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Attorney for Plaintiff
Maria Alvarez

SUPERIOR COURT OF CALIFORNIA

COUNTY OF LOS ANGELES

MARIA ALVAREZ, Plaintiff, v. WELCOME GROUP MANAGEMENT, LLC, et al. Defendants.	NO. 25STCV08891 DECLARATION OF ADAM ROSE IN SUPPORT OF STIPULATION TO APPROVE PAGA SETTLEMENT

I, Adam Rose, declare the following:

1. I am one of the attorneys for the plaintiff Maria Alvarez. I have personal knowledge of the facts in this declaration, and if called on to testify I would competently do so.

2. I support all the arguments made in the stipulation to approve the PAGA settlement.

3. I very actively helped move this case into mediation, wrote the mediation brief, and engaged in arm's length negotiations with the help of mediator Scott Markus.

4. Attached as Exhibit A is a true and correct copy of the PAGA settlement agreement.

5. Attached as Exhibit B is a true and correct copy of the proposed letter to accompany the checks to the aggrieved employees.

6. Attached as Exhibit C is a true and correct copy of the initial PAGA letter.

7. Attached as Exhibit D is a true and correct copy of the amended PAGA letter.

8. Attached as Exhibit E is a true and correct copy of the total attorney costs.

9. As part of the work toward mediation, I requested confirmation of the number of aggrieved employees, a full copy of Plaintiff's personnel file, relevant employee manuals, and an anonymized list of employees during the PAGA period.

10. Although the maximum PAGA liability is $1,790,000, as explained in the motion to approve the PAGA settlement, I believe that based on the risks a more realistic maximum liability is $895,000.

11. The primary risk is the off-the-clock and missed breaks could be limited to Plaintiff's personal experiences at the hotel.

12. Further, there was no documentary evidence of off-the-clock work.

13. The corresponding risk for the derivative wage statement and waiting time penalties is that there could be a finding that not paying premium pay for missed meal and rest breaks was not done willfully, as explained by the Supreme Court in *Naranjo v. Spectrum Security Services, Inc*. (2024) 15 Cal.5th 1056.)

14. These risks were discussed analyzed before and during the mediation.

15. Thus, I believe the PAGA settlement of $90,000 is within the range of reasonableness and is fair, reasonable, and adequate.

16. Plaintiff also resolved her individual, discrete wage and hour claims as part of the overall settlement.

17. Further, I spent about 100 hours on this case, and my billing rate is $850 an hour. This rate is based on the below.

18. I am qualified to represent the aggrieved employees because since I graduated from University of San Francisco Law School in 1998, I have settled over 300 individual employment law cases (in addition to hundreds of additional personal injury and habitability cases), and I have handled the following class actions from start to finish: *Ramirez v. Arevalo Landscaping*, Los Angeles Superior Court case number BC397109; *Friedrich v. La Vaquita Corp*., Los Angeles Superior Court case number BC564432; *Caravalho v. Staff Pro*, Alameda County Superior Court case number RG16812554; *Hart v. Marriott International, Inc*., United States District Court case number 8:17-cv-2021-JVS;

Cole v. Saucey, Inc., Los Angeles Superior Court case number BC707895; *Rowe v. Laura Geller Beauty, LLC*, United States Bankruptcy Court case number 1:18-bk-14102-MEW (New York); *Rowe v. Ulta Salon, Beauty, and Cosmetics, LLC*, Sacramento Superior Court case number 34-2019-00267231, *Luna et al. v. Triple Canopy, Inc*., Santa Clara Superior Court case number 19CV345169, *Smith v. Budget Rent A Car System, Inc*., United States District Court case number 2:19-cv-4720-SVW, *Shrum v. Sacramento Elite Patrol, Inc*., Sacramento Superior Court case number 34-2019-002767231, *Morris v. Blue Mountain Enterprises, LLC*, Solano County Superior Court case number FCS035858, *Lopez v. Mac Arthur Co*., Riverside County Superior Court case number RIC1905043, *Diaz v. Marriott International, Inc*., San Diego Superior Court case number 37-2019-00044740, *Castellanos et al. v. Southwest Patrol, Inc*., San Diego Superior Court case number 37-2020-00024905, *Inacio v. Land O' Lakes*, Merced Superior Court case number 19CV-04520, *GSG Wage and Hour Cases*, San Diego Superior Court case number JCCP5055, *Marroquin v. Teleferic Barcelona*, Santa Clara Superior Court case number 21CV388821, *Gonzalez, et al. v. Golden Gate Bell*, Contra Costa Superior Court case number MSC21-00956, *Navarro Garcia v. Widdicombe Enterprises, Inc*., Orange County Superior Court case number 30-2021-01235358, *Gonzalez v. Seven Seas Associates, LLC*, San Diego Superior Court case number 37-2023-00042280-CU-OE-CTL, *Navarro v. Squad Security CA, Inc*., Los Angeles Superior Court case number 22STCV24108, *Gagliardi v. Ralph Lauren Retail, Inc*., Riverside County Superior Court case number CVRI2103581, *Rodriguez v. RGIS, LLC*, Butte County Superior Court case number 23CV01731, *Castellanos v. Trimac Transportation*, Los Angeles Superior Court case number 23STCV27749, and *Burkett v. Weho Hospitality*, Los Angeles Superior Court case number 23STCV01072.

19. I also actively participated in and helped finalize class action settlements in the following: *Arya Security Services Cases*, Orange County Superior Court case number JCCP4991, *Allen v. Caine & Weiner*, Los Angeles Superior Court case number BC465806, *Terry v. SHAC, LLC dba Sapphire*, Eighth Judicial District of Nevada case number A-09-602800-C, *Carter v. Fantasy Castle*, Los Angeles Superior Court case number BC433666,

Blunt v. Valley Ball Cabaret, Los Angeles Superior Court case number BC380265, *Hills v. Todd & Katie, Inc*., Los Angeles Superior Court case number BC437919, *Lawrenz, et al. v. Blacktalon Enterprises, Inc*., et al., Sacramento Superior Court case number 34-2019-00267748, *Stricklin, et al. v. First Alarm Security & Patrol, Inc*., Santa Clara Superior Court case number 18CV323753, *Rushing v. Security Intelligence Specialist Corporation*, San Mateo Superior Court case number 18-CIV-01808, *Massey v. Hummel + Mann*, Santa Barbara Superior Court case number 21CV02985, *Sunshine Retirement Wage and Hour Cases*, Sacramento Superior Court case number JCCP5247, *Ponce v. Venture Dynamics*, San Diego Superior Court case number 37-2022-00004908-CU-OE-CTL, and *Houser v. Fish House Vera Cruz*, San Diego Sup. Court case number 37-2023-00045659-CU-OE-NC.

20. Also, I am working on the following cases which were granted preliminary approval was granted and administration is proceeding: *Carll v. Better Earth Electric*, Los Angeles Superior Court case number 23STCV14372, *Hall v. AAA of Northern California*, Contra Costa Superior Court case number MSC21-02363, *Johnson v. Command International Security*, Los Angeles Superior Court case number 23STCV15872, *Zavala v. CPH Hospital Management*, Los Angeles Superior Court case number 23STCV19561, and *Slaffey v. Joint Venture Restaurant Group*, Los Angeles Superior Court case number 23STCV14215.

21. I obtained FLSA certification and finalized FLSA settlements in *Desio v. Russell Road Food & Beverage*, U.S. District Court case number 2:15-1440-GMN (D.Nev.) and *Aguilar v. American-Paragon Protective Services*, U.S. District Court case number 5:20-cv-01892-EJD (N.D.Cal.).

22. I handled and finalized settlements on the following PAGA cases: *McAfee v. Chief Protective Services*, Riverside County Superior Court case number RIC1721984, *Hall v. Pirch, Inc*., San Diego Superior Court case number 37-2016-00036606, *Green v. American Guard*, Los Angeles Superior Court case number BC688437, *Hernandez v. Contemporary Services Corp*., Los Angeles Superior Court case number BC684206, *McNeal v. Platinum Security Services*, Los Angeles Superior Court case number 19STCV05709, *Cruz v. Holder Construction Group, LLC*, Santa Clara Superior Court case number 19CV341862, *Nunes v.*

Westmont Living, San Luis Obispo Superior Court case number 19CV-0935, *Gibson v. Swift Transportation Co*., United States District Court case number 5:20-cv-00318-ODW, *Katabyan v. Awesome Doughnut*, Los Angeles Superior Court case number 20STCV19903, *Ayoub v. Harry Winston, Inc*., United States District Court case number 4:21-cv-01599-JST, *Williams v. St. Joseph Personal Care Services, LLC*, Orange County Superior Court case number 30-2020-01134268-CU-OE-CXC, *Rodriguez v. Modern Parking, Inc*., Los Angeles Superior Court case number 23STCV00936, *Valdivieso v. Universal Auto Group*, Los Angeles Superior Court case number 23GDCV00191, *Hanna v. Ulta Salon, Cosmetics & Fragrance, Inc*., Sacramento Superior Court case number 34-2019-00252198, *Bullock v. Atria Management*, Nevada County Superior Court case number CU22-086285, *Ramirez-Batres v. Lee Mechanical Contractors, Inc*., Kern County Superior Court case number BCV-23-102686, *Mathews v. Assignment America, LLC*, Los Angeles Superior Court case number 22STCV13033, *Castro v. Clay Lacy Aviation, Inc*., Los Angeles Superior Court case number 21VECV00304, *Elwood v. Alameda Healthcare & Wellness Center, LLC*, Alameda County Superior Court case number 23CV028398, *Vasquez v. Anton Devco, Inc*., Sacramento County Superior Court case number 34-2021-00310326, *Selvy-Medina v. Nothing Bundt Cakes*, San Diego Superior Court case number 37-2023-00041657-CU-OE-CTL, *Lear v. DNS2 Management, LLC*, Riverside County Superior Court case number CVRI2304984, *Barboza et al. v. Mission Federal Credit Union*, San Diego Superior Court case number 37-2019-00024579-CU-OE-CTL, *Rosales v. All Day USA Operations, LLC*, San Mateo Superior Court case number 23-CIV-02945, *Gonzalez v. Spec Personnel*, Santa Clara Superior Court case number 23CV426656, *Ceralde et al. v. SP Plus*, Los Angeles Superior Court case number 23STCV09036, *Talley v. Travel Nurse Across America*, Santa Clara County Superior Court case number 22CV403426, *Llamas v. San Diego Sunrise Management*, San Diego Superior Court case number 37-2023-00044344-CU-OE-CTL, *Drasher v. Advanced Building Maintenance*, Sacramento County Superior Court case number 23CV008372, *Wilker v. San Rafael Operating Company*, Marin County Superior

Court case number CV0001580 and *Dawkins v. Secure MD Professionals*, Fresno County Superior Court case number 21CECG00039.

23. Thus, based on the above I respectfully request the court to grant the stipulation to approve the PAGA settlement.

24. Also, I am uploading this declaration containing the PAGA settlement agreement to the LWDA website the same day as filing the stipulation.

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

Date: February 16, 2026 *<u>/s/ Adam Rose</u>*

Exhibit A

MARIA ALVAREZ v. WELCOME GROUP MANAGEMENT, LLC
LOS ANGELES COUNTY CASE NO. 25STCV08891

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement ("Agreement") is made by and between plaintiff Maria Alvarez ("Plaintiff") and Defendant Welcome Group Management, LLC ("Defendant") . The Parties agree to a PAGA settlement of the lawsuit entitled *Alvarez v. Welcome Group Management, LLC*, in Los Angeles County Superior Court, case number 25STCV08891.

1. DEFINITIONS.

1.1 "Action" means the Plaintiff's PAGA lawsuit alleging wage and hour violations against Defendant, Case No. 25STCV08891 filed on March 26, 2025, in Los Angeles Superior Court.

1.2 "Administrator" means Phoenix Class Action Settlement Solutions, the neutral entity the Parties agreed to administer the Settlement.

1.3 "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with approval of this Settlement.

1.4 "Aggrieved Employee" means in the context of this settlement agreement only:

> All hourly non-exempt, hourly employees of Defendant who have been employed and worked for Defendant at its Visalia, California property from January 20, 2024, to December 22, 2025.

1.5 "Aggrieved Employee Data" means Aggrieved Employee identifying information in possession of Defendant including the Aggrieved Employee's name, last-known mailing address, Social Security number and number of PAGA Pay Periods.

1.6 "Aggrieved Employee Address Search" means the Administrator's investigation and search for current Aggrieved Employees' mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces and direct contact by the Administrator with Aggrieved Employees.

1.7 "Court" means the Superior Court of California, County of Los Angeles.

1.8 "Defense Counsel" means Pettit Kohn Ingrassia Lutz & Dolin PC.

PETTIT KOHN
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1.9 "Effective Date" means the date by all of following has occurred: 1) the Court has issued the Approval Order, dismissed Plaintiff's PAGA claims with prejudice, 2) the Court entered Judgment in accordance with the terms described herein, and 3) the Court has made the signed Order of Approval available to Defendant. Judgment is final as of the latest of the following occurrences: a) if the State of California, acting through the LWDA or any other administrative agency or official, or any third party timely intervenes in the Action: (b) if the intervenor then appeals the Judgment, the date the Judgment is affirmed on appeal, or the date of dismissal of the appeal, (c) if no intervention then the day the Count enters Judgment is final.

1.10 "Gross Settlement Amount" means Ninety Thousand Dollars and Zero Cents ($90,000.00), which is the total amount Defendant agrees to pay under the Settlement. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, the Representative Service Payment, PAGA Counsel Fees Payment, PAGA Counsel Costs and Expenses and the Administrator's Expenses.

1.11 "Individual PAGA Payments" means the Aggrieved Employees' pro rata share of 35% of the PAGA Penalties calculated according to the number of pay periods the Aggrieved Employee worked during the PAGA Period.

1.12 "Judgment" means the judgment entered by the Court based upon the Approval Order.

1.13 "LWDA" means the Labor and Workforce Development Agency, the agency designated under Labor Code section 2699, subdivision (i).

1.14 "LWDA PAGA Payment" means the 65% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subdivision (m).

1.15 "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Counsel Fees, PAGA Counsel Litigation Expenses , the Representative Service Payment, and the Administration Expenses. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.

1.16 "PAGA Counsel" means the attorneys representing the Plaintiff in the Action:

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1.17 "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action, not to exceed 1/3 of the Gross Settlement Amount (for attorney fees).

1.18 "PAGA Pay Period" means any pay period during which an Aggrieved Employee worked for Defendant at least one day during the PAGA Period.

1.19 "PAGA Period" means the period from January 20, 2024 to December 22, 2025.

1.20 "PAGA" means the Private Attorneys General Act (Lab. Code, § 2698. et seq.).

1.21 "PAGA Notices" means Plaintiff's July 1, 2024, November 11, 2024, and September 29, 2025, letters to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subdivision (a).

1.22 "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 35% to the Aggrieved Employees and the 65% to the LWDA in settlement of PAGA claims.

1.23 "Plaintiff" means Maria Alvarez, the named plaintiff in the Action.

1.24 "Approval Order" means the Court Order Granting Approval of the PAGA Settlement.

1.25 "Released PAGA Claims" means the claims being released by the Plaintiff and PAGA Counsel and as described in Paragraph 5 below.

1.26 "Released Parties" means Defendant, and its owners, agents, attorneys, insurers, past, present, and future divisions, predecessors, successors, shareholders, officers, directors, financers, investors, managers, employees, trustees, representatives, administrators, fiduciaries, assigns, subrogees, executors, partners, parents, subsidiaries and affiliates, joint ventures, co-employes, and alleged affiliates, joint venturers, and co-employers.

1.27 "Representative Service Payment" means the $5,000 payment to the Plaintiff for initiating the Action and providing services in support of the Action.

1.28 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

1.29 “Defendant” means named Defendant Welcome Group Management, Inc.

2. RECITALS.

2.1 On March 26, 2025, Plaintiff filed a PAGA case.

2.2 On January 2, 2026, Plaintiff filed a First Amended PAGA Complaint.

2.3 On September 23, 2025, the parties participated in an all-day mediation presided over by Scott Markus, which led to this agreement to settle the action after significant pre-mediation discussions and an informal exchange of data (including time and pay data for the Aggrieved Employees during the PAGA Period).

2.6 The Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

3.1 Gross Settlement Amount. Defendant promises to pay Ninety Thousand Dollars and Zero Cents ($90,000.00) and no more as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

3.2 Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Approval Order:

3.2.1 To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 1/3 which is currently estimated to be $30,000, and PAGA Counsel Litigation Expenses Payment of not more than $11,000. Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will reallocate the balance to the Net Settlement Amount. However, if the Court awards a lesser amount, it shall not affect the Gross Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff’s Counsel arising from any claim to any portion any PAGA

Counsel Fees Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.2 To the Administrator: An Administrator Expenses Payment not to exceed $3,500 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves less than $3,500, the Administrator will distribute the remainder in the Net Settlement Amount. If the Administration Expenses exceed the amount approved by the Court, Defendant will have no obligation to pay any money in addition to the Gross Settlement Amount to account for the excess administration costs.

3.2.3 To the LWDA and Aggrieved Employees: PAGA Allocation in the amount of $40,500 to be paid from as the Net Settlement Amount, with 65% ($26,325) allocated to the LWDA PAGA Payment and 35% ($14,175) allocated to the Individual PAGA Payments.

> 3.2.3.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 35% share of PAGA Penalties by the total number of PAGA Period pay periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the quotient by each Aggrieved Employee's PAGA Period pay periods worked. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.
>
> 3.2.3.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

3.2.4 Payment to the Named Plaintiff. Representative Service Payment to Plaintiff of not more than $5,000 (in addition to any Individual PAGA Payment). Defendant will not oppose Plaintiff's request for a Representative Service Payment that does not exceed this amount. However, any portion of the requested Representative Service Payment that is not approved by the Court shall become part of the Net Settlement Amount. The Administrator will pay the Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Representative Service Payment.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Aggrieved Employee Pay Periods. Based on records to date, the PAGA Pay Periods from January 20, 2024 to December 22, 2025 are estimated at 5,076.

4.2 Aggrieved Employee Data. Within 30 days of the Approval Order, Defendant will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft

Excel spreadsheet. To protect Aggrieved Employees' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data to the Administrator as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.3 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 30 days after the Effective Date.

4.4 Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the Representative Service Payment. Disbursement of the PAGA Counsel Litigation Expenses Payment and PAGA Counsel Fees Payment shall not precede disbursement of Individual PAGA Payments.

4.4.1 The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check must be cashed. The Administrator will cancel all checks not cashed by the void date. To the extent any settlement checks are not cashed within one hundred and eighty (180) days of issuance, such funds will be distributed to the California State Controller to be deposited in the Unclaimed Property Fund in the name of the Aggrieved Employee. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2 The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

4.4.3 For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

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

5. RELEASES OF CLAIMS. Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiff, all Aggrieved Employees, the State of California, the LWDA, and PAGA Counsel will release claims against all Released Parties as follows:

5.1 Plaintiff's Release. Upon approval of the Settlement by the Court, Plaintiff's respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the First Amended Complaint, PAGA Notices, or ascertained during the Action; and (b) any other claims, debts, liabilities, demands, damages, obligations, actions and causes of actions, of any nature whatsoever, whether known or unknown, or suspected or unsuspected, arising out of or in connection with their employment with Defendant, the separation of such employment, or any other act, omission or event occurring between the Parties at any time prior to the date the Plaintiff(s) executes this Agreement. This General Release includes, without limitation: (1) all claims for violation of any federal, state or local statute, ordinance or regulation relating to employment benefits, leaves of absence, or discrimination, harassment, retaliation, or whistleblowing in employment, specifically including, without limitation, the California Fair Employment and Housing Act, the California Family Rights Act, Title VII of the Civil Rights Act of 1964, the Family and Medical Leave Act, the Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, the Genetic Information Nondiscrimination Act, the Americans with Disabilities Act, and the Employee Retirement Income Security Act, the Consolidated Omnibus Budget Reconciliation Act, the Securities Act, the Immigration Reform and Control Act the Worker Adjustment and Retraining Notification Act of 1988, the California Worker Adjustment and Retraining Notification Act, the Uniformed Service Employment and Reemployment Rights Act, and any regulation of any administrative agency or governmental authority relating to employment benefits or discrimination or harassment or retaliation in employment; (2) all claims for failure to pay minimum wage for all hours worked, failure to pay overtime, failure to provide meal breaks, failure to provide rest breaks, failure to reimburse business expenses, failure to provide accurate wage statements, failure to provide wages timely and any remaining claim for violations of the California Labor Code, and the applicable California Industrial Welfare Commission Wage Order; (3) any non-statutory tort or contractual claim, including all claims for breach of oral, implied or written contract, breach of implied covenant of good faith and fair dealing, negligent or intentional infliction of emotional distress, and conversion; (4) all claims for wrongful termination of employment; (5) all claims for wages, penalties and/or benefits; and (6) all claims for attorneys' fees and costs. Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time. Plaintiff acknowledges that she may discover facts or law different from, or in addition to, the facts or law that Plaintiff now know or believe to be true but agree, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or their discovery of them.

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

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

5.2 Release by Aggrieved Employees and the LWDA:

All Aggrieved Employees, the state of California, and the LWDA are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, the Released Parties from all claims for PAGA claims that were alleged, or reasonably could have been alleged, based on the facts stated in the First Amended Complaint and the PAGA Notice, and alleged in the Action, including but not limited to claims for (1) failure to pay minimum wage for all hours worked (Lab. Code § 1197, 11971, applicable IWC Wage Orders); (2) failure to pay overtime (Lab. Code § 510, 558, 1197.1, applicable IWC Wage Orders); (3) failure to provide meal breaks (Lab. Code § 512, 558, 226.7, applicable IWC Wage Orders); (4) failure to provide rest breaks (Lab. Code § 226.7 and applicable IWC wage Orders), (5) failure to reimburse business expenses (Lab. Code § 2802); (6) failure to provide accurate wage statements (Lab. Code § 226); and (7) failure to provide wages timely (Lab. Code § 201, 202, 203). The settlement shall be effective to adjudicate and release the claims and/or rights of the LWDA to recover civil penalties against Defendant for the released Labor Code and/or Wage Order violations suffered by any of the Aggrieved Employees (i.e., entry of Judgment shall have res judicata effect as to those claims of the LWDA, whether pursued directly by the LWDA or by a representative pursuant to PAGA).

5.3 Release by PAGA Counsel:

PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for PAGA

Counsel Fees incurred in connection with the Complaint and the PAGA Period facts stated in the First Amended Complaint, the PAGA Notice, and alleged in the Action, including but not limited to claims for all alleged Labor Code and Wage Order violations specified therein.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT. The Parties agree to jointly prepare and file an application or motion for approval of this Settlement.

6.2 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code section 2699, subdivision (s)(2)) including (i) a draft of the stipulation and/or notice, and memorandum in support of the Motion for Approval; (ii) a draft proposed Order Granting Approval of PAGA Settlement; (iii) a signed declaration from PAGA Counsel attesting to its competency to represent the Aggrieved Employees; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), the First Amended Complaint filed in the Action (Lab. Code, §2699, subd. (l)(1)). In their Declarations, Plaintiff and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.3 Responsibilities of PAGA Counsel. PAGA Counsel is responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement so that it can be filed. PAGA Counsel is responsible for delivering the Court's Approval Order to the Administrator. PAGA Counsel will provide Defense Counsel at least ten (10) business days to review and comment on the application or motion for approval before filing. The Parties will work in good faith to resolve any disagreements regarding the application or motion for approval.

6.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties jointly selected Phoenix to serve as the Administrator and verified that, as a condition of appointment, Phoenix agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this

Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

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

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

8. CONTINUING JURISDICTION OF THE COURT. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, the Action and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters and (iii) addressing such post-Judgment matters pursuant to Code of Civil Procedure section 664.6.

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

9. ADDITIONAL PROVISIONS.

9.1 No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the filed complaints, the Action, or the PAGA Notice have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. Defendant denies that it has engaged in any unlawful activity, that it failed to comply with the law in any respect, that it has any liability to anyone under the claims asserted in the Action, and that, but for this

Settlement, non–exempt employees should not be deemed Aggrieved Employees in this lawsuit. The Parties agree that representative treatment is for purposes of this Settlement only. If for any reason the Court does not approve this Settlement, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendant's defenses. The Settlement, this Agreement and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

9.2 Confidentiality Prior to Approval. Plaintiff and PAGA Counsel agree that, until the motion or application for approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency or other entity except: (1) to the Parties' attorneys, accountants or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a matter determined by a court to be "related" within the meaning of California Rule of Court 3.300 or similar federal or state law; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Plaintiff and PAGA Counsel agree to immediately notify Defendant of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff and PAGA Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the motion or application for Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. If PAGA Counsel describes or lists this Settlement on their website, other online media, or marketing materials, they may not mention Defendant by name, This paragraph does not restrict PAGA Counsel's communications with Aggrieved Employees in accordance with any ethical obligations owed to Aggrieved Employees by PAGA Counsel.

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

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

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

9.6 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered or purported to assign, transfer or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right released and discharged by the Party in this Settlement.

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

9.8 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

9.9 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

9.10 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

9.11 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

9.12 Confidentiality. To the extent permitted by law, all agreements made and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

9.13 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute or California Rules of Court rule. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendant unless, prior to the Administrator's payment of all Settlement Funds, Defendant makes a written request to PAGA Counsel for the return, rather than the destruction, of Aggrieved Employee Data.

9.14 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

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

9.16 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff: Via counsel listed above.

To Defendant: Via counsel listed above.

9.17 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

9.18 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

9.19 Severability. In the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or enforceability shall in on way effect any other provisions if Defendant's Counsel and PAGA Counsel, on behalf of the Parties and the Aggrieved Employees, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had been included in this Agreement.

Doug Warren

Plaintiff	For Welcome Group Management, LLC
	Its VP Operations
Date:	Date: 02/02/2026
	Celeste Leung
Counsel for Plaintiff	Counsel for Defendant
Date:	Date: 02/02/2026

DocuSigned by:
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Plaintiff

Date: 1/23/2026

DocuSigned by:
Adam Rose
D2C7FC7ADE70459...

Counsel for Plaintiff

Date: 1/23/2026

For Welcome Group Management, LLC

Its ______________________________

Date: ______________________________

____

Counsel for Defendant

Date: ______________________________

Exhibit B

[Date]

NAME

Address

Re: NOTICE OF SETTLEMENT OF PAGA REPRESENTATIVE ACTION

***Alvarez v. Welcome Group Management.*, Los Angeles Superior Court Case No. 25STCV08891**

Dear <<FIRST_NAME>> <<LAST_NAME>>:

You are receiving this notice in connection with a Court-approved settlement (the "Settlement") in the lawsuit entitled *Maria Alvarez v. Welcome Group Management, LLC,* filed in Los Angeles Superior Court, Case No. 25STCV08891 (the "Action"). The Action was filed against Defendant pursuant to the Labor Code Private Attorneys General Act of 2004, Cal. Lab. Code § 2698 *et seq.* ("PAGA"). Maria Alvarez is the "Plaintiff" and Welcome Group Management, LLC is the "Defendant."

The Action was brought by a former employee of Defendant on behalf of the State of California and all alleged "Aggrieved Employees," defined as all current and former nonexempt employees of Defendant who have been employed and worked for Defendant at its Visalia, California property from January 20, 2024, to December 22, 2025 ("PAGA Period"). You have been identified as one of the employees in the PAGA Period.

The Settlement provides recovery of civil penalties for alleged violations of the California Labor Code on behalf of all aggrieved employees as defined above. The PAGA statute provides that 65% of any recovery pursuant to the Settlement be paid to the State of California and 35% of any recovery be paid to the Aggrieved Employees.

Defendant denies all claims and allegations in the Action, denies that it violated the Labor Code or that it owes any civil penalties. Defendant asserts that it has fully complied with all applicable Labor Codes. However, to avoid further costs and time in defending the Action, the parties agreed to resolve the case.

Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiff, all Aggrieved Employees, the State of California, the Labor Workforce and Development Agency, and PAGA Counsel will release claims ("Released PAGA Claims") against all Released Parties. "Released Parties" means Defendant, and its owners, agents, attorneys, insurers, past, present, and future divisions, predecessors, successors, shareholders, officers, directors, financers, investors, managers, employees, trustees, representatives, administrators, fiduciaries, assigns, subrogees, executors, partners, parents, subsidiaries and affiliates, joint ventures, co-employes, and alleged affiliates, joint venturers, and co-employers.

Released PAGA Claims include, all claims for PAGA claims that were alleged, or reasonably could have been alleged, based on the facts stated in the First Amended Complaint and the PAGA Notice, and alleged in the Action, including but not limited to claims for (1) failure to pay minimum wage for all hours worked (Lab. Code § 1197, 11971, applicable IWC Wage Orders); (2) failure to pay overtime (Lab. Code § 510, 558, 1197.1, applicable IWC Wage Orders); (3) failure to provide meal breaks (Lab. Code § 512, 558, 226.7, applicable IWC Wage Orders); (4) failure to provide rest breaks (Lab. Code § 226.7 and applicable IWC wage Orders), (5) failure to reimburse business expenses (Lab. Code § 2802); (6) failure to provide accurate wage statements (Lab. Code § 226); and (7) failure to provide wages timely (Lab. Code § 201, 202, 203).

By an Order dated [APPROVAL DATE], the Superior Court of California approved the Settlement of the Released PAGA Claims. By approving the Settlement, the Court has not ruled on the merits of the Action, nor in favor of either Plaintiff or Defendant.

According to Defendant's records, you are an "aggrieved employee" and therefore entitled to a share of the Settlement based upon the Court-approved allocation. Pursuant to the settlement, enclosed is a check for your share of a portion of the civil penalties. The amount is calculated based on a pro rata number of pay periods worked during the PAGA period. The settlement check shall remain valid for one hundred eighty (180) days. Thereafter, the settlement check shall be canceled and funds associated with such checks shall be transmitted to the California Controller's Unclaimed Property Fund in your name.

Defendant's records indicate that you worked [ESTIMATED PAGA PERIODS] pay periods as an non-exempt, hourly employee during the PAGA Period. Based on these records, your estimated payment as an "aggrieved employee" would be [$ESTIMATED AMOUNT].

You are not a party to this lawsuit, but you and the State of California are bound by the settlement. If you have any questions, you can contact the settlement administrator: Phoenix Class Action Settlement Solutions, P.O. Box 7028, Orange, CA 92863, Telephone: 800-523-5773.

Please further note that one hundred percent (100%) of the payment you are receiving in connection with the Settlement will be considered penalties reported on IRS Form 1099, and may be subject to local, state or federal tax withholdings and will be reported to the IRS and state tax authorities. You should rely on your own tax advisors as to the tax consequences of your settlement payment. Neither Plaintiff nor Defendant has made any representations or warranties regarding the taxation of your settlement payment. Nothing in this Notice or any other communication shall constitute or be construed or relied upon as tax advice.

Please do not call or write the Court or Office of the Clerk of the Court to ask questions about the settlement.

Exhibit C

Adam Rose | Attorney

FRONTIER
Law Center

adam@frontierlawcenter.com
(818) 914-3433
23901 Calabasas Road, Suite 2074
Calabasas, CA 91302

www.frontierlawcenter.com

February 23, 2026

Via Online Filing
http://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html

Via Certified Mail
Welcome Group Management, LLC
703 Campus Square W., 5th Floor
El Segundo, CA 90245,

Subject: Maria Alvarez v. Welcome Group Management, LLC
Amended PAGA Letter
LWDA-CM-1037447-24

Dear Representative:

This office represents Maria Alvarez ("Plaintiff") in connection with Labor Code violation claims related to their employment with Welcome Group Management, LLC ("Employer").

Plaintiff was subjected to at least one of the Labor Code violations alleged in this letter while employed by Employer. Plaintiff intends to seek PAGA penalties on behalf of herself and all other non-exempt employees who were subjected to any or all of the Labor Code violations during the PAGA Period ("Aggrieved Employees"). The PAGA Period begins one year prior to the date of this letter and, because the violations alleged herein are ongoing, the PAGA Period extends beyond the date of this letter.

This letter is sent pursuant to the requirements of Labor Code section 2699.3. The Labor Code violations being alleged are as follows:

Minimum Wage Violations

Labor Code section 1197 and the applicable Wage Order require an employer to pay an employee no less than the minimum wage for all hours worked.

Employer failed to pay the Aggrieved Employees the minimum wage for all hours worked because the Aggrieved Employees were required to perform work while off the clock. Specifically, they were instructed to prepare and restock carts after clocking out, and to gather necessary supplies before officially starting their shifts to ensure availability due to limited resources.

Civil Penalties Applicable to Minimum Wage Violations

As a result of the above minimum wage violations, Employer is subject to the civil penalties listed in Labor Code sections 1197.1 and 2699.

Overtime Violations

Labor Code section 510 and the applicable Wage Order provide that an employee shall be paid one and one-half times their regular rate of pay for any work in excess of eight hours in one workday or 40 hours in any one workweek. Labor Code section 510 and the applicable Wage Order further provides that an employee shall be paid twice their regular rate of pay for any work in excess of 12 hours in one day.

Unpaid Overtime Due to Off the Clock Work

The Aggrieved Employees regularly worked in excess of eight hours in a day and 40 hours in a workweek. Since the Aggrieved Employees were required to perform work off the clock, it follows that this time was often overtime. Thus, the Aggrieved Employees were not paid all overtime wages owed.

Civil Penalties Applicable to Overtime Violations

As a result of the above overtime violations, Employer is subject to the civil penalties listed in Labor Code sections 558, 1197.1, and 2699.

Meal Break Violations

Labor Code section 512 and the applicable Wage Order provides that an employer shall not employ an employee for a work period of more than five hours per day without providing the employee with a meal period of not less than 30 minutes, or more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes. Meal periods must be uninterrupted, and the employee must be relieved of all duty.

Labor Code section 226.7 further provides that an employee is entitled to one hour of pay at their regular rate of pay for each day that a compliant meal period was not provided.

The Aggrieved Employees' meal breaks were regularly missed, late, short, and or interrupted because they were often required to continue working during these periods. Additionally, the high workload and tight schedules made it impractical to take full, uninterrupted breaks.

An employer provides compliant meal breaks to its employees "if it relieves its employees of all duty, relinquishes control over their activities and permits them a reasonable opportunity to take an uninterrupted 30-minute break." (*Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004, 1040.)

Here, the Aggrieved Employees were required to remain on premises and on duty because there was often no designated time where they could take a sufficient meal break.

Civil Penalties Applicable to Meal Break Violations

As a result of the above meal break violations, Employer is subject to the civil penalties listed in Labor Code sections 558 and 2699.

Rest Break Violations

The applicable Wage Order requires employers to authorize and permit its employees to take rest periods based on the total hours worked daily at the rate of 10 minutes net per four hours or major fraction thereof. Employees must be relieved of all duties during their rest breaks.

Labor Code section 226.7 further provides that an employee is entitled to one hour of pay at their regular rate of pay for each day that a compliant rest break was not provided.

Missed or Short Rest Breaks

The Aggrieved Employees' rest breaks were regularly missed and/or short because the demanding nature of their work and the high number of rooms they were required to service did not allow adequate time for breaks.

On Call / On Duty Rest Breaks

The Aggrieved Employees were required to remain on call and generally on duty during their rest breaks. Employers may not impose any limits on rest breaks. (*Augustus v. ABM Sec. Servs., Inc.* (2016) 2 Cal. 5th 257, 269 (an employer cannot "satisfy its obligation to relieve employees from duties and employer control during rest periods when the employer [] requires its employees to remain on call".) Thus, Employer violated the Labor Code by requiring the Aggrieved Employees to remain on call and on duty during their rest breaks.

An employer generally may not place restrictions on its employees during their rest breaks, such as requiring its employees to remain on the premises and subject to the employer's control. In fact, the Division of Labor Standards Enforcement has provided the following guidance on its website:

> Q. Can my employer require that I stay on the work premises during my rest period?
>
> A. No, your employer cannot impose any restraints not inherent in the rest period requirement itself. In *Augustus v. ABM Security Services, Inc*., (2016) 5 Cal.5th 257, 269, the California Supreme Court held that the rest period requirement "obligates employers to permit-and authorizes employees to take-off-duty rest periods. That is, during rest periods employers must relieve employees of all duties and relinquish control over how employees spend their time." (citation omitted) As a practical matter, however, if an employee is provided a ten minute rest period, the employee can only travel five minutes from a work post before heading back to return in time.

Here, since the Aggrieved Employees were not allowed to leave the work premises during their rest breaks, they were subject to Employer's control during the rest breaks. Thus, the Aggrieved Employees were not provided with compliant rest breaks.

Civil Penalties Applicable to Rest Break Violations

As a result of the above rest break violations, Employer is subject to the civil penalties listed in Labor Code section 2699.

<u>Unreimbursed Work Expenses</u>

Labor Code section 2802 requires an employer to indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties.

Here, the Aggrieved Employees incurred out of pocket expenses in connection with their employment, but these expenses were not reimbursed by Employer. Specifically, they were required to purchase their own cleaning supplies.

Civil Penalties Applicable to Work Expense Violations

As a result of Employer's failure to reimburse all work-related expenses, Employer is subject to the civil penalties listed in Labor Code section 2699.

Wage Statement Violations

Labor Code section 226 requires an employer to provide wage statements to its employees which include, among other things, gross and net wages earned, total hours worked, all applicable hourly rates in effect during the pay period, and the corresponding number of hours worked at each hourly rate. Employer failed to provide wage statements which accurately reflected this information.

Civil Penalties Applicable to Wage Statement Violations

As a result of the wage statement violations detailed above, Employer is subject to the civil penalties listed in Labor Code sections 226.3 and 2699.

Sincerely,

/s/ Adam Rose

Exhibit D

Adam Rose | Attorney

FRONTIER Law Center

adam@frontierlawcenter.com
(818) 914-3433
23901 Calabasas Road, Suite 2074
Calabasas, CA 91302

www.frontierlawcenter.com

September 29, 2025

Via Online Filing
http://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html

Via Certified Mail
Welcome Group Management, LLC
703 Campus Square W., 5th Floor
El Segundo, CA 90245,

Subject: Maria Alvarez v. Welcome Group Management, LLC
Second Amended PAGA Letter
LWDA-CM-1037447-24

Dear Representative:

This office represents Maria Alvarez ("Plaintiff") in connection with Labor Code violation claims related to their employment with Welcome Group Management, LLC ("Employer"). Plaintiff has previously filed a PAGA letter with the LWDA on July 1, 2024, and a first amended letter on November 11, 2024. This letter serves as the Second Amended PAGA Letter.

Plaintiff was subjected to at least one of the Labor Code violations alleged in this letter while employed by Employer. Plaintiff intends to seek PAGA penalties on behalf of herself and all other non-exempt employees who were subjected to any or all of the Labor Code violations during the PAGA Period ("Aggrieved Employees"). The PAGA Period begins one year prior to the date of this letter and, because the violations alleged herein are ongoing, the PAGA Period extends beyond the date of this letter.

This letter is sent pursuant to the requirements of Labor Code section 2699.3. The Labor Code violations being alleged are as follows:

Minimum Wage Violations

Labor Code section 1197 and the applicable Wage Order require an employer to pay an employee no less than the minimum wage for all hours worked.

Employer failed to pay the Aggrieved Employees the minimum wage for all hours worked because the Aggrieved Employees were required to perform work while off the clock. Specifically, they were instructed to prepare and restock carts after clocking out, and to gather necessary supplies before officially starting their shifts to ensure availability due to limited resources.

Civil Penalties Applicable to Minimum Wage Violations

As a result of the above minimum wage violations, Employer is subject to the civil penalties listed in Labor Code sections 1197.1 and 2699.

Overtime Violations

Labor Code section 510 and the applicable Wage Order provide that an employee shall be paid one and one-half times their regular rate of pay for any work in excess of eight hours in one workday or 40 hours in any one workweek. Labor Code section 510 and the applicable Wage Order further provides that an employee shall be paid twice their regular rate of pay for any work in excess of 12 hours in one day.

Unpaid Overtime Due to Off the Clock Work

The Aggrieved Employees regularly worked in excess of eight hours in a day and 40 hours in a workweek. Since the Aggrieved Employees were required to perform work off the clock, it follows that this time was often overtime. Thus, the Aggrieved Employees were not paid all overtime wages owed.

Civil Penalties Applicable to Overtime Violations

As a result of the above overtime violations, Employer is subject to the civil penalties listed in Labor Code sections 558, 1197.1, and 2699.

Meal Break Violations

Labor Code section 512 and the applicable Wage Order provides that an employer shall not employ an employee for a work period of more than five hours per day without providing the employee with a meal period of not less than 30 minutes, or more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes. Meal periods must be uninterrupted, and the employee must be relieved of all duty.

Labor Code section 226.7 further provides that an employee is entitled to one hour of pay at their regular rate of pay for each day that a compliant meal period was not provided.

The Aggrieved Employees' meal breaks were regularly missed, late, short, and or interrupted because they were often required to continue working during these periods. Additionally, the high workload and tight schedules made it impractical to take full, uninterrupted breaks.

An employer provides compliant meal breaks to its employees "if it relieves its employees of all duty, relinquishes control over their activities and permits them a reasonable opportunity to take an uninterrupted 30-minute break." (*Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004, 1040.)

Here, the Aggrieved Employees were required to remain on premises and on duty because there was often no designated time where they could take a sufficient meal break.

Civil Penalties Applicable to Meal Break Violations

As a result of the above meal break violations, Employer is subject to the civil penalties listed in Labor Code sections 558 and 2699.

Rest Break Violations

The applicable Wage Order requires employers to authorize and permit its employees to take rest periods based on the total hours worked daily at the rate of 10 minutes net per four hours or major fraction thereof. Employees must be relieved of all duties during their rest breaks.

Labor Code section 226.7 further provides that an employee is entitled to one hour of pay at their regular rate of pay for each day that a compliant rest break was not provided.

Missed or Short Rest Breaks

The Aggrieved Employees' rest breaks were regularly missed and/or short because the demanding nature of their work and the high number of rooms they were required to service did not allow adequate time for breaks.

On Call / On Duty Rest Breaks

The Aggrieved Employees were required to remain on call and generally on duty during their rest breaks. Employers may not impose any limits on rest breaks. (*Augustus v. ABM Sec. Servs., Inc*. (2016) 2 Cal. 5th 257, 269 (an employer cannot "satisfy its obligation to relieve employees from duties and employer control during rest periods when the employer [] requires its employees to remain on call".) Thus, Employer violated the Labor Code by requiring the Aggrieved Employees to remain on call and on duty during their rest breaks.

An employer generally may not place restrictions on its employees during their rest breaks, such as requiring its employees to remain on the premises and subject to the employer's control. In fact, the Division of Labor Standards Enforcement has provided the following guidance on its website:

> Q. Can my employer require that I stay on the work premises during my rest period?
>
> A. No, your employer cannot impose any restraints not inherent in the rest period requirement itself. In *Augustus v. ABM Security Services, Inc*., (2016) 5 Cal.5th 257, 269, the California Supreme Court held that the rest period requirement "obligates employers to permit-and authorizes employees to take-off-duty rest periods. That is, during rest periods employers must relieve employees of all duties and relinquish control over how employees spend their time." (citation omitted) As a practical matter, however, if an employee is provided a ten minute rest period, the employee can only travel five minutes from a work post before heading back to return in time.

Here, since the Aggrieved Employees were not allowed to leave the work premises during their rest breaks, they were subject to Employer's control during the rest breaks. Thus, the Aggrieved Employees were not provided with compliant rest breaks.

Civil Penalties Applicable to Rest Break Violations

As a result of the above rest break violations, Employer is subject to the civil penalties listed in Labor Code section 2699.

<u>Unreimbursed Work Expenses</u>

Labor Code section 2802 requires an employer to indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties.

Here, the Aggrieved Employees incurred out of pocket expenses in connection with their employment, but these expenses were not reimbursed by Employer. Specifically, they were required to purchase their own cleaning supplies.

Civil Penalties Applicable to Work Expense Violations

As a result of Employer's failure to reimburse all work-related expenses, Employer is subject to the civil penalties listed in Labor Code section 2699.

Wage Statement Violations

Labor Code section 226 requires an employer to provide wage statements to its employees which include, among other things, gross and net wages earned, total hours worked, all applicable hourly rates in effect during the pay period, and the corresponding number of hours worked at each hourly rate. Employer failed to provide wage statements which accurately reflected this information.

Civil Penalties Applicable to Wage Statement Violations

As a result of the wage statement violations detailed above, Employer is subject to the civil penalties listed in Labor Code sections 226.3 and 2699.

Waiting Time Penalties

Labor Code section 203 requires employers to pay a penalty of up to 30 days of wages to employees if all wages are not willfully and timely paid, pursuant to Labor Code sections 201 and 202. Employer did not pay all wages due when the Aggrieved Employees (1) were discharged, or (2) quit, with or without notice; therefore, waiting time penalties apply.

Civil Penalties Applicable to Waiting Time Penalties

As a result of the waiting time violations, Employer is subject to the civil penalties listed in Labor Code section 2699.

Sincerely,

/s/ Adam Rose

Exhibit E

Expenses

for Maria Dolores Alvarez - Employment Claim - Welcome Group Management, LLC - Charge No.: LWDA-CM-1037447-24 Superior Court Case No.: 25STCV08891

Expense entries

Date	Activity	Description	Staff	Quantity	Price	Billable?	Write Off?	Status	Total
1/14/2026		One Legal Credit Card Sale_07926624	Kaylie Urango	1	$24.53	True	No	-	$24.53
1/5/2026		One Legal Credit Card Sale_07894030	Kaylie Urango	1	$46.26	True	No	-	$46.26
10/3/2025		PAID VIA CHECK - JTCalcs Inv#251001 - expert	Taylor McCarthy	1	$1,400.00	True	No	-	$1,400.00
7/28/2025		MEDIATION of 9/23/2025	Cynthia Rodriguez	1	$8,250.00	True	No	-	$8,250.00
7/16/2025		UTL 2025029145	Taylor McCarthy	1	$73.00	True	No	-	$73.00
6/20/2025		One Legal Credit Card Sale_07231030	Kaylie Urango	1	$23.44	True	No	-	$23.44
4/6/2025		AAA DOCUMENT RECEIPT-012500015537	Taylor McCarthy	1	$350.00	True	No	-	$350.00
4/1/2025		STENO Invoice 1563048 - 2025-03-28 DELAY PAY	Taylor McCarthy	1	$647.20	True	No	-	$647.20
11/11/2024		Amended PAGA Mailing Fee	Dane Huntsman	1	$9.64	True	No	-	$9.64
7/2/2024		Certified Mail Fee PAGA	Alina Arama	1	$8.69	True	No	-	$8.69
7/1/2024		ORD-000297877	Taylor McCarthy	1	$75.00	True	No	-	$75.00
5/1/2024		Certified RR Mail Fee	Rosemary Flores	2	$8.69	True	No	-	$17.38
Total - Write offs									$0.00
Total - Unbillable									$0.00
Total - Billable									$10,925.14
Total									$10,925.14