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Attorneys for Plaintiff GERARDO DE LEON, on behalf
of himself and others similarly situated

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

GERARDO DE LEON, an individual, on
behalf of himself and others similarly
situated,

Plaintiffs,

v.

B2SIGN INC, a California stock
corporation; and DOES 1 through 50,
inclusive,

Defendants.

CLASS ACTION

Case No. 24STCV15638

Assigned for All Purposes To:
Honorable Lawrence P. Riff
Department 7

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

Hearing Information:
Date: February 11, 2027
Time: 10:00 a.m.
Dept: 7

Action filed: June 21, 2024
FAC Filed: March 11, 2025
Trial date: None Set

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I, Enoch J. Kim, declare as follows:

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

2. I am Senior Counsel at D.Law, Inc. and counsel for Plaintiff Gerardo De Leon (Plaintiff”), on behalf of himself and all other similarly situated employees of Defendant D.Law, Inc. (“Defendant”) (Plaintiff and Defendant are collectively referred to herein as “the Parties”). All of the matters set forth herein are within my personal knowledge. I submit this declaration in support of Plaintiff’s Motion for Preliminary Approval of the Parties’ Class and Fair Labor Standards Act (“FLSA”) Settlement Agreement (“Settlement Agreement”) and California Labor Code (“PAGA”) Settlement Agreement (“Settlement Agreement” or “Settlement”) is attached as **Exhibit 1**.

Procedural History

3. Plaintiff worked as a non-exempt, hourly employee for Defendant and seeks to represent approximately 569 current and former California non-exempt individuals who worked for Defendant during the Class Period. Defendant focuses on providing large format printing services. Class Members worked as forklift operators, warehouse workers, and in similar positions in connection with printing-related services.

4. On June 21, 2024, Plaintiff commenced a Class Action by filing a Complaint
g causes of action against Defendant for (1) Failure to Pay Minimum Wages; (2) Failure
Wages and Overtime Under Labor Code § 510; (3) Meal Period Liability Labor Code §
(4) Rest Break Liability Labor Code § 226; (5) Violation of Labor Code § 226; (6)
on of Labor Code § 221; (7) Violation of Labor Code § 204; (8) Violation of Labor Code
(9) Failure to Maintain Records Required under Labor Code §§ 1174, 1174.5; (10) Failure
nburse Necessary Business Expenses Under Labor Code § 2802; and (11) Violation of
ss & Professions Code §§ 17200, *et seq.* (the “Class Action”).

5. On June 21, 2024, Plaintiff submitted a PAGA notice (LWDA-CM-1035778-24)

1 to the Labor and Workforce Development Agency (“LWDA”). A true and correct copy of the
2 PAGA notice is attached hereto as **Exhibit 2**. On March 11, 2025, Plaintiff filed a First
3 Amended Complaint (“Operative Complaint”) adding a claim for civil penalties under the
4 California Private Attorneys General Act.

5 6. Plaintiff contends that Defendant violated California’s wage and hour laws by
6 failing to pay minimum wages, wages, and overtime, meal period violations, rest period
7 violations, failing to issue accurate, itemized wage statements, unlawful wage deductions, failing
8 to pay timely wages, failing to pay final wages and waiting time penalties, failing to keep payroll
9 records, failing to reimburse necessary business expenses, and unfair competition.

10 **Investigation**

11 7. Before filing the lawsuit, Class Counsel conducted a thorough investigation and
12 researched the facts and circumstances underlying the pertinent issues and applicable law. This
13 required thorough discussions and interviews between Class Counsel and Plaintiff, in addition to
14 the above-described research into the various legal issues involved in the case. After filing the
15 lawsuit, Class Counsel conducted a thorough investigation of the facts and claims giving rise to
16 the action, including (1) conducting informal discovery and meeting and conferring with defense
17 counsel about same; (2) reviewing and analyzing records and data, as well as employment-
18 related policies; (3) reviewing Plaintiff’s personnel file and other documentation; (4)
19 interviewing Plaintiff regarding potential Class Members; (5) researching the applicable law and
20 potential defenses; (6) constructing damage models based on interpretations of California law
21 and the facts and numbers provided by Defendant; and (7) reviewing information provided by
22 Defendant in response to informal discovery and in advance of the mediation.

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

28 **Settlement Efforts**

9. On July 16, 2025, the Parties attended an all-day mediation session with Lonnie Giamela, Esq., an experienced litigator and mediator in the field of wage and hour class actions. Counsel for Plaintiff and Defendant discussed all aspects of the case, including the risks of continued litigation and the risks to all parties of proceeding with a class certification motion, as well as the merits of the primary claims in this case. Following mediation, the Parties accepted a mediator's proposal outlining general settlement terms. The Parties continued to work together on a long-form Settlement Agreement following mediation, which resulted in the Settlement Agreement before the Court for approval.

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

Summary of the Settlement

11. Under the terms of the proposed Settlement Agreement, Defendant have agreed to pay \$580,000.00 (“**Gross Settlement Amount**”) on a non-reversionary basis. (Exhibit 1, Settlement Agreement, ¶ 3.1.) In addition to and separate from the Gross Settlement Amount, Defendant will pay the employer’s portion of any payroll taxes on the wage allocation portion of the individual settlement payments to Class Members. The Settlement Agreement defines the Settlement Class (“**Class**”) as all persons who worked for Defendant in California as non-exempt employees at any time during the Class Period (i.e. the period from June 21, 2020, through January 4, 2026). (Exhibit 1, Settlement Agreement, ¶ 1.5, 1.12.) The Settlement Agreement also defines “**Aggrieved Employee**” as all persons who worked for Defendant in California as non-exempt employees at any time during the PAGA Period (i.e. June 21, 2023, through January 4, 2026). (Exhibit 1, Settlement Agreement, ¶ 1.31.) The “**Net Settlement Amount**” available for distribution to Class Members is the Gross Settlement Amount less the following payments in the amount approved by the Court: Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, the Administration Expenses

1 Payment, Individual PAGA Payments, and the LWDA PAGA Payment. (Exhibit 1, Settlement
2 Agreement, ¶ 1.27.) These amounts are detailed as follows:

- 3 • Class Counsel's Fees and Litigation Expenses Payment: Up to one-third of the Gross
4 Settlement Amount, or **\$193,333.33**, to Class Counsel as attorneys' fees for the litigation
5 and resolution of this Action and actual costs incurred in this Action. (Exhibit 1,
6 Settlement Agreement, ¶ 3.2.2.);
- 7 • Class Representative Enhancement Award to Named Plaintiff: Up to **\$5,000.00** to
8 Plaintiff as an award for his service as the class representative (Exhibit 1, Settlement
9 Agreement, ¶ 3.2.1.);
- 10 • Administration Expense Payment: A not-to-exceed amount of **\$12,000.00** to the
11 Settlement Administrator for its costs of administration of the Settlement (Exhibit 1,
12 Settlement Agreement, ¶ 3.2.3);
- 13 • PAGA Payment: **\$50,000.00** for settlement of claims for civil penalties under PAGA,
14 with 35% (\$17,500.00) allocated to the Aggrieved Employees ("Individual PAGA
15 Payments") and 65% (\$32,500.00) allocated to the LWDA ("LWDA PAGA Payment")
16 (Exhibit 1, Settlement Agreement, ¶ 3.2.5).

17 12. If the Court approves the above allocations from the Gross Settlement Amount,
18 the **Net Settlement Amount** ("NSA") is estimated to be approximately **\$299,666.67**. The
19 "Individual Class Payment" means the Participating Class Member's pro rata share of the Net
20 Settlement Amount calculated according to the number of Workweeks worked during the Class
21 Period. (Exhibit 1, Settlement Agreement, ¶ 1.22.) Each Participating Class Member's
22 "Individual Class Payment" shall be calculated by the Settlement Administrator using the
23 following formula: (a) dividing the Net Settlement Amount by the total number of Workweeks
24 worked by all Participating Class Members during the Class Period and (b) multiplying the result
25 by each Participating Class Member's Workweeks. (Exhibit 1, Settlement Agreement, ¶ 3.2.4.)
26 For the approximately 569 Class Members (if no exclusions), the average Gross Individual
27 Settlement Payment, using a straight average, is \$526.65.

28 13. Not later than 14 days after the Court grants Preliminary Approval of the

1 Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a
2 Microsoft Excel spreadsheet. (Exhibit 1, Settlement Agreement, ¶ 4.2.) Using best efforts to
3 perform as soon as possible, and in no event later than 7 days after receiving the Class Data, the
4 Administrator will send to all Class Members identified in the Class Data, via first-class United
5 States Postal Service (“USPS”) mail, the Class Notice with Spanish, Vietnamese, Mandarin, and
6 Cantonese translations. (Exhibit 1, Settlement Agreement, ¶ 7.4.2.) The Class Notice includes a
7 summary of the case and settlement terms and provides Class Members with detailed instructions
8 on how to exclude themselves, object to the settlement, and dispute the number of workweeks
9 and/or pay periods attributed to each Class Member per Defendant’s records. (Exhibit 1, Exhibit
10 A, Class Notice). Not later than 3 business days after the Administrator’s receipt of any Class
11 Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice
12 using any forwarding address provided by the USPS. (Exhibit 1, Settlement Agreement, ¶ 7.4.3.)
13 If the USPS does not provide a forwarding address, the Administrator shall conduct a Class
14 Member Address Search, and re-mail the Class Notice to the most current address obtained. (*Id.*)
15 The Administrator has no obligation to make further attempts to locate or send Class Notice to
16 Class Members whose Class Notice is returned by the USPS a second time. (*Id.*) Class Members
17 who wish to exclude themselves from the Class Settlement must send the Administrator, by fax,
18 email, or mail, a signed written Request for Exclusion not later than 60 days after the
19 Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class
20 Notice is re-mailed). (Exhibit 1, Settlement Agreement, ¶ 7.5.1.) The Parties have jointly
21 selected Phoenix Class Action Administration (“Phoenix”) to serve as the Administrator and
22 verified that, as a condition of appointment, Phoenix agrees to be bound by this Agreement and
23 to perform, as a fiduciary, all duties specified in this Agreement in exchange for the
24 Administration Expenses Payment. (Exhibit 1, Settlement Agreement, ¶ 7.1) The Parties and
25 their Counsel represent that they have no interest or relationship, financial or otherwise, with the
26 Administrator other than a professional relationship arising out of prior experiences
27 administering settlements. (*Id.*) Phoenix has experience administering class action and PAGA
28 settlements, has procedures in place to protect the security of class data, adequate insurance in

1 the event of a data breach or defalcation of funds, and is qualified to administer the Settlement.
2 (See Declaration of Jodey Lawrence, which also includes a breakdown of the anticipated costs of
3 notice to the class.) In addition, Phoenix will have a website for Class Members to review and
4 reference for details regarding the Final Approval Hearing and any Final Approval Order and
5 Judgement. If the Court grants final approval of the Settlement, a copy of the Final Approval
6 Order and Judgment will be posted on this website for Class Members to review. The website
7 will be provided to Class Members in the Class Notice that is mailed to them.

8 **Certification for Settlement Purposes Only is Appropriate**

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

20 15. **Numerosity and Ascertainability.** The putative Class is so numerous that joinder
21 of all members is impractical. Class Members are individuals who worked for Defendant in
22 California as non-exempt, hourly employees during the period from June 21, 2020, through
23 January 4, 2026. Defendant has identified 569 Class Members based on a review of its payroll
24 and personnel records. Thus, the requirements of numerosity and ascertainability are met here.

25 16. **Well-Defined Community of Interest.** Plaintiff contends, and Defendant does not
26 dispute for settlement purposes only, that common issues of fact and law predominate as to each
27 of the claims alleged by Plaintiff, and the Class is united in its proof. This action involves, *inter*
28 *alia*, a determination about Defendant’s alleged failure to pay minimum wages, wages, and

overtime, meal period violations, rest period violations, failure to issue accurate, itemized wage statements, unlawful wage deductions, failure to pay timely wages, failure to pay final wages and waiting time penalties, failure to keep payroll records, failure to reimburse necessary business expenses, and largely derivative claims under the UCL and PAGA. Plaintiff contends Defendant's practices affected Class Members in the same way and presents questions that are suitable for common adjudication because all Class Members were subject to the same employment policies and practices. The outcome of litigation in this matter depends upon questions that are common to Class Members.

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

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

19. Predominance and Superiority. Plaintiff contends that individualized issues do not predominate over the issues of law and fact that are common to the Class as a whole. As explained, *supra*, Plaintiff alleges there are common issues of law and fact given that Plaintiff and all Class Members were subjected to the same policies and pay practices during the relevant time period. Plaintiff and Class Members seek meal and rest premiums, unpaid wages and overtime, and penalties for work performed as non-exempt employees for Defendant. Plaintiff

1 alleges that these issues are suitable for common adjudication because all Class Members were
2 allegedly subject to the same employment policies, and Plaintiff contends the practices applied
3 uniformly to all Class Members.

4 20. Plaintiff contends that class resolution is superior to other available methods for
5 the fair and efficient adjudication of the controversy as there is little interest or incentive for
6 Class Members to individually control the prosecution of separate actions. Although the alleged
7 injury resulting from Defendant's policies and practices are allegedly real and significant, the
8 cost of individually litigating each such case against Defendant would easily exceed the value of
9 any relief that could be obtained by any one Class Member individually. If Class Members are
10 forced to litigate their claims individually this would result in over 569 individual actions against
11 Defendant. Here, the alternative methods of resolution are individual suits for relatively small
12 amounts. Hence, an individual suit would prove uneconomical for potential Plaintiff because
13 litigation costs would dwarf a potential recovery.

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

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

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

24 22. The proposed settlement was reached as a result of arm's length negotiations after
25 the completion of pertinent discovery and the exchange of necessary Class Information. The
26 negotiations have been, at all times, adversarial and non-collusive in nature. *See*, 4 Newberg on
27 Class Actions § 13:45 (5th ed.) (due to the preference of settlement over litigation, "a court will
28 presume that a proposed class action settlement is fair when certain factors are present,

1 particularly evidence that the settlement is the product of arms-length negotiation, untainted by
2 collusion.”). Although Plaintiff steadfastly maintain that his claims are meritorious, Plaintiff
3 acknowledges that there were substantial risks and uncertainty in proceeding with litigation. As
4 described below, Defendant presented multiple defenses to Plaintiff’s claims, both on the merits
5 and with respect to class certification. Thus, while Plaintiff was prepared to litigate these claims
6 through class certification, and ultimately trial, success was far from certain. Assistance from a
7 skilled mediator ensured that negotiations were non-collusive and well-informed.

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

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

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

15 24. Plaintiff’s claims are based on Defendant’s alleged failure to pay minimum
16 wages, wages, and overtime, meal period violations, rest period violations, failure to issue
17 accurate, itemized wage statements, unlawful wage deductions, failure to pay timely wages,
18 failure to pay final wages and waiting time penalties, failure to keep payroll records, failure to
19 reimburse necessary business expenses, and largely derivative claims under the UCL and PAGA.

20 25. Plaintiff alleges that Defendant failed to pay Plaintiff and Class Members at least
21 minimum wages for all hours worked and proper overtime wages for hours worked in excess of
22 eight hours in a day and 40 hours in a week. Specifically, Plaintiff alleges that Plaintiff and Class
23 Members were required to work off the clock, including having to wait for time clocks to
24 become available to clock in and receiving work-related calls from Defendant’s managers after
25 work hours.

26 26. Defendant contends that it did not require off the clock work, paid for all reported
27 hours worked, that Class Members were instructed and required to record all hours worked.
28 Defendant also contends that any alleged off the clock work was performed without Defendant’s

1 knowledge, and that it paid wages at the proper rates. Defendant also argued that given its
2 written policies and practices, any unrecorded hours are likely subject to individualized inquiry
3 and unlikely to be certified. Given the difficulty in certifying this claim, Class Counsel applied a
4 significant discount to damages based on this theory.

5 27. Plaintiff also alleges that Defendant failed to provide Plaintiff and Class Members
6 with lawful first and second meal periods. For example, Plaintiff alleges that Plaintiff and Class
7 Members were often unable to take a timely meal period before the start of the fifth hour of work
8 or take an uninterrupted and full meal period due to the volume of work and demands from
9 managers.

10 28. Defendant contends that Class Members were given a reasonable opportunity to
11 take their meal periods and that any non-compliant meal periods were at the voluntary election of
12 Class Members. Further, when compliant meal periods were not provided, Defendant provided
13 premium pay to Class Members as reflected in their time and pay records. Defendant further
14 contends that the meal break claim requires individualized inquiries which would preclude class
15 certification. If Defendant's contentions prevail in trial, the likely outcome would be no recovery
16 for the Class Members on the meal break claim.

17 29. Plaintiff also contends that Defendant did not provide Class Members with paid
18 10-minute rest breaks for every four hours or major fraction thereof. For example, Plaintiff
19 alleges that Class Members were either not permitted the opportunity to take a rest break or were
20 required to remain under Defendant's control and respond to calls and instructions from
21 management and job demands.

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

28 31. Defendant also required Plaintiff and Class Members to incur necessary business

1 expenses in the course of performing their required job duties without reimbursement, including
2 the use of their personal cell phones. Defendant contends that it did not require employees to use
3 their personal cellular phones for work and that it reimbursed employees for all work-related
4 expenses pursuant to its expense reimbursement policies.

5 32. As for the wage statement and waiting time penalties claims, Plaintiff alleges that
6 Defendant consistently failed to provide Class Members with accurate and itemized wage
7 statements and all wages due to Class Members upon termination of their employment with
8 Defendant. Defendant contends that these claims are merely derivative of the underlying claims
9 and that Plaintiff and Class Members would be unable to first establish liability for the
10 underlying claims for the reasons described above. Defendant further contends that even if they
11 could first establish liability for the underlying claims, Plaintiff and Class Members would be
12 unable to establish that Defendant's conduct was willful and knowing as required by the relevant
13 statutes since Defendant acted in good faith to provide accurate wage statements and pay all
14 wages due to Plaintiff and Class Members. Thus, Defendant contends that the wage statement
15 and waiting time penalties claims to have little to no value.

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

23 34. Defendant generally denies all claims alleged in the Action and further denies
24 class and/or representative treatment is appropriate for any purpose other than this Settlement
25 and that it complied with all applicable laws. However, Defendant has concluded that further
26 litigation would be protracted and expensive and that it is desirable that the Action be fully and
27 finally settled in the manner and upon the terms and conditions herein.

28 35. As stated above, while Plaintiff and Class Counsel contend the claims asserted in

1 the Action have merit, they also acknowledge the expense, delay, and risks of continued
2 litigation. Although the Parties engaged in significant informal discovery in advance of
3 mediation, the Parties still had significant discovery to complete had the matter not settled. This
4 would have required the expenditure of substantial time and resources by both Parties that would
5 have very likely spanned several years. Even if Plaintiff were to certify the classes, the Parties
6 would incur considerably more attorney fees and costs through a possible decertification motion,
7 trial, and possible appeal. This Settlement avoids those risks and the accompanying expense.

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

9 36. Plaintiff had not yet filed his motion for class certification, and as such, the extent
10 to which Plaintiff proposed classes were certifiable is somewhat speculative. Absent a
11 settlement, there was a risk that there would not be a certified class at the time of trial, or if there
12 were, it could consist of a significantly smaller group of employees than the proposed Settlement
13 Class, resulting in less overall recovery.

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

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

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

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

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

6 40. The strength of the Plaintiff's case in light of the settlement amount is deemed by
7 courts to be the "most important." *Clark v. American Residential Services, LLC* (2009) 175
8 Cal.App.4th 785, 799 (citing *Kullar*). Here, Plaintiff alleges that Defendant failed to pay
9 minimum wages, wages, and overtime, meal period violations, rest period violations, failed to
10 issue accurate, itemized wage statements, unlawful wage deductions, failed to pay timely wages,
11 failed to pay final wages and waiting time penalties, failed to keep payroll records, and failed to
12 reimburse necessary business expenses, in violation of California law. Plaintiff seeks related
13 violations of California's Business & Professions Code, penalties pursuant to Labor Code § 2699
14 *et seq.* Summary calculations for estimated liability for each of these claims are below.

15 Failure to Pay Minimum and Overtime Wages:

16 41. Plaintiff alleges that Defendant failed to pay Plaintiff and Class Members at least
17 minimum wages for all hours worked and proper overtime wages for hours worked in excess of
18 eight hours in a day and 40 hours in a week.

19 42. Class Counsel's expert estimated Defendant's exposure on the unpaid wages due to
20 off the clock work attributable to overtime to be approximately \$626,062.00 (assuming 10
21 minutes of off the clock work per shift and 91.1% of off the clock hours attributable to
22 overtime). However, given Defendant's defenses and the potential hurdles facing certification of
23 off-the-clock claims, Class Counsel applied a 90% discount making for an adjusted realistic
24 exposure of **\$62,606.20** for Defendant.

25 Meal Periods and Rest Breaks:

26 43. Plaintiff alleges that Defendant had a common practice and policy of denying
27 compliant meal periods.

28 44. For each meal period missed, of less than 30 minutes, or taken late for which the

1 employee was not provided a reasonable opportunity to take a complete and timely meal period,
2 an employer must pay the employee an additional one hour of compensation. Labor Code §
3 226.7. This additional hour of compensation is referred to as “premium pay.” To comply with
4 these laws, every employer must keep, for each employee, accurate time records showing when
5 the employee begins and ends each work period and takes his or her meal periods. See Wage
6 Order 4-2001(7)(A)(3). Plaintiff alleges that Defendant failed to pay the legally required
7 premium at their regular rate of pay whenever meal periods were missed, interrupted, or late.

8 45. Class Counsel’s expert estimated Defendant’s maximum exposure on the meal period
9 claim at approximately \$362,559.00 (meal period premiums due with an offset for meal period
10 premiums paid). However, given Defendant’s defenses and the potential hurdles facing
11 certification of the meal break claim, Class Counsel applied an 80% discount making for an
12 adjusted realistic exposure of **\$72,511.80** for Defendant.

13 46. Rest Breaks: Plaintiff contends that Defendant did not provide Class Members with
14 timely paid 10-minute rest breaks for every four hours or major fraction thereof.

15 47. Class Counsel’s expert estimated Defendant’s maximum liability exposure on the rest
16 break period claim at approximately \$2,574,818.00 assuming a 100% violation rate. However,
17 given Defendant’s contentions and the difficulties facing certification of rest break claims, Class
18 Counsel applied a 90% discount making for an adjusted realistic exposure of **\$257,481.80** for
19 Defendant. Owing to the arguments above and the fact that the recording of rest periods is not
20 required, this claim was substantially discounted.

21 Inaccurate Wage Statement Violations:

22 48. Under Labor Code § 226(a), Plaintiff and the Class are entitled to recover \$50 for
23 initial violations for inaccurate wage statements and \$100 for subsequent violations, up to a
24 maximum of \$4,000 per employee.

25 49. Class Counsel’s expert estimated Defendant’s maximum total exposure on the section
26 226 claim at approximately \$586,800.00 (assuming \$50/\$100 for initial and subsequent
27 violations and 351 employees during the relevant period and a maximum of \$4,000 per
28 employee). After considering Defendant’s contentions and the potential class certification issues,

1 Class Counsel discounted this amount by 90% to get an adjusted realistic exposure of
2 **\$58,680.00.**

3 Failure to Pay Final Wages at Termination or Separation:

4 50. In allegedly failing to pay Class Members their minimum wages, overtime wages, and
5 premium pay for deficiently provided meal periods and rest breaks, all discussed above, Plaintiff
6 allege that Defendant willfully failed to pay Class Members all wages due and certain at the time
7 of termination or within seventy-two (72) hours of resignation, as required under Labor Code §
8 203.

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

15 52. Class Counsel estimated Defendant's maximum total exposure on the section 203
16 claim at approximately \$1,813,236.90 (383 terminated employees during the relevant period x 30
17 days x average hourly rate per year x 8.6 hours per workday). Given the foregoing arguments,
18 Class Counsel discounted this amount by 90% to get an adjusted realistic exposure of
19 **\$181,323.69.**

20 Failure to Reimburse for Necessary Business Expenditures:

21 53. Under Labor Code § 22802(a) Defendant must indemnify Plaintiff and Class Members
22 for all necessary expenditures or losses incurred in direct consequence of the discharge of their
23 duties

24 54. Plaintiff estimated Defendant's total exposure on the unreimbursed business expenses
25 claim at approximately \$183,450.00 (\$25 per month in unreimbursed business expenses).
26 However, given Defendant's reimbursement policy and the potential for the need for
27 individualized inquiries making class certification of this claim difficult, Class Counsel applied a
28 90% discount to get an adjusted realistic exposure of **\$18,345.00.**

PAGA Penalties:

55. The Labor Code Private Attorneys General Act, Labor Code § 2698 *et seq.*, allows Plaintiff to obtain civil penalties on behalf of himself and other aggrieved employees for Defendant's violation of any provision of the Labor Code enumerated under Labor Code § 2699.5. Where civil penalties are provided in the statute, those civil penalties are recoverable; where no civil penalties are recoverable, Labor Code § 2699(f) establishes civil penalties of one (\$100) for each aggrieved employee per pay period for the initial violation and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation. Pursuant to Labor Code § 2699(i), sixty-five percent (65%) of the penalties recovered must be allocated to the Labor and Workforce Development Agency (LWDA), with the remaining thirty-five percent (35%) allocated to the affected employees. The limitations period for all penalties is one year prior to the filing of the complaint.

56. The provisions of the Labor Code potentially triggering PAGA penalties in this case include but are not limited to Labor Code §§ 201, 202, 203, 204, 218, 218.5, 218.6, 221, 226, 226.4, 226.7, 246, 248.1, 248.2, 248.5, 510, 511, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1198.5, 1199, 2698 *et seq.*, and 2802. PAGA penalties are not mandatory and are instead permissive. Labor Code § 2699(e)(2) states that "a court may award a lesser amount than the maximum civil penalty amount specified by this part if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory." *See Thurman v. Bayshore* (2012) 203 Cal. App. 4th 1112 (substantially reducing PAGA penalties by 30% under this provision). Defendant contested Plaintiff's claim for PAGA penalties.

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

1 58. Plaintiff estimated Defendant's total exposure on the PAGA claim at approximately
2 \$824,400.00 (8,244 PAGA Pay Periods x \$100). However, Class Counsel also estimated any
3 PAGA recovery would be substantially reduced and applied a discount of 90% to get a realistic
4 exposure of \$82,440.00 in light of the countervailing arguments with regard to the other causes
5 of action and the Court's power to award "a lesser amount than the maximum civil liability."

6 Unfair Business Practices

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

11 Summary

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

18 61. Class Counsel applied reasonable and justified discounts, considering the facts and
19 legal contexts outlined above. These substantial discounts were necessary in light of Defendant's
20 contentions and denial of liability. This Settlement, like most others, was the product of
21 compromise. As addressed above, Plaintiff estimated that Defendant faced approximately
22 \$733,388.49 in total realistic exposure on Plaintiff's main claims. The Gross Settlement Amount
23 of \$580,000.00 therefore represents a recovery for the Class Members of approximately 79% of
24 the total realistic exposure Plaintiff estimated Defendant could face on these class-wide claims.
25 Class Counsel submits that this is an optimal result for the Class in light of all of the factors
26 described above.

27 Class Counsel Fees Payment is Fair and Reasonable

28 62. Under the Settlement, Class Counsel requests, without opposition from Defendant, an

award of \$193,333.33 for attorneys' fees and reasonable expenses incurred to prosecute the Action. This request is fair, reasonable, and adequate to compensate Class Counsel for the substantial work they have put into this case and, moreover, the risk they assumed by taking it in the first place as they will not receive any compensation for their efforts until recovery is obtained for the Class. The attorneys' fees award is intended to reimburse Class Counsel for all uncompensated work that they have already done and for all the work they will continue to do in carrying out and overseeing the notification to Class Members, communicating with Class Members regarding their claims, and assisting in the administration of the Settlement if it is preliminarily approved. The requested fee is reasonable for the services provided to Class Members and for the benefits they are to receive.

Class Representative Service Payment is Fair and Reasonable

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

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

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

66. Plaintiff seeks an enhancement in the amount not to exceed \$5,000.00. Plaintiff secured a benefit for the Class worth \$580,000.00. In the aggregate, the requested enhancement represents only a small percentage of the settlement consideration. The total amount which Plaintiff is requesting to be allocated to a service award is approximately 0.9% of the total

1 settlement amount. In light of the foregoing, Class Counsel believes that the \$5,000.00 incentive
2 awards to the Class Representative is fair and reasonable.

3 **Proposed Class Notice Provides Adequate Notice**

4 67. The notification procedure set out in the Settlement Agreement provides the greatest
5 likelihood that each and every Class Member will receive the Class Notice, attached to the
6 Settlement as Exhibit A. Under the Settlement, not later than 14 days after the Court grants
7 Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the
8 Administrator, in the form of a Microsoft Excel spreadsheet. Using best efforts to perform as
9 soon as possible, and in no event later than 7 days after receiving the Class Data, the
10 Administrator will send to all Class Members identified in the Class Data, via first-class United
11 States Postal Service (“USPS”) mail, the Class Notice with Spanish, Vietnamese, Mandarin, and
12 Cantonese translations. (Exhibit 1, Settlement Agreement, ¶ 4.2, 7.4.2.) The Class Notice
13 includes a summary of the case and settlement terms and provides Class Members with detailed
14 instructions on how to exclude themselves, object to the settlement, and dispute the number of
15 workweeks and/or pay periods attributed to each Class Member per Defendant’ records. (Exhibit
16 A, Class Notice). Class Members who wish to exclude themselves from (opt-out of) the Class
17 Settlement must send the Administrator, by fax, email, or mail, a signed written Request for
18 Exclusion not later than 60 days after the Administrator mails the Class Notice (plus an
19 additional 14 days for Class Members whose Class Notice is re-mailed). (Exhibit 1, Settlement
20 Agreement, ¶ 7.5.1) A Request for Exclusion is a letter from a Class Member or his/her
21 representative that reasonably communicates the Class Member’s election to be excluded from
22 the Settlement and includes the Class Member’s name, address and email address or telephone
23 number. (*Id.*) To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked
24 by the Response Deadline. (*Id.*) This is the best and most practicable way to ensure the greatest
25 possible number of Class Members will receive the Notice.

26 68. The settlement agreement does not impose any affirmative duties on Participating
27 Class Members. No claim form is required to participate in the Settlement. Individuals who wish
28 to opt out or object may do so. The Class Notice itself fully apprises Class Members of the

1 nature of the lawsuit, the claims involved, the terms of the settlement, and their options
2 thereunder. (Exhibit 1, Settlement Agreement, Exhibit A, Class Notice). It provides for a specific
3 procedure to seek exclusion from the Class, disputing payments and Class Information,
4 challenging workweek and pay period data, and lodging objections to the settlement. (*Id.*) In the
5 Class Notice, Class Members will also receive Class Counsel's contact information so they can
6 speak to attorneys conversant with the legal and factual issues involved in this case, as well as
7 the contact information for the Settlement Administrator. The efforts taken to ensure that Class
8 Members receive the Class Notice and are well informed about the settlement are reasonable and
9 provide the best notice practicable under the facts.

10 **Qualifications and Adequacy of Class Counsel**

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

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

20 71. D.Law has litigated and successfully resolved many wage and hour class action cases
21 involving failure to pay wages and derivative Labor Code claims and penalties. See e.g. *De La*
22 *Rosa v. The Coca Cola Company et al.* (Superior Court of California in Napa, 17CV000787),
23 *Harvey v. Bed Bath & Beyond of California Limited Liability Company* (Superior Court of
24 California in Alameda, RG17885153), *Paredes v. Bottling Group LLC et. al.* (Superior Court of
25 California in Kern), *Ramirez v. Harris Ranch Beef Company* (Superior Court of California in
26 Fresno, 16CECG04103), *Gates v. Gate Gourmet, Inc. et. al.* (Southern District of California, 16-
27 cv-01084-L-AGS), *Hargrave v. Antelope Valley Hospital* (Superior Court of California in Los
28 Angeles, BC663252), *Ramirez v. Milton Roy et. al.* (Superior Court of California in Los

Angeles, BC 632 276), Hawkins v. AvalonBay Communities (Superior Court of California in Santa Clara, 17CV316492), Jones Tharpe et al. v. Sprint Corporation et al. (Superior Court of California in Los Angeles, BC644645), Ortega et al. v. Nestle Waters North America, Inc. et al. (Superior Court of California in Los Angeles, BC623610), Schultz v. Jimbo's Natural Family, Inc. (Superior Court of California in San Diego, 37-2017-00022348-CUE-OE-CTL), Ambrose v. Victor Valley Global et al. (Superior Court of California in San Bernardino, CIVDS1709289), Puerta-Gildardo v. Real Time Staffing Services LLC et. al. (Superior Court of California in Los Angeles, BC565445), Vargo v. Pregis Innovative Packaging LLC (Superior Court of California in Tulare, 270836), Conlin v. Aegis Senior Communities LLC (Northern District of California, 17-cv-05534-LHK), Galarza v. Kloeckner Metals Corporation (Central District of California, 2:17-cv-04910-FMO), Estes v. L3 Technologies, Inc. et al. (Southern District of California, 3:17-cv-02356-H-JMA), Rowser v. Trunk Club, Inc. (Central District of California, 2:17-cv-05064-DSF-RAO), Leach v. The Claremont Colleges, Inc. (Superior Court of California in Los Angeles, BC686451), Vaesau v. PCT Enterprises, Inc. dba Precision Cabinets (Superior Court of California, County of Contra Costa MSC18-02404), Terry v. TF Louderback, Inc. dba Bay Area Beverage Company (Superior Court of the State of California, County of Contra Costa, MSC18-00859), Roach v. Westcare California, Inc. (Superior Court of California in Kern County, BCV-17-102367-SDS), Patton v. Church & Dwight Co., Inc. (Central District of California, EDCV 18-903-MWF (KKx)), Juarez v. ISL Employees, Inc. (Superior Court of California in Madera, MCV074787), Ferraro v. USC Verdugo Hill s Hospital, et al. (Superior Court of California in Los Angeles, 18STCV09463), Ford v. Account Control Technology, Inc., et al. (Superior Court of California in Los Angeles, 19STCV09369), Ornelas v. iStorage, et al. (Superior Court of California in San Francisco, CGC-18-571421), Martinez v. Ronpak, Inc. (Superior Court of California in Riverside, RIC1901307), Barrera et al. v. Exclusive Wireless, Inc. (Superior Court of California in Stanislaus, 9000687), Barajas v. Mancha Development Company LLC (Superior Court of California in Orange County, 30-2018-00974707-CU-OE-CXC), Prado v. IMAX Corporation dba IMAC Worldwide Home (Superior Court of California in San Bernardino, CIVDS1820265), Rodriguez v. ND Industries, Inc. (Superior Court of California in Los Angeles,

1 19STCV38096), Singletary v. Motel 6 Operating LP, et al. (Southern District of California, 3:20-
2 cv-0270-LAB-AHG), Quizon v. CF Watsonville East, LLC, et al. (Superior Court of California
3 in Santa Cruz, 20CV01868), Stephenson v. Bakersfield Dodge, Inc. (Superior Court of
4 California in Kern, BCV-20-102693), Bacerra v. Hugo Boss Retail, Inc. (Superior Court of
5 California in San Diego, 37-2021-00002933-CU-OE-CTL), Walker v. Ariat International, Inc.
6 (Superior Court of California in Alameda, HG19026439), Orr v. Petvet Care Centers (California)
7 Inc. (Superior Court of California in Santa Clara, 19CV354063), Jimenez v. OEC Distribution
8 Services, Inc. (Superior Court of California in San Bernardino, CIVDS1915743), Viridi v.
9 Absolute Security International (Superior Court of California in San Bernardino, CIVDS
10 1909589), Raj v. First Transit, Inc (Superior Court of California in Sacramento, 34-2021-
11 00295895-CU-OE-GDS), Marchbanks v. Torrid Administration, Inc. (Superior Court of
12 California in San Diego, 37-2020-00008179-CU-OE-NC), among others.

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

20 73. Attorney Alvin B. Lindsay graduated from the United States Military Academy at
21 West Point and then served as an Army Officer for 10 years in the Corps of Engineers. He then
22 earned his Juris Doctorate from Whittier Law School and has been practicing in California for
23 over twenty years. Since 2010, he has exclusively focused his practice on representing
24 employees including in wage-and-hour class and PAGA actions. During his career, he has
25 represented employees in many wage-and-hour class and PAGA action lawsuits as lead or co-
26 lead counsel (including in the Central, Southern, Eastern, and Northern Districts of California),
27 and has been successful in getting many contested class action cases certified and has secured
28 class and PAGA settlements for many millions of dollars against a range of defendants,

1 including Fortune 500 companies. He is experienced and qualified to evaluate the representative
2 claims, to evaluate settlement versus trial on a fully informed basis, and to evaluate the viability
3 of the defenses.

4 74. Associate Attorney Jean Hopkins Power received her Bachelor of Bachelor of
5 Business Administration in Accounting from Texas Tech University in 1986. She then earned
6 her Juris Doctorate from Texas Tech School of Law in 1989. Since passing the California bar in
7 2019, for the last five years, she has exclusively focused her practice on representing parties in
8 employment law matters, including in wage-and-hour class actions and PAGA actions. Ms.
9 Power is licensed and admitted to practice before all courts in the State of California and the
10 United States District Courts for the Central, Southern, Eastern and Northern Districts of
11 California.

12 75. William Tran is an associate attorney at D.Law. Mr. Tran was admitted to the
13 California State Bar in February 2021. Mr. Tran earned his B.A. from UC Irvine in 2014 and his
14 J.D. from UCSF College of the Law (formerly UC Hastings) in 2020. Since 2022, Mr. Tran has
15 practiced exclusively in employment law, representing plaintiff-employees in wage-and-hour
16 class actions and PAGA actions. Mr. Tran served as lead or co-lead counsel in numerous federal
17 and state class actions (including in the Central, Southern, Eastern, and Northern Districts of
18 California), recovering millions of dollars in settlements against defendants, including Fortune
19 500 companies. Mr. Tran is experienced in evaluating class and representative claims, weighing
20 settlement versus trial, and assessing the viability of defenses.

21 76. Associate Attorney Emma Geesaman received her Bachelor of Arts in political science
22 from Boston University in 2019. She then earned her Juris Doctorate from Case Western Reserve
23 University Law School in May of 2023. Upon graduating from law school, she has exclusively
24 focused my practice on representing employees including in wage-and-hour class actions.

25 77. Associate Attorney Bradford Smith graduated from the University of California, Irvine
26 with a Bachelor of Arts in History and received his Juris Doctor from Loyola Law School, Los
27 Angeles in 2022. He was admitted to practice law in the State of California in 2022. Before
28 joining D.Law, Inc., he worked at a law firm specializing in insurance defense litigation. Since

2023, his focus has been on wage and hour class action litigation and settlements.

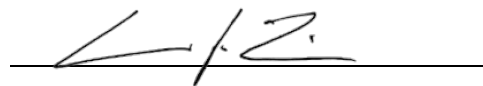
78. The collective experience of the D.Law attorneys in litigating employment wage and hour matters has been integral in identifying legal issues, evaluating the strengths and weaknesses of a case, and generally negotiating fair and reasonable class and representative action settlements. Practice in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

79. Based upon my experience and understanding of the claims and defenses in this action, I believe the settlement is fair, adequate, and reasonable for the Class Members and aggrieved employees and all involved, and that the Settlement is well within the range of reasonableness that would permit it to be finally approved. I am not aware of any conflict of interest with Plaintiff or any other Class Member that would interfere with the duties as Class Counsel.

80. On September 26, 2026, Plaintiff submitted the Settlement Agreement and Plaintiff's Motion to the LWDA. A true and correct copy of the confirmatory email from the LWDA is attached hereto as **Exhibit 3**.

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

Executed on September 22, 2026, in Pasadena, California.



Enoch J. Kim, Esq.

EXHIBIT 1

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Gerardo De Leon (“Plaintiff”) and Defendant B2Sign, Inc. (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means Plaintiff’s lawsuit alleging wage and hour violations against Defendant captioned *De Leon v. B2 SIGN, INC.*, Case No. 24STCV15638, filed on June 21, 2024, in Superior Court of the State of California, County of Los Angeles.
- 1.2. “Administrator” means Phoenix Class Action Administration, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. “Aggrieved Employee” means all persons who worked for Defendant in California as non-exempt, hourly employees at any time during the PAGA Period.
- 1.5. “Class” means all persons who worked for Defendant in California as non-exempt, hourly employees at any time during the Class Period.
- 1.6. “Class Counsel” means D.Law, Inc.
- 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.8. “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s name, last-known mailing address, Social Security number, beginning and end dates of employment, number of Workweeks during the Class Period, number of Pay Periods during the PAGA Period, and other information necessary to mail the Class Notice.
- 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

- 1.11. “Class Notice” means the Court Approved Notice of Class Action Settlement and hearing date for Final Court Approval, to be mailed to Class Members in English with Spanish, Vietnamese, Mandarin, and Cantonese translations, in the form, without material variation, attached as **Exhibit A** and incorporated by reference into this Agreement.
- 1.12. “Class Period” or “Settlement Class Period” means the period from June 21, 2020, through January 4, 2026.
- 1.13. “Class Representative” means the named Plaintiff in the Action seeking Court approval to serve as a Class Representative.
- 1.14. “Class Representative Service Payment” means the payment of \$5,000.00 to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.15. “Court” means the Superior Court of California, County of Los Angeles.
- 1.16. “Defendant” means B2Sign, Inc.
- 1.17. “Defense Counsel” means O’Hagan Meyer.
- 1.18. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or (c) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.21. “Gross Settlement Amount” or “GSA” means \$580,000.00, which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below.
- 1.22. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
- 1.23. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 35% of the PAGA Penalties calculated according to the number of Pay Periods worked during the PAGA Period.

- 1.24. “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.25. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.26. “LWDA PAGA Payment” means the 65% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.27. “Net Settlement Amount” or “NSA” means Gross Settlement Amount, less the following payments in the amount approved by the Court: Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, the Administration Expenses Payment, Individual PAGA Payments, and the LWDA PAGA Payment.
- 1.28. “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.29. “Operative Complaint” means the operative First Amended Complaint filed in the Action on March 11, 2025.
- 1.30. “Pay Period” means any pay period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.31. “PAGA Period” means the period from June 21, 2023, through January 4, 2026.
- 1.32. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.)
- 1.33. “PAGA Notice” means Plaintiff’s June 21, 2024, letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.34. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 35% to the Aggrieved Employees and 65% to the LWDA in settlement of the Released PAGA Claims.
- 1.35. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.36. “Plaintiff” means Gerardo De Leon, the named plaintiff in the Action.
- 1.37. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.38. "Preliminary Approval Order" means the Order Granting Preliminary Approval of the Class Action and PAGA Settlement.
- 1.39. “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.

- 1.40. “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.41. “Released Parties” means Defendant and its present and former parent companies, subsidiaries, divisions, related entities, or affiliated companies, and their officers, directors, shareholders, employees, agents, principals, representatives, accountants, auditors, consultants, attorneys, insurers, re-insurers, predecessors, successors, and assigns.
- 1.42. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.43. “Response Deadline” means 60 days after the Administrator mails the Class Notice to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
- 1.44. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.45. “Workweek” means any calendar week during which a Class Member worked for Defendant for at least one day during the Class Period.

2. RECITALS.

- 2.1. On June 21, 2024, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendant for (1) Failure to Pay Minimum Wages; (2) Failure to Pay Wages and Overtime Under Labor Code § 510; (3) Meal Period Liability Labor Code § 226.7; (4) Rest Break Liability Labor Code § 226; (5) Violation of Labor Code § 226; (6) Violation of Labor Code § 221; (7) Violation of Labor Code § 204; (8) Violation of Labor Code § 203; (9) Failure to Maintain Records Required under Labor Code §§ 1174, 1174.5; (10) Failure to Reimburse Necessary Business Expenses Under Labor Code § 2802; and (11) Violation of Business & Professions Code §§ 17200, *et seq.* On June 21, 2024, Plaintiff gave timely notice to the LWDA and Defendant that Plaintiff intended to proceed with a representative action under PAGA (LWDA-CM-1035778-24) pursuant to Labor Code § 2699.3, subd.(a). On March 11, 2025, Plaintiff filed the First Amended Complaint, which added claims for civil penalties under Labor Code § 2698, *et seq.* (“Operative Complaint”).
- 2.2. Defendant denies the allegations in the Action and in the Operative Complaint, denies any failure to comply with the laws identified in the Action and in the Operative Complaint, and denies any and all liability for the causes of action alleged in the Action and in the Operative Complaint.

- 2.3. On July 16, 2025, the Parties participated in private mediation before Lonnie Giamela, Esq. After further discussions and negotiations, the Parties were able to reach a settlement in principle.
- 2.4. In advance of mediation, Class Counsel conducted a thorough investigation into the facts of, and applicable law to, the Action. Prior to mediation, Plaintiff also obtained and analyzed a sampling of time and payroll data for Class Members and the necessary policy documents through informal discovery to properly evaluate the strength and weaknesses of the claim and engage in meaningful settlement discussions. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116 (2008) ("*Dunk/Kullar*").
- 2.5. The Court has not granted class certification because the Parties engaged in mediation before the class certification stage. The Parties are stipulating to class certification for settlement purposes only.
- 2.6. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant will pay the Gross Settlement Amount of Five Hundred Eighty Thousand Dollars and Zero Cents (\$580,000.00) on a non-reversionary basis. The Gross Settlement Amount does not include employer payroll taxes owed on the wage portions of the Individual Class Payments, which Defendant will pay separately.
- 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
- 3.2.1 To Plaintiff: A Class Representative Service Payment to the Class Representative of not more than \$5,000.00 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment

using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

- 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third of the Gross Settlement Amount, which is currently estimated to be \$193,333.33, and a Class Counsel Litigation Expenses Payment of actual and reasonable litigation costs and expenses incurred to prosecute the Action. Defendant will not oppose requests for these payments. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment.
- 3.2.3 To the Administrator: An Administrator Expenses Payment not to exceed \$12,000.00, except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$12,000.00, the Administrator will retain the remainder in the Net Settlement Amount.
- 3.2.4 To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.
 - 3.2.4.1 Tax Allocation of Individual Class Payments. 20% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The remaining 80% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.
 - 3.2.4.2 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to

their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$50,000.00 to be paid from the Gross Settlement Amount, with 65% allocated to the LWDA PAGA Payment and 35% allocated to the Individual PAGA Payments.

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

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

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendant represents that there are 569 Class Members who collectively worked a total of 32,423 Workweeks during the Class Period, and 385 Aggrieved Employees who worked a total of 8,244 Pay Periods.

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

4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than 10 days after the Effective Date.

4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment.

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

4.4.2 The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within 3 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member, thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

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

- 5. RELEASES OF CLAIMS.** Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Aggrieved Employees will release claims against all Released Parties as follows:

5.1 Plaintiff's Release. Plaintiff and his, her, or their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors and assigns generally, release and forever discharge Released Parties, to the fullest extent permitted by law, of and from any and all claims, known and unknown, asserted and not asserted, which Plaintiff has or may have against Released Parties as of the date of his execution of this Agreement, including, but not limited to, all claims, transactions or occurrences that occurred during the Class Period, including, but not limited to: (a) all claims that were or reasonably could have been alleged based on the facts contained in the Action and in the Operative Complaint, and (b) all PAGA claims that were or reasonably could have been alleged based on facts contained in Plaintiff's PAGA Notice. ("Plaintiff's Release.") Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

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

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

5.2 Release by Participating Class Members: All Participating Class Members, together and individually, on their behalf and on behalf of their respective heirs, executors, administrators, agents, and attorneys, release and forever discharge the Released Parties from all claims that were alleged or reasonably could have been alleged based on the facts stated in the Operative Complaint ("Released Class Claims"). The Released Class Claims only apply to claims arising during the Class Period.

5.3 Release by Aggrieved Employees: All Aggrieved Employees, together and individually, on their behalf and on behalf of their respective heirs, executors, administrators, agents, and attorneys, are deemed to release and forever discharge the Released Parties from any

and all claims for civil penalties under PAGA that were alleged or reasonably could have been alleged based on the facts stated in the PAGA Notice (“Released PAGA Claims”). The Released PAGA Claims only apply to claims arising during the PAGA Period.

6. MOTION FOR PRELIMINARY APPROVAL. Plaintiff will prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s current checklist for Preliminary Approval.

6.1. Plaintiff’s Responsibilities. Plaintiff will prepare all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (vii) all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator and/or the Cy Pres Recipient (if any). In their Declaration, Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2. Responsibilities of Counsel. Class Counsel will obtain a prompt hearing date for the Motion for Preliminary Approval, file the Motion for Preliminary Approval no later than 16 court days before the hearing, unless otherwise ordered by the Court, and deliver the Court’s Preliminary Approval Order to the Administrator.

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

7. SETTLEMENT ADMINISTRATION.

- 7.1. Selection of Administrator. The Parties have jointly selected Phoenix Class Action Administration Solutions to serve as the Administrator and verified that, as a condition of appointment, Phoenix Class Action Administration Solutions agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.
- 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1.
- 7.4. Notice to Class Members.
- 7.4.1 No later than three (3) calendar days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and Pay Periods in the Class Data.
- 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 7 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice with Spanish, Vietnamese, Mandarin, and Cantonese translations, substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
- 7.4.3 Not later than 3 business days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

- 7.4.4 The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- 7.4.5 If the Administrator, Defendant or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received the Class Notice, the Parties will expeditiously meet and confer by telephone, and in good faith in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5 Requests for Exclusion (Opt-Outs).

- 7.5.1 Class Members who wish to exclude themselves from (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.
- 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of validity and authenticity shall be final and not appealable or otherwise susceptible to challenge.
- 7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

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

7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Workweeks and Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

7.7 Objections to Settlement.

7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 60 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

7.7.3 Non-Participating Class Members have no right to object to any of the Class Action components of the Settlement.

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

- 7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.
- 7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).
- 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.
- 7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.
- 7.8.5 Administrator’s Declaration. Not later than 14 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing

of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections, and attach the Exclusion List. The Administrator will supplement its Declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's Declaration(s) in Court.

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

8. **CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE.** Based on its records, Defendant represented that there are 569 Class Members who collectively worked a total of 32,423 Workweeks during the Class Period. If the total number of workweeks during the Class Period increases to more than 32,423 Workweeks, then, at Defendant's election, one of the following shall occur: 1) the GSA will be increased proportionally by the number of Workweeks worked in excess of 32,423 (for example, if the total number of Workweeks increases by 1% over 32,423 Workweeks, the GSA will increase by 1%. If this provision is triggered, the Parties agree that the portion of the GSA allocated to attorneys' fees will increase proportionally such that the total amount of attorneys' fees remains one-third of the GSA after the upward adjustment required by this provision is implemented.); or 2) the end date of the Class Period and PAGA Period shall be advanced to the last date on which the total number of Workweeks worked by Class Members, in the aggregate and during the Class Period, is no greater than 32,423. Defendant shall provide the Class Data to the Administrator, and the Administrator will confirm the total number of Workweeks prior to the filing of the Motion for Preliminary Approval. If the total number of Workweeks exceeds 32,423, Defendant shall make its election under this escalator clause prior to the filing of the Motion for Preliminary Approval.
9. **DEFENDANT'S RIGHT TO WITHDRAW.** Defendant shall have the right to withdraw from this Settlement or terminate this Settlement if more than 15% of the Class Members submit timely Requests for Exclusion from the Settlement. Defendant will be responsible for the Administration Expenses incurred to date upon its election to withdraw from the Settlement. Defendant must notify Class Counsel and the Court of its election to withdraw not later than seven (7) days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

10. MOTION FOR FINAL APPROVAL. Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court a motion for Final Approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a proposed Final Approval Order and a proposed Judgment (collectively “Motion for Final Approval”).

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

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

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

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

10.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall

nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

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

12. ADDITIONAL PROVISIONS.

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

12.2. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify the other Party of any judicial or agency order, inquiry, or subpoena

seeking such information. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement, except to respond only that “the matter was resolved,” or words to that effect. This paragraph does not restrict Class Counsel’s communications with Class Members in accordance with Class Counsel’s ethical obligations owed to Class Members.

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

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

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

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

12.7. No Prior Assignments. The Parties separately represent 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 right released and discharged by the Party in this Settlement.

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

- 12.9. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 12.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 12.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 12.13. Confidentiality. To the extent permitted by law, all agreements made and orders entered during the Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 12.14. Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destruction, of Class Data.
- 12.15. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 12.16. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 12.17. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

D.Law, Inc.

Alvin B. Lindsay

A.lindsay@d.law

William Tran

w.tran@d.law

Enoch J. Kim

e.kim@d.law

Bradford Smith

b.smith@d.law

250 N. Madison Ave, 2nd Floor

Pasadena, CA 91101

Telephone: (818) 962-6465

Fax: (818) 962-6469

To Defendant:

O'Hagan Meyer

David B. Nusz

Samantha Lopez

Carla Vasques dos Santos-Moore

dnusz@ohaganmeyer.com

slopez@ohaganmeyer.com

cmoore@ohaganmeyer.com

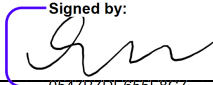
4695 MacArthur Court, Suite 900

Newport Beach, CA 92660

Telephone: (949) 942-8538

- 12.18. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email, which, for purposes of this Agreement, shall be accepted as an original. All executed counterparts, and each of them, will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 12.19. Stay of Litigation. The Parties agree that, upon the execution of this Agreement, the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree, upon the signing of this Agreement and pursuant to California Code of Civil Procedure ~~CP~~ section 583.330, to extend the date to bring a case to trial under California Code of Civil Procedure section 583.310 for the entire period of this settlement process.

DATED: 9/22/2026

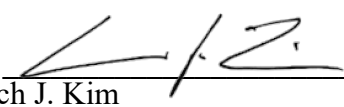
BY:  Signed by:
US47B7DE655F8C7...
Gerardo De Leon

DATED:

BY: _____
Name: _____
Title: _____
B2Sign, Inc.

DATED: 9/22/2026

D.LAW, INC.

BY:  _____
Enoch J. Kim
Bradford Smith
Counsel for Plaintiff Gerardo De Leon

DATED:

O'HAGAN MEYER

BY: _____
David B. Nusz
Carla Vasques dos Santos-Moore
Counsel for Defendant B2Sign, Inc.

DATED:

BY: _____

Gerardo De Leon

DATED: 09/18/26

BY: Nora Lau

Name: Nora Lau

Title: CEO

B2Sign, Inc.

DATED:

D.LAW, INC.

BY: _____

Enoch J. Kim

Bradford Smith

Counsel for Plaintiff Gerardo De Leon

DATED: 09/22/2026

O'HAGAN MEYER

BY: David B. Nusz

David B. Nusz

Carla Vasques dos Santos-Moore

Counsel for Defendant B2Sign, Inc.

Superior Court of California, County of Los Angeles

Gerardo De Leon v. B2Sign, Inc.

Case No. 24STCV15638

*The Superior Court for the State of California authorized this Notice.
It's not junk mail, spam, an advertisement, or solicitation by a lawyer.
This is not a lawsuit against you and you are not being sued*

**COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT
AND HEARING DATE FOR FINAL COURT APPROVAL (“Notice”)**

To: All persons who worked for B2Sign, Inc. (“Defendant” or “B2Sign”) in California as non-exempt, hourly employees at any time during June 21, 2020, through January 4, 2026 (“Class Period”).

**YOU MAY BE ELIGIBLE TO RECEIVE PAYMENT FROM THE CLASS ACTION AND
PAGA SETTLEMENT DESCRIBED IN THIS NOTICE.**

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	To receive a Settlement payment, you do not need to do anything. Your payment will be mailed to you, automatically, if the Court grants final approval of the Settlement. <i>You must, however, keep a current address on file with the Settlement Administrator to ensure receipt of your check.</i>
CHANGE CONTACT AND ADDRESS INFORMATION	Update your address with the Settlement Administrator to ensure your check is sent to the correct address.
EXCLUDE YOURSELF FROM THE CLASS SETTLEMENT	If you do not want to participate in the Class portion of the Settlement, you may exclude yourself (opt out) from the Class portion of the Settlement. If you exclude yourself from the Class portion of the Settlement, you will not receive an Individual Class Payment (defined below). This option preserves your right to pursue the Released Class Claims (defined below) against Defendant. However, even if you exclude yourself from the Class portion of the Settlement, you will still receive your Individual PAGA Payment from the PAGA portion of the Settlement (if eligible) and be bound by it as further explained below.
OBJECT	Write to the Settlement Administrator if you think the Settlement is not fair or you can appear at a hearing to explain to the Court why you think the Settlement is not fair.

- **YOUR RIGHTS AND OPTIONS – AND THE DEADLINES TO EXERCISE THEM – ARE EXPLAINED IN THIS NOTICE.**
- **YOU WILL NOT BE RETALIATED AGAINST IN ANY MANNER BY ANYONE FOR PARTICIPATING OR NOT PARTICIPATING IN THIS SETTLEMENT.**

BACKGROUND ON THE LAWSUIT

1. **Why did I get this notice?**

You received this notice because Defendant's records identify you as someone who worked for B2Sign, Inc. in California as a non-exempt, hourly employee at any time from June 21, 2020, through January 4, 2026, making you a "Class Member" during the "Class Period." The Settlement will resolve certain wage and hours claims of Class Members, which are described below, during the Class Period. The Settlement will also resolve claims for civil penalties brought under the California Private Attorneys General Act ("PAGA"). If you are a Class Member, you are also an "Aggrieved Employee" if you worked for Defendant in California as a non-exempt, hourly employee at any time from June 21, 2023, through January 4, 2026 ("PAGA Period").

The purpose of this Notice is to explain the lawsuit, the pending Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court has preliminarily approved the proposed Settlement and directed that you receive this Notice. The Court has not yet decided whether to grant final approval. The Court will hold a final approval hearing (details provided below) to determine whether to finally approve the Settlement.

2. **What is this Class and PAGA Lawsuit about?**

On June 21, 2024, Plaintiff filed a Class Action Complaint against Defendant in the Superior Court of California, County of Los Angeles, Case No. 24STCV15638, alleging claims for failure to pay minimum wage, failure to pay overtime wages, failure to provide compliant meal periods or meal break premium pay, failure to provide compliant rest breaks or rest break premium pay, failure to provide accurate, itemized wage statements, unauthorized deductions, failure to timely pay wages twice monthly, failure to timely pay wages during employment or upon separation and for waiting-time penalties, failure to maintain accurate records or provide requested records, and failure to indemnify reasonable and necessary business expenses ("Lawsuit"). On March 11, 2025, Plaintiff filed a First Amended Class Action Complaint adding a claim for civil penalties under PAGA ("Operative Complaint").

Defendant denies all allegations in the Lawsuit and contends that it has fully complied with the California Labor Code. The Settlement is not an admission of any wrongdoing by Defendant or an indication that any law was violated or that this case was suitable for class or representative treatment.

3. **Why is there a Settlement?**

The Court has not decided in favor of Plaintiff or Defendant or made any decision as to whether this case could proceed on a class or representative basis. Instead, with the assistance of an experienced and neutral mediator, the Parties successfully negotiated the Settlement to resolve the Lawsuit rather than continue the expensive and time-consuming process of litigation. Both sides agree the proposed Settlement is a compromise of disputed claims.

4. **Who are the Attorneys for the Parties?**

Counsel for Plaintiff and the Class ("Class Counsel")

Counsel for Defendant:

Counsel for Plaintiff Gerardo De Leon:

Alvin Lindsay, Esq.

William Tran, Esq.

Enoch J. Kim, Esq.

Bradford Smith, Esq.

D.LAW, INC.

250 N. Madison Ave, 2nd Floor

Pasadena, CA 91101

Telephone: (818) 962-6465

Fax: (818) 962-6469

David B. Nusz

Carla Vasques Dos Santos-Moore

cmoore@ohaganmeyer.com

O'HAGAN MEYER

4695 MacArthur Court, Suite 900

Newport Beach, CA 92260

THE TERMS OF THE SETTLEMENT

5. What is the Settlement Amount?

The proposed Settlement provides for a maximum payment of \$580,000.00 (the "Gross Settlement Amount"). From the Gross Settlement Amount, Class Counsel will apply to the Court for attorneys' fees of \$193,333.33 and actual litigation costs estimated not to exceed \$20,000.00, a payment of up to \$5,000.00 to Plaintiff for his time and efforts to initiate and prosecute the Lawsuit ("Class Representative Service Payment"); PAGA Penalties of \$50,000.00, with \$32,500.00 allocated to the California Labor Workforce Development Agency ("LWDA") and \$17,500.00 allocated to the Aggrieved Employees as Individual PAGA Payments based on the number of pay periods worked during the PAGA Period; and payment not to exceed \$12,000.00 to Phoenix Class Action Administration ("Administrator") for settlement administration expenses ("Administration Expenses Payment"). The exact amount of the attorneys' fees, litigation costs, Class Representative Service Payment, and Administration Expenses Payment will be determined by the Court at the Final Approval Hearing. The remaining portion of the Gross Settlement Amount ("Net Settlement Amount") is currently estimated to be approximately **[SXXXXXXXX]**. The Net Settlement Amount will be apportioned and paid out to Class Members who do not opt out from the Settlement ("Participating Class Members") as individual payments based on the number of workweeks worked during the Class Period ("Individual Class Payments").

6. How will the Individual Class Payments to Participating Class Members be calculated?

Participating Class Members will receive Individual Class Payments as a proportional amount of the Net Settlement Amount. **A claim form is not required.** Class Members who opt out of the Class portion of the Settlement will not receive an Individual Class Payment and will not be bound by the Class portion of the Settlement.

Each Participating Class Member's Individual Class Payment will be a pro-rata share of the Net Settlement Amount based on the number of workweeks worked during the Class Period ("Workweeks"). The Administrator will calculate the total Workweeks for all Participating Class Members. The respective Workweeks for each Participating Class Member will be divided by the total Workweeks for all Participating Class Members, resulting in the pro-rata share of the Net Settlement Amount that each Participating Class Member would be entitled to.

All Individual Class Payments to Participating Class Members shall be allocated as follows for tax purposes: 20% of each Participating Class Member's Individual Class Payment will be allocated to wage claims (the "Wage Portion"). The Wage Portion is subject to tax withholding and will be reported on an IRS W-2 Form. The remaining 80% of each Participating Class Member's Individual Class Payment will be allocated to interest and penalties (the "Non-Wage Portion"). The Non-Wage Portion is not subject to wage withholdings and will be

reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

Your total estimated Workweeks is [REDACTED]. Based on that, your anticipated approximate Individual Class Payment is [REDACTED].

7. How will the PAGA Penalties be allocated to the LWDA and Aggrieved Employees?

The Parties will ask the Court to approve \$50,000.00 in PAGA Penalties in settlement of claims of civil penalties under PAGA. As required under PAGA, 65% of the PAGA Penalties, or \$32,500.00, will be paid to the LWDA ("LWDA PAGA Payment"). The remaining 25% of the PAGA Penalties, or \$17,500.00, will be paid to Aggrieved Employees ("Individual PAGA Payment").

No claim form is required to receive an Individual PAGA Payment. Because Aggrieved Employees cannot opt out of the PAGA portion of the Settlement, Aggrieved Employees will receive an Individual PAGA Payment and be bound by the PAGA portion of the Settlement even if they opt out of the Class portion of the Settlement.

Each Aggrieved Employee's Individual PAGA Payment will be a pro-rata share of the 35% (\$17,500.00) of the PAGA Penalties to be distributed to Aggrieved Employees. Individual PAGA Payments will be based on the number of Pay Periods that each Aggrieved Employee worked for Defendant during the PAGA Period as a proportion of all Pay Periods worked by all Aggrieved Employees during the PAGA Period. For tax purposes, 100% of the Individual PAGA Payments will be allocated as penalties for which an IRS Form 1099 will be issued, if required by law.

Your total estimated Pay Periods are [REDACTED]. Based on that, your anticipated Individual PAGA Payment is [REDACTED].

HOW TO GET A PAYMENT

8. How can I get a settlement payment?

If you do nothing, you will automatically receive your Individual Class Payment and Individual PAGA Payment (if any) after the Court's approval of the Settlement becomes final. You must notify the Administrator of any change in your name and/or mailing address if the information shown on this is not correct.

It is your responsibility to keep the Administrator informed of any change in your address. Settlement payments will be mailed to the last known address the Settlement Administrator has on file for you. You can contact the Administrator by U.S. Mail, email, or phone at [REDACTED] if you need to update your contact information.

9. What do I do if I believe my Workweeks and/or Pay Periods are incorrect?

If you believe the Workweeks and/or Pay Periods above are not correct, you may send a letter to the Administrator indicating what you believe to be the correct information. Your letter must be faxed, emailed, or postmarked on or before [REDACTED], 2026 [60 days within mailing of Notice]. You should include any documents or other information which supports what you believe to be the number of Workweeks and/or Pay Periods you worked. The Settlement Administrator will resolve any dispute regarding these issues based on Defendant's records and any information you provide.

10. When can I expect to receive a settlement check?

Individual Class Payments and Individual PAGA Payments will be mailed to Participating Class Members and Aggrieved Employees approximately 14 days after the Administrator receives the funds from the Defendant (due

21 days after the Effective Date). The “Effective Date” means the date when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

Settlement checks should be cashed promptly upon receipt. Proceeds of checks that remain uncashed after 180 days from the date of issuance will be transferred to the California Controller’s Unclaimed Property Fund in your name. If the monies represented by your check is sent to the Controller’s Unclaimed Property Fund, you should consult the rules of the Fund for instructions on how to retrieve your money. If your settlement check is lost or misplaced, you should contact the Settlement Administrator immediately.

WHAT HAPPENS IF THE COURT APPROVES THE SETTLEMENT

11. **What am I giving up to get an Individual Settlement Payment?**

If the Court approves the Settlement and unless you exclude yourself from the Class portion of the Settlement, you will become a Participating Class Member, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against Defendant concerning the claims being resolved in the Settlement. Specifically, you will be giving up or “releasing” the claims described below:

Release by Participating Class Members: All Participating Class Members release the Released Parties from all claims that were alleged or reasonably could have been alleged based on the facts stated in the Operative Complaint (“Released Class Claims”). The Released Class Claims only apply to claims arising during the Class Period.

“Released Parties” means Defendant and its present and former parent companies, subsidiaries, divisions, related entities, or affiliated companies, and their officers, directors, employees, agents, attorneys, insurers, re-insurers, successors and assigns.

12. **What PAGA Claims are released by the Settlement?**

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

“PAGA Notice” is the letter submitted to the LWDA and Defendant by Plaintiff on June 21, 2024.

EXCLUDING YOURSELF FROM THE CLASS SETTLEMENT

13. **How do I opt out of the Class portion of the Settlement?**

If you wish to preserve your right to pursue your own separate lawsuit against Defendant for the Released Class Claims or otherwise do not want to participate in the Class portion of the Settlement for whatever reason, you have the option to exclude yourself from the Class portion of the Settlement. However, you cannot opt out of the PAGA portion of the Settlement. Class Members who opt out of the Class portion of the Settlement will still be bound by the PAGA portion of the Settlement and will receive an Individual PAGA Payment (if any).

To opt out of the Class portion of the Settlement and the release of Released Class Claims, you must provide a signed and dated letter to the Administrator requesting to be excluded. The letter must include the case name, case number (located at the top of this Notice), your full name and mailing address, and a statement that you request exclusion from the Settlement and do not wish to participate in the Settlement. The letter should be signed by you and faxed, emailed, or postmarked on or before [REDACTED], 2026 [60 days within mailing of Notice]. Opt-out requests faxed, emailed, or postmarked after the deadline will be invalid. The Administrator's information is below:

Administrator: NAME

Email Address:

Mailing Address:

Telephone:

Fax Number:

14. If I don't exclude myself from the Class portion of the Settlement, can I sue Defendant for the same thing later?

No. Unless you exclude yourself, you give up any right to sue Defendant for the claims being released by the Class portion of the Settlement, the Released Class Claims. If you have a claim or lawsuit already filed against Defendant or any of the Released Parties, you should speak to your lawyer in that case immediately. You may need to exclude yourself from the Class portion of the Settlement to continue your own lawsuit. You cannot exclude yourself from the PAGA portion of the Settlement.

OBJECTING TO THE SETTLEMENT

15. How do I tell the Court that I don't like the Settlement?

If you are a Participating Class Member and don't think the Settlement is fair, you can object to some or all of the Settlement. You can either object to the Settlement in person at the Final Approval Hearing or you can submit a written objection. Written objections must be faxed, emailed, or mailed to the Administrator by [REDACTED], 2026 [60 days within mailing of Notice].

The written objection should state your name and mailing address and describe all reasons for objecting to the terms of the Settlement. You should also include or attach any documents upon which your objection is based. If the Court overrules the objection at the Final Approval Hearing, the Settlement will be approved and you will receive your Individual Class Payment. If you do not submit a written objection, you may still appear at the Final Approval Hearing to voice your objection or to otherwise observe the proceedings.

Class Members who opt out from the Class portion of the Settlement have no right to object to the Settlement.

THE COURT'S FINAL APPROVAL HEARING

16. When and where will the Court decide whether to grant final approval of the Settlement?

The Court will hold a "Final Approval Hearing" in Department 7 of the Los Angeles County Superior Court located at 312 North Spring Street, Los Angeles, CA 90012 on [REDACTED] 2026, at _____. At this hearing, the Court will determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve the Class Counsel's request for attorneys' fees and costs, the Class Representative Service Payments, and the Administration Expense Payment.

The Court may reschedule the Final Approval Hearing without further notice to Class Members. You can also check the Court's docket in this case, which will have the most up to date information about the case, by visiting the Court's websites at <https://www.lacourt.ca.gov/pages/lp/access-a-case/tp/find-case-information/cp/os-civil-case-access>.

17. Do I have to come to the Final Approval Hearing?

No. Class Counsel will answer any questions the Court may have. But you are welcome to come at your own expense. If you timely submit a written objection, you don't have to come to Court to talk about it but you may. You may also hire and pay your own lawyer to attend if you so desire.

[instructions for appearing remotely, if applicable]

GETTING MORE INFORMATION

18. Whom may I contact if I have questions about the Settlement?

You may contact Class Counsel at the contact information above in Paragraph 4 if you have any questions about the Settlement. You may also contact the court-appointed Administrator, [NAME], using its contact information provided above.

You may also visit [insert website URL] to review important case notices and documents.

PLEASE DO NOT TELEPHONE THE SUPERIOR COURT CLERK TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

EXHIBIT 2

June 21, 2024

VIA ON-LINE SUBMISSION ONLY TO:

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

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

VIA CERTIFIED MAIL TO:

(by certified mail to B2Sign Inc)

B2Sign Inc
462 S. Humane Way
Pomona, CA 91766
Certified Mail Tracking Number: 9414 8112 0620 4776 8382 63

Nora Lau
Agent for Service of Process for B2Sign Inc
462 S. Humane Way
Pomona, CA 91766
Certified Mail Tracking Number: 9414 8112 0620 4776 8384 23

**Re: Labor Code § 2698, *et seq.* Penalties - PAGA Notice Letter to LWDA
Gerardo De Leon v. B2Sign Inc
Superior Court for the County of Los Angeles**

Gentlepersons:

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

The purpose of this letter is to comply with the Private Attorneys General Act of 2004, pursuant to California Labor Code § 2698 *et seq.* (“the Act”). Plaintiff would like to bring a representative action, pursuant to the Act, on behalf of himself and all other similarly situated Aggrieved Employees, and the State of California, against Defendants B2Sign Inc and Does 1 through 50 inclusive (all defendants being referred to herein collectively as “Defendants”).



We also set forth herein the facts and theories and the California Labor Code violations which Defendants engaged in with respect to Plaintiff and all of their Aggrieved Employees in California. The attached Class Action Complaint is being concurrently filed in Los Angeles County Superior Court and will be assigned a local case number. It provides the details of Plaintiff's class-wide claims and claims under the Act, and the applicable California law governing them. It, along with this Notice Letter, also addresses in detail numerous violations that subject Defendants to civil and statutory penalties under the Act.

Relevant Facts

Plaintiff was employed by Defendants as a non-exempt hourly warehouse employee within the State of California placed at Defendant B2Sign Inc's warehouse in Pomona, California and within the County of Los Angeles. Defendant B2Sign Inc is a corporation that provides printing services to its customers. Plaintiff and the other similarly situated Employees of Defendants worked in Defendants' facilities at Defendants' behest and without being paid all wages due and without being provided all their required meal periods and rest breaks.

Upon information and belief, Plaintiff was employed by Defendants and shared similar job duties and responsibilities; were subjected to the same policies and practices; and endured similar violations at the hands of Defendants as the other Aggrieved Employees who served in similar and related positions.

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

Defendant B2SIGN INC is a California stock corporation that lists its principal address in Pomona, California. It lists a registered corporate agent who list an address in Pomona, California, and in Los Angeles County. B2Sign Inc ("B2Sign") lists its type of business as "LARGE FORMT PRINTING." The wage statements issued to Plaintiff list "B2SIGN INC" as his employer with an address in Pomona, California.

Plaintiff and the Aggrieved Employees were either not paid by Defendants for all hours worked or were not paid at the appropriate minimum, regular, and overtime rates. Plaintiff also contends that Defendants failed to pay Plaintiff and the Aggrieved Employees all wages due and owing, including compensation for off-the-clock work, uncompliant meal and rest breaks, and



Defendants' failure to furnish accurate wage statements, all in violation of various provisions of the California Labor Code and applicable paragraphs of the IWC Wage Orders.

During the course of Plaintiff and the Aggrieved Employees' employment with Defendants, they were not paid all wages they were owed, including for all work performed (resulting in "off the clock" work) and for all their overtime hours worked, and they were not paid at the required rates for overtime. This has resulted in systematic and ongoing violations of the California Labor Code and relevant IWC Wage Orders. Upon information and belief, Defendants employ other non-exempt, hourly employees as forklift operators, warehouse workers, and in similar and related positions based out of their warehouses, facilities, and locations in California.

Plaintiff was generally scheduled to work five days per week for eight hours per shift, with shift times generally spanning from 8:30 a.m. through 5:30 p.m. About two to three times per week, Plaintiff was required to work longer shifts with an additional three to four hours approved by Defendants to be paid at overtime premium rates. However, Plaintiff was required by Defendants to endure substantial off-the-clock work before and after his hours.

Defendants' policy and practice of requiring systematic off-the-clock work flowed in part from their unlawful timekeeping procedures. Defendants required timekeeping entries to be inputted into timeclock systems by Employees. While Defendants required time punch records for shift start and end times and meal period beginning and end times, the time punches failed to account for the time Plaintiff and Aggrieved Employees spent waiting for time clocks to become available. Plaintiff recalls that there were only two time clocks available at the warehouse where Plaintiff was employed, and he, along with about a hundred other employees, were required to wait several minutes per shift for time clocks to become available. Oftentimes, Plaintiff waited about ten minutes for his turn to clock in and Defendants timekeeping procedures failed to capture the time Plaintiff and Aggrieved Employees spent waiting for time clocks to become available.

In addition to the time spent waiting for time clocks to become available, Plaintiff incurred additional pre-shift off-the-clock work as he was compelled by Defendants to pick up trash prior to clocking in about 4-5 times per week. As a result, Plaintiff often had to arrive to the warehouse jobsite about ten minutes prior to his scheduled shift start time in order to ensure he timely clocked in., Defendants failed to compensate Plaintiff, and upon information and belief other Aggrieved Employees, for this pre-shift off-the-clock work.

Defendants' managers also contacted Plaintiff by calling his personal cell phone regarding work-related matters and scheduling and would do so both throughout the work day and during breaks and also after work hours. Plaintiff estimates that he endured about 30 minutes of off-the-clock work per day answering calls and texts from his supervisor. Additional off-the-clock work occurred in the form of the unlawful deduction of 30 minutes of hours worked for an alleged meal period that was provided generally untimely if at all.



Overtime hours were generally not allowed, and if approved by management, however, Plaintiff was required to endure hours of off-the-clock work that should have been paid at one and one-half times the employee's regular rate. To whatever extent Defendants paid performance-based bonuses and any other form of remuneration to Aggrieved Employees, such as shift differentials and the like, Defendants failed to include it in the regular rate used to calculate and pay the overtime that Defendants did pay.

Plaintiff was therefore not paid for all his hours worked at the required minimum, overtime, and double time wage rates due to Defendants' uniformly applied and unlawful policy and practice of requiring him to work off the clock and without pay. Defendants systematically underpaid Plaintiff and the Aggrieved Employees by failing to pay them at the required overtime rates for all hours over eight in a work shift or over forty in a work week, and all hours over twelve in a day at the required double time rate. Upon information and belief, the Aggrieved Employees were bound by similar scheduling and timekeeping policies and endured similar violations at Defendants' hands as Plaintiff.

Defendants have either failed to maintain timekeeping records for Plaintiff that would permit Plaintiff to discover the nature and extent of the off-the-clock work Defendants required and the actual hours Plaintiff worked or the breaks he received or have otherwise declined to produce them to Plaintiff in response to a timely and lawful records request. By failing to pay for all hours worked, and by under-recording regular hours to the detriment of the Aggrieved Employees, Defendants have committed knowing and intentional ongoing violations of the record-keeping requirements under the Labor Code, including section 1174, by either failing to maintain records or retaining inaccurate ones.

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

Therefore, from at least four years prior to the filing of this lawsuit and continuing to the present, Defendants had a consistent policy or practice of failing to pay Employees for all hours worked and failing to pay minimum wages for all time worked, as required by California law. Also, from at least four years prior to the filing of this lawsuit and continuing to the present, Defendants had a consistent policy or practice of failing to pay Employees overtime compensation at premium overtime rates for all hours worked in excess of eight hours a day and/or forty hours a week and double-time rates for all hours worked in excess of twelve hours a day, in violation of Labor Code § 510 and the corresponding sections of IWC Wage Orders.



Defendants also failed to provide Plaintiff and the Aggrieved Employees with their required meal periods and the at least two ten-minute rest breaks as required at a minimum for Plaintiff's scheduled shift durations. The above-described off-the-clock work contributed to Defendants' common policy of failing to provide lawful meal periods to Plaintiff and the Aggrieved Employees, as required under the Labor Code and Paragraph 11 of the IWC Wage Order(s). Defendants similarly failed to authorize and permit Plaintiff and the employee Aggrieved Employees to take all required 10-minute rest breaks, as required under the Labor Code and Paragraph 12 of the IWC Wage Order(s).

More specifically, Plaintiff worked shifts that entitled him to at least one meal period, but as addressed above, Defendants' managers required Plaintiff and the Aggrieved Employees to input thirty minutes for lunches and would deduct that time from hours worked for the shift. To whatever extent there was ever a schedule for meal periods, it went by the wayside quickly as there always seemed to be job demands to address and attend to. This led to systematically late meal periods, if they were provided at all. Upon information and belief, production goals and management expectations also contributed to Employees working through meal periods or not taking them or taking them late so work could be accomplished or they were required to remain under Defendants' control during meal periods. Plaintiff recalls that most, if not all, of his meal periods were provided after the fifth hour of work. Defendants thus automatically deducted 30 minutes for a meal period on each work shift without regard to whether it was actually taken or was otherwise unlawful.

Even on the occasions when Defendants authorized and permitted Plaintiff to take a first meal period, he was not permitted to take a second meal period. In fact, Plaintiff cannot recall a single instance during his employment with Defendant where he was provided with a second meal period, despite the fact that he worked 10-12 hour shifts about 2-3 times per week.

Therefore, meal period violations systematically occurred throughout all of Plaintiff's work shifts where Defendants both failed to provide a lawful meal period or penalty payment and then also unlawfully deducted 30 minutes from Plaintiff's hours worked for the day. To the extent Defendants ever did pay Plaintiff a meal period premium, they failed to include all forms of remuneration beyond hourly wages in the regular hourly rate used to pay the one-hour premium payment. Upon information and belief, the other Aggrieved Employees were subjected to similar unlawful policies and practices and endured similar violations as Plaintiff.

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



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

Defendants thus followed uniformly applied policies of not providing all required meal periods to their Employees. Meal periods were often not properly provided, as they were often provided after the fifth hour of work. Additionally, as addressed above, Defendants followed a practice of requiring off-the-clock work in a manner that would impact when Employees were to receive meal periods and rest breaks, thus leading to further violations.

As a result, Defendants' failure to provide Plaintiff and the Aggrieved Employees with all legally required off-duty, unpaid meal periods and all the legally required off-duty, paid rest periods is and will be evidenced by Defendants' business records, or lack thereof. As further detailed above, Defendants also failed to pay Employees "premium pay," i.e. one hour of wages at each Employee's effective regular hourly rate of compensation for each meal period or rest break that Defendants failed to provide or deficiently provided.

Plaintiff and the Aggrieved Employees were unable to take off-duty breaks or were otherwise not provided with the opportunity to take required breaks as required under the Labor Code and Wage Orders due to Defendants' policies and practices. On the occasions when Plaintiff and the Aggrieved Employees were provided with a meal period, it was often untimely or interrupted, or was impermissibly shortened, and Employees were not provided with one hour's wages in lieu thereof.

Similar violations resulted from Defendants' failure to authorize and permit Plaintiff and the Aggrieved Employees to take duty-free, net ten-minute rest breaks for every four hours of shift work, or a major fraction thereof. Plaintiff and the other similarly situated Aggrieved Employees were either not authorized permitted the opportunity to take a rest break, or were required to remain under Defendants' control and respond to calls and instructions from management and job demands. Additionally, Plaintiff cannot recall a time when he took a third rest break, despite regularly working shifts of more than ten hours.

Rest breaks were neither scheduled nor contemplated by Defendants. During Plaintiff's entire employment duration with Defendants, he cannot recall a time when he took a second or third rest break, despite being entitled to receive at least two paid, timely, uninterrupted, and duty-free ten-minute rest breaks during each of his work shifts. As detailed above, in addition to failing to authorize and permit rest breaks, Defendants unlawfully deducted up to 30 minutes for a meal period that were rarely provided or otherwise received without violation.



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

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

Defendants have also consistently violated Labor Code § 221 by unlawfully collecting or deducting the Employees' earned wages, including by the above-described off-the-clock work and on-duty work while on unpaid meal breaks. In addition to failing to authorize and permit rest breaks, Defendants unlawfully deducted up to 30 minutes for meal periods that were rarely provided or otherwise received without violation. Thus, by deducting 30 minutes for a meal period that was generally not lawfully provided if at all, Defendants effectively and unlawfully deducted at least 30 minutes of hours worked from each Employee's daily work shifts. By not compensating Employees for all hours worked, Defendants unlawfully deducted wages earned in violation of Labor Code § 221.

Defendants also violated California Labor Code § 246 by not providing all required paid sick days to Plaintiff and the Aggrieved Employees. Labor Code § 246 provides that an Employee who "works in California for the same employer for 30 or more days within a year from the commencement of employment is entitled to paid sick days as specified in this section." Defendants failed to provide Plaintiffs and the other similarly Aggrieved Employees with all their required and earned sick days, in violation of Labor Code § 246. Additionally, and upon information and belief, Defendants have failed to provide COVID-19 supplemental sick leave to the Aggrieved Employees during the relevant time period, including by failing to provide two work weeks of COVID-19 supplemental paid sick leave as required under Labor Code §§ 248.1 and 248.2 and including damages and penalties as these sections are enforced through Labor Code § 248.5.

Defendants also failed to provide Employees such as Plaintiff at the time of his employment and thereafter with written notice complying with all the requirements of Labor Code § 2810.5, which provides that: "At the time of hiring, an employer shall provide to each employee a written notice, in the language the employer normally uses to communicate employment-related



information to the employee, containing” specifically required information. Upon information and belief, Defendants failed to provide this information to the Aggrieved Employees as required under Labor Code § 2810.5. Defendants were required to provide Plaintiff and the aggrieved employee Aggrieved Employees certain specific information upon hiring pursuant to California Labor Code § 2810.5. Defendants failed to provide Plaintiff with any such information when he was hired, and upon information and belief Defendants committed similar violations in connection with similarly situated and Aggrieved Employees.

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

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

Defendants also required Plaintiff and the Aggrieved Employees to work hours off the clock for which they were not compensated. They were required to endure off-the-clock work addressed above during interrupted or otherwise on-duty meal and rest periods and were not provided with sick pay and supplemental sick leave and were subjected to systematic off-the-clock work. Defendants also failed to pay all overtime premium wages owed for work conducted on a work shift and a workday or failed to pay it at the correct rate, as addressed above. Therefore, Defendants have also followed a uniform and consistent policy of failing to pay all wages owed



to Plaintiff and other similarly situated Employees at the time of their termination or within seventy-two hours of their resignation, as required by California wage-and-hour laws, including Labor Code § 203.

Defendants have regularly required Plaintiff and the Aggrieved Employees to incur necessary business expenses in the course of performing their required job duties without reimbursement. These included the cell phone-related expenses Plaintiff incurred in responding to calls from supervisors, and Plaintiff estimates that these calls oftentimes spanned for about 30 minutes per day. Plaintiff and the Aggrieved Employees must be reimbursed for these necessary business expenses under Labor Code § 2802 and Defendants systematically failed to do so.

PAGA Claim Details, Legal Bases for Violations and Penalties:

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

Failure to Pay Minimum Wages

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

Defendants failed to pay Employees minimum wages they were owed, including by their consistent policy of failing to pay Employees for all hours worked. Employees would work hours and not receive wages, including as alleged above in connection with off the clock work, including all the time required to remain on duty and under Defendants’ control during breaks and due to the work demands placed upon them by Defendants’ management and due to unlawful rounding. Defendants, and each of them, have also intentionally and improperly rounded, changed, adjusted and/or modified Employee hours, or required Employees to do so, and imposed difficult to attain job and shift scheduling requirements on Plaintiff and the Aggrieved Employees, which resulted in off the clock work and underpayment of all wages owed to Employees over a period of time, while benefiting Defendants. During the relevant time period, Defendants thus regularly failed to pay minimum wages to Aggrieved Employees, including by requiring systematic off the clock work. Defendants’ uniform pattern of unlawful wage and hour practices manifested, without limitation, applicable to the Aggrieved Employees as a whole, as a result of implementing a uniform policy and practice that denied accurate compensation to Plaintiff and the other Aggrieved Employees as to minimum wage pay. In light of the forgoing, the Aggrieved Employees seek to recover wages and penalties. Aggrieved Employees are entitled to recover the unpaid minimum wages (including double minimum wages), liquidated damages in an amount equal to the minimum wages unlawfully unpaid, interest thereon and reasonable attorney’s fees and costs of suit pursuant to California Labor Code § 1194(a). Plaintiff and the other Aggrieved employees further request recovery of all unpaid wages, according to proof, interest, statutory costs, as well as the assessment of any



statutory and civil penalties against Defendants, in a sum as provided by the California Labor Code and/or other applicable statutes, including pursuant to Labor Code § 558, and Wage Order provisions. To the extent minimum wage compensation is determined to be owed to the Aggrieved Employees who have terminated their employment, Defendants' conduct also violates Labor Code §§ 201 and/or 202, and therefore these individuals are also be entitled to waiting time penalties under California Labor Code § 203, which penalties are sought herein on behalf of these Aggrieved Employees. Defendants' failure to timely pay all wages owed also violated Labor Code § 204 and resulted in violations of Labor Code § 226 because they resulted in the issuance of inaccurate wage statements. Defendants' conduct as alleged herein was willful, intentional and not in good faith. Further, Plaintiff and other Aggrieved Employees are entitled to seek and recover statutory costs.

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

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

Defendants violated the law by failing to pay Aggrieved Employees earned wages and overtime. Specifically, Defendants had a consistent policy of not paying Employees wages for all hours worked, including hours at their required regular, overtime, and double-time rates. Defendants, and each of them, have intentionally and improperly rounded, changed, adjusted and/or modified certain employees' hours, including Plaintiff's, or required Aggrieved Employees to do so, or otherwise caused them to work off the clock to avoid paying Aggrieved Employees all earned and owed straight time and overtime wages and other benefits, in violation of the California Labor Code, the California Code of Regulations and the IWC Wage Orders and guidelines set forth by the Division of Labor Standards and Enforcement. Defendants have also violated these provisions by requiring Plaintiff and other similarly situated non-exempt employees to work through meal periods when they were required to be clocked out or to otherwise work off the clock to complete their daily job duties. When considered in combination with the unlawful rounding to their detriment, Aggrieved Employees were not properly compensated, nor were they paid overtime rates or the correct overtime rate (addressed above) for hours worked in excess of eight hours in a given day, and/or forty hours in a given week. Based on information and belief, Defendants did not make available to Employees a reasonable protocol for correcting time records when Employees worked overtime hours or to fix incorrect time entries or those that Defendants unlawfully under-recorded to the Employee's detriment. Defendants have also violated these provisions by requiring Plaintiff and other similarly situated Aggrieved Employees to work through meal periods when they were required to be clocked out or to otherwise work off the clock to complete their daily job duties.

In light of the foregoing, Aggrieved Employees seek to recover wages and penalties pursuant to the California Labor Code, including Labor Code §§ 204, 510, 558, 1174, 1194, 1198, 1199, and the relevant paragraphs of the IWC Wage Orders, including paragraphs 2(K), 2(S), 3(A), 4, and 20. Defendants are liable to Employees for the full amount of all their unpaid wages and



overtime compensation, with interest, plus their reasonable attorneys' fees and costs, as well as the assessment of any statutory penalties against Defendants, and each of them, and any additional sums as provided by the Labor Code and/or other statutes and Wage Order provisions. Under the PAGA, and following exhaustion of the notice period, Plaintiff is seeking all civil and statutory penalties available and applicable under Labor Code §§ 510, 558, 1194.2, 1197.1, 1199, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Meal-Period Liability Under Labor Code § 226.7 and Penalties

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

On the occasions when Aggrieved Employees were provided with a meal period, it was often untimely or interrupted by having to respond to work demands or remain under Defendant's control, in violation of the Labor Code and applicable Wage Orders. On shifts over ten hours, second meal periods were not provided. Defendants also failed to pay Aggrieved Employees "premium pay," i.e., one hour of wages at each Aggrieved Employee's effective regular rate of pay, for each meal period that Defendants failed to provide or deficiently provided. Therefore, pursuant to Labor Code § 226.7 and paragraphs 11 and 20 of the applicable IWC Wage Order, Aggrieved Employees are entitled to damages in an amount equal to one (1) hour of wages at their effective hourly rates of pay for each meal period not provided or deficiently provided, as well as the assessment of any statutory penalties against the Defendants, and each of them, in a sum as provided by the Labor Code, including Labor Code § 558 and other applicable statutes and Wage Order provisions.

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

Rest-Break Liability and Penalties

Defendants have consistently failed to provide Aggrieved Employees with paid rest breaks of not less than ten minutes for every work period of four or more consecutive hours, as required under Labor Code § 226.7. Specifically, Defendants provided rest periods untimely or for shortened durations due to the work demands placed upon them by Defendants' management, and Defendants' policy discouraged and effectively prevented Aggrieved Employees from leaving Defendants' premises. Defendants also failed to pay Aggrieved Employees premium pay for each day on which requisite rest breaks were not provided or were deficiently provided.



Therefore, pursuant to Labor Code § 226.7 and paragraphs 12 and 20 of the applicable IWC Wage Order, Aggrieved Employees are entitled to damages in an amount equal to one hour of wages at their effective hourly rates of pay for each meal period not provided or deficiently provided, as well as the assessment of any statutory penalties against the Defendants, and each of them, in a sum as provided by the Labor Code, including Labor Code § 558 and other applicable statutes and Wage Order provisions. Under the PAGA, and following exhaustion of the notice period, Plaintiff is seeking all civil and statutory penalties and wages as available and applicable under Labor Code §§ 226.7, 512, 558, including sections 558(a)(1)-(3), 1199, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

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

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

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

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



subjects Defendants to “a penalty in the amount of two hundred fifty dollars (\$250) per employee per violation in an initial citation and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, ...”

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

Labor Code § 221 provides, “It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee.” As discussed above, Defendants have consistently violated Labor Code § 221 by unlawfully collecting or deducting the Employees’ earned wages, including by the above described off the clock work and unlawful rounding and overtime miscalculation. By not compensating Employees for all hours worked, Defendant unlawfully deducted wages earned by and owed to Aggrieved Employees, in violation of Labor Code § 221. In light of the forgoing, Plaintiff and Aggrieved Employees seek to recover penalties pursuant to Labor Code § 558. Under the PAGA, and following exhaustion of the notice period, Plaintiff seeking all civil and statutory penalties available and applicable under Labor Code §§ 510, 558, 1194, 2699(f)(2), and 2699.5, and also for attorneys’ fees and costs pursuant to Labor Code § 2699(g)(1).

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

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

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

Waiting Time Penalties Pursuant to Labor Code § 203

Some Aggrieved Employees no longer work for Defendants; they either resigned or were terminated from Defendants’ employ. Based on the forgoing, Defendants have had a consistent



policy of failing to pay all wages earned by and owed to Aggrieved Employees at the time of their termination of within seventy-two hours of their resignation, as required by California under Labor Code § 203. In light of the forgoing, Plaintiff and Aggrieved Employees seek to recover wages and penalties pursuant to Labor Code § 558 and further specifically seek penalties and wages under Labor Code § 203, which provides that an employee's wages shall continue until paid for up to thirty (30) days from the date they were due. Under the PAGA, and following exhaustion of the notice period, Plaintiff asserts PAGA claims for failure to timely pay all wages owed, including at least semi-monthly and upon separation or termination, under Labor Code §§ 201, 201, 203, 204, 1197.5, 2926, and 2927 seeking all civil penalties available and applicable under Labor Code §§ 201, 202, 203, 210, 558, 1197, 1198, 1199, 2699(f)(2), 2699.5, and paragraph 20 of the applicable IWC Wage Orders, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Failure to Keep Records In Accordance With Labor Code § 1174

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

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

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

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



paid sick leave as required under Labor Code §§ 248.1 and 248.2 and including damages and penalties as these sections are enforced through Labor Code § 248.5, which requires that: “If paid sick days were unlawfully withheld, the dollar amount of paid sick days withheld from the employee multiplied by three, or two hundred fifty dollars (\$250), whichever amount is greater, but not to exceed an aggregate penalty of four thousand dollars (\$4,000), shall be included in the administrative penalty.” As also addressed above, Defendants’ strict overtime avoidance policy also compelled Plaintiff’s manager to add what should have been overtime hours to payroll as Plaintiff’s sick days or paid time off days.

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

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

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

Failure to Reimburse Necessary Business Expenses Under Labor Code § 2802

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

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

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

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

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

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

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

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

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

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



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

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

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

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

(g) All Other Alleged Violations of the Labor Code and IWC Wage Orders: For Labor Code §§ 212, 2810.5, and any above addressed violation of the applicable provisions of the Labor Code and IWC Wage Orders constituting violations of Labor Code § 1198 and Labor Code § 2699.5, and seeking penalties available and applicable under Labor Code § 2699(f)(2) and paragraph 20 of the applicable IWC Wage Orders, and for attorneys’ fees and costs pursuant to Labor Code § 2699(g)(1).

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We have been constrained to initially move forward with the filing of this Complaint, alleging the causes of action discussed herein, without the PAGA claim. Thus, any action by the LWDA would not resolve the entirety of the case, and the interest of judicial economy will be served by allowing the case to proceed as a cohesive whole.

This letter and the attached Complaint therefore provide the requisite notice under the Act to the LWDA and Defendants by setting forth the specific provisions of the Labor Code and related provisions Plaintiff alleges have been violated, including the facts and relevant theories alleged against B2Sign Inc and any other named Defendants and joint employers. To prevent the violations described in the Complaint and herein from occurring, and to remedy past violations, Plaintiff respectfully requests that the LWDA conduct an investigation into Defendants' employment practices in accordance with the Act.

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

Regards,

D.LAW, INC.

Alvin B. Lindsay

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Jean Power

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Cc: B2Sign Inc by Certified Mail

EXHIBIT 3