

Kevin A. Lipeles (Bar No. 244275)
kevin@kallaw.com
Thomas H. Lipeles (Bar No. 217285)
thomas@kallaw.com
LIPELES LAW GROUP, APC
880 Apollo Street, Suite 336
El Segundo, CA 90245
Telephone: (310) 322-2211
Facsimile: (310) 322-2252

Attorneys for Plaintiffs
AARON CLAYTON WILSON and
NATHANIEL GARCIA CLAUDIO

SUPERIOR COURT OF CALIFORNIA
COUNTY OF LOS ANGELES

AARON CLAYTON WILSON AND
NATHANIEL GARCIA CLAUDIO,
individually, and on their own behalf and on
behalf of all others similarly situated,

Plaintiffs,

vs.

PEOPLES ASSISTING THE HOMELESS, a
California non-profit corporation; and DOES 1
through 100, inclusive,

Defendants.

CASE NO.: 24STCV17152

**DECLARATION OF KEVIN LIPELES IN
SUPPORT OF PLAINTIFFS' MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

Judge: Hon. Elaine Lu
Date: February 10, 2025
Time: 08:30AM
Dept.: 9

Complaint Filed: July 10, 2024

DECLARATION OF KEVIN LIPELES

1 1. I am an attorney at law duly licensed to practice law in California and admitted to
2 practice before this Court. I am the founding attorney of Lipeles Law Group, APC, which is
3 attorney of record for Plaintiffs Aaron Clayton Wilson and Nathaniel Garcia Claudio (collectively
4 “Plaintiffs”) and the potential class in this lawsuit.

5 2. I am over 18 years of age. I have personal knowledge of the facts set forth in this
6 declaration and could and would testify competently thereto.

7 3. I have no knowledge of the existence of any conflict of interest between me and my
8 firm and Plaintiffs, on the one hand, and any Class Member, on the other hand.

9 4. Prior to filing the Complaint, Plaintiffs’ Counsel conducted an initial investigation
10 of the facts and the law, and contacted potential witnesses at Defendant PATH, (“Defendant”), in
11 California. I comprehensively investigated the applicable law as applied to the facts discovered,
12 regarding the suitability of the action for class treatment, the claims of Plaintiffs, and the damages
13 claimed by Plaintiffs. These witnesses corroborated the class-wide claims in Plaintiffs’ complaint
14 and supported my belief that Plaintiffs were typical non-exempt hourly-paid employees and as such
15 were subject to the same policies and procedures that gave rise to the claims of the Class.

16 5. On July 10, 2024, Plaintiff Aaron Clayton Wilson filed his Original Class Action
17 Complaint in the Superior Court of California, Los Angeles County, on behalf of himself and
18 others similarly situated for certain present and former employees of Defendant for: (1) failure to
19 pay overtime (Cal. Labor Code §§510, 1198, et seq.; IWC Wage Order No. 4); (2) failure to pay
20 minimum wages (Cal. Labor Code §§ 1194, 1194.2, 1197, 1197.1, 1198; IWC Wage Order No. 4);
21 (3) failure to pay for meal periods not provided (Cal. Labor Code §§ 226.7, 512; IWC Wage Order
22 No. 4); (4) failure to pay for rest periods not provided (Cal. Labor Code §226.7, 512; IWC Wage
23 Order No. 4); (5) failure to maintain records and provide accurate itemized wage statements (Cal.
24 Labor Code §§ 226; IWC Wage Order No. 4); (6) failure to pay wages on termination and/or
25 resignation (Cal. Labor Code §§ 201-203); (7) failure to allow inspection of employment records
26 (Cal. Labor Code § 1198.5); and (8) unfair/unlawful business practices (Cal. Bus. and Prof. Code
27 §§ 17200 et seq.)

1 6. On November 12, 2024, Plaintiffs filed a First Amended Complaint, adding Plaintiff
2 Claudio and a claim for civil penalties pursuant to the Private Attorneys General Act (PAGA) (Cal.
3 Labor Code §§2699 *et seq.*)

4 7. Once the Action was filed, the Parties conducted extensive informal discovery,
5 investigation and arm's-length negotiations. Since approximately June 2024, I have conducted a
6 thorough investigation into the facts of this putative class action. The Parties exchanged and
7 analyzed documents. Information and data exchanges included detailed examination and analysis
8 of redacted time data, redacted payroll data and corporate policies and practices. The parties agreed
9 to participate in the cost-effective alternative of settlement.

10 8. The informal discovery process culminated in a mediation scheduled for May 6,
11 2025. In preparing for the mediation, I reviewed various information and data produced by
12 Defendant, including, *inter alia*,: (1) extensive review and analysis of relevant documents,
13 including, but not limited to, documents relating to meal and rest premiums paid; (2) detailed
14 examination and analysis of a random sampling of the payroll and time records for 25% of the
15 Class Members; (3) review of relevant data regarding the size of the putative class; (4) detailed
16 examination of data related to Defendant's PAGA exposure; and (5) research with respect to the
17 applicable law and the potential defenses thereto.

18 9. This discovery allowed me to assess the merits and value of Plaintiffs' claims, the
19 claims held by the Class Members, and Defendant's defenses.

20 10. Defendant's internal documents and computerized records showed that Defendant did
21 not pay overtime, minimum wages and afford non-exempt hourly-paid employees meal/rest breaks.

22 11. Negotiations at the mediation were hotly contested. At the settlement meeting,
23 Defendant made the following arguments in their defense for which substantial "deductions" were
24 thought to be appropriate by Plaintiffs' counsel and were applied to the maximum liability amount.
25 Defendant contended that it is their policy and practice to pay all wages for all time worked, that and
26 that Defendant did not require employees to perform off the clock work.

27 12. Further, Defendant adamantly contended that it implemented a policy in their
28 Employee Handbook for when nonexempt employees were to take meal/rest breaks. Defendant

1 contended that Plaintiffs will not be able to certify a class because individual issues predominate
2 and that courts routinely decline to certify meal/rest break classes.

3 13. Despite Defendant's contentions, I believed that Defendant's overtime, minimum
4 wage and meal/rest break policies and practices, violated their employees' rights to proper wage
5 compensation and meal/rest breaks.

6 14. From the data received from Defendant, Plaintiffs constructed a damages model based
7 on Defendant's exposure. Certain calculations are extrapolated to the Class since the analysis data
8 was based on a 25% sample. The sample is statistically reliable because it is representative of the
9 Class and is of sufficient size. As a result, certain calculations are multiplied by 4.

10 **A. Overtime/Minimum Wage Claims**¹

11 Plaintiffs assumed 170-minutes of off the clock work per work week. Defendant maintained
12 that their policy and practice is to pay all wages for all time worked and that Defendant did not
13 require employees to perform off the clock work. The average wage rate for all employees during
14 the Class Period was \$25.96 per hour.

15 The total estimated amount of alleged unpaid off the clock time in the statutory period is
16 36,348 regular hours and 174,245 overtime hours. Thus, the total amount of overtime/minimum
17 wages owed equaled \$7,728,694.38 as of May 6, 2025. $36,348 \text{ hours} * \$25.96 + 174,245 * \$25.96$
18 $* 1.5 = \$7,728,694.38$.

19 **B. Meal Break Claim**

20 Meal break violations (missed, shortened and/or late), were calculated and quantified based
21 on the actual observed violations contained in the 25% sample. The data was converted and both
22 shift durations and break durations were calculated. Employing the "5/10 rule"², each shift was
23 analyzed to determine whether a meal break was taken and whether that break was short, missed or
24 late. The 25% sample data revealed 36,197 shifts with violations during the statutory period. The
25 total amount of damages based on the number of shifts in the 25% sample was \$939,674.00

26 ¹ Damages relating to the minimum wage claim are subsumed within the calculations for overtime/double time wages.

27 ² The "5/10 rule" refers to the assumption of no meal break waiver, meaning a shift is eligible for a first meal break at 5
28 hours and a second meal break at 10 hours.

(36,197 * \$25.96).

Further, Plaintiffs assumed that 30% of meal breaks were interrupted. The average wage rate for all employees during the Class Period was \$25.96 per hour. The total number of meal break interruptions was 129,566. $129,566 * 30\% = 38,870$ violations. Thus, the total damages for interrupted meal breaks based on the 25% sample was \$1,009,065.00 ($38,870 * \$25.96$).

Defendant contended that they have a valid meal break policy and that they authorized and permitted meal breaks.

Sample data reflected that Defendant paid meal premiums to Class members, but Plaintiffs contend that Defendant failed to pay premiums for all noncompliant meal periods. According to Plaintiffs' damages model, Defendant's exposure for meal period violations extrapolated to the Class, excluding interest and penalties, amounted to approximately \$2,247,682.00 ($\$939,674.00 * 4 - 1,511,014$ (meal premiums paid)). Defendants' exposure for meal period interruptions extrapolated to the Class, excluding interest and penalties, amounted to approximately \$4,036,260.00 ($\$1,009,065 * 4$). The total amount of damages for both meal break violations and interruptions is \$6,283,942.00.

C. Rest Break Claim

Regarding rest break violations, Plaintiffs assumed a violation rate of 100% and one missed rest break per shift greater than 3.5 hours. The average wage rate for all employees during the Class Period was \$25.96 per hour. The total number of rest break violations in the statutory period was 185,557 shifts. Defendant contended that it has a valid rest break policy and that it authorized and permitted rest breaks.

According to Plaintiffs' damages model, PATH's exposure for non-complaint rest periods on the shifts, excluding interest, amounted to approximately \$4,816,773.72 ($185,557 * \$25.96 - \$286$ (rest break premiums paid)). When extrapolated to the Class, Defendant's exposure for non-compliant rest periods, excluding interest and penalties, amounted to approximately \$19,267,094.88 ($\$4,816,773.72 * 4$).

D. Failure to Provide Accurate Wage Statements Claim

Concerning the wage statement claim,³ the putative class was comprised of approximately 929 current employees during the one-year statutory period. There were 24 pay periods per year. Defendant maintained that it provided accurate wage statements to its employees. The value of Plaintiffs' wage statement claim was \$2,183,150.00 calculated as follows: Current employees (929, at the time of mediation) * \$2,350 (\$50.00 (initial violation) + \$100 (subsequent violations)) = \$2,183,150.00.

E. Failure to Pay Wages on Termination Claim

Concerning waiting time penalties, the putative class is comprised of approximately 1,169 former employees during the statutory period. Defendant contended that it paid its employees all wages due on termination. However, Plaintiffs asserted that employees were not paid all wages due on termination. Plaintiffs assumed 30 days per employee at 7.96 hours per day, \$25.96 average rate of pay and 1,169 former employees each year are in the Section 203 subclass. The potential value of the waiting time penalty claim⁴ for the Class Members who are former employees of Defendant is \$7,246,921.00, calculated as follows: 1,169 employees * 7.96 hours per day * \$25.96 * 30 days = \$7,246,921.00.

F. Damages Model

The Damages Model manifested the following conclusions concerning Defendant's exposure, excluding interest:

³ Labor Code §226(e) provides that an employee is entitled to recover \$50 for the initial pay period in which a violation of Labor Code §226 occurs and \$100 for each subsequent pay period, not to exceed \$4,000, as well as an award of costs and reasonable attorneys' fees, for all pay periods in which the employer knowingly and intentionally fails to provide accurate itemized statements to the employee causing the employee to suffer injury. There are 24 pay periods per year. The wage statement violation claim is derivative of Plaintiffs' other claims and depends on the actual number of violations found to exist.

⁴ Under Labor Code 203(a), Plaintiffs and the Class are entitled to one day's wages for each day he or she was not timely paid, not to exceed 30 days' wages.

<u>ALLEGATION</u>	<u>LIABILITY RISK</u>
Overtime/Minimum Wage Claim	\$7,728,694.38
Rest Break Claim	\$19,267,094.88
Meal Break Claim (including meal break violations and interruptions)	\$6,283,942.00
Failure to Issue Accurate Itemized Wage Statement Claim	\$2,183,150.00
Failure to Pay Wages on Termination Claim	\$7,246,921.00
Total, excluding interest	\$42,709,802.26

The following chart shows the amount of PAGA penalties on the overtime/minimum wage claims only since based on Labor Code 2699(h)(3)(i) PAGA penalties cannot be stacked:

Number of Pay Periods in PAGA Period	27,947	
Number of Pay Periods in PAGA Period – Overtime/Minimum Wage	27,947	
PAGA for Overtime/Minimum Wages	\$2,797,400	\$100/\$100
Total PAGA penalties alleged (assuming stacking)	\$2,797,400.00	

Since PAGA penalties cannot be stacked, the maximum recoverable PAGA penalties is \$2,797,400.00.

15. The \$423,500 proposed Gross Settlement Amount (“GSA”) represents a compromise of Defendant’s liability risk. The parties agreed to settle for \$423,500.00 with no claims process and **no reversion** to Defendant of any settlement monies remaining after all Participating Class Members claims are paid.

16. On May 6, 2025, the parties virtually attended via Zoom an all-day mediation with mediator Retired Judge Mitchel R. Goldberg, Esq. (“Mr. Goldberg”). Defense counsel and I selected Mr. Goldberg as mediator based upon his experience in mediating wage and hour class action lawsuits. Justen Lipeles, Esq. and I attended on behalf of Plaintiffs. Erin R. Ezra, Esq. and Tucker Y. Phillips, Esq. of Berger Kahn attended on behalf of Defendant. Defendant’s executive officers also attended the mediation remotely. Plaintiffs also remotely attended the mediation. *See* Declaration of Aaron Clayton Wilson (“Wilson Decl.”), ¶¶ 6-11 and Declaration of Nathaniel Garcia Claudio

(“Claudio Decl.”), ¶ 6.

1 17. Discussion focused on the many disputed legal and factual issues. Counsel for both
2 Parties analyzed the data provided by Defendant to estimate potential damages in the litigation.
3 Arm’s-length negotiations were conducted in good faith. The negotiations were lengthy and hard-
4 fought.

5 18. With Mr. Goldberg’s help, we negotiated a class-wide resolution at the mediation.
6 After a full day of negotiations, the parties agreed to settle for \$423,500.00 with **no reversion** to
7 Defendant of any settlement monies remaining after all Participating Class Members are paid.

8 19. The Parties negotiated a long-form agreement over many months before executing the
9 Joint Stipulation of Class Action and PAGA Settlement ("Settlement Agreement") in November
10 2025. A true and correct copy of the Settlement Agreement is attached hereto as **Exhibit A**⁵.

11 20. I have evaluated the strengths of the class claims and assessed the range of potential
12 outcomes of the litigation. In addition to disputing the merits of Plaintiffs’ claims, Defendant would
13 strongly challenge any request for class certification. While I believe that this case was suitable for
14 class certification because the policies at issue are amenable to treatment on a class wide basis, there
15 is always a significant risk associated with class certification proceedings and that uncertainty
16 governed the settlement negotiations.

17 21. Defendant is a non-profit corporation. During the mediation, Plaintiffs were
18 apprised that PATH’s funds from donors are earmarked and are specifically restricted to not be used
19 to settle lawsuits. Additionally, the mediator, a retired bankruptcy judge, reviewed all of PATH’s
20 financial documents and informed Plaintiffs that PATH was not able to offer a larger settlement
21 amount. *See generally* Declaration of Retired Judge Mitchel Goldberg.

22 22. Defendant contended that they maintained legally compliant wage compensation
23 policies and that Class members were paid for all hours worked. Thus, not getting certified is a risk
24 which Plaintiffs considered during the negotiations. Further, Defendant maintained that individual
25 issues predominate. Defendant argued that courts routinely decline to certify meal/rest break

26 ⁵ The release period extends beyond the date of preliminary approval because the Action provides for funding of the
27 GSA in installments.

1 classes. *See Wilson v. TE Connectivity Networks, Inc.*, 2017 WL 1758048, *7 (N.D. Cal. Feb. 9,
2 2017 (denying certification of break classes and noting “courts consistently [find that]
3 individualized issues predominate in meal and rest break claims”); *Payton v. CSI Elec.*
4 *Contractors, Inc.*, 27 Cal. App. 5th 832, 840-45 (2018) (affirming denial of rest break class due to
5 individualized issues); *Ordonez v. Radio Shack, Inc.*, 2013 WL 210223, *11-12 (N.D. Cal. Jan. 17,
6 2013) (denying certification of rest break class: “Unlike a meal break class, rest breaks were not
7 recorded in defendant’s timekeeping system, and defendant was not required to record them under
8 California law. As such...plaintiff appears unable to offer any classwide method for proving when
9 class members were or were not authorized and permitted to take a rest break. Without such a
10 classwide method for demonstrating which class members, during which shifts, were not
11 authorized and permitted to take rest breaks..., individualized issues will likely predominate.”)

12 23. Further, uncertainty relating to Plaintiffs’ potential PAGA damages played a role in
13 the negotiation considerations. Also, the actual amount of PAGA penalty awarded by the Court is
14 completely discretionary and the penalties are not subject to stacking under Labor Code §
15 2699(h)(3)(i), as amended.⁶ Lastly, since only 35% of any PAGA recovery reaches the PAGA
16 claimants (with the balance going to the state), the strength of Plaintiffs’ potential PAGA claims
17 and the potentially limited recovery was a factor considered during settlement negotiations. Here,
18 in accordance with *Moniz v. Adecco USA, Inc.* (2021) 72 Cal. App. 5th 56, the amount allocated to
19 PAGA penalties is fair, reasonable and adequate in view of PAGA’s purposes to remediate labor
20 law violations and deter future ones.

21 24. I anticipate that should this matter not resolve against Defendant, Defendant will
22 defend themselves vigorously. I anticipate that Defendant will challenge every aspect of the claims,

23 ⁶ In granting final approval of the class action settlement in *Stuart v. RadioShack*, 641 F. Supp. 2d 901 (N.D. Cal. 2009)
24 Judge Chen noted the following:

25 Plaintiffs could arguably get more . . . because they are entitled to penalties under the PAGA, [but] it is not
26 clear that they could get a significant additional amount because the PAGA provides that,
27 [i]n an action by an aggrieved employee seeking recovery of a civil penalty available under subdivision (a) or
28 (f), 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 so otherwise would result in an award that is
unjust, arbitrary and oppressive, or confiscatory.

including whether they violated labor laws, the commonality of the claims such that this action could not be certified as a class action, and the damages claimed.

25. In light of the uncertainties of protracted litigation, the GSA reflects an excellent recovery for the Class Members.

26. The proposed settlement here is fair to the Class. Since the filing of the Complaint in July 2024, Plaintiffs' counsel has conducted a comprehensive investigation and has reviewed voluminous documentary evidence relating to Defendant's overtime, minimum wage and meal/rest break policies and practices. Plaintiffs' counsel has also participated in extensive informal discovery and meeting and conferring regarding negotiations. Moreover, Plaintiffs remotely attended an all-day mediation with mediator Mr. Goldberg. Thus, Plaintiffs' Counsel negotiated the proposed Settlement with ample knowledge of the strengths and weaknesses of this case, the amounts necessary to compensate Class Members for their damages, and the benefits of the proposed Settlement under the circumstances of this case. In addition, Plaintiffs' Counsel and Defense counsel, are experienced class action litigation and employment attorneys, and have used their experience and expertise in fashioning a proposed Settlement that is acceptable to both parties.

27. Upon approval, Defendant will pay a non-reversionary GSA of \$423,500.00. After deductions for proposed court-approved Settlement Administration Costs, attorneys' fees and costs, LWDA PAGA Payment and the Enhancement Payments, the remaining Net Settlement Amount ("NSA"), approximately \$217,480.00, will be distributed to all Class Members who do not request exclusion. Current and former employees are not required to submit a claim form in order to receive an Individual Class Payment. Class Counsel believes the Settlement is a fair and adequate amount given the litigation risks and delays inherent in further litigation and appeals.

28. The proposed Settlement provides that Plaintiffs will request, and Defendant will not oppose, an award to Class Counsel in an amount not to exceed \$148,225.00 for attorneys' fees (35% of the GSA), up to \$16,000.00 in Class Counsel's costs, Enhancement Payments of \$7,500 to each of the Class Representatives (\$15,000 total) in recognition of their time, effort, and risk as Class Representatives, a PAGA penalty to the LWDA in the amount of \$7,800 (plus \$4,200 to the

Aggrieved Employees for a total of \$12,000) and approximately \$18,995 in Settlement Administration Costs. The foregoing awards amount to \$206,020 and Plaintiffs therefore request that the Court approve a total deduction of \$206,020 from the \$423,500.00 GSA. Viewing the participation, service and risk payment as an additional cost of litigation, in combination with the allocation for attorneys' fees, expenses and costs, this total deduction of \$206,020 is within the range of attorneys' fees, expenses and costs awarded in similar cases. *See e.g., Garrido v. American Air Liquide, Inc.*, No. BC485942, BC614586, 2018 WL 2267367, **1-2 (Cal. Super. Feb. 20, 2018) (granting final approval for failure to provide meal breaks); *Manzanares v. Irvine Scientific Sales Company, Inc.*, No. BC574478, 2017 WL 4772976 *2, (Cal. Super. Apr. 20, 2017) (granting preliminary approval in rest/meal break action); *Velasco v. Knight Port Services, LLC*, No. CIVDS1513403, 2016 WL 7655334, *2, (Cal. Super. Jan. 12, 2016) (granting preliminary approval in meal/rest break action); *Lacy T v. The Oakland Raiders*, No. RG14710815, 2015 WL 13701077, *3 (Cal. Super. Mar. 3, 2015) (granting final approval in a meal/rest break action).

29. According to the information provided to me from Defendant, there are 960 potential Class Members. Thus, the average settlement share is projected to be \$226.54⁷. Class members will have 60 days from the mailing of the Class Notice to request exclusion or object, thereby providing ample time to review the Class Notice without unduly delaying the settlement. The Class Notice will be in English with Spanish translation. The NSA shall be allocated proportionally based on each such Class Member's workweeks during the Class Period.

30. If a Class Member fails to cash the check within 180 days, his or her pro rata share of the NSA will be remitted to Destination Home. *See generally* Declarations of Sarah Kolish and Erin Ezra, filed concurrently herewith. Plaintiffs and their counsel do not have any interest in the cy pres recipient.

31. Those Class Members who do not request exclusion from the settlement will be bound by its terms, and will be releasing all claims against Defendant that were asserted or could have been asserted in this lawsuit, based on the facts and allegations asserted in the First Amended

⁷ \$217,480.00 (NSA)/960 (putative class members) = \$226.54 (average award per class member).

Complaint in this lawsuit, for the period of September 22, 2021 through the date of preliminary approval.

32. The following factors support the approval of the incentive awards requested here for the Class Representatives. First, the requested payments of \$7,500 for each of the Class Representatives (\$15,000 total) constitute only 3.5% of the GSA. Second, the Class Representatives spent a tremendous amount of time, approximately 30-35 hours, providing invaluable assistance to Class Counsel and the Class in this case, including providing factual background for the Class Complaint; providing and explaining documents corroborating their allegations to Class Counsel; reviewing the Complaint and other pleadings filed with the Court by Plaintiffs and Defendant; providing crucial information at settlement negotiations to rebut Defendant's arguments; remotely attending the all-day mediation; and participating in multiple conference calls and phone calls to discuss litigation and settlement strategy. The Class Representatives have been actively involved in this litigation and have proven themselves to be invaluable resources of information throughout this litigation. Third, the requested \$7,500 service payments to each of the Class Representatives falls well within the range of incentive awards typically awarded to class representatives in similar actions.

33. I believe that this proposed settlement is within the range of possible approval in light of the significant legal and factual obstacles that Plaintiffs faced, the risks and costs of further litigation, and the tangible monetary benefits to be received by Class Members.

34. I will also apply for an attorneys' fee award of \$148,225.00, or 35% of the GSA of \$423,500.00 and for costs up to \$16,000.00. The requested fee is fair compensation for undertaking complex, risky, expensive, and time-consuming litigation on a purely contingent fee basis. My office incurred substantial attorneys' fees conducting pre-filing investigation, analyzing the claims, conducting legal research, reviewing documents produced by Defendant, performing substantial data analysis of employee timekeeping data and payroll records, preparing for and attending mediation, negotiating and reviewing the Settlement Agreement, preparing this Motion for Preliminary Approval, and otherwise prosecuting the case. I also anticipate incurring significant future attorneys' fees in appearing at the hearing on this Motion for Preliminary Approval, supervising the Notice

process, fielding phone calls from Class Members after the Notice has been disseminated, and preparing the necessary Final Approval motions and appearing at the Final Approval Hearing.

35. Continuing to litigate this action against Defendant will be expensive and will take a considerable amount of time, with the eventual outcome entirely uncertain and there is a substantial risk that the Plaintiffs could, especially after deductions for costs and expenses, end up with nothing.

36. I believe and assert that this settlement is a fair, adequate and reasonable settlement against Defendant, and is in the best interests of the Class Members.

37. I am the founder of Lipeles Law Group, APC (“LLG”). I opened my own law firm straight out of law school starting with just a computer. Prior to founding the firm, I managed several retail businesses, including a high-end jewelry business and full-service restaurant that employed more than 25 people. In addition, I have represented and managed professional prize fighters, working to secure boxers high profile and world championship fights. I am also fluent in Spanish. This firm has now grown into a full-service litigation law firm representing both plaintiffs and defendants with over 150 active cases, including cases in Federal and State Court. The overwhelming majority of our cases involve employment/wage and hour lawsuits. In addition, my firm is or has been counsel or co-counsel in many employment-related class action lawsuits. California courts have certified classes in cases similar to the present Class in which Plaintiffs’ Counsel was appointed Class Counsel. *See e.g., Canseco v. Pampanga Food Company, Inc.*, Orange County Superior Court, Case No. 30-2016-00852698-CU-OE-CXC, February 13, 2019, (granting final approval in a rest break class action and approving me as adequate and competent class counsel); *Bernstein v. Alice and Olivia California Holdings, LLC, et al.*, Los Angeles Superior Court Case No. BC 661262, December 17, 2019, (granting final approval in an overtime and meal/rest break class action and approving me as adequate and competent class counsel); *Lagunas v. Impact Logistics, Inc. et al.*, San Bernardino Superior Court Case No. CIVSD1815249, September 10, 2020, (granting final approval in an overtime, meal/rest break class action and approving me as adequate and competent class counsel); *Marroquin v. Food Castle, Inc. et al.*, Los Angeles Superior Court Case No. 21STCV22582, August 16, 2023 (granting final approval in an

overtime, minimum wage and rest break class action and approving me as adequate and competent class counsel); *Saavedra v. Success Valley Farms, LLC*, Ventura Superior Court Case No. 56-2021-00556708-CU-OE-VTA, January 29, 2024 (granting preliminary approval in a wage and hour class action); *Lopez v. Vo Medical Center et al.*, Imperial County Superior Court Case No. ECU002625, September 30, 2024 (granting final approval in a wage and hour class action); *Dickson v. Berkeley Therapy Institute, Inc.* Alameda Superior Court Case No. 23CV036358, November 4, 2025 (granting preliminary approval in a wage and hour class action).

38. I received my J.D. from Loyola Law School in Los Angeles, where I served as class representative for 2 years. In addition, I served on the Dean's List, graduating in the top 30% of my class. While in law school, I served as an extern to the Loyola Law School Center for Conflict Resolution and to Los Angeles County Superior Court Judge Joseph DiLoreto in Long Beach.

39. My firm conducted an in-depth review of Plaintiffs' lengthy payroll and time data, putative class data concerning the size and scope of the putative class, including the total class members during the applicable statutory periods. Defendant also provided documents relating to policies and procedures regarding the payment of wages, time keeping and meal/rest periods. We drew on our extensive experience in similar cases to assess the strengths and weaknesses of Plaintiffs' case.

40. Prior to the expiration of the period of time allotted for Class Members to make objections to the settlement, Plaintiffs will file a motion and brief for fees and costs (to be heard at the same time as the Final Fairness Hearing) so that Class Members will be able to, if they elect to do so, review the fees motion prior to making objections or filing a claim. The motion and brief for fees and costs will include, *inter alia*, an itemized listing of all costs incurred in litigating this case.

41. The \$148,225 attorneys' fees (35%), up to \$16,000.00 for the Class Counsel's costs, approximately \$18,995.00 expense from the \$423,500.00 GSA for the Settlement Administration Costs, the \$7,800 PAGA Payment to the LWDA (plus \$4,200 which will go to the Aggrieved Employees) as well as \$7,500 for each of the Class Representatives (\$15,000 total) as Enhancement Payments, are within the range of attorneys' fees, litigation expenses, service payments, and

administration expenses awarded in similar cases.

42. A true and correct copy of Plaintiff's letter to the LWDA is attached hereto as **Exhibit B**. A true and correct copy of Plaintiff's amended PAGA letter to the LWDA is attached hereto as **Exhibit C**.

43. A true and correct copy of the confirmation received from the LWDA of the filing of the proposed Settlement Agreement through their online system is attached hereto as **Exhibit D**.

44. Defendant's financial statements are publicly available at: <https://projects.propublica.org/nonprofits/organizations/953950196> where the Court can view Defendant's 2024 Form 990 and 2024 Audit.

I declare under penalty of perjury that the foregoing is true and correct. Executed on December 4, 2025, in El Segundo, California.



KEVIN A. LIPELES

EXHIBIT A

1 **JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT**

2 This Joint Stipulation of Class Action and PAGA Settlement (“Settlement,”
3 “Agreement,” or “Settlement Agreement”) is made and entered into plaintiffs Aaron Clayton
4 Wilson and Nathaniel Garcia Claudio (“Plaintiffs” or “Class Representatives”), individually,
5 and on behalf of all others similarly situated and on behalf of the State of California with
6 respect to aggrieved employees, and Defendant PATH (“Defendant”) (together, Plaintiffs
7 and Defendant are referred to as “Parties” and individually as “Party”). This Settlement
8 Agreement shall be binding on Plaintiffs, Settlement Class Members (as defined in this
9 Agreement), the State of California as to the employment of Aggrieved Employees (as
10 defined in this Agreement), and Defendant, subject to the terms and conditions in this
11 Agreement and the approval of the Court.

12 **RECITALS**

13 1. On July 10, 2024, plaintiff Aaron Clayton Wilson filed a Class Action
14 Complaint for Damages in the action entitled *Aaron Clayton Wilson, an individual, on his*
15 *own behalf and on behalf of all others similarly situated v. People Assisting The Homeless,*
16 Los Angeles County Superior Court Case No. 24STCV17152 (“Wilson Action”),
17 commencing a putative class action against Defendant. The complaint alleges eight (8)
18 causes of action for violations of the California Labor Code for failure to pay premium
19 overtime wages due, failure to pay minimum wages, failure to provide timely off duty meal
20 periods, failure to provide timely off duty rest periods, failure to maintain records and
21 provide accurate itemized wage statements, failure to pay wages due on termination, failure
22 to allow inspection of employment records, and unfair competition as representative action
23 (“Wilson Complaint”).

24 2. On July 10, 2024, plaintiff Aaron Clayton Wilson provided written notice to
25 the Labor and Workforce Development Agency (“LWDA”) by online submission and to
26 Defendant by U.S. Certified Mail, pursuant to California Labor Code Section 2699.3, of the
27 specific provisions of the California Labor Code alleged to have been violated by Defendant
28 (“PAGA Letter”).

1 3. On November 4, 2024, the Parties stipulated to allow plaintiff Aaron Clayton
2 Wilson to file a First Amended Complaint adding a second plaintiff named Nathaniel Garcia
3 Claudio and a ninth (9) cause of action providing for civil penalties pursuant to PAGA based
4 on alleged violations of the California Labor Code.

5 4. On November 12, 2024, plaintiffs Aaron Clayton Wilson and Nathaniel Garcia
6 Claudio filed a First Amended Class Action Complaint for Damages in the action entitled
7 *Aaron Clayton Wilson and Nathaniel Garcia Claudio, individually, on their own behalf and*
8 *on behalf of all others similarly situated v. People Assisting The Homeless*, Los Angeles
9 County Superior Court Case No. 24STCV17152 (“Wilson Claudio Action”). The amended
10 complaint alleges eight (8) causes of action for violations of the California Labor Code for
11 failure to pay premium overtime wages due, failure to pay minimum wages, failure to
12 provide timely off duty meal periods, failure to provide timely off duty rest periods, failure
13 to maintain records and provide accurate itemized wage statements, failure to pay wages due
14 on termination, failure to allow inspection of employment records, unfair competition and
15 penalties under the Labor Code Private Attorney’s General Act, as representative action
16 (“Wilson Claudio Amended Complaint”).

17 5. Defendant denies all materials allegations set forth in the Action (as defined in
18 this Agreement) and has asserted numerous affirmative defenses. Notwithstanding, in the
19 interest of avoiding further litigation, Defendant desires to fully and finally settle the Action,
20 Released Class Claims (as defined in this Agreement), and Released PAGA Claims (as
21 defined in this Agreement).

22 6. Class Counsel investigated the class and PAGA claims against Defendant,
23 including any and all applicable defenses and the applicable law. The investigation included,
24 the exchange of information, data, and documents, and review of corporate policies and
25 practices. The Parties have engaged in sufficient informal discovery and investigation to
26 assess the relative merits of the claims and contentions of the Parties.

27 7. On May 6, 2025, the Parties participated in mediation with Ret. Judge Mitchel
28 R. Goldberg (the “Mediator”), a respected mediator of complex wage and hour actions, and

1 with the assistance of the Mediator’s evaluations, the Parties reached the settlement that is
2 memorialized in this Agreement. The Parties’ settlement discussions were conducted at
3 arms’ length, and the Settlement is the result of an informed and detailed analysis of
4 Defendant’s potential liability, the financial condition of the Defendant, and exposure in
5 relation to the costs and risks associated with continued litigation. Based on Class Counsels’
6 investigation and evaluation, Class Counsel believes that the settlement with Defendant for
7 the consideration and on the terms set forth in this Settlement Agreement is fair, reasonable,
8 and adequate and is in the best interest of the Class Members, State of California, and
9 Aggrieved Employees in light of all known facts and circumstances, including the risk of
10 significant delay and uncertainty associated with litigation and various defenses asserted by
11 Defendant.

12 8. The Parties expressly acknowledge that this Settlement Agreement is entered
13 into solely for the purpose of compromising significantly disputed claims and that nothing
14 herein is an admission of liability or wrongdoing by Defendant. If for any reason this
15 Settlement Agreement is not approved, it will be of no force or effect, and the Parties shall
16 be returned to their original respective positions.

17 **DEFINITIONS**

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

20 a. “Action” means the Plaintiffs’ lawsuit alleging wage and hour violations
21 against Defendant captioned 24STCV17152 initiated on July 10, 2024, and pending in
22 Superior Court of the State of California, Los Angeles County.

23 b. “Aggrieved Employee(s)” means all current and former hourly-paid
24 and/or non-exempt employees who worked for Defendant within the State of California at
25 any time during the PAGA Period.

26 c. “Attorneys’ Fees and Costs” means attorneys’ fees approved by the
27 Court for Class Counsels’ litigation and resolution of the Action and all actual costs and
28 expenses incurred and to be incurred by Class Counsel in connection with the Action, as set

1 forth in **Paragraph 12.**

2 d. “Class” or “Class Member(s)” means all non-exempt employees who
3 are or previously were employed by Defendant, who have not signed an arbitration
4 agreement with a class action waiver, and performed work in California during the Class
5 Period.

6 e. “Class Counsel” means Kevin Lipeles of Lipeles Law Group, APC.

7 f. “Class List” means a complete list of all Class Members that Defendant
8 will diligently and in good faith compile from its records and provide to the Settlement
9 Administrator. The Class List will be formatted in a readable Microsoft Office Excel
10 spreadsheet containing the following information for each Class Member: (1) full name; (2)
11 last known mailing address; (3) Social Security number; (4) dates worked for Defendant
12 during the Class Period; and (5) such other information as is necessary for the Settlement
13 Administrator to calculate Workweeks and PAGA Workweeks.

14 g. “Class Notice” means the Notice of Class Action & Representative
15 Action Settlement, substantially in the form attached as “**Exhibit A.**”

16 h. “Class Period” means the period from September 22, 2021 to the date of
17 preliminary approval or July 6, 2025, whatever is earliest.

18 i. “Class Settlement” means the settlement and resolution of all Released
19 Class Claims.

20 j. “Court” means the Superior Court of the State of California for the
21 County of Los Angeles.

22 k. “Defendant’s Counsel” means Erin R. Ezra of Berger Kahn, ALC.

23 l. “Effective Date” means the date when all of the following events have
24 occurred: (1) the Settlement Agreement has been executed by all Parties, Class Counsel, and
25 Defendant’s Counsel; (2) the Court has given preliminary approval to the Settlement; (3) the
26 Class Notice has been mailed to the Class Members, providing them with an opportunity to
27 object to the terms of the Class Settlement or opt out of the Class Settlement; (4) the Court
28 has had a Final Approval Hearing and entered a Final Approval Order and Judgment; (5)

1 sixty-five calendar days have passed since the Court entered a Final Approval Order and
2 Judgment; and (6) in the event there are written objections to the Class Settlement filed prior
3 to the Final Approval Hearing which are not later withdrawn or denied, the later of the
4 following events: five business days after the period for filing any appeal, writ, or other
5 appellate proceeding opposing the Court's Final Approval Order and Judgment has elapsed
6 without any appeal, writ, or other appellate proceeding having been filed, or, if any appeal,
7 writ, or other appellate proceeding opposing the Court's Final Approval Order and Judgment
8 has been filed, five business days after any appeal, writ, or other appellate proceedings
9 opposing the Court's Final Approval Order and Judgment has finally and conclusively been
10 dismissed with no right to pursue further remedies or relief.

11 m. "Employer Taxes" means the employer's share of taxes and
12 contributions in connection with the wages portion of Individual Settlement Shares, which
13 shall be paid by Defendant in addition to the Gross Settlement Amount.

14 n. "Enhancement Payments" means the amounts to be paid to Plaintiffs, in
15 recognition of their effort and work in prosecuting the Actions on behalf of Class Members
16 and Aggrieved Employees, and general release of claims, as set forth in Paragraph 13.

17 o. "Final Approval" means the determination by the Court that the
18 Settlement is fair, reasonable, and adequate, and entry of the Final Approval Order and
19 Judgment based thereon.

20 p. "Final Approval Hearing" means the hearing at which the Court will
21 consider and determine whether the Settlement should be granted Final Approval.

22 q. "Final Approval Order and Judgment" means the order granting final
23 approval of the Settlement and entering judgment thereon, in a form and content mutually
24 agreed to by the Parties, and subject to approval by the Court.

25 r. "Gross Settlement Amount" means the amount of four hundred and
26 twenty-three thousand five hundred dollars and zero cents (\$423,500.00) to be paid by
27 Defendant in full satisfaction of the Actions, Released Class Claims, and Released PAGA
28 Claims, which includes all Attorneys' Fees and Costs, Enhancement Payments, PAGA

1 Amount, Settlement Administration Costs, and Net Settlement Amount to be paid to the
2 Settlement Class Members. Defendant shall pay the Employer Taxes separately and in
3 addition to the Gross Settlement Amount. The Gross Settlement Amount is non-
4 reversionary; no portion of the Gross Settlement Payment will return to Defendant.

5 s. “Individual PAGA Payment” means the *pro rata* share of the PAGA
6 Employee Amount that a PAGA Employee may be eligible to receive under the PAGA
7 Settlement, to be calculated in accordance with Paragraph 17.

8 t. “Individual Settlement Payment” means the net payment of each
9 Settlement Class Member’s Individual Settlement Share, after reduction for the employee’s
10 share of taxes and withholdings with respect to the wages portion of the Individual
11 Settlement Share, as provided in Paragraph 16.

12 u. “Individual Settlement Share” means the *pro rata* share of the Net
13 Settlement Amount that a Class Member may be eligible to receive under the Class
14 Settlement, to be calculated in accordance with Paragraph 16.

15 v. “LWDA Payment” means the amount of Seven Thousand Eight
16 Hundred Dollars and Zero Cents (\$7,800.00),-i.e., 65% of the PAGA Amount, that the
17 Parties have agreed to pay to the LWDA under the PAGA Settlement, as set forth in
18 Paragraph 14.

19 w. “Net Settlement Amount” means the portion of the Gross Settlement
20 Amount that is available for distribution to Settlement Class Members, which is the Gross
21 Settlement Amount less the Court-approved Attorneys’ Fees and Costs, Enhancement
22 Payments, PAGA Amount, and Settlement Administration Costs.

23 x. “Notice of Objection” means a Settlement Class Member’s written
24 objection to the Class Settlement, which must: (a) contain the case name and number of the
25 Action; (b) contain the objector’s full name, signature, address, telephone number, and the
26 last four (4) digits of the objector’s Social Security number; (c) contain a written statement
27 of all grounds for the objection accompanied by any legal support for such objection; (d)
28 contain copies of any papers, briefs, or other documents upon which the objection is based;

1 and (e) be returned by mail to the Settlement Administrator at the specified address,
2 postmarked on or before the Response Deadline.

3 y. “PAGA Amount” means the allocation of Twelve Thousand Dollars and
4 Zero Cents (\$12,000.00) from the Gross Settlement Amount for the PAGA Settlement.
5 Sixty-five percent (65%) of the PAGA Amount, or \$7,800.00, will be paid to the LWDA
6 (i.e., the LWDA Payment) and the remaining thirty-five percent (35%), or \$4,200.00, will be
7 distributed to the Aggrieved Employees (i.e., the PAGA Employee Amount).

8 z. “PAGA Employee Amount” means the amount of Four Thousand Two
9 Hundred Dollars and Zero Cents (\$4,200.00), i.e., 35% of the PAGA Amount, to be
10 distributed to Aggrieved Employees on a *pro rata* basis based on their PAGA Workweeks.

11 aa. “PAGA Period” means the period from September 7, 2023 to the date of
12 preliminary approval or July 6, 2025, whatever is earliest.

13 bb. “PAGA Settlement” means the settlement and resolution of all Released
14 PAGA Claims.

15 cc. “PAGA Workweeks” means the number of weeks each PAGA
16 Employee worked for Defendant as an hourly-paid or non-exempt employee in California
17 during the PAGA Period. PAGA Workweeks will be calculated by the Settlement
18 Administrator.

19 dd. “Preliminary Approval” means the date on which the Court enters the
20 Preliminary Approval Order.

21 ee. “Preliminary Approval Order” means the order granting preliminary
22 approval of the Settlement, in a form and content mutually agreed to by the Parties, and
23 subject to approval by the Court.

24 ff. “Qualified Settlement Fund” means a trust or account that hold
25 settlement funds for the plaintiffs. This is established to deposit monthly payments pending
26 final court approval in order to build up an initial distribution.

27 gg. “Released Class Claims” means any and all claims, debts, liabilities,
28 demands, obligations, guarantees, costs, expenses, attorneys’ fees, damages, or causes of

1 action which were alleged or which could have been alleged based on the factual allegations
2 in the operative complaint, arising during the Class Period, under any federal, state, or local
3 law, and shall specifically include claims for Defendant’s alleged failure to pay premium
4 overtime wages due, failure to pay minimum wages, failure to provide timely off duty meal
5 periods, failure to provide timely off duty rest periods, failure to maintain records and
6 provide accurate itemized wage statements, failure to pay wages due on termination, failure
7 to allow inspection of employment records, and unfair competition in violation of California
8 Labor Code sections 200, 201, 202, 203, 218, 218.5, 226, 226.7, 432, 510, 512, 558, 1174,
9 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1997, and Industrial Welfare Commission Wage
10 Orders, including *inter alia*, Wage Order 4-2001 sections 3, 7, 11, and all claims for
11 attorneys’ fees and costs and statutory interest in connection therewith, California Civil Code
12 section 1021.5 and California Business and Professions Code sections 17200, *et seq.*, and
13 any other claims, including claims for statutory penalties, pertaining to the Class Members.

14 hh. “Released PAGA Claims” means any and all claims arising from any of
15 the factual allegations in the PAGA Letter Plaintiff Aaron Clayton Wilson uploaded to the
16 State of California Labor and Workforce Development Agency and served via certified mail
17 on the Defendant on July 10, 2024, arising during the PAGA Period, for civil penalties under
18 the Private Attorneys General Act of 2004, California Labor Code Sections 2698 *et seq.*,
19 including all claims for attorneys’ fees and costs related thereto, for Defendant’s alleged
20 failure to pay premium overtime wages due, failure to pay minimum wages, failure to
21 provide timely off duty meal periods, failure to provide timely off duty rest periods, failure
22 to maintain records and provide accurate itemized wage statements, failure to pay wages due
23 on termination, failure to allow inspection of employment records, and unfair competition in
24 violation of California Labor Code sections 201, 202, 203, 226, 226.7, 510, 558, 1194,
25 1194.2, 1197, 1197.1, 1198, 1198.5, 1997, 2699, and Industrial Welfare Commission Wage
26 Orders, including *inter alia*, Wage Order 4-2001, and California Business and Professions
27 Code sections 17200, *et seq.*

28 ii. “Released Parties” means Defendant and its current and former officers,

1 directors, members, insurers, shareholders, subsidiaries, affiliates, predecessors, successors,
2 and assigns.

3 jj. “Request for Exclusion” means a letter submitted by a Class Member
4 indicating a request to be excluded from the Class Settlement, which must: (a) contain the
5 case name and number of the Action; (b) contain the Class Member’s full name, signature,
6 address, telephone number, and last four (4) digits of the Class Member’s Social Security
7 number; (c) clearly state that the Class Member does not wish to be included in the Class
8 Settlement; and (d) be returned by mail to the Settlement Administrator at the specified
9 address, postmarked on or before the Response Deadline.

10 kk. “Response Deadline” means the deadline by which Class Members must
11 submit a Request for Exclusion, Notice of Objection, and/or Workweeks Dispute, which
12 shall be the date that is sixty (60) calendar days from the initial mailing of the Class Notice
13 by the Settlement Administrator to Class Members, unless the 45th day falls on a Sunday or
14 Federal holiday, in which case the Response Deadline will be extended to the next day on
15 which the United States Postal service is open. The Response Deadline may also be
16 extended by express agreement between Class Counsel and Defendant’s Counsel. Under no
17 circumstances, however, will the Settlement Administrator have the authority to extend the
18 Response Deadline. In the event that a Class Notice is re-mailed to a Class Member, the
19 Response Deadline for that Class Member shall be extended fifteen (15) calendar days from
20 the original Response Deadline.

21 ll. “Settlement Administrator” means Phoenix Class Action Administration
22 Solutions, who the Parties and their counsel have jointly agreed to serve as the Settlement
23 Administrator. The Parties have verified that as a condition of appointment, Phoenix Class
24 Action Administration Solutions agrees to be bound by this Agreement and to perform, as a
25 fiduciary, all duties specified in this Agreement in exchange for payment of Administration
26 Expenses. The Parties and their counsel each represent that they do not have any financial
27 interest in the Settlement Administrator or otherwise have a relationship with the Settlement
28 Administrator that could create a conflict of interest. Plaintiffs agree that they will secure

1 prior to filing for Preliminary Approval a signed declaration from the Settlement
2 Administrator attaching its “not to exceed” bid for administering the Settlement and attesting
3 to its willingness to serve; competency; operative procedures for protecting the security of
4 Class List; amounts of insurance coverage for any data breach, defalcation of funds or other
5 misfeasance; all facts relevant to any actual or potential conflicts of interest with Class
6 Members; and the nature and extent of any financial relationship with Plaintiffs, Class
7 Counsel or Defendant’s Counsel.

8 mm. “Settlement Administration Costs” means the costs payable from the
9 Gross Settlement Amount to the Settlement Administrator for administering the Settlement,
10 as set forth in Paragraph 15.

11 nn. “Settlement Class” or “Settlement Class Member(s)” means all Class
12 Members who do not submit a timely and valid Request for Exclusion.

13 oo. “Workweeks” means any seven (7) consecutive days, beginning on
14 Monday and ending on Sunday, in which a Class Member is employed and received any
15 form of compensation from Defendant during the Class Period. Workweeks will be
16 calculated by the Settlement Administrator based on Defendant’s workweek data and will be
17 presumed to be correct, unless a particular Class Member proves otherwise to the Settlement
18 Administrator by credible written evidence.

19 pp. “Workweeks Dispute” means a letter submitted by a Class Member
20 disputing the number of Workweeks and/or PAGA Workweeks to which they have been
21 credited, which must: (a) contain the case name and number of the Action; (b) contain the
22 Class Member’s full name, signature, address, telephone number, and the last four (4) digits
23 of the Class Member’s Social Security number; (c) clearly state that the Class Member
24 disputes the number of Workweeks and/or PAGA Workweeks credited to the Class Member
25 and what the Class Member contends is the correct number; and (d) be returned by mail to
26 the Settlement Administrator at the specified address, postmarked on or before the Response
27 Deadline.

28 ///

1 **CLASS CERTIFICATION**

2 10. For the purposes of this Settlement only, the Parties stipulate to the
3 certification of the Class.

4 11. The Parties agree that certification for the purpose of settlement is not an
5 admission that certification is proper under Section 382 of the California Code of Civil
6 Procedure. Should, for whatever reason, the Court not grant Final Approval, the Parties'
7 stipulation to class certification as part of the Settlement shall become null and void ab initio
8 and shall have no bearing on, and shall not be admissible in connection with, the issue of
9 whether or not certification would be appropriate in a non-settlement context.

10 **TERMS OF THE AGREEMENT**

11 NOW, THEREFORE, in consideration of the mutual covenants, promises, and
12 agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

13 12. Attorneys' Fees and Costs. Defendant agrees not to oppose or impede any
14 application or motion by Class Counsel for attorneys' fees in the amount up to thirty-five
15 percent (35%) of the Gross Settlement Amount (i.e., \$148,225.00 if the Gross Settlement
16 Amount is \$423,500.00) and reimbursement of actual costs and expenses associated with
17 Class Counsels' litigation and settlement of the Actions, in an amount not to exceed sixteen
18 thousand dollars and zero cents (\$16,000.00), both of which will be paid from the Gross
19 Settlement Amount. These amounts will cover any and all work performed and any and all
20 costs incurred by Class Counsel in connection with the litigation of the Action, including
21 without limitation all work performed and costs incurred to date, and all work to be
22 performed and all costs to be incurred in connection with obtaining the Court's approval of
23 this Settlement Agreement, including any objections raised and any appeals necessitated by
24 those objections. Class Counsel shall be solely and legally responsible for correctly
25 characterizing this compensation for tax purposes and for paying any taxes on the amounts
26 received. The Settlement Administrator shall issue an IRS Form 1099 to Class Counsel for
27 the Attorneys' Fees and Costs. Any portion of the requested Attorneys' Fees and Costs that
28 is not awarded by the Court to Class Counsel shall be reallocated to the Net Settlement

1 Amount for the benefit of the Settlement Class Members.

2 13. Enhancement Payments. Defendant agrees not to oppose or impede any
3 application or motion by Plaintiffs Aaron Clayton Wilson and Nathaniel Garcia Claudio for
4 an Enhancement Payment in the amount up to Seven Thousand Five Hundred Dollars and
5 Zero Cents (\$7,500.00) each. The Enhancement Payments, which will be paid from the
6 Gross Settlement Amount, subject to Court approval, will be in addition to their Individual
7 Settlement Payment as a Settlement Class Member and Individual PAGA Payment as a
8 PAGA Employee. Plaintiffs shall be solely and legally responsible for correctly
9 characterizing this compensation for tax purposes and for paying any taxes on the amounts
10 received. The Settlement Administrator shall issue an IRS Form 1099 to Plaintiffs for the
11 Enhancement Payments. Any portion of the requested Enhancement Payments that is not
12 awarded by the Court to Plaintiffs shall be reallocated to the Net Settlement Amount for the
13 benefit of the Settlement Class Members.

14 14. PAGA Amount. Subject to approval by the Court, the Parties agree that the
15 amount of Twelve Thousand Dollars and Zero Cents (\$12,000.00) shall be allocated from the
16 Gross Settlement Amount toward penalties under the Private Attorneys General Act,
17 California Labor Code Section 2698, *et seq.* (i.e., the PAGA Amount), of which sixty-five
18 percent (65%), or \$7,800.00, will be paid to the LWDA (i.e., the LWDA Payment) and
19 thirty-five percent (35%), or \$4,200.00, will be distributed to Aggrieved Employees (i.e., the
20 PAGA Employee Amount) on a *pro rata* basis, based on the total number of PAGA
21 Workweeks worked by each PAGA Employee during the PAGA Period (i.e., the Individual
22 PAGA Payments).

23 15. Settlement Administration Costs. The Settlement Administrator will be paid
24 for the reasonable costs of administration of the Settlement and distribution of payments
25 under the Settlement, which is currently not to exceed Eighteen Thousand Nine Hundred and
26 Ninety-Five Dollars and Zero Cents (\$18,995.00). These costs, which will be paid from the
27 Gross Settlement Amount, subject to Court approval, will include, *inter alia*, translating the
28 Class Notice to Spanish, printing, distributing, and tracking Class Notices and other

documents for the Settlement, calculating and distributing payments due under the Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings, and remittances, providing necessary reports and declarations, and other duties and responsibilities set forth herein to process the Settlement, and as requested by the Parties. To the extent the actual Settlement Administrator's costs are greater than the estimated amount stated herein, such excess amount will be deducted from the Gross Settlement Amount, subject to approval by the Court. Any portion of the estimated, designated, and/or awarded Settlement Administration Costs which are not in fact required to fulfill payment to the Settlement Administrator to undertake the required settlement administration duties shall be reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members.

16. Individual Settlement Share Calculations. An Individual Settlement Payment will be calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Settlement Class Members during the Class Period and (b) multiplying the result by each Settlement Class Member's Workweeks.

17. Individual PAGA Payment Calculations. Individual PAGA Payments will be calculated and apportioned from the PAGA Employee Amount based on the Aggrieved Employees' number of PAGA Workweeks, as follows: The Settlement Administrator will divide the PAGA Employee Amount, i.e., 35% of the PAGA Amount, by the PAGA Workweeks of all Aggrieved Employees to yield the "PAGA Workweek Value," and multiply each PAGA Employee's individual PAGA Workweeks by the PAGA Workweek Value to yield each PAGA Employee's Individual PAGA Payment.

18. Tax Treatment of Individual Settlement Shares and Individual PAGA Payments. Each Individual Settlement Share will be allocated as follows: twenty percent (20%) wages and eighty percent (80%) penalties, interest, and non-wage damages. The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage damages will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. The Settlement Administrator will withhold the

1 employee's share of taxes and withholdings with respect to the wages portion of the
2 Individual Settlement Shares, and issue checks to Settlement Class Members for their
3 Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of
4 these taxes and withholdings). The Employer Taxes will be paid separately and in addition
5 to the Gross Settlement Amount. Each Individual PAGA Payment will be allocated as one
6 hundred percent (100%) penalties and will be reported on an IRS Form 1099 (if applicable)
7 by the Settlement Administrator.

8 19. Administration of Taxes by the Settlement Administrator. The Settlement
9 Administrator will be responsible for issuing to Plaintiffs, Settlement Class Members,
10 Aggrieved Employees, and Class Counsel any tax forms (i.e., IRS Forms W-2, IRS Forms
11 1099, etc.) as may be required by law for all amounts paid pursuant to this Settlement
12 Agreement. The Settlement Administrator will also be responsible for calculating the
13 Employer Taxes and forwarding all payroll taxes and other legally required withholdings to
14 the appropriate government authorities.

15 20. Tax Liability. Plaintiffs, Class Counsel, Defendant, and Defendant's Counsel
16 do not intend anything contained in this Settlement Agreement to constitute advice regarding
17 taxes or taxability, nor shall anything in this Settlement Agreement be relied on as such.
18 Plaintiffs, Settlement Class Members, and Aggrieved Employees are not relying on any
19 statement, representation, or calculation by Defendant, the Settlement Administrator, or
20 Class Counsel in this regard. Plaintiffs, Settlement Class Members, and Aggrieved
21 Employees understand and agree that Plaintiffs, Settlement Class Members, and Aggrieved
22 Employees will be solely responsible for the payment of any taxes and penalties assessed on
23 the payments described in this Settlement Agreement. Plaintiffs, Settlement Class Members,
24 and Aggrieved Employees should consult with their tax advisors concerning the tax
25 consequences of any payment they receive under the Settlement.

26 21. Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT
27 AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING
28 PARTY" AND EACH PARTY TO THIS SETTLEMENT AGREEMENT OTHER THAN

1 THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”) ACKNOWLEDGES AND
2 AGREES THAT (1) NO PROVISION OF THIS SETTLEMENT AGREEMENT, AND NO
3 WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE
4 PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED
5 TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE
6 OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE
7 MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31
8 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS
9 RELIED EXCLUSIVELY UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL
10 AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION
11 WITH THIS SETTLEMENT AGREEMENT, (B) HAS NOT ENTERED INTO THIS
12 SETTLEMENT AGREEMENT BASED UPON THE RECOMMENDATION OF ANY
13 OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND
14 (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE
15 BY ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY TO AVOID ANY TAX
16 PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3)
17 NO ATTORNEY OR ADVISOR TO ANY OTHER PARTY HAS IMPOSED ANY
18 LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH
19 ATTORNEY’S OR ADVISOR’S TAX STRATEGIES (REGARDLESS OF WHETHER
20 SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
21 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF
22 ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY
23 THIS SETTLEMENT AGREEMENT.

24 22. Settlement Awards Do Not Trigger Additional Benefits. All payments made
25 under the Settlement shall be deemed to be paid to the payee solely in the year in which such
26 payments actually are issued to the payee. It is expressly understood and agreed that
27 payments made under this Settlement shall not in any way entitle Plaintiffs, Settlement Class
28 Members, or any PAGA Employee to additional compensation or benefits under any new or

1 additional compensation or benefits, or any bonus, contest, or other compensation or benefit
2 plan or agreement in place during the Class Period, nor will it entitle Plaintiffs, Settlement
3 Class Members, or any PAGA Employee to any increased retirement, 401K benefits or
4 matching benefits, or deferred compensation benefits (notwithstanding any contrary
5 language or agreement in any benefit or compensation plan document that might have been
6 in effect during the Class Period).

7 23. Duties of the Parties with Respect to Obtaining Preliminary Approval of the
8 Settlement. Plaintiffs and Class Counsel will be responsible for drafting and submitting their
9 motion for preliminary approval of the Settlement to the Court. Class Counsel will provide
10 Defendant's Counsel a draft of the preliminary approval motion before filing it with the
11 Court. Defendant agrees not to oppose the motion for preliminary approval of the Settlement
12 consistent with this Settlement Agreement. By way of said motion, Plaintiffs will apply for
13 the entry of the Preliminary Approval Order seeking the following:

- 14 a. Conditionally certifying the Class for settlement purposes only;
- 15 b. Granting Preliminary Approval of the Settlement;
- 16 c. Preliminarily appointing Plaintiffs as the representatives of the Class;
- 17 d. Preliminarily appointing Class Counsel as counsel for the Class;
- 18 e. Approving as to form and content, the mutually-agreed upon and
19 proposed Class Notice and directing its mailing by First Class U.S. Mail;
- 20 f. Approving the manner and method for Class Members to request
21 exclusion from or object to the Class Settlement as contained herein and within the Class
22 Notice;
- 23 g. Scheduling a Final Approval Hearing at which the Court will determine
24 whether Final Approval of the Settlement should be granted.

25 24. Notice of Settlement to the LWDA. Pursuant to California Labor Code §
26 2699(1)(2), Class Counsel shall notify the LWDA of the Settlement upon filing the motion
27 for preliminary approval of the Settlement.

28 25. Delivery of Class List. Within fourteen (14) calendar days of Preliminary

1 Approval, Defendant will provide the Class List to the Settlement Administrator.

2 26. Notice by First-Class U.S. Mail.

3 a. Within seven (7) calendar days after receiving the Class List from
4 Defendant, the Settlement Administrator will perform a search based on the National Change
5 of Address Database or any other similar services available, such as provided by Experian,
6 for information to update and correct for any known or identifiable address changes, and will
7 mail a Class Notice in English and Spanish (in the form attached as **Exhibit A** to this
8 Settlement Agreement) to all Class Members via First-Class U.S. Mail, using the most
9 current, known mailing addresses identified by the Settlement Administrator.

10 b. Any Class Notice returned to the Settlement Administrator as
11 undeliverable on or before the Response Deadline will be sent promptly via First-Class U.S.
12 Mail to the forwarding address affixed thereto and the Settlement Administrator will indicate
13 the date of such re-mailing on the Class Notice. If no forwarding address is provided, the
14 Settlement Administrator will promptly attempt to determine the correct address using a
15 skip-trace or other search, using the name, address, and/or Social Security number of the
16 Class Member, and perform a single re-mailing within five (5) calendar days.

17 c. Compliance with the procedures described herein above shall constitute
18 due and sufficient notice to Class Members of the Settlement and shall satisfy the
19 requirements of due process. Nothing else shall be required of or done by the Parties, Class
20 Counsel, or Defendant's Counsel to provide notice of the Settlement.

21 27. Requesting Exclusion from the Class Settlement. Any Class Member wishing
22 to be excluded from the Class Settlement must submit a timely and valid Request for
23 Exclusion to the Settlement Administrator, by mail, postmarked on or before the Response
24 Deadline. The date of the postmark on the return mailing envelope will be the exclusive
25 means to determine whether a Request for Exclusion has been timely submitted. The
26 Settlement Administrator will certify jointly to Class Counsel and Defendant's Counsel the
27 number of timely and valid Requests for Exclusion that are submitted, and also identify the
28 individuals who have submitted a timely and valid Request for Exclusion in a declaration

1 that is to be filed with the Court in advance of the Final Approval Hearing. At no time will
2 any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to
3 request exclusion from the Class Settlement. Any Class Member who submits a Request for
4 Exclusion is prohibited from making any objection to the Class Settlement. Any Class
5 Member who submits a timely and valid Request for Exclusion will not be bound by the
6 Class Settlement and will not be issued an Individual Settlement Payment. Any Class
7 Member who does not affirmatively request exclusion from the Class Settlement by
8 submitting a timely and valid Request for Exclusion will be bound by all of the terms of the
9 Class Settlement, including and not limited to those pertaining to the Released Class Claims,
10 as well as any judgment that may be entered by the Court if it grants Final Approval to the
11 Settlement. Notwithstanding the above, all Aggrieved Employees will be bound to the
12 PAGA Settlement and will be issued their Individual PAGA Payment, irrespective of
13 whether they submit a Request for Exclusion.

14 28. Objecting to the Class Settlement. To object to the Class Settlement,
15 Settlement Class Members must submit a timely and complete Notice of Objection to the
16 Settlement Administrator, by mail, postmarked on or before the Response Deadline. The
17 date of the postmark on the return mailing envelope will be the exclusive means to determine
18 whether a Notice of Objection has been timely submitted. The Settlement Administrator
19 will certify jointly to Class Counsel and Defendant's Counsel the number of Notices of
20 Objection that are submitted (specifying which ones were timely and complete and which
21 were not), and also attach them to a declaration that is to be filed with the Court in advance
22 of the Final Approval Hearing. At no time will any of the Parties or their counsel seek to
23 solicit or otherwise encourage Settlement Class Members to object to the Class Settlement or
24 appeal from the Final Approval Order and Judgment. Settlement Class Members,
25 individually or through counsel, may also present their objection orally at the Final Approval
26 Hearing, regardless of whether they have submitted a Notice of Objection.

27 29. Reports by the Settlement Administrator. The Settlement Administrator shall
28 provide weekly reports to counsel for the Parties providing: (a) the number of undeliverable

1 and re-mailed Class Notices; (ii) the number of Class Members who have submitted
2 Workweeks Disputes; (iii) the number of Class Members who have submitted Requests for
3 Exclusion; and (iv) the number of Settlement Class Members who have submitted Notices of
4 Objection. Additionally, the Settlement Administrator will provide to counsel for the Parties
5 any updated reports regarding the administration of the Settlement Agreement as needed or
6 requested, and immediately notify the Parties when it receives a request from an individual
7 or any other entity regarding inclusion in the Class and/or Settlement or regarding a
8 Workweeks Dispute.

9 30. Class Size Estimates. Based on its records, Defendant estimates that, as of the
10 date of this Settlement Agreement, (1) there are 948 Class Members and 55,000 Workweeks
11 during the Class period, and (2) there were 1600 Aggrieved Employees who worked 45,444
12 pay periods during the PAGA Period.

13 31. Defendant's Right to Rescind. If more than ten percent (10%) of the Class
14 Members submit timely and valid Requests for Exclusion, Defendant may elect to rescind
15 the Settlement Agreement. Defendant must exercise this right of rescission in writing that is
16 provided to Class Counsel within fourteen (14) calendar days of the Settlement
17 Administrator notifying the Parties of the number of Class Members who have submitted
18 timely and valid Requests for Exclusion following the Response Deadline. If Defendant
19 exercises this option, Defendant shall pay any costs of settlement administration owed to the
20 Settlement Administrator incurred up to that date.

21 32. Certification of Completion. Upon completion of administration of the
22 Settlement, the Settlement Administrator will provide a written declaration under oath to
23 certify such completion to the Court and counsel for all Parties.

24 33. Duties of the Parties with Respect to Obtaining Final Approval of the
25 Settlement. After the Response Deadline, a Final Approval Hearing will be conducted to
26 determine whether Final Approval of the Settlement should be granted, along with the
27 amounts properly payable for: (a) Individual Settlement Shares; (b) Individual PAGA
28 Payments; (c) LWDA Payment; (d) Attorneys' Fees and Costs; (e) Enhancement Payments;

1 and (f) Settlement Administration Costs. The Final Approval Hearing will not be held
2 earlier than thirty (30) calendar days after the Response Deadline. Plaintiffs and Class
3 Counsel will be responsible for drafting the motion seeking Final Approval of the
4 Settlement. Class Counsel will provide Defendant's Counsel a draft of the final approval
5 motion before filing it with the Court. By way of said motion, Plaintiffs will apply for the
6 entry of the Final Approval Order and Judgment, which will provide for, in substantial part,
7 the following:

- 8 a. Approval of the Settlement as fair, reasonable, and adequate, and
9 directing consummation of its terms and provisions;
- 10 b. Certification of the Settlement Class;
- 11 c. Approval of the application for Attorneys' Fees and Costs to Class
12 Counsel;
- 13 d. Approval of the application for Enhancement Payments to Plaintiffs;
- 14 e. Directing Defendant to fund all amounts due under the Settlement
15 Agreement and ordered by the Court; and
- 16 f. Entering judgment in the Action, while maintaining continuing
17 jurisdiction, in conformity with California Rules of Court 3.769 and the Settlement
18 Agreement.

19 34. Class Workweeks and Aggrieved Employee PAGA Pay Periods. Based on a
20 review of its records to date, Defendant estimates there are 948 Class Members who
21 collectively worked a total of 55,000 Workweeks, and 1600 Aggrieved Employees who
22 worked a total of 45,444 pay periods during the PAGA Period.

23 35. Funding of the Gross Settlement Amount. On a quarterly basis, Defendant
24 will deposit installment payments toward the Gross Settlement Amount into a Qualified
25 Settlement Fund ("QSF") within the meaning of Treasury Regulation Section 1.468B-1, *et*
26 *seq.*, to be established by the Settlement Administrator. The total settlement amount to
27 resolve all claims by plaintiffs (class action and PAGA) will be \$423,500 to be paid in
28 installments in order to create manageable cash flow as follows:

- a. Defendant will pay \$47,056 on a quarterly basis, on the last day of each

quarter, beginning with the quarter ending on August 31, 2025, and continuing for the subsequent eight (8) quarters. The final payment will be made on August 31, 2027.

b. Defendant will make payments at the end of each quarter as follows:

Quarter One	August 31, 2025
Quarter Two	November 30, 2025
Quarter Three	February 28, 2026
Quarter Four	May 31, 2026
Quarter Five	August 31, 2026
Quarter Six	November 30, 2026
Quarter Seven	February 28, 2027
Quarter Eight	May 31, 2027
Quarter Nine	August 31, 2027

c. Defendant shall provide all information necessary for the Settlement Administrator to calculate necessary payroll taxes including its official name, 8-digit state unemployment insurance tax ID number, and other information requested by the Settlement Administrator, no later than five (5) business days after the Effective Date.

d. Upon final approval of this settlement, and the end of any appeal period, Defendant will pay the Administrator all quarterly payments accrued between November 30, 2025, and the date of Final Approval

36. Distribution of the Gross Settlement Amount. Settlement Administrator will issue two partial payments as follows: (a) to Class Members and Aggrieved Employees; (b) settlement administrator's expenses; (c) attorneys; fees and expenses; (d) Enhancement Payments; and (e) PAGA Payment. The first payments will be issued following the conclusion of Quarter Five on August 31, 2026. The second payments will be issued following the conclusion of Quarter nine (the final quarter) on August 31, 2027. The Settlement Administrator shall also simultaneously set aside the Employer Taxes and all

1 employee-side payroll taxes, contributions, and withholding, and forward these to the
2 appropriate government authorities.

3 37. Settlement Checks. The Settlement Administrator will be responsible for
4 undertaking appropriate deductions, required tax reporting, and issuing the Individual
5 Settlement Payments by way of check to the Settlement Class Members and the Individual
6 PAGA Payments by way of check to the Aggrieved Employees in accordance with this
7 Settlement Agreement. When issuing payments, the Settlement Administrator may combine
8 the Individual Settlement Payment and Individual PAGA Payment into one check if the
9 intended recipient for both payments is one individual. Settlement Class Members and
10 Aggrieved Employees are not required to submit a claim to be issued an Individual
11 Settlement Payment and/or Individual PAGA Payment. Each Individual Settlement Payment
12 and Individual PAGA Payment check will be valid and negotiable for one hundred and
13 eighty (180) calendar days from the date the checks are issued, and thereafter, shall be
14 canceled. Any funds associated with such canceled checks shall be distributed by the
15 Settlement Administrator to the nonprofit organization, Destination Home, in accordance
16 with California Civil Procedure Code § 384 and subject to court approval. The Court may re-
17 open the judgment following the final distribution of funds to include the cy pres in the
18 judgment and to include the unclaimed amount, plus any interest. The Parties agree that this
19 disposition results in no “unpaid residue” under California Civil Procedure Code § 384, as
20 the entire Net Settlement Amount will be paid out to Settlement Class Members, whether or
21 not they cash their settlement checks. Therefore, Defendant will not be required to pay any
22 interest on such amounts. The Settlement Administrator shall undertake amended and/or
23 supplemental tax filings and reporting required under applicable local, state, and federal tax
24 laws that are necessitated due to the cancelation of any Individual Settlement Payment and/or
25 Individual PAGA Payment checks. Settlement Class Members whose Individual Settlement
26 Payment checks are canceled shall, nevertheless, be bound by the Class Settlement, and
27 Aggrieved Employees whose Individual PAGA Payment checks are cancelled shall,
28 nevertheless, be bound by the PAGA Settlement.

1 38. Class Settlement Release. Upon the full funding of the Gross Settlement
2 Amount, Plaintiffs and all Settlement Class Members will be deemed to have fully, finally,
3 and forever released, settled, compromised, relinquished, and discharged the Released
4 Parties of all Released Class Claims.

5 39. PAGA Settlement Release. Upon the full funding of the Gross Settlement
6 Amount, Plaintiffs, the State of California with respect to all Aggrieved Employees, and all
7 Aggrieved Employees will be deemed to have fully, finally, and forever released, settled,
8 compromised, relinquished, and discharged the Released Parties of all Released PAGA
9 Claims. All Aggrieved Employees will be deemed to have released all PAGA claims under
10 the scope of the Settlement even if they have requested exclusion or opt-ed out of the
11 Settlement.

12 40. Plaintiffs' Release. Upon the full funding of the Gross Settlement Amount,
13 Plaintiffs, individually and on their own behalf, will be deemed to have fully, finally, and
14 forever released, settled, compromised, relinquished, and discharged the Released Parties
15 from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses,
16 attorneys' fees, damages, or causes of action arising under any federal, state, or local law,
17 statute, ordinance, rule, or regulation or Executive Order relating to all claims for wages or
18 penalties under the California Labor Code; Business and Professions Code sections 17200 *et*
19 *seq.* Plaintiff Nathaniel Garcia Claudio expressly does not release any claims for relief
20 arising from or relating to her employment with Defendant as described in the civil action
21 pending in Orange County Superior Court (Case No. 30- 2024- 01420260-CU-OE-CJC).
22 However, all other claims by Plaintiff Aaron Clayton Wilson and Nathaniel Garcia Claudio
23 are released. It is agreed that notwithstanding the carve-out as indicated within this
24 paragraph, this release is to be broadly construed as a release of all claims, provided that,
25 notwithstanding the foregoing, this Paragraph expressly does not include a release of any
26 claims that cannot be released. Plaintiffs understand and expressly agree that this Settlement
27 Agreement extends to claims that they may have against Defendant, except as excepted
28 within this paragraph, of whatever nature and kind, known or unknown, suspected or

1 unsuspected, vested or contingent, past, present, or future, arising from or attributable to an
2 incident or event, occurring in whole or in part, on or before the execution of this Settlement
3 Agreement. Any and all rights granted under any state or federal law or regulation limiting
4 the effect of this Settlement Agreement, except as noted within the civil matter pending in
5 Orange County Superior Court (Case No. 30- 2024- 01420260-CU-OE-CJC), including the
6 provisions of Section 1542 of the California Civil Code, ARE HEREBY EXPRESSLY
7 WAIVED. Section 1542 of the California Civil Code reads as follows:

8 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE**
9 **CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST**
10 **IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND**
11 **THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED**
12 **HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.**

13 41. Final Approval Order and Judgment. The Parties shall provide the Settlement
14 Administrator with a copy of the Final Approval Order and Judgment once it is entered by
15 the Court, and the Settlement Administrator shall post the Final Approval Order and
16 Judgment on its website for sixty (60) calendar days. No individualized notice of the Final
17 Approval Order and Judgment to the Class will be required.

18 42. Continued Jurisdiction. After entry of the judgment pursuant to the Settlement,
19 the Court will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of
20 Court and Section 664.6 of the California Code of Civil Procedure, for purposes of
21 addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b)
22 settlement administration matters, and (c) such post-judgment matters as may be appropriate
23 under court rules or as set forth in this Settlement Agreement. In the event that one or more
24 of the Parties institutes any legal action or other proceeding against any other Party or Parties
25 to enforce the provisions of this Settlement or to declare rights and/or obligations under this
26 Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful
27 Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred
28 in connection with any enforcement actions.

1 43. Effects of Termination or Rescission of Settlement. Termination or rescission
2 of the Settlement Agreement shall have the following effects:

3 a. The Settlement Agreement shall be void and shall have no force or
4 effect, and no Party shall be bound by any of its terms;

5 b. In the event the Settlement Agreement is terminated, Defendant shall
6 have no obligation to make any payments to any Party, Class Member, or attorney, except
7 that the terminating Party shall pay the Settlement Administrator for services rendered up to
8 the date the Settlement Administrator is notified that the Settlement has been terminated;

9 c. The Preliminary Approval Order, Final Approval Order and Judgment,
10 including any order certifying the Class, shall be vacated;

11 d. The Settlement Agreement and all negotiations, statements, and
12 proceedings relating thereto shall be without prejudice to the rights of any of the Parties, all
13 of whom shall be restored to their respective positions in the Action prior to the execution of
14 the Settlement Agreement;

15 e. Neither this Settlement Agreement, nor any ancillary documents,
16 actions, statements, or filings in furtherance of the Settlement (including all matters
17 associated with the mediation) shall be admissible or offered into evidence in the Action or
18 any other action for any purpose whatsoever; and

19 f. Any documents generated to bring the Settlement into effect, will be
20 null and void, and any order or judgment entered by the Court in furtherance of this
21 Settlement Agreement will likewise be treated as void from the beginning.

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

26 45. Exhibits Incorporated by Reference. The terms of this Settlement include the
27 terms set forth in any attached exhibits, which are incorporated by this reference as though
28 fully set forth herein. Any exhibits to this Settlement Agreement are an integral part of the
Settlement.

1 46. Entire Agreement. This Settlement Agreement and any attached exhibits
2 constitute the entirety of the Parties' agreement relating to the settlement and transaction
3 completed thereby, and all prior or contemporaneous agreements, understandings,
4 representations, and statements, whether oral or written and whether by a Party or such
5 Party's legal counsel, are merged herein. No other prior or contemporaneous written or oral
6 agreements may be deemed binding on the Parties. The Parties expressly recognize
7 California Civil Code § 1625 and California Code of Civil Procedure § 1856(a), which
8 provide that a written agreement is to be construed according to its terms and may not be
9 varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral
10 or written representations or terms will modify, vary, or contradict the terms of this
11 Settlement Agreement.

12 47. Interim Stay of Proceedings. The Parties agree to hold in abeyance all
13 proceedings in the Action (including with respect to California Code of Civil Procedure §
14 583.310), except such proceedings necessary to implement and complete this Settlement
15 Agreement, pending the Final Approval Hearing to be conducted by the Court.

16 48. Amendment or Modification. Prior to the filing of the motion for preliminary
17 approval of the Settlement, the Parties may not amend or modify any provision of this
18 Settlement Agreement except by written agreement signed by counsel for all Parties. After
19 the filing of the motion for preliminary approval of the Settlement, the Parties may not
20 amend or modify any provision of this Settlement Agreement except by written agreement
21 signed by counsel for all the Parties and subject to Court approval. A waiver or amendment
22 of any provision of this Settlement Agreement will not constitute a waiver of any other
23 provision.

24 49. Authorization to Enter into Settlement Agreement. Counsel for all Parties
25 warrant and represent they are expressly authorized by the Parties whom they represent to
26 negotiate this Settlement Agreement and to take all appropriate action required or permitted
27 to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and
28 to execute any other documents required to effectuate the terms of this Settlement
Agreement. The Parties warrant that they understand and have full authority to enter into
this Settlement Agreement, and further intend that this Settlement Agreement will be fully

1 enforceable and binding on all Parties, and agree that it will be admissible and subject to
2 disclosure in any proceeding to enforce its terms, notwithstanding any mediation
3 confidentiality provisions that otherwise might apply under state or federal law.

4 50. Signatories. It is agreed that because the members of the Class are so
5 numerous, it is impossible or impractical to have each Settlement Class Member or PAGA
6 Employee execute this Settlement Agreement. The Class Notice will advise all Class
7 Members of the binding nature of the Class Settlement as to the Settlement Class Members
8 and the binding nature of the PAGA Settlement as to the Aggrieved Employees, and the
9 releases provided for by this Settlement Agreement shall have the same force and effect as if
10 this Settlement Agreement were executed by each Settlement Class Member and PAGA
11 Employee.

12 51. Binding on Successors and Assigns. This Settlement Agreement will be
13 binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as
14 previously defined.

15 52. California Law Governs. All terms of this Settlement Agreement and attached
16 exhibits hereto will be governed by and interpreted according to the laws of the State of
17 California.

18 53. Execution and Counterparts. This Settlement Agreement is subject only to the
19 execution of all Parties. However, this Settlement Agreement may be executed in one or
20 more counterparts. All executed counterparts and each of them, including facsimile,
21 electronic, and scanned copies of the signature page, will be deemed to be one and the same
22 instrument.

23 54. Acknowledgement that the Settlement is Fair and Reasonable. The Parties
24 believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the
25 Action and have arrived at this Settlement after arm's length negotiations and in the context
26 of adversarial litigation, taking into account all relevant factors, present and potential. The
27 Parties further acknowledge that they are each represented by competent counsel and that
28 they have had an opportunity to consult with their counsel regarding the fairness and
reasonableness of this Settlement Agreement. In addition, if necessary to obtain approval of

1 the Settlement, the Mediator may execute a declaration supporting the Settlement and the
2 reasonableness of the Settlement and the Court may, in its discretion, contact the Mediator to
3 discuss the Settlement and whether or not the Settlement is objectively fair and reasonable.

4 55. Invalidity of Any Provision. Before declaring any provision of this Settlement
5 Agreement invalid, the Court will first attempt to construe the provision as valid to the
6 fullest extent possible consistent with applicable precedents so as to define all provisions of
7 this Settlement Agreement valid and enforceable.

8 56. Plaintiffs' Cooperation. Plaintiffs agree to sign this Settlement Agreement
9 and, by signing this Settlement Agreement, are hereby bound by the terms herein and agree
10 to fully cooperate to implement the Settlement.

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

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

1 59. Mutual Preparation. The Parties have had a full opportunity to negotiate the
2 terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement
3 will not be construed more strictly against one Party than another merely by virtue of the fact
4 that it may have been prepared by counsel for one of the Parties, it being recognized that,
5 because of the arms-length negotiations between the Parties, all Parties have contributed
6 equally to the preparation of this Settlement Agreement.

7 60. Representation By Counsel. The Parties acknowledge that they have been
8 represented by counsel throughout all negotiations that preceded the execution of this
9 Settlement Agreement, and that this Settlement Agreement has been executed with the
10 consent and advice of counsel, and reviewed in full.

11 61. All Terms Subject to Final Court Approval. All amounts and procedures
12 described in this Settlement Agreement herein will be subject to final Court approval.

13 62. Notices. All notices, demands, and other communications to be provided
14 concerning the Settlement Agreement shall be in writing and deemed to have been duly
15 given as of the third business day after mailing by First Class U.S. Mail, or the day sent by
16 email or messenger, addressed as follows:

17 To Plaintiffs and Class Counsel:

18 Kevin Lipeles, Esq. (SBN 244275)

19 kevin@kallaw.com

20 Thomas H. Schelly, Esq. (SBN 217285)

21 thomas@kallaw.com

22 Diana Casarrubias

23 diana@kallaw.com

24 Laura Maria Hernandez Perez

25 laura@kallaw.com

26 **LIPELES Law Group, APC**

27 880 Apollo Street, Suite 336

28 El Segundo, CA 90245

Tel: (310) 322-2211 • Fax: (310) 322-2252

To Defendant:

Erin R. Ezra, Esq.

eezra@bergerkahn.com

Tucker Y. Phillips, Esq.

1 tphillips@bergerkahn.com

2 **BERGER KAHN**

3 1 Spectrum Pointe Dr., Suite 340

4 Lake Forest, CA 92630

5 Tel: (949) 614-0100 / Fax: (949) 771-1922

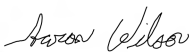
6 63. Cooperation and Execution of Necessary Documents. All Parties and their
7 counsel will cooperate with each other in good faith and use their best efforts to implement
8 the Settlement, including and not limited to, executing all documents to the extent
9 reasonably necessary to effectuate the terms of this Settlement Agreement. If the Parties are
10 unable to reach agreement on the form or content of any document needed to implement the
11 Settlement Agreement, or on any supplemental provisions that may become necessary to
12 effectuate the terms of this Settlement Agreement, the Parties may seek the assistance of the
13 Mediator and then the Court to resolve such disagreement.

14 **IN WITNESS WHEREOF**, the Parties hereto knowingly and voluntarily executed
15 this Joint Stipulation of Class Action and PAGA Settlement between Plaintiffs and
16 Defendant:

17 **IT IS SO AGREED.**

18 **PLAINTIFF AARON CLAYTON
WILSON**

19 Dated: 12/02/2025

20 

Aaron Clayton Wilson

21 **PLAINTIFF NATHANIEL GARCIA
CLAUDIO**

22 Dated: 12/02/2025

23 

24 [Nathasha Marie Garcia \(Dec 2, 2025 18:15:27 PST\)](#)
Nathaniel Garcia Claudio

25 **DEFENDANT PATH**

26 Dated: 12/01/2025

27 

Full Name: Sarah Kolish

Title: COO
On behalf of PATH

APPROVED AS TO FORM ONLY:

LIPELES LAW GROUP, APC

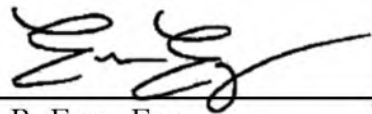
Dated: December 2, 2025



Kevin Lipeles, Esq.
Attorneys for Plaintiffs Aaron Clayton
Wilson and Nathaniel Garcia Claudio

BERGER KAHN, ALC

Dated: 12/2/2025



Erin R. Ezra, Esq.
Tucker Y. Phillips, Esq.
Attorneys for PATH

EXHIBIT B



880 Apollo Street, Suite 336 ♦ El Segundo, CA 90245 ♦ Voice (310) 322-2211 ♦ Fax (310) 322-2252

July 10, 2024

VIA WEBSITE UPLOAD

State of California
Labor and Workforce Development Agency

VIA CERTIFIED MAIL (RETURN RECEIPT REQUESTED)

**People Assisting The Homeless
340 N. Madison Avenue
Los Angeles, CA 90004**

Re: *Aaron Clayton Wilson v. People Assisting The Homeless*

Dear People Assisting The Homeless:

This office represents Aaron Clayton Wilson. We are informing you of our representation and ask that all further communication regarding this matter be directed to our attention at the address located on this letterhead, and that no contact be made directly with our client. This letter is sent pursuant to the provisions of California Labor Code, §§2699, *et seq.*

I. FACTS & NATURE OF THE DISPUTE

This is a Class Action lawsuit Plaintiff is bringing, seeking relief for Defendant's violations of the California Business & Professions Code §§ 17200 *et seq.*, including full restitution and disgorgement of all compensation retained by Defendant as a result of its unlawful and unfair business practices, as well as injunctive relief.

This action is on behalf of Plaintiff and others similarly situated to recover wages from Defendant due to Defendant's systematic failure to pay overtime, minimum wages, provide proper meal breaks (or pay the statutory compensation due), to issue accurate wage statements, to pay all wages due on termination and/or resignation and to allow inspection of employment records and unfair competition.

Plaintiff seeks compensatory, statutory, declaratory, and injunctive relief for himself and all members of the Class, to compensate these workers for the unpaid wages and to protect current

and future workers of Defendant from being subjected to similar wage theft and otherwise unlawful working conditions.

II. § 2699, ET SEQ., LABOR CODE VIOLATIONS

Our client has numerous legal claims against People Assisting The Homeless. Further investigation and formal discovery will likely uncover other claims and additional facts supporting liability herein.

The details of our client's Labor Code, §2699, claims include, but are not limited to:

A. OFF THE CLOCK WORK

(Labor Code § 203, 226, 510, 558, 1197, 1197.1, and 2699(f)(2); IWC Wage Order No. 4)

Defendant was required to pay its employees for all time worked, even if employees were not clocked in or after they were clocked out. Defendant failed to pay Plaintiff and the Class for any off the clock work they performed.

Plaintiff and the Class are entitled to, and are, seeking such relief as may be necessary to restore to them the money which Defendant has acquired, or of which Plaintiff and the Class have been deprived by means of the above-described unfair and unlawful business practices.

B. FAILURE TO PAY PREMIUM OVERTIME WAGES DUE

(Cal. Labor Code §§ 510, 1198; IWC Wage Order No. 4)

Under California law, non-exempt employees as defined by Wage Order No. 4, are entitled to premium wages for overtime worked. Defendant required Plaintiff and the Class to regularly perform compensable tasks pre- and post-shift off-the-clock for which they did not receive any compensation. Specifically, as part of the Class members' employment, Defendant required Plaintiff and Class members to take notes on the client files for approximately 10 minutes prior to clocking in about 2 times per week. Further, Plaintiff and Class members were also required once per week to take notes on client files after clocking out for approximately 1-2 hours. Additionally, approximately 2 times per month, on weekends, Plaintiff and Class members were required to take notes on client files for about 2 hours.

Plaintiff and the Class were not paid overtime due to off the clock work. As a result, during this period, it was the practice and policy of Defendant to not pay employees at appropriate overtime rates. Monies for unpaid overtime remain due and owing.

Plaintiff and the Class are entitled to, and are, seeking such relief as may be necessary to restore to them the money which Defendant has acquired, or of which Plaintiff

and the Class have been deprived by means of the above-described unfair and unlawful business practices.

Throughout Plaintiff's employment, Defendant failed and refused to pay compensation to Plaintiff and Class Members as required by law. The foregoing overtime compensation is owed and unpaid. As a direct and proximate result of Defendant's failure and refusal to pay overtime, Plaintiff and Class Members suffered damages in an amount to be proven at trial.

C. FAILURE TO PAY MINIMUM WAGES

(Cal. Labor Code §§1194, 1194.2, 1997, 1197.1, 1198; IWC Wage Order No. 4)

Defendant failed to satisfy minimum wage requirements. As a result of Defendant requiring off the clock work, Plaintiff and Class members' hours and being afforded meal/rest breaks late, not afforded at all and/or interrupted, Plaintiff and members of the Class were paid less than minimum wage. This resulted in Defendant's failure to compensate Plaintiff properly for "all hours worked" and consequently underpaid Plaintiff and Class members for the actual hours Plaintiff and Class members worked in violation of *Labor Code* §§ 1197, 1198 and IWC Wage Order No. 4.

D. FAILURE TO PROVIDE MEAL PERIODS

(Cal. Labor Code § 226.7; IWC Wage Order No.4)

At times Defendant afforded late meal periods, after five- and one-half hours of work in violation of Labor Code § 226.7 and IWC Wage Order No. 4. Also, meal breaks were frequently missed due to the volume of work. Further, while working as ICMS Case Managers, Plaintiff and Class members meal breaks were routinely interrupted. Plaintiff and Class members were required to carry work cell phones with them during working hours. They were required to keep those phones on during their breaks and were routinely interrupted by phone calls/texts during their meal breaks.

By virtue of Defendant's unlawful failure to provide timely, uninterrupted and or any meal periods, to Plaintiff and the Class, Plaintiff and the Class have suffered, and will continue to suffer, damages in amounts which are presently unknown to Plaintiff and the Class, but which exceed the jurisdictional limits of the Court and which will be ascertained according to proof at trial.

E. FAILURE TO PROVIDE REST PERIODS

(Cal. Labor Code § 226.7; IWC Wage Order No.4)

Plaintiff and Class members' rest breaks were routinely interrupted and/or not afforded. Plaintiff and Class members were required to carry work cell phones with them during working hours. They were required to keep those phones on during their breaks and were routinely interrupted by phone during their rest breaks. Plaintiff and Class members were not afforded rest breaks due to the volume and nature of their work.

By virtue of Defendant's unlawful failure to provide rest periods and or interruption of rest periods of Plaintiff and the Class, Plaintiff and the Class have suffered, and will continue to suffer, damages in amounts which are presently unknown to Plaintiff and the Class, but which exceed the jurisdictional limits of the Court and which will be ascertained according to proof at trial.

F. FAILURE TO MAINTAIN RECORDS AND PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

(Cal. Labor Code §226; IWC Wage Order No.4)

Defendant intentionally and knowingly provided Plaintiff and other members of the Class with weekly itemized wage statements containing inaccurate information regarding the wages earned by Plaintiff and members of the Class in that the payments owed to Plaintiff and the members of the Class for overtime compensation, minimum wages, late/interrupted and/or unafforded meal periods, interrupted and/or unafforded rest periods, all wages due on termination, were not included in gross wages earned by Plaintiff and members of the Class.

Plaintiff and members of the Class were damaged by these failures because, among other things, the failures led them to believe that they were not entitled to overtime compensation, minimum wages, pay for meal/rest periods provided late, interrupted and/or not afforded, wages on termination, even though they were so entitled and these failures hindered them from determining the amounts of wages owed to them.

G. FAILURE TO PAY WAGES ON TERMINATION AND/OR RESIGNATION

(Cal. Labor Code §§201-203; IWC Wage Order No.4)

Plaintiff and the Class were discharged and/or resigned from Defendant's employ and Defendant willfully failed to pay Plaintiff and the Class wages due them.

Plaintiff was not paid for all the wages he was owed when he ended his employment with Defendant on November 7, 2023. Plaintiff and Class members are still owed overtime, minimum wages, premium pay for meal/rest breaks not afforded and other wages.

H. FAILURE TO ALLOW INSPECTION OF EMPLOYMENT RECORDS

(Cal. Labor Code §1198.5; IWC Wage Order No.4)

On or about July 9, 2024, Plaintiff's counsel issued a written request to you for copies of his personnel records. You have failed and refused to permit Plaintiff to have access to copies of their records.

As a result of your failure and refusal to permit Plaintiff to have full access to his records, Plaintiff will seek injunctive relief and recovery of statutory penalties.

I. UNFAIR COMPETITION

(Cal. Bus. & Prof. Code §§17200 et seq.)

Defendant, through the unfair and unlawful business practices as described herein, has obtained valuable property, money and services from the Plaintiff and the Class and has deprived them of valuable rights and benefits guaranteed by law all to the detriment of Plaintiff and the Class. All the acts described are violations of, among other things, the Labor Code and Industrial Commission Wage Order No.4, are unlawful and in violation of public policy; and in addition are immoral, unethical, oppressive, and unscrupulous, and thereby constitute unfair and unlawful business practices in violation of Business & Professions Code §§ 17200 *et seq.*

Plaintiff and the Class are entitled to, and are, seeking such relief as may be necessary to restore to them the money and property which Defendant has acquired, or of which Plaintiff and the Class have been deprived by means of the above-described unfair and unlawful business practices.

Moreover, Plaintiff, and all other similarly aggrieved California employees, intend to seek all penalties for the violations described above. Moreover, Plaintiff also intends to recover the actual wages owed to employees under the Labor Code sections that authorize such recovery, including but not limited to Labor Code §558.

III. CONCLUSION

Please take notice this letter is intended to exhaust the pre-litigation requirements set forth under California Labor Code, §§2699, *et seq.* By law, an employee alleging a violation of one of the above-referenced sections must notify his or her employer and the Labor and Workforce Development Agency (LWDA) before he or she can invoke the provisions of §2699, *et seq.*, by seeking redress in court. (Labor Code § 2699.3(a)(1).) The LWDA must then notify the employer and the employee within 33 calendar days regarding whether it intends to investigate the alleged violation. (Labor Code, §2699.3(a)(2)(B).) If the LWDA advises that it will not investigate, or if no notice is provided within 33 calendar days, the employee may file a lawsuit invoking the provisions under Labor Code, §2699. (Labor Code, §2699.3(a)(2)(A).) It is the intention of this office to file a civil complaint and to bring the appropriate claims under Labor Code, §2699, should your office not address these matters within the proscribed time.

We write this letter subject to and without waiver of our client's rights and remedies, all of which we expressly reserve. This letter is not an express statement of all facts and circumstances concerning this matter.

Sincerely,

LIPELES LAW GROUP, APC

Kevin A. Lipeles, Esq.

EXHIBIT C



880 Apollo Street, Suite 336 ♦ El Segundo, CA 90245 ♦ Voice (310) 322-2211 ♦ Fax (310) 322-2252

December 4, 2025

VIA WEBSITE UPLOAD

State of California
Labor and Workforce Development Agency

VIA CERTIFIED MAIL (RETURN RECEIPT REQUESTED)

People Assisting the Homeless
340 N. Madison Avenue
Los Angeles, CA 90004

Re: *Aaron Clayton Wilson et al. v. People Assisting the Homeless*

Dear People Assisting the Homeless:

This office represents Aaron Clayton Wilson and Nathaniel Garcia Claudio (collectively “Plaintiffs”). We are informing you of our representation and ask that all further communication regarding this matter be directed to our attention at the address located on this letterhead, and that no contact be made directly with our client. This letter is sent pursuant to the provisions of California Labor Code, §§2699, *et seq.*

I. FACTS & NATURE OF THE DISPUTE

This is a Class Action lawsuit Plaintiffs are bringing, seeking relief for Defendant’s violations of the California Business & Professions Code §§ 17200 *et seq.*, including full restitution and disgorgement of all compensation retained by Defendant as a result of its unlawful and unfair business practices, as well as injunctive relief.

This action is on behalf of Plaintiffs and others similarly situated to recover wages from Defendant due to Defendant’s systematic failure to pay overtime, minimum wages, provide proper meal breaks (or pay the statutory compensation due), to issue accurate wage statements, to pay all wages due on termination and/or resignation and to allow inspection of employment records and unfair competition.

Plaintiffs seek compensatory, statutory, declaratory, and injunctive relief for themselves and all members of the Class, to compensate these workers for the unpaid wages and to protect

current and future workers of Defendant from being subjected to similar wage theft and otherwise unlawful working conditions.

II. § 2699, ET SEQ., LABOR CODE VIOLATIONS

Our client has numerous legal claims against People Assisting the Homeless. Further investigation and formal discovery will likely uncover other claims and additional facts supporting liability herein.

The details of our client's Labor Code, §2699, claims include, but are not limited to:

A. OFF THE CLOCK WORK

(Labor Code § 203, 226, 510, 558, 1197, 1197.1, and 2699(f)(2); IWC Wage Order No. 4)

Defendant was required to pay its employees for all time worked, even if employees were not clocked in or after they were clocked out. Defendant failed to pay Plaintiffs and the Class for any off the clock work they performed.

Plaintiffs and the Class are entitled to, and are, seeking such relief as may be necessary to restore to them the money which Defendant has acquired, or of which Plaintiffs and the Class have been deprived by means of the above-described unfair and unlawful business practices.

B. FAILURE TO PAY PREMIUM OVERTIME WAGES DUE

(Cal. Labor Code §§ 510, 1198; IWC Wage Order No. 4)

Under California law, non-exempt employees as defined by Wage Order No. 4, are entitled to premium wages for overtime worked. Defendant required Plaintiffs and the Class to regularly perform compensable tasks pre- and post-shift off-the-clock for which they did not receive any compensation. Specifically, as part of the Class members' employment, Defendant required Plaintiffs and Class members to take notes on the client files for approximately 10 minutes prior to clocking in about 2 times per week. Further, Plaintiffs and Class members were also required once per week to take notes on client files after clocking out for approximately 1-2 hours. Additionally, approximately 2 times per month, on weekends, Plaintiffs and Class members were required to take notes on client files for about 2 hours.

Plaintiffs and the Class were not paid overtime due to off the clock work. As a result, during this period, it was the practice and policy of Defendant to not pay employees at appropriate overtime rates. Monies for unpaid overtime remain due and owing.

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Plaintiffs and the Class have been deprived by means of the above-described unfair and unlawful business practices.

Throughout Plaintiffs' employment, Defendant failed and refused to pay compensation to Plaintiffs and Class Members as required by law. The foregoing overtime compensation is owed and unpaid. As a direct and proximate result of Defendant's failure and refusal to pay overtime, Plaintiffs and Class Members suffered damages in an amount to be proven at trial.

C. FAILURE TO PAY MINIMUM WAGES

(Cal. Labor Code §§1194, 1194.2, 1997, 1197.1, 1198; IWC Wage Order No. 4)

Defendant failed to satisfy minimum wage requirements. As a result of Defendant requiring off the clock work, and Plaintiffs and Class Members not being afforded compliant meal/rest breaks, Plaintiffs and members of the Class were paid less than minimum wage. This resulted in Defendant's failure to compensate Plaintiffs properly for "all hours worked" and consequently underpaid Plaintiffs and Class members for the actual hours Plaintiffs and Class members worked in violation of *Labor Code* §§ 1197, 1198 and IWC Wage Order No. 4.

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(Cal. Labor Code §§201-203; IWC Wage Order No.4)

Plaintiffs and the Class were discharged and/or resigned from Defendant's employ and Defendant willfully failed to pay Plaintiffs and the Class wages due them.

Plaintiffs and Class members are still owed overtime, minimum wages, premium pay for meal/rest breaks not afforded and other wages.

H. FAILURE TO ALLOW INSPECTION OF EMPLOYMENT RECORDS
(Cal. Labor Code §1198.5; IWC Wage Order No.4)

On or about July 9, 2024, Plaintiff Wilson's counsel issued a written request to you for copies of his personnel records. You have failed and refused to permit Plaintiff Wilson to have access to copies of their records.

As a result of your failure and refusal to permit Plaintiff Wilson to have full access to his records, Plaintiff will seek injunctive relief and recovery of statutory penalties.

I. UNFAIR COMPETITION
(Cal. Bus. & Prof. Code §§17200 et seq.)

Defendant, through the unfair and unlawful business practices as described herein, has obtained valuable property, money and services from the Plaintiffs and the Class and has deprived them of valuable rights and benefits guaranteed by law all to the detriment of Plaintiffs and the Class. All the acts described are violations of, among other things, the Labor Code and Industrial Commission Wage Order No.4, are unlawful and in violation of public policy; and in addition are immoral, unethical, oppressive, and unscrupulous, and thereby constitute unfair and unlawful business practices in violation of Business & Professions Code §§ 17200 *et seq.*

Plaintiffs and the Class are entitled to, and are, seeking such relief as may be necessary to restore to them the money and property which Defendant has acquired, or of which Plaintiffs and the Class have been deprived by means of the above-described unfair and unlawful business practices.

Moreover, Plaintiffs, and all other similarly aggrieved California employees, intend to seek all penalties for the violations described above. Moreover, Plaintiffs also intends to recover the actual wages owed to employees under the Labor Code sections that authorize such recovery, including but not limited to Labor Code §558.

III. CONCLUSION

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We write this letter subject to and without waiver of our client's rights and remedies, all of which we expressly reserve. This letter is not an express statement of all facts and circumstances concerning this matter.

Sincerely,

LIPELES LAW GROUP, APC

A handwritten signature in blue ink, appearing to read "K. Lipeles".

Kevin A. Lipeles, Esq.

EXHIBIT D

From: [DIR PAGA Unit](#)
To: [Brandon Alvarez](#)
Subject: Thank you for your Amended PAGA Claim Notice Submission.
Sent: 12/4/2025 9:19:57 AM

12/04/2025 11:19:42 AM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Amended PAGA Claim

Please note that a PAGA Notice is not a complaint within the meaning of Division 5 (Labor Code §§6300 et seq.). To file a complaint about workplace safety and health hazards with Cal/OSHA, please visit: <https://www.dir.ca.gov/dosh/complaint.htm>

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm