor Code § 226(a) provides that every employer shall furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.

86. Defendants have, at times, intentionally and willfully failed to provide employees with complete and accurate wage statements. The deficiencies include, among other things, the failure to correctly identify the gross wages earned by Plaintiff, the Class and Aggrieved Employees, or some of them, the failure to list the true “total hours worked by the employee,” and the failure to list the true net wages earned.

87. As a result of Defendants’ violation of California Labor Code § 226(a), Plaintiff, the Class and Aggrieved Employees have suffered injury and damage to their statutorily protected rights.

88. Specifically, Plaintiff, the Class and Aggrieved Employees have been injured by Defendants’ intentional violation of California Labor Code § 226(a) because they were denied both their legal right to receive, and their protected interest in receiving, accurate, itemized wage statements under California Labor Code § 226(a).

89. Calculation of the true wage entitlement for Plaintiff, the Class and Aggrieved Employees is difficult and time consuming. As a result of this unlawful burden, Plaintiff, the Class and Aggrieved Employees were also injured as a result of having to bring this action to attempt to obtain correct wage information following Defendants' refusal to comply with many of the mandates of California's Labor Code and related laws and regulations.

90. Plaintiff, the Class and Aggrieved Employees are entitled to recover from Defendants the greater of their actual damages caused by Defendants' failure to comply with California Labor Code § 226(a), or an aggregate penalty not exceeding four thousand dollars (\$4,000) per employee.

91. Plaintiff and Aggrieved Employees are entitled to recover civil penalties from Defendants for each pay period during which Defendants failed to comply with Labor Codes section 226.

92. Pursuant to California Labor Code §§ 218.5, 218.6 and 1194, Plaintiff, the Class and Aggrieved Employees are also entitled to an award of reasonable attorneys' fees, interest, expenses, and costs incurred in this action.

SEVENTH CAUSE OF ACTION

(Against All Defendants for Failure to Indemnify Employees for Expenditures)

93. Plaintiff incorporates by reference and re-alleges as if fully stated herein paragraphs 1 through 92 in this Complaint.

94. As set forth above, Plaintiff, the Class and Aggrieved Employees, or some of them, were required to incur substantial necessary expenditures and losses in direct consequence of the discharge of their duties or of their obedience to directions of Defendants.

95. Defendants violated California Labor Code § 2802, by failing to pay and indemnify Plaintiff, the Class and Aggrieved Employees, or some of them, for necessary expenditures and losses incurred in direct consequence of the discharge of their duties or of their obedience to directions of Defendants.

96. As a result, Plaintiff, the Class and Aggrieved Employees were damaged at least in the amounts of the expenses they paid, or which were deducted by Defendants from their wages.

97. Plaintiff and Aggrieved Employees are entitled to recover civil penalties from Defendants for each pay period during which Defendants failed to comply with Labor Codes section 2802

98. Plaintiff and the Class are entitled to reasonable attorney's fees, expenses, and costs of suit pursuant to California Labor Code § 2802(c) and interest pursuant to California Labor Code § 2802(b).

EIGHTH CAUSE OF ACTION

(Against All Defendants for Failure to Produce Requested Employment Records)

99. Plaintiff incorporates by reference and re-alleges as if fully stated herein paragraphs 1 through 98 in this Complaint.

100. Pursuant to California Labor Code § 226, current and former employees have the right to inspect or receive a copy of their records pertaining to their employment, upon reasonable request to their employer. Under this statute, an employer that receives a request to inspect or receive a copy of records pertaining to a current or former employee must comply with the request as soon as practicable, but no later than thirty (30) calendar days from the date of the request.

101. Pursuant to California Labor Code § 1198.5(a), every current and former employee, or his or her representative, has the right to inspect and receive a copy of the personnel records that the employer maintains relating to the employee's performance or to any grievance concerning the employee. Under this statute, upon written request from a current or former employee or his or her representative, an employer must make the contents of those personnel records available for inspection or provide a copy of the personnel records to the current or former employee, or his or her representative, not later than thirty (30) calendar days from the date the employer receives the written request, subject to some limited exceptions. Failure to comply with these requests allows for a civil penalty seven hundred fifty dollars (\$750), pursuant to Labor Code §§ 1198.5(k) and 226(f).

102. As set forth above, Plaintiff, the Class and Aggrieved Employees are current and former employees of Defendants.

103. Plaintiff sent a written request through Plaintiff's counsel to Defendants for Plaintiff's personnel file, pay records, wage statements, timekeeping records, and other employment-related documents pursuant to Labor Code §§ 226 and 1198.5. However, Defendants failed to timely produce the requested employment records.

104. Defendants violated California Labor Code §§ 226, and 1198.5 by failing to timely produce the required records requested by Plaintiff.

105. On information and belief, Defendants' failure to provide Plaintiff with Plaintiff's requested employment records is not an isolated incident but was instead consistent with Defendants' practice that applied to Plaintiff and the Class, or some of them.

106. Plaintiff and Aggrieved Employees are entitled to recover civil penalties from Defendants for each pay period during which Defendants failed to comply with Labor Codes sections 226 and 1198.5.

107. Pursuant to California Labor Code § 1198.5, Plaintiff, the Class and Aggrieved Employees are entitled to a penalty of seven hundred fifty dollars (\$750) from Defendants, injunctive relief in the form of compliance with section 1198.5, and attorneys' fees and costs.

108. Pursuant to California Labor Code § 226, Plaintiff, the Class and Aggrieved Employees are entitled to a penalty of seven hundred fifty dollars (\$750) from Defendants, injunctive relief in the form of compliance with section 226, and attorneys' fees and costs.

NINTH CAUSE OF ACTION

(Against All Defendants for Violation of California Business & Professions Code §§ 17200, et seq.)

109. Plaintiff incorporates by reference and re-alleges as if fully stated herein paragraphs 1 through 108 in this Complaint.

110. Defendants, and each of them, are "persons" as defined under California Business & Professions Code § 17201.

111. Defendants' conduct, as alleged herein, has been, and continues to be, unfair, unlawful, and harmful to Plaintiff, the Class, Aggrieved Employees and to the general public. Plaintiff seeks to enforce important rights affecting the public interest within the meaning of Code

of Civil Procedure § 1021.5.

112. Defendants' activities, as alleged herein, are violations of California law, and constitute unlawful business acts and practices in violation of California Business & Professions Code §§ 17200, *et seq.*

113. A violation of California Business & Professions Code §§ 17200, *et seq.* may be predicated on the violation of any state or federal law. All of the acts described herein as violations of, among other things, the California Labor Code, are unlawful and in violation of public policy; and in addition are immoral, unethical, oppressive, fraudulent and unscrupulous, and thereby constitute unfair, unlawful and/or fraudulent business practices in violation of California Business & Professions Code §§ 17200, *et seq.*

Failure to Pay Minimum and Straight Time Wages

114. Defendants' failure to pay minimum and straight time wages, and other benefits in violation of the California Labor Code constitutes unlawful and/or unfair activity prohibited by California Business & Professions Code §§ 17200, *et seq.*

Failure to Pay Overtime Wages

115. Defendants' failure to pay overtime compensation and other benefits in violation of California Labor Code §§ 510, 1194, and 1198 constitutes unlawful and/or unfair activity prohibited by California Business & Professions Code §§ 17200, *et seq.*

Failure to Provide Meal Periods

116. Defendants' failure to provide meal periods in accordance with California Labor Code §§ 226.7 and 512, and the IWC Wage Orders, as alleged above, constitutes unlawful and/or unfair activity prohibited by California Business & Professions Code §§ 17200, *et seq.*

Failure to Authorize and Permit Rest Periods

117. Defendants' failure to authorize and permit rest periods in accordance with California Labor Code § 226.7 and the IWC Wage Orders, as alleged above, constitutes unlawful and/or unfair activity prohibited by Business and Professions Code §§ 17200, *et seq.*

Failure to Indemnify Business Expenses

118. Defendants' failure to reimburse expenses incurred in accordance with California Labor Code § 2802, as alleged above, constitutes unlawful and/or unfair activity prohibited by California Business & Professions Code §§ 17200, *et seq.*

Failure to Produce Requested Employment Records

119. Defendants' failure to produce requested employment records in accordance with California Labor Code § 226 and § 1198.5, as alleged above, constitutes unlawful and/or unfair activity prohibited by California Business & Professions Code §§ 17200, *et seq.*

120. By and through their unfair, unlawful and/or fraudulent business practices described herein, Defendants, have obtained valuable property, money and services from Plaintiff, and all persons similarly situated, and have deprived Plaintiff, and all persons similarly situated, of valuable rights and benefits guaranteed by law, all to their detriment.

121. Plaintiff, the Class and Aggrieved Employees suffered monetary injury as a direct result of Defendants' wrongful conduct.

122. Plaintiff, individually, and on behalf of members of the putative Class, and Aggrieved Employees are entitled to, and do, seek such relief as may be necessary to disgorge money and/or property which the Defendants have wrongfully acquired, or of which Plaintiff, the Class and Aggrieved Employees have been deprived, by means of the above-described unfair, unlawful and/or fraudulent business practices. Plaintiff, the Class and Aggrieved Employees are not obligated to establish individual knowledge of the wrongful practices of Defendants in order to recover restitution.

123. Plaintiff, individually, and on behalf of members of the putative class, and Aggrieved Employees are further entitled to and do seek a declaration that the above-described business practices are unfair, unlawful and/or fraudulent, and injunctive relief restraining the Defendants, and each of them, from engaging in any of the above-described unfair, unlawful and/or fraudulent business practices in the future.

124. Plaintiff, individually, and on behalf of members of the putative class, and Aggrieved Employees have no plain, speedy, and/or adequate remedy at law to redress the injuries

which the Class Members and Aggrieved Employees suffered as a consequence of Defendants' unfair, unlawful and/or fraudulent business practices. As a result of the unfair, unlawful and/or fraudulent business practices described above, Plaintiff, individually, and on behalf of members of the putative Class, and Aggrieved Employees have suffered and will continue to suffer irreparable harm unless the Defendants are restrained from continuing to engage in said unfair, unlawful and/or fraudulent business practices.

125. Plaintiff also alleges that if Defendants are not enjoined from the conduct set forth herein above, they will continue to avoid paying the appropriate taxes, insurance and other withholdings.

126. Pursuant to California Business & Professions Code §§ 17200, *et seq.*, Plaintiff, putative Class Members and Aggrieved Employees are entitled to restitution of the wages withheld and retained by Defendants during a period that commences four years prior to the filing of this complaint; a permanent injunction requiring Defendants to pay all outstanding wages due to Plaintiff, Class Members and Aggrieved Employees; an award of attorneys' fees pursuant to California Code of Civil Procedure § 1021.5 and other applicable laws; and an award of costs.

TENTH CAUSE OF ACTION

(Against All Defendants for Civil Penalties Under PAGA (Cal. Lab. Code § 2699, *et seq.*))

127. Plaintiff incorporates by reference and re-alleges all preceding paragraphs and the letter to the LWDA attached hereto as Exhibit 1 as though fully set forth herein.

128. At all times herein mentioned, Defendants were subject to the Labor Code of the State of California and the applicable IWC Orders.

129. California Labor Code § 2699(a) specifically provides for a private right of action to recover penalties for violations of the Labor Code: "Notwithstanding any other provision of law, any provision of this code that provides for a civil penalty to be assessed and collected by the Labor and Workforce Development Agency or any of its departments, divisions, commissions, boards, agencies, or employees, for a violation of this code, may, as an alternative, be recovered through a civil action brought by an aggrieved employee on behalf of herself or

himself and other current or former employees pursuant to the procedures specified in Section 2699.3.”

130. Plaintiff provided notice of his claims pursuant to §2698 *et. seq.*, to the Labor and Workforce and Development Agency (“LWDA”) on June 20, 2024 (see Exhibit 1) and by certified mail to Defendants of the specific provisions of the Labor Code that Defendants have violated against Plaintiff and certain current and former Aggrieved Employees, or some of them, including the facts and theories to support the violations. Plaintiff also paid the filing fee. Plaintiff’s PAGA case number is LWDA-CM-1035382-24 (*Justin Espinosa-Hineline v. Harold A. Steuber Enterprises, Inc. dba Associated Services Company.*). The Labor and Workforce Development Agency has not indicated that it intends to investigate Defendants’ Labor Code violations discussed in the notice. Plaintiff hereby commences a civil action to recover penalties under Labor Code § 2699 pursuant to § 2699.3 for the violations of the Labor Code described in this Complaint. These penalties include, but are not limited to, penalties under California Labor Code §§ 210, 226.3, 1174.5, 1197.1, and 2699.

131. Based on the conduct described in this Consolidated Complaint and in the letter attached to the LWDA as Exhibit 1, Plaintiff is entitled to an award of civil penalties individually, on behalf of the State of California and certain similarly Aggrieved Employees of Defendants. The exact amount of the applicable penalties, in all, is in an amount to be shown according to proof at trial. These penalties are in addition to all other remedies permitted by law.

132. In addition, Plaintiff seeks an award of reasonable attorneys’ fees and costs pursuant to Labor Code § 2699(g)(1), which states, “Any employee who prevails in any action shall be entitled to an award of reasonable attorney’s fees and costs.”

PRAYER FOR RELIEF

Plaintiff, individually, and on behalf of all others similarly situated only with respect to the class claims, prays for relief and judgment against Defendants, jointly and severally, as follows:

Class Certification

1. That this action be certified as a class action with respect to the First, Second, Third, Fourth, Fifth, Sixth, Seventh, and Eighth Causes of Action;

2. That Plaintiff be appointed as the representative of the Class; and,
3. That counsel for Plaintiff be appointed as Class Counsel.

As to the First Cause of Action

4. That the Court declare, adjudge, and decree that Defendants violated California Labor Code §§ 204 and 1194 and applicable IWC Wage Orders by willfully failing to pay all minimum and straight time wages due;

5. For unpaid wages as may be appropriate;

6. For pre-judgment interest on any unpaid compensation commencing from the date such amounts were due;

7. For penalties, restitution, and liquidated damages pursuant to California Labor Code § 1197.1;

8. For liquidated damages;

9. For reasonable attorneys' fees and for costs of suit incurred herein pursuant to California Labor Code § 1194(a); and,

10. For such other and further relief as the Court may deem equitable and appropriate.

As to the Second Cause of Action

11. That the Court declare, adjudge, and decree that Defendants violated California Labor Code §§ 510 and 1198 and applicable IWC Wage Orders by willfully failing to pay all overtime wages due;

12. For unpaid wages at overtime wage rates as may be appropriate;

13. For pre-judgment interest on any unpaid overtime compensation commencing from the date such amounts were due;

14. For reasonable attorneys' fees and for costs of suit incurred herein pursuant to California Labor Code § 1194(a); and,

15. For such other and further relief as the Court may deem equitable and appropriate.

As to the Third Cause of Action

16. That the Court declare, adjudge, and decree that Defendants violated California Labor Code §§ 226.7 and 512, and the IWC Wage Orders;

17. For unpaid meal period premium wages as may be appropriate;
18. For pre-judgment interest on any unpaid compensation commencing from the date such amounts were due;
19. For reasonable attorneys' fees under California Code of Civil Procedure § 1021.5, and for costs of suit incurred herein; and,
20. For such other and further relief as the Court may deem equitable and appropriate.

As to the Fourth Cause of Action

21. That the Court declare, adjudge, and decree that Defendants violated California Labor Code §§ 226.7 and 512, and the IWC Wage Orders;
22. For unpaid rest period premium wages as may be appropriate;
23. For pre-judgment interest on any unpaid compensation commencing from the date such amounts were due;
24. For reasonable attorneys' fees under California Code of Civil Procedure § 1021.5, and for costs of suit incurred herein; and,
25. For such other and further relief as the Court may deem equitable and appropriate.

As to the Fifth Cause of Action

26. That the Court declare, adjudge and decree that Defendants violated California Labor Code §§ 201, 202, and 203 by willfully failing to pay all compensation owed at the time of termination of the employment;
27. For statutory wage penalties pursuant to California Labor Code § 203 for former employees who have left Defendants' employ;
28. For pre-judgment interest on any unpaid wages from the date such amounts were due;
29. For reasonable attorneys' fees and for costs of suit incurred herein; and,
30. For such other and further relief as the Court may deem equitable and appropriate.

As to the Sixth Cause of Action

31. That the Court declare, adjudge, and decree that Defendants violated the record keeping provisions of California Labor Code § 226(a) and applicable IWC Wage Orders, and willfully failed to provide accurate itemized wage statements thereto;

32. For all actual damages, according to proof;

33. For statutory penalties pursuant to California Labor Code § 226(e);

34. For injunctive relief to ensure compliance with this section, pursuant to California Labor Code § 226(h);

35. For reasonable attorneys' fees and for costs of suit incurred herein; and,

36. For such other and further relief as the Court may deem equitable and appropriate.

As to the Seventh Cause of Action

37. That the Court declare, adjudge, and decree that Defendants violated California Labor Code § 2802 by willfully failing to indemnify employees for expenditures;

38. For unpaid wages or unreimbursed business expenses as may be appropriate;

39. For pre-judgment interest on any unpaid compensation commencing from the date such amounts were due;

40. For reasonable attorneys' fees and for costs of suit incurred herein; and,

41. For such other and further relief as the Court may deem equitable and appropriate.

As to the Eighth Cause of Action

42. That the Court declare, adjudge, and decree that Defendants violated California Labor Code § 226 and 1198.5 by willfully failing to produce employment records;

43. For statutory penalties pursuant to California Labor Code §§ 226(f) and 1198.5(k);

44. For injunctive relief to ensure compliance with this section, pursuant to California Labor Code § 226(h) and 1198.5(l);

45. For reasonable attorneys' fees and for costs of suit incurred herein; and,

46. For such other and further relief as the Court may deem equitable and appropriate.

As to the Ninth Cause of Action

47. That the Court declare, adjudge, and decree that Defendants violated California Business & Professions Code §§ 17200, *et seq.* by failing to pay for all hours worked (minimum,

straight time, and overtime wages), failing to provide meal periods, and failing to authorize and permit rest periods;

48. For restitution of unpaid wages to Plaintiff and all Class Members and prejudgment interest from the day such amounts were due and payable;

49. For the appointment of a receiver to receive, manage and distribute any and all funds disgorged from Defendants and determined to have been wrongfully acquired by Defendants as a result of violations of California Business & Professions Code §§ 17200 *et seq.*;

50. For reasonable attorneys' fees and costs of suit incurred herein pursuant to California Code of Civil Procedure § 1021.5;

51. For injunctive relief to ensure compliance with this section, pursuant to California Business & Professions Code §§ 17200, *et seq.*; and,

52. For such other and further relief as the Court may deem equitable and appropriate.

As to the Tenth Cause of Action

53. That the Court declare, adjudge and decree that Defendants violated the California Labor Code by failing to pay for all hours worked (minimum, straight time, overtime and double time wages), failing to provide meal periods, failing to authorize and permit rest periods, failing to pay all earned wages twice per month, failing to maintain accurate records, failing to timely pay final wages, failing to furnish accurate wage statements, failing to indemnify for necessary expenditures, and failing to maintain and produce requested employment records;

54. An award of civil penalties on behalf of Plaintiff, individually, and on behalf of the State of California, and all similarly Aggrieved Employees pursuant to PAGA;

55. Pre-judgment and post-judgment interest at the maximum rate allowed;

56. Attorneys' fees and costs reasonably incurred;

57. Injunctive and declaratory relief to the extent allowed by PAGA; and,

As to all Causes of Action

58. For any additional relief that the Court deems just and proper.

DATED: June 24, 2024

WILSHIRE LAW FIRM

By: 

JOHN G. YSLAS
WILLIAM M. PAO
REFUGIO ORTEGA-CARRILLO
Attorneys for Plaintiff
JUSTIN ESPINOSA-HINELINE

DEMAND FOR JURY TRIAL

Plaintiff demands a trial by jury as to all causes of action triable by jury.

DATED: June 24, 2024

WILSHIRE LAW FIRM

By: 

JOHN G. YSLAS
WILLIAM M. PAO
REFUGIO ORTEGA-CARRILLO
Attorneys for Plaintiff
JUSTIN ESPINOSA-HINELINE

EXHIBIT 1

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June 20, 2024

LWDA
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Re: ***Justin Espinosa-Hineline v. Harold A. Steuber Enterprises, Inc. dba Associated Services Company***
Notice of Labor Code Violations and PAGA Penalties

To Whom It May Concern:

Please be advised that my office has been retained by Justin Espinosa-Hineline ("Mr. Espinosa-Hineline" or "Employee") to pursue a Labor Code Private Attorneys General Act of 2004 ("PAGA") representative action (Cal. Lab. Code §§ 2699, *et seq.*) against Employee's former employers, Harold A. Steuber Enterprises, Inc. dba Associated Services Company ("Associated Services Company" or "Employers"). The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations which we allege Employers engaged in with respect to Employee and potentially all of Employers' Aggrieved Employees.

Mr. Espinosa-Hineline wishes to pursue this action on behalf of Employees as Aggrieved Employees, on behalf of the State of California, as well as on behalf of potentially all other persons who worked for Associated Services Company in California as a non-exempt or hourly-paid employee at any time within the applicable statutory period (hereafter, the "Aggrieved Employees").

Employee and the Aggrieved Employees, or some of them, suffered the Labor Code violations described below.

Mr. Espinosa-Hineline's Employment with Associated Services Company

Associated Services Company is a coffee, snacks, and other beverages provider. Employee worked as a warehouse associate. Employee's primary job function was to pick, pack and prepare orders for delivery. In performing Employee's duties, Employee was regularly required to perform work (off-the-clock), without compensation. Due to high workloads, Employee was also frequently deprived of an opportunity to take legally compliant meal and rest breaks. Employers failed to

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provide Employee and other Aggrieved Employees with the meal and rest break premiums as required by the Labor Code. Additionally, Employee necessarily incurred business-related expenses, including, without limitation, work attire and cell phone expense, but Employers failed to reimburse such business-related expenses. These are just non-exhaustive examples of the facts and theories the Employee asserts, which are described in more detail below.

Employers own/owned and operate/operated an industry, business, and establishment within the State of California. As such and based upon all the facts and circumstances incident to Employers' business in California, Employers are subject to the California Labor Code, Wage Orders issued by the Industrial Welfare Commission ("IWC"), and the California Business & Professions Code.

Mr. Espinosa-Hineline is a resident of San Leandro, California who worked for Employers in Alameda County, California as an hourly-paid, non-exempt employee from approximately March 2022 to approximately February 2024.

During Employee's employment for Employers, Employers paid Employee an hourly wage and classified Employee as non-exempt from overtime. Employers typically scheduled Employee to work at least five days in a workweek and at least eight hours per day, but Employee also worked more than eight hours in a workday and more than forty (40) hours in a workweek.

Throughout Employee's employment, Employers failed to pay for all hours worked (including minimum, straight time, and overtime wages), failed to provide Employee with legally compliant meal periods, failed to authorize and permit Employee to take rest periods, failed to timely pay all final wages to Employee when Employers terminated Employee's employment, failed to furnish accurate wage statements to Employee, failed to indemnify Employee for business expenditures, and failed to timely produce Employee's requested employment records. As discussed below, Employee's experience working for Employers was typical and illustrative.

Failure to Pay for All Hours Worked, Including Minimum, Straight Time, and Overtime Wages

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of an employer and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the IWC is unlawful.

Throughout the statutory period, Employers failed to pay Employee and the Aggrieved Employees, or some of them, for all hours worked, including minimum, straight time, and overtime wages. Employers at time required Employee and the Aggrieved Employees, or some of them, to work "off-the-clock," uncompensated, by, for example, requiring Employee and the Aggrieved Employees to perform work during uncompensated meal periods and rest periods, and requiring Employee and the Aggrieved Employees to perform work before clocking in and/or after clocking out. Some of this unpaid work should have been paid at the overtime rate. California Labor Code

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§ 510 requires that employers compensate employees 1.5 times their regular rate of pay when employees work over eight hours per day, 40 hours per week, or when employees work up to eight hours on any seventh day of a workweek. Employers failed to properly calculate Employee's regular rate of pay when paying overtime, by failing to include all compensation in Employee's overtime calculations. In failing to pay for all hours worked, Employers also failed to maintain accurate records of the hours Employee and the Aggrieved Employees, or some of them, worked.

Throughout the statutory period, Employers also engaged in a practice of improper rounding. Under *Camp v. Home Depot U.S.A., Inc.* (2022) 84 Cal.App.5th 638, because Employers could and did track the exact time in minutes that Employee worked, they must pay for all time worked. When an employer uses an electronic timekeeping system to record time worked, this ability to "precisely capture time worked" means that "the employer must pay the employee for that worktime when due." (*Id.* at 671.) As a result of Employers' rounding policy, Employee consistently was not compensated at least minimum wage for all hours that Employee worked.

As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 210, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including minimum, straight time, and overtime wages.

Failure to Provide Meal Periods

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal periods no later than the start of sixth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s).

Despite these legal requirements, Employers at times wrongfully failed to provide Employee and the Aggrieved Employees, or some of them, with their legally mandated 30-minute, uninterrupted, and duty-free meal period in a manner required by law (and also including but not limited to failing at times to provide Plaintiff, the Class, and the Aggrieved Employees, or some of them, the opportunity to leave the work premises to take meal periods). Employers also continued to assert control over Employee and the Aggrieved Employees, or some of them, by, among other things, requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory meal periods, or by denying Employee and the Aggrieved Employees, or some of them, permission to take a meal period under the conditions required by law, and without properly compensating Employee and the Aggrieved Employees, or some of them, for meal periods that were not provided as required by law. Employers also did not inform Employee of Employee's right to, nor permitted Employee to take, all of Employee's second meal periods when Employee worked at least ten hours of work in a workday and otherwise unlawfully pressured Employee to waive such breaks. Accordingly, Employers at times failed to provide meal periods to Employee and the Aggrieved Employees, or some of them, in compliance with California law.

Employee and the Aggrieved Employees, or some of them, are thus entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s). Employers, however, at times failed to pay Employee and the Aggrieved Employees, or some of them, the additional wages to which they were entitled for meal periods that were not provided. As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to provide meal

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periods and pay meal period premium wages.

Failure to Authorize and Permit Rest Periods

Employers are required by California law to authorize and permit breaks of ten uninterrupted minutes for each four hours of work or major fraction of four hours (i.e., more than two hours). Thus, for example, if an employee's work time is six hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws.

Throughout the statutory period, Employers at times have wrongfully failed to authorize and permit Employee and the Aggrieved Employees, or some of them, to take legally compliant rest periods in a manner required by law (and also including but not limited to failing, at times, to authorize and permit Plaintiff, the Class, and the Aggrieved Employees, or some of them, the opportunity to leave the work premises to take rest periods). Employers at times required Employee and the Aggrieved Employees, or some of them, to work in excess of four consecutive hours a day without Employers' authorizing and permitting Employee to take a 10-minute, uninterrupted, duty-free rest period for every four hours of work (or major fraction of four hours), or without compensating Employee and the Aggrieved Employees, or some of them, for rest periods that were not authorized or permitted.

Instead, Employers at times continued to assert control over Employee and the Aggrieved Employees, or some of them, by requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory rest periods, or at times by denying Employee and the Aggrieved Employees, or some of them, permission to take a rest period. Accordingly, Employers at times failed to authorize and permit Employee and the Aggrieved Employees, or some of them, to take rest periods in compliance with California law. Employee and the Aggrieved Employees, or some of them, are thus entitled to be paid one hour of additional wages for each workday he or she was not authorized and permitted to take all required rest period(s). Employers, however, at times failed to pay Employee and the Aggrieved Employees, or some of them, the additional wages to which they were entitled for rest periods that they were not authorized and permitted to take.

As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

Failure to Pay All Earned Wages Twice Per Month

Based on Employers' failure at times to pay Employee and the Aggrieved Employees, or some of them, for all wages as discussed above, Employers also violated Labor Code § 204.

Labor Code § 204 requires employers to pay employees all earned wages two times per month. Throughout the statute of limitations period applicable to this cause of action, employees were entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for overtime hours worked. However, at times, Employers failed and refused to pay the Employee all wages due, and failed to pay those wages twice a month, in that Employee was not paid all wages for all meal periods not provided by Employers, all wages for all rest periods not authorized and permitted by Employers, and all wages for all hours worked. As a result, Employers owe Employee the legally required wages for unpaid wages, and Employee and the Aggrieved Employees, or some of them, suffered damages

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in those amounts.

Moreover, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code § 210 for failing to pay all earned wages twice per month.

Failure to Maintain Accurate Records of Hours Worked and Meal Periods

Employee seeks penalties under California Labor Code § 1174(d). Pursuant to California Labor Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by California Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

Employers, however, at times failed to maintain accurate records of hours worked and all meal periods taken or missed by Employee and the Aggrieved Employees, or some of them.

Employers' failure to provide and maintain records required by the California Labor Code and the applicable IWC Wage Orders deprived Employee and the Aggrieved Employees, or some of them, the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Employers' records. Therefore, Employee and the Aggrieved Employees, or some of them, had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Employers. As a direct result, Employee and the Aggrieved Employees, or some of them, have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorneys' fees in seeking to compel Employers to fully perform their obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Employers' knowing failure, at times, to comply with the California Labor Code and applicable IWC Wage Orders, Employee and the Aggrieved Employees, or some of them, have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

Failure to Timely Pay All Wages at Termination

Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. Direct deposits of wages to an employee's bank, saving and loan, or credit union account that were previously authorized by the employee are immediately terminated when an employee quits or is discharged, and the payment of wages upon termination of employment in the manner described above shall apply unless the employee has voluntarily authorized that deposit and provided that the employer complies with the provisions of Labor Code § 213(d) relating to the payment of wages upon termination or quitting of employment.

Within the applicable statute of limitations, the employment of Employee and many other Aggrieved Employees ended, i.e., was terminated by quitting or being discharged, and the employment of others will be terminated. However, during the relevant time period, Employers at times failed, and continue at times to fail, to pay Employee and terminated Aggrieved Employees,

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or some of them, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Employers' employment. These unpaid wages include wages for unpaid work time (including minimum, straight time, and overtime wages), missed meal period premium wages, and missed rest period premium wages. Employers also violated, and continue to violate, Labor Code section 213(d) by paying final wages (if any are paid at all) via direct deposit without the employee's voluntary authorization.

Employers' conduct violates Labor Code §§ 201 and 202. Labor Code § 203 provides that if an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, then the wages of the employee shall continue as a penalty wage from the due date, and at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

Accordingly, Employee and the Aggrieved Employees, or some of them, are entitled to recover from Employers their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to thirty (30) days maximum pursuant to Labor Code § 203.

Moreover, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to timely pay all wages at termination, and for unlawfully making any such payment (if any) via direct deposit without the employee's voluntary authorization.

Failure to Furnish Accurate Itemized Wage Statements

Labor Code § 226(a) provides that every employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. An employee is presumed to suffer an injury if this information is missing. (Lab. Code § 226(e)(2)(B)(iii).)

The statute further provides: "An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars (\$4,000), and is entitled to an award of costs and reasonable attorney's fees." (Lab. Code § 226(e)(1).)

Throughout the statutory period, Employers at times failed to, and continue at times to fail, to timely furnish Employee and the Aggrieved Employees, or some of them, with accurate, itemized wage statements showing all applicable hourly rates, and all gross and net wages earned (including correct hours worked, correct wages for meal periods that were not provided in accordance with California law, and correct wages for rest periods that were not authorized and permitted to take in accordance with California law).

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Because Employers at times violated Labor Code § 226, Employee and similarly Aggrieved Employees, or some of them, suffered injury and damage to their statutorily protected rights. Accordingly, Employee and similarly Aggrieved Employees, or some of them, are entitled to recover from Employers the greater of their actual damages caused by Employers' failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding four thousand dollars (\$4,000) per employee. Moreover, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code § 226.3 for failing to timely furnish accurate itemized wage statements.

Failure to Indemnify for Necessary Expenditures

Labor Code § 2802(a) provides that employers shall indemnify their employees for all necessary business expenditures or losses that have been incurred by the employees in direct discharge of his or her duties. Throughout the statute of limitations period applicable to this cause of action, Employers at times wrongfully required Employee and the Aggrieved Employees, or some of them, to pay expenses that they incurred in direct discharge of their duties for Employers. Employee and the Aggrieved Employees, or some of them, at times paid out-of-pocket for necessary employment-related expenses. Employee and the Aggrieved Employees, or some of them, incurred substantial expenses as a direct result of performing their job duties for Employers, but Employers failed to indemnify Employee and the Aggrieved Employees, or some of them, for these employment-related expenses.

As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 2802 and 2699(f)(2) for failing to indemnify Employee and the Aggrieved Employees, or some of them, for necessary business expenditures.

Failure to Produce Requested Employment Records

Labor Code § 226 provides that current and former employees have the right to inspect or receive a copy of their records pertaining to their employment, upon reasonable request to their employer. Under this statute, an employer that receives a request to inspect or receive a copy of records pertaining to a current or former employee must comply with the request as soon as practicable, but no later than twenty-one (21) calendar days from the date of the request. Labor Code § 1198.5(a) also provides that every current and former employee, or his or her representative, has the right to inspect and receive a copy of the personnel records that the employer maintains relating to the employees' performance or to any grievance concerning the employee. Under this statute, upon written request from a current or former employee or his or her representative, an employer must make the contents of those personnel records available for inspection or provide a copy of the personnel records to the current or former employee, or his or her representative, not later than thirty (30) calendar days from the date the employer receives the written request, subject to some limited exceptions.

Labor Code § 432 provides that if an employee or applicant signs any instrument relating to the obtaining or holding of employment, he or she shall be given a copy of the instrument upon request. On information and belief, Employee and the Aggrieved Employees, or some of them, submitted written request(s) to Employers for their payroll records, timecards, and personnel records but did not timely receive them as required by the Labor Code.

As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 226(f), 1198.5(k), and 2699 for failing to timely

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produce the requested records.

Recordkeeping Requirement Violations

California Labor Code section 1174 requires employers to keep “accurate and complete” payroll records showing, among other things, the hours worked daily by Employees and Aggrieved Employees. All applicable IWC Wage Orders, section 7 similarly requires employers to keep accurate time records reflecting the times during which all owed meal periods were provided each day.

Based on information and belief, Employers at times failed, and continue at times to fail, to keep accurate and complete payroll records as required by law, including but not limited to the following records: total daily hours worked, applicable rates of pay, time records showing when Employee and other Aggrieved Employees began and ended each work period, time records of meal periods, and accurate itemized wage statements.

Based on information and belief, Employers at times failed and continue at times to fail to keep accurate and complete records showing total hours worked by Employee and Aggrieved Employees, or some of them, by virtue of Employers’ time rounding and/or auto deduction policies and practices and/or other off-the-clock work policies and practices. Employers failed at times and continue at times to fail to keep accurate and complete records showing total hours worked by virtue of Employers’ failure to relieve Employee and Aggrieved Employees, or some of them, of all duties and Employers’ control for unpaid meal periods, resulting in unpaid hours worked.

Based on information and belief, Employers further failed at times, and continue at times to fail, to record the true start and end times of Employee’s and Aggrieved Employees’ meal periods, or some of them.

Based on further information and belief, Employers further failed at times and continue at times to fail, to record the true start and end times of Employee’s and Aggrieved Employees’ work shifts, or some of them.

Additionally, Employers at times failed, and continue at times to fail, to keep accurate records and issue accurate wage statements by not documenting accrued sick time for Employee and Aggrieved Employees, or some of them. Employers’ failure to keep “accurate and complete” payroll records for Employee and Aggrieved Employees, or some of them, violates Labor Code sections 1174, 1198, 1199, and all applicable IWC Wage Orders, section 7. These violations subject Employers to civil penalties under Labor Code sections 558.1, 226.6, 1174.5 and 2699. Each violation of each Labor Code section and Wage Order provision, for each Aggrieved Employee (or some of them), results in a separate civil penalty.¹

Violation of Wage Theft Protection Act of 2011

Based on information and belief, Employers failed at times, and continue at times to fail, to comply with the notice requirements of Labor Code section 2810.5 (i.e., the Wage Theft Protection Act of 2011) by, among other things, failing to provide Employee and Aggrieved Employees, or some of them, with the rates of pay and overtime rates of pay applicable to their employment, allowances

¹ See Lab. Code §2699(f)(2) (establishing that the civil penalty is “for each aggrieved employee per pay period”).

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claimed as part of the minimum wage, the regular payday designated by Employers, the name of the employer, including any “doing business as” names used, the name, address and telephone number of the workers’ compensation insurance carrier, information regarding paid sick leave, and other pertinent information required to be disclosed by Employers under Labor Code section 2810.5. Employee is informed and believes that failure to provide such information, including rates of pay that are in effect, has permitted Employers to pay Aggrieved Employees, or some of them, at rates of pay that were not agreed upon and violate minimum wage and overtime wage laws in California. Employee is additionally informed and believes that the notice requirement of Labor Code section 2810.5 involves a mandatory payroll or workplace injury reporting. Among other relief, Aggrieved Employees, or some of them, may collect from Employers in connection with these violations’ civil penalties pursuant to Labor Code sections 558 and 2699.

Violation of California Labor Code §§ 245-248.5

Throughout the relevant time period, Employers at times failed to provide proper paid sick leave to Employee and other Aggrieved Employees, or some of them. Employers either failed at times to provide paid sick leave at all or improperly calculated the sick leave accrual and the sick leave rate of pay owed to Employee and other Aggrieved Employees, or some of them, by failing at times to base the accrued sick leave hours on the correct number of hours worked (as a result of the rounding/automatic deduction policies and practices for meal periods and/or shift start and end times/other required off-the-clock work including but not limited to unpaid meal periods that were restricted to Employers’ premises) and by failing at times to incorporate multiple rates of pay and/or all non-discretionary remuneration, including but not limited to, non-discretionary bonuses, shift differential pay and/or other non-discretionary compensation into the sick leave pay rate calculation.

Based on information and belief, Employers further failed at times to provide notice of the correct sick leave amount balance available to Employee and other Aggrieved Employees, or some of them, on their wage statements or other written statement.

Based on information and belief, Employers at times failed to put Aggrieved Employees, or some of them, on notice of their paid sick leave rights, thereby failing at times to put their entitlement to sick leave in a Labor Code section 2810.5 notice. In addition, Employers at times failed to maintain accurate records of used sick leave and the balance of paid sick leave left to the Aggrieved Employees, or some of them.

Based on information and belief, Employers at times failed to provide notice of sick leave amount balance left for Employee and other Aggrieved Employees, or some of them, thus affecting their intelligent exercise of their paid sick leave. But for this failure, Employee, and other Aggrieved Employees, or some of them, would have used their paid sick leave at least prior to their respective separations, for as on several occasions thereafter, he or she would have been entitled to use the banked sick leave and earn appropriate compensation. This illegal retention of paid sick leave is unlawful, and Employee seeks all forms of injunctive relief, restitution, and declaratory relief as permitted by California law, on behalf of Employee and the Aggrieved Employees, or some of them.

In violation of Labor Code section 247.5, Employers at times failed to maintain records documenting the hours worked and paid sick days accrued and used by Employee and Aggrieved Employees, or some of them, permitting the presumption that Employee and these Aggrieved Employees, or some of them, were entitled to the maximum number of hours accruable under this article.

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Upon information and belief, Employers at times further failed and continue at times to fail to comply with Labor Code section 246, by failing to provide Employee and Aggrieved Employees, or some of them, with a Labor Code section 226 wage statement, or separate writing containing the amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, at the time it pays wages. Employers at times unlawfully retained and continue at times to retain paid sick leave that should have been paid but was not, as a result of Employers' failure, at times, to properly institute a paid sick leave program.

On information and belief, Employee alleges that these practices at times were experienced and continue to be experienced at times by other Aggrieved Employees, or some of them. Employee requests all appropriate relief under the PAGA and these statutes, including but not limited to the restitution of earned paid sick leave that could have been used, but was not due to Employers' sole failure to institute such a paid sick leave entitlement or paid sick leave bank as required by California law.

Accordingly, Employee and other Aggrieved Employees, or some of them, are entitled to injunctive relief, attorneys' fees, declaratory relief, restitution, and penalties as permitted by law. Employee requests all relief pursuant to the aforementioned code provisions, including but not limited to Labor Code sections 233 and 234, which incorporates the paid sick leave requirements.

Failure To Provide Supplemental Paid Sick Leave

Labor Code section 248.2 provides that all employers with 26 or more employees are required to provide up to 80 hours for covered employees to take 2021 COVID-19 Supplemental Paid Sick Leave to care for themselves, to care for a family member or if it is vaccine-related. Based on information and belief, Employers at times violated Labor Code section 248.2 by not providing Aggrieved Employees, or some of them, with required 2021 COVID-19 Supplemental Paid Sick Leave.

Refusal to Make Payment

Labor Code section 216 declares unlawful an employer's refusal to pay wages due and payable and/or denial of the validity of any claim to wages due. Employers at times violated and continue at times to violate Labor Code section 216 by failing to pay Employee and Aggrieved Employees, or some of them, for all hours worked at the proper wage rate and by failing to pay Employee and Aggrieved Employees, or some of them, an additional hour of pay for each meal and/or rest period not provided or that was invalid. *Gould v. Maryland Sound Industries, Inc.* (1995) 31 Cal.App.4th 1137, 1154-1155. These violations subject Employers to civil penalties under Labor Code section 225.5. Each violation results in a separate civil penalty, for each Aggrieved Employee (or some of them) so affected, for each pay period (or some of them) during which the statute's provisions were violated.²

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² Labor Code § 225.5 (establishing that “[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who unlawfully withholds wages due any employee in violation of sections 212, 216, 221, 222, or 223 shall be subject to a civil penalty...for each failure to pay each employee”) (emphasis added).

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Seating Violations

Per section 14(A-B) of all applicable IWC Wage Orders, employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats and when they are not actively engaged in the work duties that would not permit them to be seated.

All applicable IWC Wage Orders, Section 14(A-B) provides:

(A) All working employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats.

(B) When employees are not engaged in the active duties of their employment and the nature of the work requires standing, an adequate number of suitable seats shall be placed in reasonable proximity to the work area and employees shall be permitted to use such seats when it does not interfere with the performance of their duties.

Suitable seating is one of the worker protections covered by California's Wage Orders, which have the same dignity as statutes, are remedial in nature and are to be broadly construed to effectuate the goal of protecting the comfort and welfare of employees. *Brinker Restaurant Corp. v. Superior Court*, 53 Cal.4th 1004, 1027 (2012).

Based on information and belief, Employers at times failed to provide Aggrieved Employees, or some of them, with suitable seating, and when such employees, or some of them, were not engaged in duties which required them to stand, at times no seating was placed in reasonable proximity to their workstations.

Moreover, based on information and belief, the nature of the work reasonably permitted the use of seats for at least part of the time that Aggrieved Employees were working. Lastly, based on information and belief, Aggrieved Employees at times were not engaged in active duties of their employment, yet at times there were no suitable seats in reasonable proximity to the work area, and use of seats would not have interfered with the performance of their duties.

Employers' Aggrieved Employees worked in various positions. The nature of Employee's and other Aggrieved Employees' work, or some of them, reasonably permitted the use of seats. However, Employers at times failed to provide suitable seating in reasonable proximity to Aggrieved Employees' work areas, or some of them, in violation of section 14(A-B) of applicable Wage Orders, and Labor Code sections 1198 and 1199, subjecting Employers to civil penalties under Labor Code sections 1199 and 2699. Each violation of each Labor Code section and IWC Wage Order provision, for each Aggrieved Employee, or some of them, results in a separate civil penalty.³

Statutory Wage Violations

Labor Code section 223 makes it unlawful for an employer to secretly pay wages lower than required by statute while purporting to pay legal wages.

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³ See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period").

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As described above, Employers at times willfully and systematically denied Employee and other Aggrieved Employees, or some of them, of minimum and overtime wage compensation for all hours worked which resulted in the payment of less than statutorily required wages owed to them. Employers at times acted with the intent to deprive some or all of them of statutory wages, including, but not limited to, overtime wages and minimum wages, to which they were entitled to under California law.

Thus, Employers at times paid Employee and other Aggrieved Employees, or some of them, lower wages than those to which they were entitled, while purporting that Employee and all Aggrieved Employees were properly paid. As such, Employee and Aggrieved Employees, or some of them, are entitled to recover penalties, attorneys' fees, costs, and interest thereon, pursuant to Labor Code § 2699(f)-(g).

Failure to Pay Vested Vacation/Paid Time Off

California Labor Code section 227.3 provides that when an employer policy provides for paid vacations and/or paid time off, and an employee is terminated without having taken off his, her, or their vested vacation time, all vested vacation shall be paid to the employee as wages at the employee's final rate in accordance with such contract of employment or employer policy respecting eligibility or time served and that there shall be no forfeiture of vested vacation time or paid time off upon termination. Based on information and belief, Employers at times had and continue at times to have a policy and/or practice of failing to allow Aggrieved Employees, or some of them, and Exempt Aggrieved Employees, or some of them, to use their earned vacation/paid time off during their employment and failing at times to pay all vested, accrued paid time off to Aggrieved Employees, or some of them, and/or Exempt Aggrieved Employees, or some of them, upon separation of employment, in violation of California law, including but not limited to, Labor Code section 227.3.

Failure to Timely Provide Temporary Workers with Owed Wages

On information and belief, Employers at times had and have failed to provide temporary workers, or some of them, with owed wages weekly by not later than the regular payday of the following week. As a result, pursuant to Labor Code section 201.3, Employers would be liable for civil penalties pursuant to Labor Code sections 201.3.

Unlawful Agreements/ Unlawful Criminal History Inquiries

Unlawful Agreements

Labor Code section 432.5 provides that "no employer ... shall require any employee or applicant for employment to agree, in writing, to any term or condition which is known by such employer ... to be prohibited by law." Based on information and belief, Employers at times required Employee, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to unlawful conditions of employment including but not limited to unlawful non-compete and/or non-solicitation agreements as well as unlawful criminal and/or financial checks as a condition of obtaining and/or continuing employment in violation of Labor Code section 432.5.

The California Labor Code places certain procedural and substantive limits on employers' ability to conduct employee background checks and on how employers can use the information they obtain through those background checks. Labor Code section 1024.5 states that employers, except for financial institutions, may order a credit check only if the individual works (or is applying to

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work) in certain positions (e.g., managerial positions, financially related positions, and certain government positions). Additionally, the Investigative Consumer Reporting Agencies Act (ICRAA - CA Civil Code section 1786, et seq.) and the Fair Credit Reporting Act (FCRA - 15 U.S.C. section 1681, et seq.) mandate several requirements prior to and following an employee background check, including but not limited to identifying an appropriate reason for the background check, a separate consent form with required disclosures and certain formatting requirements, additional forms such as a summary of rights, a way by which to request a copy of the report, as well as proper notice of adverse actions taken, among other statutory requirements.

Based on information and belief, Employers at times ordered unlawful financial credit checks on Aggrieved Employees and Exempt Aggrieved Employees, or some of them, in violation of Labor Code section 1024.5, and at times required Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to provide ongoing written consent to the unlawful credit checks as a condition of employment, in violation of California and Federal law, which results in a further violation of Labor Code section 432.5.

Based on information and belief, Employers also at times required Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to submit and/or agree to submit in writing to unlawful criminal background checks as a condition of obtaining and/or holding employment in violation of the ICRAA and the FCRA. For example, based on information and belief, Employers required Employee to submit and/or agree to submit in writing to an unlawful background check as a condition of obtaining and/or holding employment in violation of, including but not limited to, Labor Code section 432.5.

Based on information and belief, Employers at times required Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to a background check which failed to abide by the requirements set forth in California Civil Code section 1786, et seq. and 15 U.S.C. section 1681, et seq., including but not limited to by failing, at times, to provide a clear and conspicuous disclosure (and/or failing to provide any disclosure at all), failing at times to provide disclosures free of extraneous information, failing at times to provide a lawful purpose for the background check, failing at times to provide a summary of rights under the ICRAA and/or the FCRA, failing at times to provide a way by which the individual could request a copy of the report, failing at times to disclose the name, address, and telephone number of the third party preparing the report, and failing at times to properly obtain authorization or consent to such a background check, and thus was an unlawful background check.

By at times requiring Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to unlawful criminal and/or financial checks not in conformance with the applicable laws, Employers violated Labor Code section 432.5.

Based on information and belief, Employers also at times required Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to provide ongoing consent to Employers to conduct background checks throughout the duration of employment, in violation of the ICRAA and/or FCRA and/or other applicable laws, resulting in a further violation of Labor Code section 432.5, by at times requiring applicants and employees, or some of them, to agree to an unlawful provision as a condition of employment.

Based on further information and belief, Employers knew that requiring Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree at times to unlawful criminal and/or financial background checks as a condition of obtaining and/or holding employment was unlawful.

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By requiring Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree at times in writing to unlawful provisions as a condition of employment, Employers violated Labor Code section 432.5.

Unlawful Inquires into Criminal History

Labor Code section 432.7 prohibits an employer from asking applicants about past arrest(s) unless they resulted in conviction(s) and even then, certain limitations apply. Based on information and belief, Employers at times asked Aggrieved Employees and Exempt Aggrieved Employees, or some of them, about arrests not resulting in convictions on their employment application, in violation of California law.

Upon information and belief, Employers, in violation of California law, including but not limited to the Fair Chance Act/the California Fair Employment and Housing Act (“FEHA”), at times asked Aggrieved Employees and Exempt Aggrieved Employees, or some of them, about convictions prior to extending an offer of employment and/or otherwise impermissibly inquired into criminal history on their employment application in violation of California law.

By asking, at times, about arrests not resulting in convictions, Employers violated Labor Code section 432.7. By asking, at times, about convictions at the application phase or prior to extending an employment offer, Employers violated California’s Fair Chance Act, and thereby violated Labor Code section 432.5 by unlawfully requiring Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to disclose arrests and/or convictions as a condition of employment.

Unlawful PAGA Waiver

Additionally, Employers at times violated Labor Code section 432.5 by requiring Employee, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to other unlawful agreements, including but not limited to an unlawful waiver of PAGA and or representative actions, as a condition of employment.

An action pursuant to PAGA “...is a representative action on behalf of the state” *Kim v Reins Int’l California, Inc.*, (2020) 9 Cal. 5th 73, 86-87. It is well settled that agreements purporting to waive an employee’s right to a trial of PAGA claims is contrary to California law and unenforceable. See *Iskanian v CLS Transportation Los Angeles, LLC* (2014) 59 Cal. 4th 348, 384 (“We conclude that where, as here, an employment agreement compels the waiver of representative claims under the PAGA, it is contrary to public policy and unenforceable as a matter of state law.”).

Moreover, the California Supreme Court has ruled that a court cannot compel arbitration of an aggrieved employee’s individual PAGA claim because there is no such thing as an individual PAGA claim. *Kim v Reins Int’l California, Inc.*, (2020) 9 Cal. 5th 73, 86-87 (“There is no individual component to a PAGA action because ‘every PAGA action ... is a representative action on behalf of the state.’”).

Upon information and belief, Employers at times required Employee, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to waive their right to a trial of PAGA claims in violation of California law. By at times requiring Employee, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree, in writing, to an unlawful PAGA waiver, Employers at times required written agreement to an unlawful provision as a condition of employment, which is a violation of labor code section 432.5.

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As such, Employee, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, continue to be subject at times to various unlawful provisions as a condition of employment.

Preventing Employees from Using or Disclosing Skills, Knowledge, and Experience

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

Whistleblower Violations

On information and belief, Employers at times have prevented Employee and/or other Aggrieved Employees, or some of them, from disclosing violations of state and federal law, either within Employers to their managers or outside Employers to private attorneys or government officials, among others, in violation of Business and Professions Code section 17200, and thus in violation of Labor Code section 1102.5. In addition, Employee is informed and believes that these policies and/or practices at times prevent Employee and/or other Aggrieved Employees, or some of them, from disclosing information about unsafe or discriminatory working conditions, or about wage and hour violations in violation of Labor Code sections 98.6, 232, and 232.5. These violations of the Labor Code would expose Employers to liability for civil penalties pursuant to Labor Code section 2699.

Workplace Health and Safety Violations

On information and belief, Employers at times have failed to furnish and use safety devices and safeguards, and adopt and use practices, means, methods, operations and processes which are reasonably adequate to render such employment and place of employment safe and healthful, pursuant to, including but not limited to, Labor Code section 6401. Employee is informed and believes, and based thereon alleges, that Employers at times have required or permitted employees, or some of them, to go or be in any employment or place of employment which is not safe and healthful, pursuant to Labor Code section 6402. Employee is informed and believes, and based thereon alleges, that Employers at times have failed or neglected to provide and use safety devices and safeguards reasonably adequate to render the employment and place of employment safe; adopt and use methods and processes reasonably adequate to render the employment and place of employment safe; and do every other thing reasonably necessary to protect the life, safety, and health of employees, pursuant to Labor Code section 6403. Employee is informed and believes, and based thereon alleges, that these failures include, without limitation, at times failing to disinfect time clocks and other surfaces after use by Employee and/or other Aggrieved Employees, or some of them; at times failing to provide adequate protection equipment to Employee and/or other Aggrieved Employees, or some of them; and at times failing to provide adequate distance in working conditions between Employee and/or other Aggrieved Employees, or some of them.

On information and belief, Employers violated section 1527, 3366, 3457 and 8397.4 by failing at times to provide adequate and readily accessible sanitation facilities; a regular schedule for

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servicing, cleaning, and supplying each facility to ensure it is maintained in a clean, sanitary and serviceable condition; an adequate supply of suitable cleansing agents, water, single-use towels or blowers; and a sufficient number of toilets to be used by each sex of employee.

Action for Civil Penalties Under PAGA

In light of the above, Employee alleges that Employers violated the following provisions of the Labor Code with respect to the Aggrieved Employees, or some of them:

1. Labor Code §§ 204, 510, 1194, 1197, and 1198 by failing at times to pay for all hours worked, including minimum wages, straight time wages, and overtime wages;
2. Labor Code § 226.7 and applicable Wage Orders by failing at times to provide meal periods;
3. Labor Code § 226.7 and applicable Wage Orders by failing at times to authorize and permit rest periods;
4. Labor Code § 204 by failing at times to pay all earned wages two times per month;
5. California Labor Code § 1174.5 and applicable Wage Orders by failing at times to maintain accurate records of hours worked and meal periods taken or missed;
6. Labor Code §§ 201 to 203 by willfully failing at times to pay all wages owed at termination;
7. Labor Code § 226 by failing at times to provide accurate itemized wage statements;
8. Labor Code § 2802 by failing at times to indemnify for necessary expenditures;
9. Labor Code §§ 226, 432, and 1198.5 by failing at times to timely produce requested payroll records, timecards, and personnel records;
10. Labor Code § 1174 by failing at times to keep accurate and complete payroll records;
11. Labor Code §§ 245-248.5 by failing at times to provide proper sick leave and supplemental paid sick leave;
12. Labor Code § 216 for refusal at times to pay wages due and payable and/or denial at times of the validity of any claim to wages due;
13. Labor Code § 223 for at times secretly paying wages lower than required by statute while purporting to pay legal wages;
14. Labor Code § 227.3 for failure at times to pay vested vacation and/or paid time off;
15. Section 14(A-B) of all applicable IWC Wage Orders for failure at times to provide suitable seating;
16. Labor Code § 432.5 for unlawful agreements;
17. Labor Code § 201.3 for failure at times to timely provide temporary workers, or some of them, with wages;
18. Labor Code §§ 98.6, 232, 232.5, 1102.5, and 1197.5 for at times preventing employees, or some of them, from using or disclosing the skills, knowledge and experience they obtained at Employers, and whistleblower violations;
19. Labor Code § 432.7 for unlawful inquiries at times into criminal histories; and

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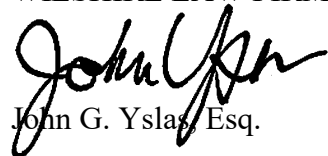
20. Labor Code §§ 1527, 3366, 3457, 8397.4, 6401, and 6401 for workplace health and safety violations.

Therefore, on behalf of potentially Aggrieved Employees, Employee seeks applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties under Labor Code §§ 210, 226.3, 1174.5, 1197.1, and 2699.

Employee has placed Employers on notice by mailing a certified copy of this correspondence, as indicated on the first page. Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Sincerely,

WILSHIRE LAW FIRM

A handwritten signature in black ink, appearing to read "John Yslas", is written over the printed name.

John G. Yslas, Esq.

EXHIBIT 3

Settlement Administrator Contact Information
Claims Admin ID <<ID>>

Mailing Date, 2025

<<FullName>>
<<Address1>>
<<Address2>>
<<City>>, <<State>> <<Zip>>

**Re: REMINDER TO CASH SETTLEMENT CHECK FOR CLASS AND REPRESENTATIVE
ACTION SETTLEMENT**

Dear <<FullName>>:

You previously were sent your payment from the settlement of the lawsuit entitled *Justin Espinosa-Hineline, individually, on behalf of all others similarly situated v. Harold A. Steuber Enterprises, Inc.*, Alameda County Superior Court, Case No. 24CV081059. Our records show that you have not yet cashed your settlement check. You will be bound by the settlement whether or not you cash the check.

Please cash your check promptly. Your check will expire on <<ExpirationDate>> and then will be sent to the California State Controller Unclaimed Property Fund to be held in your name.

If you have any questions about the settlement, you can visit the Settlement website at www._____.com; contact Class Counsel toll-free at _____; view the public docket for the case, or you may contact the Settlement Administrator (whose contact information is at the top of this letter). Please do not call the Court about this letter.

Sincerely,

Settlement Administrator