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on behalf of herself and others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN BERNARDINO

LAURA MARIA MACIAS, an individual on behalf of herself and all others similarly situated, Plaintiff, vs. METRIE EL & EL, LLC., a Washington Limited Liability Company; EL & EL WOOD PRODUCTS CORP., an unknown entity; and DOES 1 through 50, inclusive, Defendants.	Case No.: CIVRS2403124 CLASS ACTION Assigned for All Purposes To: Hon. Gilbert Ochoa Dept.: R17 **DECLARATION OF ENOCH J. KIM IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT** *[filed concurrently with Plaintiff's Notice of Motion and Motion; Memorandum of Points and Authorities; Declarations of Lisa Mullins, Amanda Howard, and Laura Maria Macias; and [Proposed] Order]* Date: March 8, 2027 Time: 9:00 a.m. Dept.: R17 Original Complaint Filed: December 27, 2024 First Amended Complaint Filed: January 31, 2025 Trial Date: None Set

DECLARATION OF ENOCH J. KIM

I, Enoch J. Kim, declare as follows:

1. I am an attorney licensed and admitted to practice before all courts of the State of California and the United States District Court for the Central, Southern, Eastern, and Northern Districts of California. I am Senior Counsel at D.Law, Inc. and counsel for Plaintiff Laura Maria Macias ("Plaintiff"), on behalf of herself and all other similarly situated employees of Defendant Metrie EL & EL, LLC ("Defendant") (Plaintiff and Defendant collectively referred to herein as "the Parties").

2. All of the matters set forth herein are within my personal knowledge. I submit this Declaration in support of Plaintiff's Motion for Preliminary Approval of Class Action and PAGA Settlement ("Motion"). A true and correct copy of the Parties' Class Action and PAGA Settlement Agreement ("Settlement Agreement" or "Settlement") is attached as **Exhibit 1** hereto, with the Court Approved Notice of Class and Representative Action Settlement and Hearing Date for Final Court Approval ("Class Notice") attached as **Exhibit A** to the Settlement Agreement.

Procedural History

3. On December 27, 2024, Plaintiff commenced a Class Action by filing a Complaint alleging ten causes of action against Defendant for: (1) Failure to Pay Minimum Wages; (2) Failure to Pay Wages and Overtime Under Labor Code § 510; (3) Meal Period Liability Under Labor Code § 226.7; (4) Rest-Break Liability Under Labor Code § 226.7; (5) Violation of Labor Code § 226(a); (6) Violation of Labor Code § 203; (7) Violation of Labor Code § 204; (8) Failure to Keep Required Payroll Records under Labor Code §§ 1174 and 1174.5; (9) Failure to Reimburse Necessary Business Expenses § 2802; and (10) Violation of Business & Professions Code § 17200 *et seq.* ("the Action").

4. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendant and California's Labor and Workforce Development Agency ("LWDA") by sending her PAGA Notice on November 27, 2024 (LWDA-CM-1064108-24). A true and correct copy of her PAGA Notice is attached hereto as **Exhibit 2**. On January 31, 2025, Plaintiff filed a First Amended Complaint adding a cause of action for Penalties Under PAGA, Labor Code § 2698 ("Operative Complaint").

5. Plaintiff contends that Defendant failed to pay all wages due by requiring Class Members to work off the clock, failed to provide meal and rest breaks and premium wages for non-compliant meal and rest breaks, failed to reimburse necessary business expenditures, failed to keep required payroll records, failed to furnish accurate wage statements, and failed to timely pay wages including final wages.

Investigation

6. Before filing the lawsuit, my firm conducted a thorough investigation and researched the facts and circumstances underlying the pertinent issues and applicable law. This required thorough discussions and interviews between Class Counsel and Plaintiff, in addition to the above-described research into the various legal issues involved in the case. After filing the lawsuit, Class Counsel conducted a thorough investigation of the facts and claims giving rise to the action, including (1) meeting and conferring with defense counsel and conducting informal discovery; (2) reviewing and analyzing records and data, as well as employment-related policies; (3) reviewing Plaintiff's personnel files and other documentation; (4) interviewing Plaintiff regarding Defendant's policies and workplace; (5) researching the applicable law and potential defenses; (6) constructing damage models based on interpretations of California law and the facts and numbers provided by Defendant; and (7) reviewing information provided by Defendant in response to informal discovery and in advance of the mediation. The Parties conducted their own evaluations of the potential recoveries based on the claims alleged in the Action, including consulting experts.

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

Settlement Efforts

8. On May 5, 2026, the Parties participated in an all-day mediation with mediator David Phillips, Esq., a respected and highly experienced mediator in wage and hour class actions and were able to reach an agreement on general settlement terms. During mediation, counsel for Plaintiff and

Defendant discussed all aspects of the case, including the risks of litigation and the risks to both Parties of proceeding with a class certification motion, as well as the law on unpaid wages, meal periods, rest periods, reimbursements, wage statements, and final pay. Following a full day of mediation, the Parties agreed to general settlement terms to resolve the lawsuit. The Parties continued to work together negotiating the long form settlement terms following mediation, as set forth in the Settlement Agreement.

9. Based on their own independent investigations and evaluations, Class Counsel is of the opinion that the Settlement with Defendant for the consideration and terms set forth herein, considering the representative and class claims, and the risk of loss, is fair, reasonable, and adequate. Class Counsel is also of the opinion that the total consideration and payment set forth in this Settlement Agreement is adequate in light of the uncertainties surrounding the risk of further litigation, the possibility of losing class certification, that the PAGA claim could be deemed unmanageable, and the defenses that Defendant has asserted and/or could assert as to the substantive merit of the claims. Based on the settlement negotiations, which were extensive and conducted in good faith and at arm's length between attorneys with substantial experience litigating wage and hour class action cases, the Settlement was the product of a non-collusive settlement process and compromises in the interest of reaching a full and complete settlement. As a result, Class Counsel has determined that the Settlement is in the best interests of the Class.

Summary of the Settlement

10. Under the terms of the proposed Settlement Agreement, Defendant has agreed to pay $435,000.00 ("Gross Settlement Amount" or "GSA") on a non-reversionary basis to settle and release all claims asserted by Plaintiff in the Operative Complaint on behalf of the proposed Class. (Exhibit 1, Settlement Agreement, ¶ 1.23.) The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and the Administration Expenses Payment. (*Id*. at ¶¶ 3.2–3.2.5.1.) It will be an opt-out Class and there is no claim form requirement, and no residual will revert to Defendant. (*Id*. at ¶ 3.1.) The Gross Settlement Amount does not include the employer's share of payroll taxes, which will be paid by Defendant in

addition to the Gross Settlement Amount. (*Id*.) The Gross Settlement Amount was calculated based on the estimate that 546 Class Members worked a total of 46,000 Workweeks from May 15, 2023 through May 5, 2026. (*Id*. at ¶ 8.) If the total number of Workweeks during the Class Period increases by more than 10% (i.e. more than 4,600 additional Workweeks such that the final Workweeks being released are greater than 50,600 Workweeks), then the Gross Settlement Amount will be increased proportionally by the number of Workweeks worked in excess of 10%. (*Id*.) For example, if the total number of Workweeks increases by 15% over 46,000 Workweeks, the Gross Settlement Amount will increase by 5%. (*Id*.) Alternatively, at its option, Defendant can avoid increasing the Gross Settlement Amount by electing to end the Class Period and PAGA Period on a date on which the number of Workweeks does not exceed 50,600.[1] (*Id*.)

11. The Settlement Agreement defines the "Class" as all current and former non-exempt employees who worked for Defendant in California as a non-exempt employee at any time from May 15, 2023 through July 15, 2026. (Exhibit 1, Settlement Agreement, ¶¶ 1.5, 1.12.) The Settlement Agreement also defines "Aggrieved Employee" as all current and former non-exempt employees who worked for Defendant in California as a non-exempt employee at any time from November 27, 2023 through July 15, 2026. (*Id.* at ¶¶ 1.4, 1.35.) The "Net Settlement Amount," available for distribution to Participating Class Members, is the Gross Settlement Amount, less the following payments in the amounts approved by the Court: the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. (*Id*. at ¶ 1.29.) The remainder is to be paid to Participating Class Members as Individual Class Payments. (*Id*.) These amounts are detailed as follows:

- Class Counsel Fees Payment: Up to one-third (1/3) of the Gross Settlement Amount, or **$145,000.00**, to Class Counsel as attorneys' fees for the litigation and resolution of this Action (Exhibit 1, Settlement Agreement, ¶ 3.2.2);
- Class Counsel Litigation Expenses Payment: Reimbursement of actual expenses incurred to

[1] As stated in the declaration of Amanda Howard filed concurrently herewith, Defendant submitted the Class Data to ILYM Group, Inc. prior to the filing of this Motion, and ILYM Group, Inc. confirmed the total Workweek count during the Class Period is 48,800, which does not exceed the 50,600-Workweek threshold; therefore, the escalator clause has not been triggered pursuant to Paragraph 8 of the Settlement Agreement. Thus, the Gross Settlement Amount remains $435,000.00 and the Class and PAGA Period end dates remain July 15, 2026.

prosecute the Action, which is currently estimated not to exceed **$25,000.00** (Exhibit 1, Settlement Agreement, ¶ 3.2.2);

- Class Representative Service Payment: Up to **$7,500.00** to Plaintiff as an award for her services as the Class Representative (Exhibit 1, Settlement Agreement, ¶ 3.2.1);
- Administration Expenses Payment: Up to **$9,950.00** to the Administrator for its fees and costs to administer the Settlement (Exhibit 1, Settlement Agreement, ¶ 3.2.3); and
- PAGA Penalties: **$50,000.00** for settlement of claims for civil penalties under PAGA, with 35% ($17,500.00) to be paid on a pro-rata basis to the Aggrieved Employees ("Individual PAGA Payments") and 65% ($32,500.00) to be paid to the LWDA ("LWDA PAGA Payment") (Exhibit 1, Settlement Agreement, ¶ 3.2.5.)

12. If the Court approves the above allocations from the Gross Settlement Amount, the Net Settlement Amount is estimated to be $**197,550.00**. Each Participating Class Member's share of the Net Settlement Amount ("Individual Class Payment") will be calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks. (Exhibit 1, Settlement Agreement, ¶ 3.2.4.)

13. There are 48,800 Workweeks in the Class Period, resulting in a recovery of an estimated $4.05 per Workweek. Each Class Member will receive an average Individual Class Payment of approximately **$388.88** (estimated Net Settlement Amount of $197,550.00 divided by 508 Class Members), with the highest estimated Individual Class Payment of approximately **$668.25** (total weeks in the Class Period (165) multiplied by $4.05), and the lowest estimated Individual Class Payment of approximately **$4.05** (one week in the Class Period (1) multiplied by $4.05).[2]

14. There are approximately 41,059 PAGA Workweeks in the PAGA Period, resulting in a recovery of an estimated $0.43 per PAGA Workweek. Each Aggrieved Employee will receive an average Individual PAGA Payment of approximately **$36.31** ($17,500.00 divided by 482 Aggrieved Employees), with the highest estimated Individual PAGA Payment of approximately **$58.91** (total weeks in the PAGA Period (137) multiplied by $0.43), and the lowest estimated Individual PAGA

[2] Based on the Class Data, ILYM Group, Inc. confirmed there are 508 Class Members.

Payment of approximately **$0.43** (one week in the PAGA Period (1) multiplied by $0.43).

15. Not later than 21 days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. (Exhibit 1, Settlement Agreement, ¶ 4.2.) Not later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice in English and Spanish substantially in the form attached to the Settlement Agreement as Exhibit A, after the Administrator updates addresses using the National Change of Address database. (Exhibit 1, Settlement Agreement, ¶¶ 1.11, 7.4.2.) The Class Notice includes a summary of the case and settlement terms and provides Class Members with detailed instructions on how to exclude themselves, object to the settlement, and challenge the number of Workweeks and/or PAGA Workweeks attributed to each Class Member per Defendant's records. (Exhibit 1, Settlement Agreement, Exhibit A, Class Notice). Class Members will have 45 days from the mailing of the Class Notice (plus an additional 14 calendar days for Class Members whose Class Notice is re-mailed) to opt out of the Settlement, object to the Settlement, and/or challenge the number of Workweeks and/or PAGA Workweeks ("Response Deadline"). (Exhibit 1, Settlement Agreement, ¶¶ 1.47, 7.4.4.)

Certification for Settlement Purposes Only is Appropriate

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

17. Numerosity and Ascertainability. The putative Class is so numerous that joinder of all

members is impractical. Class Members are all current and former non-exempt employees who worked for Defendant in California as a non-exempt employee at any time from May 15, 2023 through July 15, 2026. (Exhibit 1, Settlement Agreement, ¶¶ 1.5, 1.12.) Defendant has identified 508 Class Members based on a review of its records. Thus, there is numerosity and ascertainability.

18. Well-Defined Community of Interest. Plaintiff contends, and Defendant does not dispute for settlement purposes only, that common issues of fact and law predominate as to each of the claims alleged by Plaintiff, and the Class is united in its proof. This action involves, *inter alia*, a determination about Defendant's alleged failure to pay all wages due by requiring Class Members to work off the clock, failure to provide meal and rest breaks and premium wages for non-compliant meal and rest breaks, failure to reimburse necessary business expenses, failure to furnish accurate wage statements, failure to keep required payroll records, and failure to timely pay wages including final wages. Plaintiff contends Defendant's practices affected Class Members in the same way and presents questions that are suitable for common adjudication because all Class Members were subject to the same employment policies and practices. The outcome of litigation in this matter depends upon questions that are common to Class Members.

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

20. Adequacy. Plaintiff's interests are aligned with those of the Class Members, as she alleges that she suffered the same injuries as the Class Members, and she has no conflicts of interest. Plaintiff has not shrunken from this responsibility. Indeed, Plaintiff has devoted a substantial amount of time and energy to litigating this Action and effectuating a settlement. Furthermore, as set forth below, Class Counsel are experienced in wage-and-hour litigation, especially class actions, and have zealously represented the interests of the Class in litigating this case and have no conflicts of interest.

Accordingly, the adequacy requirement is satisfied.

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

22. Plaintiff contends that class resolution is superior to other available methods for the fair and efficient adjudication of the controversy, as there is little interest or incentive for Class Members to individually control the prosecution of separate actions. Plaintiff contends that the cost of individually litigating each such case against Defendant would easily exceed the value of any relief that could be obtained by any one Class Member individually. If Class Members are forced to litigate their claims individually, this would result in 508 individual actions against Defendant. Here, the alternative methods of resolution are individual suits for relatively small amounts. Hence, Plaintiff contends that an individual suit would prove uneconomical for potential plaintiffs because litigation costs would dwarf a potential recovery.

The Settlement is Fair, Adequate, and Reasonable

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

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

24. The proposed settlement was reached as a result of arm's length negotiations after the completion of pertinent informal discovery and the exchange of necessary class data. The negotiations have been, at all times, adversarial and non-collusive in nature. *See*, 4 Newberg on Class Actions § 13:45 (5th ed.) (due to the preference of settlement over litigation, "a court will presume that a proposed class action settlement is fair when certain factors are present, particularly evidence that the settlement is the product of arms-length negotiation, untainted by collusion."). Although Plaintiff steadfastly maintains that her claims are meritorious, Plaintiff acknowledges that there were substantial risks and uncertainty in proceeding with litigation. As described below, Defendant presented multiple defenses to Plaintiff's claims, both on the merits and with respect to class certification. Thus, while Plaintiff was prepared to litigate these claims through class certification, and ultimately trial, success was far from certain. Assistance from a well-respected mediator ensured that negotiations were non-collusive and well-informed.

B. Extent of Discovery and Stage of Proceedings.

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

C. Strength of Plaintiff's Case and the Risk, Expense, Complexity, and Likely Duration of Any Litigation.

26. Plaintiff's claims are based on Defendant's alleged failure to pay wages (including minimum wages and overtime), failure to provide meal and rest periods, failure to pay final wages when required, failure to provide accurate wage statements, failure to reimburse business expenses, and largely derivative claims under the UCL and PAGA.

27. Plaintiff alleges that Defendant failed to pay Plaintiff and Class Members at least minimum wages for all hours worked and proper overtime wages for hours worked in excess of eight hours in a day and 40 hours in a week. Plaintiff alleges that Defendant required Class Members to work prior to the start of their scheduled shifts and after the end of their scheduled shifts, including

by waiting in lines to clock in and communicating with supervisors via cell phone regarding the location of materials and orders outside scheduled work hours. However, Plaintiff alleges that Class Members were not paid for the time they worked in excess of their scheduled hours.

28. Defendant contends that it instructed Class Members to record all hours worked, that it paid Class Members for all reported hours worked, that any off-the-clock work was performed without Defendant's knowledge and was de minimis, and that it paid wages to Class Members at the proper rates. Defendant contends that off-the-clock work allegations will be difficult to certify because Defendant has a lawful policy prohibiting off-the-clock work. Defendant also argues that, given its written policies and practices, any unrecorded hours are likely subject to individualized inquiry and unlikely to be certified. Given the difficulty in certifying this claim, Class Counsel applied a significant discount to damages based on this theory.

29. Plaintiff alleges that Defendant failed to provide proper meal breaks to Class Members. Plaintiff alleges that Defendant required Class Members to work through their meal periods due to understaffing and rigorous work demands. Plaintiff further alleges that on occasions when Plaintiff and Class Members worked over ten hours on a shift, Defendant failed to provide them with a second uninterrupted, duty-free, and timely meal period.

30. Defendant contends that Class Members were authorized, permitted, and never denied the opportunity to take their meal periods, and that any deviations from their scheduled meal breaks were at the voluntary election of Class Members. Further, Defendant argues that employees signed valid meal period waivers. Defendant further contends that the meal break claim requires individualized inquiries, which would preclude class certification. If Defendant's contentions are proven true and prevail in trial, the likely outcome would be no recovery for the Class Members on the meal break claim.

31. Plaintiff also alleges that Defendant did not provide Class Members with paid 10-minute rest breaks for every four hours or a major fraction thereof. Plaintiff contends that Class Members were not permitted to leave Defendant's premises during rest periods and that rest breaks were often interrupted due to work demands.

32. Defendant maintains that it authorized and permitted Class Members to take duty-free

rest breaks of at least ten minutes for every four hours worked or major fraction thereof. Defendant contends that there are no restrictions, in policy or practice, on where employees can go during their rest breaks. Considering that, unlike meal periods, rest breaks need not be recorded, these violations would likely be difficult to prove at trial and potentially depress the damages ultimately awarded. Therefore, Class Counsel applied significant and appropriate discounts to the rest break claim.

33. Additionally, Plaintiff alleges that Defendant required Class Members to use their cellular phones and personal vehicles for work but were not reimbursed for those expenses. Defendant maintains that Class Members did not incur business expenses and/or were properly reimbursed for all business expenses and further contends that any unreimbursed business expenses were not necessary expenditures as required by Labor Code section 2802. Defendant also maintains that individualized issues relating to this claim would preclude class certification.

34. As for the wage statement and waiting time penalties claims, Defendant contends that these claims are merely derivative of the underlying claims and that Class Members would be unable to first establish liability for the underlying claims for the reasons described above. Defendant further contends that even if they could first establish liability for the underlying claims, which Defendant disputes, Class Members would be unable to establish that Defendant's conduct was willful and knowing as required by the relevant statutes since Defendant acted in good faith to provide accurate wage statements and pay all wages due to Class Members. Thus, Defendant contends that the wage statement and waiting time penalties claims to have little to no value.

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

36. Defendant generally denies all claims alleged in the Action and further denies that class and/or representative treatment is appropriate for any purpose other than this Settlement and

that it complied with all applicable laws. However, after careful consideration, Defendant has concluded that further litigation would be protracted and expensive and that it is desirable that the Action be fully and finally settled in the manner and upon the terms and conditions herein.

37. As stated above, while Plaintiff contends the claims asserted in the Action have merit, she also acknowledges the expense, delay, and risks of continued litigation that would have likely spanned several years at a heavy cost. Although the Parties engaged in significant informal discovery in advance of mediation, the Parties still had significant discovery to complete had the matter not been settled. This would have required the expenditure of substantial time and resources by both Parties that would have very likely spanned several years. Even if Plaintiff were to certify the class, the Parties would incur considerably more attorney fees and costs through a possible decertification motion, trial, and possible appeal. This Settlement avoids those risks and the accompanying expense.

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

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

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

E. The Presence of a Governmental Participant.

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

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

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

42. The strength of the Plaintiffs' case in light of the settlement amount is deemed by courts to be the "most important." *Clark v. American Residential Services, LLC* (2009) 175 Cal.App.4th 785, 799 (citing *Kullar*). Here, Plaintiff alleges that Defendant failed to pay minimum wages and overtime, failed to provide meal and rest breaks, failed to provide accurate wage statements, failed to pay all wages upon termination, and failed to reimburse business expenses, all in violation of California law. Plaintiff seeks related violations of California's Business & Professions Code and penalties pursuant to Labor Code § 2699 *et seq*. Summary calculations for estimated liability for each of these claims follow.

Failure to Pay Minimum and Overtime Wages:

43. Plaintiff alleges that Defendant failed to pay Plaintiff and Class Members at least minimum wages for all hours worked and proper overtime wages for hours worked in excess of eight hours in a day and 40 hours in a week. Plaintiff alleges that Defendant required Class Members to work prior to the start of their scheduled shifts and after the end of their scheduled shifts, including by waiting in lines to clock in and communicating with supervisors via cell phone regarding the location of materials and orders outside scheduled work hours. However, Plaintiff alleges that Class Members were not paid for the time they worked in excess of their scheduled hours.

44. Defendant contends that it instructed Class Members to record all hours worked, that it paid Class Members for all reported hours worked, that any off-the-clock work was performed without Defendant's knowledge and was de minimis, and that it paid wages to Class Members at the

proper rates. Defendant contends that off-the-clock work allegations will be difficult to certify because Defendant has a lawful policy prohibiting off-the-clock work. Defendant also argues that, given its written policies and practices, any unrecorded hours are likely subject to individualized inquiry and unlikely to be certified. Given the difficulty in certifying this claim, Class Counsel applied a significant discount to damages based on this theory.

45. Plaintiff's expert estimated Defendant's exposure on the unpaid wages claims to be approximately $1,362,622.00 (assuming 92.7% of off-the-clock hours were attributable to overtime). However, given Defendant's defenses and the potential hurdles facing certification of off-the-clock claims, Class Counsel applied an 85% discount, making for an adjusted realistic exposure of $204,393.30 for Defendant.

Meal Periods and Rest Breaks:

46. Plaintiff alleges that Defendant failed to provide proper meal breaks to Class Members. Plaintiff alleges that Defendant required Class Members to work through their meal periods due to understaffing and rigorous work demands. Plaintiff further alleges that on occasions when Plaintiff and Class Members worked over ten hours on a shift, Defendant failed to provide them with a second uninterrupted, duty-free, and timely meal period.

47. For each meal period missed, of less than 30 minutes, or taken late for which the employee was not provided a reasonable opportunity to take a complete and timely meal period, an employer must pay the employee an additional one hour of compensation. Labor Code § 226.7. This additional hour of compensation is referred to as "premium pay." To comply with these laws, every employer must keep, for each employee, accurate time records showing when the employee begins and ends each work period and takes his or her meal periods. See Wage Order 4-2001(7)(A)(3). Plaintiff alleges that Defendant failed to pay the legally required premium at their regular rate of pay whenever meal periods were missed, interrupted, or late.

48. Defendant contends that Class Members were authorized, permitted, and never denied the opportunity to take their meal periods, and that any deviations from their scheduled meal breaks were at the voluntary election of Class Members. Further, Defendant argues that employees signed valid meal period waivers. Defendant further contends that the meal break claim requires

individualized inquiries, which would preclude class certification. If Defendant's contentions are proven true and prevail in trial, the likely outcome would be no recovery for the Class Members on the meal break claim.

49. Plaintiff's expert estimated Defendant's maximum exposure on the meal period claim at approximately $1,408,946.00 (based on late, missed, or short meal breaks for shifts greater than 5 hours). However, given Defendant's contentions, Class Counsel applied a 90% discount, making for an adjusted realistic exposure of $140,894.60 for Defendant.

50. Rest Breaks: The same argument applied to rest breaks. Plaintiff also alleges that Defendant did not provide Class Members with paid 10-minute rest breaks for every four hours or a major fraction thereof. Plaintiff contends that Class Members were not permitted to leave Defendant's premises during rest periods and that rest breaks were often interrupted due to work demands.

51. Defendant maintains that it authorized and permitted Class Members to take duty-free rest breaks of at least ten minutes for every four hours worked or major fraction thereof. Defendant contends that there are no restrictions, in policy or practice, on where employees can go during their rest breaks. Considering that, unlike meal periods, rest breaks need not be recorded, these violations would likely be difficult to prove at trial and potentially depress the damages ultimately awarded. Therefore, Class Counsel applied significant and appropriate discounts to the rest break claim.

52. Plaintiff's expert estimated Defendant's maximum liability exposure on the rest break period claim at approximately $464,362.00 using a 100% violation rate. However, given Defendant's contentions and considering a more realistic violation rate for the Class as well as the potential hurdles facing certification of rest break claims, Class Counsel applied a 95% discount making for an adjusted realistic exposure of $23,218.10 for Defendant. Owing to the arguments above and the fact that the recording of rest periods is not required, this claim was substantially discounted and was not a major driver of exposure in this case.

Inaccurate Wage Statement Violations:

53. Under Labor Code § 226(a), Plaintiff and the Class are entitled to recover $50 for initial violations for inaccurate wage statements and $100 for subsequent violations, up to a maximum of $4,000 per employee. Plaintiff alleges Defendant issued wage statements to Plaintiff and the Class

Members that failed to include the total hours per pay period and failed to accurately account for all off-the-clock work and missed meal premiums which Defendant knew or reasonably should have known were owed to Plaintiff and Class Members.

54. Defendant challenged Plaintiff's claim for Labor Code § 226(e) penalties, including by arguing they were merely derivative of the other claims that lacked merit, and Plaintiff's failure to prove the underlying claims could result in the dismissal of these derivative claims. Defendant also argued that it did not knowingly and intentionally commit these alleged violations. *See, e.g.,* Labor Code § 226(e) (recovery of penalties requires showing there was "a knowing and intentional failure by an employer").

55. Plaintiff's expert estimated Defendant's maximum total exposure on the section 226 claim at approximately $1,621,550.00 (473 employees from November 27, 2023 to May 5, 2026 with a $4,000.00 per employee maximum). After considering Defendant's contentions and the potential class certification issues, Class Counsel discounted this amount by 95% to get an adjusted realistic exposure of $81,077.50.

Failure to Pay Final Wages at Termination or Separation:

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

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

58. Defendant challenged this claim under Labor Code § 203 with several arguments, including that this claim is merely derivative of the other claims that lacked merit and that under Labor Code § 203, employers are only obligated to pay waiting-time penalties if they "willfully" fail

to pay wages due and owing at the time of termination or resignation. As Title 8, California Code of Regulations, § 13520 states: "A willful failure to pay wages within the meaning of Labor Code Section 203 occurs when an employer intentionally fails to pay wages to an employee when those wages are due. However, a good faith dispute that any wages are due will preclude imposition of waiting time penalties under Section 203." Defendant argued that its good faith disputes and lack of willfulness would excuse its violations. Defendant maintained that because it had viable defenses in both law and fact, such penalties were subject to a three-year limitations period under Labor Code § 203(b).

59. Plaintiff's expert estimated Defendant's maximum total exposure on the section 203 claim at approximately $1,288,833.00 (assuming 163 terminated employees during the relevant period and 30 days per employee and 9.4 hours per workday). Given the foregoing arguments, Class Counsel discounted this amount by 95% to get an adjusted realistic exposure of $64,441.65.

Failure to Reimburse for Necessary Business Expenditures:

60. Under Labor Code § 2802(a) Defendant must indemnify Plaintiff and Class Members for all necessary expenditures or losses incurred in direct consequence of the discharge of their duties. As discussed above, Plaintiff alleges that Defendant required Class Members to use their cellular phones and personal vehicles for work but were not reimbursed for those expenses. Defendant maintains that Class Members did not incur business expenses and/or were properly reimbursed for all business expenses and further contends that any unreimbursed business expenses were not necessary expenditures as required by Labor Code section 2802. Defendant also maintains that individualized issues relating to this claim would preclude class certification.

61. Plaintiff estimated Defendant's total exposure on the unreimbursed business expenses claim at approximately $25,400.00 ($50 x 508 Class Members). However, given Defendant's contentions and the potential for the need for individualized inquiries, making class certification of this claim difficult, Class Counsel applied a discount of 80% to get an adjusted realistic exposure of $5,080.00.

PAGA Penalties:

62. The Labor Code Private Attorneys General Act, Labor Code § 2698 *et seq*., allows

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

63. The provisions of the Labor Code potentially triggering PAGA penalties in this case include, but are not limited to, Labor Code §§ 201-204, 210, 226, 226.3, 226.7, 227.3, 245, *et seq*., 246, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, 2699, and 2802. PAGA penalties are not mandatory and are instead permissive. Labor Code § 2699(e)(2) states that "a court may award a lesser amount than the maximum civil penalty amount specified by this part if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory." *See Thurman v. Bayshore* (2012) 203 Cal. App. 4th 1112 (substantially reducing PAGA penalties by 30% under this provision); see also *Carrington v. Starbucks Corp.*, 30 Cal. App. 5th 504, 529 (2018) (affirming penalty reduction of 90% for practice that resulted in meal periods occasionally starting minutes after the fifth hour of work); *Sanchez v. McDonald's Corp.* (2017), LASC Case No. No. BC 499888 (98% reduction from $41 million to $775,000); *Ghrdilyan v. RJ Financial* (2012), LASC Case No. BC430633 (94% reduction from $5.4 million to $325,000); *Fleming v. Covidien*, Inc. (2011), USDC Case No. ED CV 10-01487-RGK (OPx) (87% reduction from $2.8 million to $375,000).

64. PAGA penalties are also derivative of each and every other claim, and Defendant argued the PAGA claims would be subject to the same defenses as the underlying claims, as well as additional equitable defenses, including substantial compliance. Finally, under *Amaral v. Cintas Corp.* (2008) 163 Cal.App.4th 1157, Defendant asserted that penalties under PAGA could, at best, be awarded only at the rates obtainable for initial violations under the applicable statutes, because

Defendant had never been notified of the alleged violations. *Id.* at 1208-1209.

65. Plaintiff estimated Defendant's total exposure on the PAGA claim at approximately **$1,911,400.00** (19,114 PAGA Pay Periods x $100). However, Class Counsel also estimated any PAGA recovery would be substantially reduced and applied discounts in light of the countervailing arguments with regard to the other causes of action and the Court's power to award "a lesser amount than the maximum civil liability." Class Counsel applied a discount of 95% to get an adjusted realistic exposure of $95,570.00. The PAGA allocation agreed upon by the Parties, therefore, was **$50,000.00**, subject to the Court's final approval. 65% of that amount ($32,500.00) will be paid to the LWDA out of the Gross Settlement Amount, and the remaining 35% ($17,500.00) will be distributed to the Aggrieved Employees.

Unfair Business Practices

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

Summary

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

68. Class Counsel applied reasonable and justified discounts, considering the facts and legal contexts outlined above. These substantial discounts were necessary in light of Defendant's contentions and denial of liability. In addition, Defendant argued that said employees were dissimilarly situated co-workers, making the certification of all Class Members less than a certainty. This Settlement, like most others, was the product of compromise. As addressed above, Plaintiff estimated that Defendant faced approximately $614,675.15 in total realistic exposure on Plaintiff's

main claims. The Gross Settlement Amount of $435,000.00, therefore, represents a recovery for the Class Members of approximately 70% of the total realistic exposure Plaintiff estimated Defendant could face on these class-wide claims. Class Counsel submits that this is an optimal result for the Class in light of all of the factors described above.

Class Counsel Fees Payment is Fair and Reasonable

69. At final approval, Class Counsel will request a Class Counsel Fees Payment of not more than one-third (1/3) of the Gross Settlement Amount ($145,000.00) and a Class Counsel Litigation Expenses Payment of not more than $25,000.00, both subject to approval by the Court. (Exhibit 1, Settlement Agreement, ¶¶ 1.7, 3.2.2.) Defendant has agreed not to oppose requests that do not exceed these amounts, and Class Counsel will file a motion for these payments no later than sixteen (16) court days before the Final Approval Hearing. (*Id*.) This request is fair, reasonable, and adequate to compensate Class Counsel for the substantial work they have put into this case. Moreover, the risk they assumed by taking it in the first place as they will not receive any compensation for their efforts until recovery is obtained for the Class. The attorneys' fees award is intended to reimburse Class Counsel for all uncompensated work that they have already done and for all the work they will continue to do in carrying out and overseeing the notification to Class Members, communicating with Class Members regarding their claims, and assisting in the administration of the Settlement if it is preliminarily approved. The requested fee is reasonable for the services provided to Class Members and for the benefits they are to receive.

Class Representative Service Payment is Fair and Reasonable

70. Plaintiff is entitled to a reasonable service payment for her efforts and initiative in bringing and helping to prosecute this action and obtaining significant benefits from the Settlement for the Class. Plaintiff spent significant time better apprising herself of her rights, deciding whether remedial action should be taken and how it should be taken, searching for attorneys, and contacting Class Counsel.

71. Plaintiff provided Class Counsel with information about Defendant, produced and reviewed documents, identified witnesses, monitored the progress of the litigation with Class Counsel, participated in the mediation process, and reviewed and signed the Settlement Agreement.

In light of the foregoing, Class Counsel believes that the $7,500.00 Class Representative Service Payment to Plaintiff is fair and reasonable.

Proposed Class Notice Provides Adequate Notice

72. The notification procedure set out in the Settlement Agreement provides the greatest likelihood that each and every Class Member will receive the Class Notice, attached to the Settlement as Exhibit A. For Class Notices returned as undelivered, the Administrator will, within three (3) business days, re-mail the Class Notice to a forwarding address (if provided) or conduct a Class Member Address Search, including skip tracing, to obtain a current address if no forwarding address is provided. (Exhibit 1, Settlement Agreement, ¶¶ 1.10, 7.4.3.) Class Members whose notice is re-mailed will have an additional fourteen (14) days to respond. (*Id*. at ¶ 7.4.4.) The Class Notice includes a summary of the case and settlement terms and provides Class Members with detailed instructions on how to exclude themselves, object to the settlement, and challenge the number of Workweeks and/or PAGA Workweeks attributed to each Class Member per Defendant's records. (Exhibit 1, Settlement Agreement, Exhibit A, Class Notice). Class Members will have 45 days from the mailing of the Class Notice (plus an additional 14 calendar days for Class Members whose Class Notice is re-mailed) to opt out of the Settlement, object to the Settlement, and/or challenge the number of Workweeks and/or PAGA Workweeks ("Response Deadline"). (Exhibit 1, Settlement Agreement, ¶¶ 1.47, 7.4.4.) This is the best and most practicable way to ensure the greatest possible number of Class Members will receive the Class Notice.

73. The Class Notice itself fully apprises Class Members of the nature of the lawsuit, the claims involved, the terms of the Settlement, and their options thereunder. (Exhibit 1, Settlement Agreement, Exhibit A, Class Notice). It provides for a specific procedure to seek exclusion from the Class, dispute payments and Class Data, challenge Workweek and PAGA Workweek data, and make objections to the Settlement. (Exhibit 1, Settlement Agreement, Exhibit A, Class Notice). In the Class Notice, Class Members will also receive Class Counsel's contact information so they can speak to attorneys conversant with the legal and factual issues involved in this case, as well as the contact information for the Administrator. The efforts taken to ensure that Class Members receive the Class Notice and are well informed about the settlement are reasonable and provide the best notice

practicable under the facts.

Qualifications and Adequacy of Class Counsel

74. D.Law (formerly known as Davtyan Law Firm) prosecutes wage and hour cases, including class actions and PAGA actions on behalf of employees and others who have had their rights violated. D.Law, either on its own or with co-counsel, is currently serving as plaintiffs' counsel of record in numerous wage and hour and employment class action and PAGA action cases pending in both state and federal court.

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

76. D.Law has litigated and successfully resolved many wage and hour class action cases involving failure to pay wages and derivative Labor Code claims and penalties. See e.g. De La Rosa v. The Coca Cola Company et al. (Superior Court of California in Napa, 17CV000787), Harvey v. Bed Bath & Beyond of California Limited Liability Company (Superior Court of California in Alameda, RG17885153), Paredes v. Bottling Group LLC et. al. (Superior Court of California in Kern), Ramirez v. Harris Ranch Beef Company (Superior Court of California in Fresno, 16CECG04103), Gates v. Gate Gourmet, Inc. et. al. (Southern District of California, 16-cv-01084-L-AGS), Hargrave v. Antelope Valley Hospital (Superior Court of California in Los Angeles, BC663252), Ramirez v. Milton Roy et. al. (Superior Court of California in Los Angeles, BC 632 276), Hawkins v. AvalonBay Communities (Superior Court of California in Santa Clara, 17CV316492), Jones Tharpe et al. v. Sprint Corporation et al. (Superior Court of California in Los Angeles, BC644645), Ortega et al. v. Nestle Waters North America, Inc. et al. (Superior Court of California in Los Angeles, BC623610), Schultz v. Jimbo's Natural Family, Inc. (Superior Court of California in San Diego, 37-2017-00022348-CUE-OE-CTL), Ambrose v. Victor Valley Global et al. (Superior Court of California in San Bernardino, CIVDS1709289), Puerta-Gildardo v. Real Time Staffing Services LLC et. al. (Superior Court of California in Los Angeles, BC565445), Vargo v.

Pregis Innovative Packaging LLC (Superior Court of California in Tulare, 270836), Conlin v. Aegis Senior Communities LLC (Northern District of California, 17-cv-05534-LHK), Galarza v. Kloeckner Metals Corporation (Central District of California, 2:17-cv-04910-FMO), Estes v. L3 Technologies, Inc. et al. (Southern District of California, 3:17-cv-02356-H-JMA), Rowser v. Trunk Club, Inc. (Central District of California, 2:17-cv-05064-DSF-RAO), Leach v. The Claremont Colleges, Inc. (Superior Court of California in Los Angeles, BC686451), Vaesau v. PCT Enterprises, Inc. dba Precision Cabinets (Superior Court of California, County of Contra Costa MSC18-02404), Terry v. TF Louderback, Inc. dba Bay Area Beverage Company (Superior Court of the State of California, County of Contra Costa, MSC18-00859), Roach v. Westcare California, Inc. (Superior Court of California in Kern County, BCV-17-102367-SDS), Patton v. Church & Dwight Co., Inc. (Central District of California, EDCV 18-903-MWF (KKx)), Juarez v. ISL Employees, Inc. (Superior Court of California in Madera, MCV074787), Ferraro v. USC Verdugo Hill s Hospital, et al. (Superior Court of California in Los Angeles, 18STCV09463), Ford v. Account Control Technology, Inc., et al. (Superior Court of California in Los Angeles, 19STCV09369), Ornelas v. iStorage, et al. (Superior Court of California in San Francisco, CGC-18-571421), Martinez v. Ronpak, Inc. (Superior Court of California in Riverside, RIC1901307), Barrera et al. v. Exclusive Wireless, Inc. (Superior Court of California in Stanislaus, 9000687), Barajas v. Mancha Development Company LLC (Superior Court of California in Orange County, 30-2018-00974707-CU-OE-CXC), Prado v. IMAX Corporation dba IMAC Worldwide Home (Superior Court of California in San Bernardino, CIVDS1820265), Rodriguez v. ND Industries, Inc. (Superior Court of California in Los Angeles, 19STCV38096), Singletary v. Motel 6 Operating LP, et al. (Southern District of California, 3:20-cv-0270-LAB-AHG), Quizon v. CF Watsonville East, LLC, et al. (Superior Court of California in Santa Cruz, 20CV01868), Stephenson v. Bakersfield Dodge, Inc. (Superior Court of California in Kern, BCV-20-102693), Bacerra v. Hugo Boss Retail, Inc. (Superior Court of California in San Diego, 37-2021-00002933-CU-OE-CTL), Walker v. Ariat International, Inc. (Superior Court of California in Alameda, HG19026439), Orr v. Petvet Care Centers (California) Inc. (Superior Court of California in Santa Clara, 19CV354063), Jimenez v. OEC Distribution Services, Inc. (Superior Court of California in San Bernardino, CIVDS1915743), Virdi v. Absolute Security International (Superior Court of

California in San Bernardino, CIVDS 1909589), Raj v. First Transit, Inc (Superior Court of California in Sacramento, 34-2021-00295895-CU-OE-GDS), Marchbanks v. Torrid Administration, Inc. (Superior Court of California in San Diego, 37-2020-00008179-CU-OE-NC), among others.

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

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

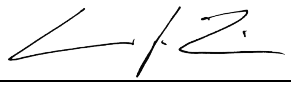
79. We understand the responsibilities owed as counsel to the class members and the aggrieved employees we represent. The attorneys at D.Law thoroughly investigated the claims asserted in this action and have remained committed to dedicating the resources necessary to represent the Class and vigorously pursue their claims. Based upon my experience and understanding of the claims and defenses in this action, I believe the settlement is fair, adequate, and reasonable for the Class Members and Aggrieved Employees and all involved, and that the Settlement is well within the

range of reasonableness that would permit it to be finally approved. I am not aware of any conflict of interest with Plaintiff or any other Class Member that would interfere with the duties as Class Counsel.

80. On November 18, 2026, Plaintiff submitted the Class Action and PAGA Settlement Agreement and Plaintiff's Motion for Preliminary Approval of Class Action and PAGA Settlement and supporting documents to the LWDA. A true and correct copy of the confirmatory email from the LWDA is attached hereto as **Exhibit 3.**

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

Executed this 18th day of November 2026 in Pasadena, California



Enoch J. Kim

EXHIBIT 1

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CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement ("Agreement") is made by and between plaintiff Laura Maria Macias ("Plaintiff") and Defendant Metrie EL & EL, LLC ("Defendant"). The Agreement refers to Plaintiff and Defendant collectively as "Parties," or individually as "Party."

1. DEFINITIONS.

1.1 "Action" means the lawsuit captioned *Laura Maria Macias v. Metrie EL & EL, LLC*, initiated on November 27, 2024, and pending in Superior Court of the State of California, County of San Bernardino, case number CIVRS2403124.

1.2 "Administrator" means ILYM Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement. The Parties each represent that they do not have any financial interest in the Administrator or otherwise have a relationship with the Administrator that could create a conflict of interest.

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

1.4 "Aggrieved Employee" means all current and former non-exempt employees who worked for Defendant in California as a non-exempt employee at any time from November 27, 2023 through July 15, 2026.

1.5 "Class" means all current and former non-exempt employees who worked for Defendant in California as a non-exempt employee at any time from May 15, 2023 through July 15, 2026.

1.6 "Class Counsel" means D.Law, Inc.

1.7 "Class Counsel Fees Payment" and "Class Counsel Litigation Expenses Payment" mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action. The Class Counsel Fees Payment will be in an amount not to exceed one third of the Gross Settlement Amount ($145,000.00), and the Class Counsel Litigation Expenses Payment will not exceed $25,000.00, both subject to Court approval.

1.8 "Class Data" means Class Member identifying information in Defendant's possession that Defendant will in good faith compile and shall be authorized by the Court to transmit in a secure manner to the Administrator, including each Class Member's full name, last-known mailing address, Social Security number, and number of Workweeks and PAGA Workweeks.

1.9 "Class Member" or "Settlement Class Member" means a member of the Class, as either a Participating Class Member or Non-Participating Class Member

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(including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

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

1.11 "Class Notice" means the COURT APPROVED NOTICE OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed by the Administrator to Class Members in English and Spanish, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.12 "Class Period" means the period from May 15, 2023 through July 15, 2026.

1.13 "Class Representative" means the named Plaintiff in the Operative Complaint in the Action seeking Court approval to serve as Class Representative, Laura Maria Macias.

1.14 "Class Representative Service Payment" means the payment to the Class Representative for initiating the Action and providing services in support of the Action. The Class Representative Service Payment will not exceed $7,500.00 and is in addition to the Class Representative's Individual Class Payment and Individual PAGA Payment.

1.15 "Class Workweeks" means Workweeks worked by each Class Member as a non-exempt employee in California during the Class Period and excludes any weeks during which a Class Member was on leave of absence or otherwise absent from work. All Class Members are entitled to payment for at least one Workweek.

1.16 "Court" means the Superior Court of California, County of San Bernardino.

1.17 "Defendant" means named Defendant Metrie EL & EL, LLC.

1.18 "Defense Counsel" means Davis Wright Tremaine LLP.

1.19 "Effective Date" means the date by when both of the following have occurred: (a) the Court grants Final Approval, and (b) enters Final Judgement if no objections are made to the Settlement. If one or more Participating Class Members objects to the Settlement which are not later withdrawn or denied, then the Effective Date will be the later of the following events: (a) sixty-five (65) calendar days after the period for filing any appeal, writ, or other appellate proceeding opposing the Court's Final Approval and Judgment has elapsed without any appeal, writ, or other appellate proceeding have been filed, or (b) if any appeal, writ, or other appellate proceeding opposing the Court's Final Approval Order and Judgment has been filed, twenty (20) calendar days after any appeal, writ, or other appellate

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proceedings opposing the Court's Final Approval and Judgment has finally and conclusively dismissed with no right to pursue further remedies or relief. In the event the Court fails to approve the Settlement, or if the appropriate appellate court fails to approve the Settlement: (1) this Settlement Agreement shall have no force and effect and the Parties shall be restored to their respective positions prior to entering into it, and no Party shall be bound by any of the terms of the Settlement Agreement; (2) Defendant shall have no obligation to make any payments to the LWDA, Class Members, Plaintiff or Plaintiff's Counsel; and (3) any preliminary approval order and/or Final Approval Order shall be vacated.

1.20 "Final Approval" means the Court's order granting final approval of the Settlement.

1.21 "Final Approval Hearing" the Court's hearing on the Motion for Final Approval of the Settlement after the filing by Plaintiff of an appropriate motion and following notice to Class Members giving them the opportunity to request exclusion from and object to the Settlement.

1.22 "Final Judgment" means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.

1.23 "Gross Settlement Amount" means Four Hundred Thirty-Five Thousand Dollars and Zero Cents ($435,000.00) which is the maximum total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and the Administration Expenses Payment.

1.24 "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked as a non-exempt employee in California during the Class Period.

1.25 "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 35% of the PAGA Penalties calculated according to the number of Pay Periods worked as a non-exempt employee in California during the PAGA Period.

1.26 "Judgment" means the judgment entered by the Court based upon the Final Approval.

1.27 "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under California Labor Code section 2699, subd. (m), to 65% of the PAGA Penalties.

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

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1.29 "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder (the Net Settlement Amount) is to be paid to Participating Class Members as Individual Class Payments.

1.30 "Non-Participating Class Member" means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

1.31 "Notice of Objection" means a Class Member's valid and timely submission of a written objection to the Settlement.

1.32 "Notice Packet" means the packet of documents that will be mailed to all Class Members by the Administrator, including the Class Notice form in Exhibit A.

1.33 "Operative Complaint" means the First Amended Complaint Plaintiff filed in San Bernardino County Superior Court in the *Laura Maria Macias v. Metrie EL & EL, LLC* Action on January 31, 2025, which added a cause of action for penalties under PAGA.

1.34 "PAGA Workweeks" means Workweeks worked by each Aggrieved Employee as a non-exempt employee for Defendant in California during the PAGA Period and excludes any Workweeks during which the Aggrieved Employee was on leave of absence or otherwise absent from work. All Aggrieved Employees will be entitled to payment for at least one PAGA Workweek.

1.35 "PAGA Period" means the period from November 27, 2023 through July 15, 2026.

1.36 "PAGA" means the Private Attorneys General Act (California Labor Code §§ 2698, *et seq.*).

1.37 "PAGA Notice" means Plaintiff Macias' November 27, 2024, letter to Defendant and the LWDA providing notice pursuant to California Labor Code section 2699.3, subd. (a) asserting claims for civil penalties under, among other things, Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 227.3, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, 2699, et seq., 2802, and 2926.

1.38 "PAGA Penalties" means Fifty Thousand Dollars and Zero Cents ($50,000.00), which is the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 35% to the Aggrieved Employees ($17,500.00) and 65% to the LWDA ($32,500.00) in settlement of PAGA claims.

1.39 "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement. Class Members who

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are not Participating Class Members will still be eligible to receive an Individual PAGA Payment if such individual(s) qualify as an "Aggrieved Employee" within the meaning of this Agreement.

1.40 "Plaintiff" means Laura Maria Macias, the named plaintiff in the Action.

1.41 "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.

1.42 "Preliminary Approval Order" means the order to be issued by the Court approving and authorizing the mailing of the Notice Packet by the Administrator, setting the date for the Final Approval hearing and granting preliminary approval of the Settlement.

1.43 "Released Class Claims" means the claims being released as described in Paragraph 5.2 below.

1.44 "Released PAGA Claims" means the claims being released as described in Paragraph 5.3 below.

1.45 "Released Parties" means: Defendant and each of its former and present predecessors, successors, assigns, subsidiaries, affiliates, parents, agents, employees, members, investors, partners (limited and general), holding companies and investment partnerships, owners, officers, directors, attorneys, trustees, insurers, representatives, and shareholders.

1.46 "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member and submitted to the Administrator. Any Member who does not submit a Request for Exclusion by the Response Deadline will be deemed a Participating Class Member and bound by the terms of the Settlement.

1.47 "Response Deadline" means forty-five (45) days after the Administrator mails the Notice Packet to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, (b) fax, email, or mail their written Objection to the Settlement, or (c) fax, email, or mail Challenges to Workweeks and/or PAGA Workweeks. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the date the Response Deadline has expired to submit a valid Request for Exclusion, Notice of Objection, or challenges to Workweeks and/or PAGA Workweeks.

1.48 "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

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1.49 "Workweek" means any week during which a Class Member worked for Defendant as a non-exempt employee for at least one day, during the Class Period.

2. RECITALS.

2.1 On November 27, 2024, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendant for (1) Failure to Pay Minimum Wages; (2) Failure to Pay Wages and Overtime Under Labor Code § 510; (3) Meal Period Liability Under Labor Code § 226.7; (4) Rest-Break Liability Under Labor Code § 226.7; (5) Violation of Labor Code § 226(a); (6) Violation of Labor Code § 203; (7) Violation of Labor Code § 204; (8) Failure to Keep Required Payroll Records under Labor Code §§ 1174 and 1174.5; (9) Failure to Reimburse Necessary Business Expenses § 2802; and (10) Violation of Business & Professions Code § 17200 *et seq.* On January 31, 2025, Plaintiff filed a First Amended Complaint adding a cause of action for penalties under PAGA ("Operative Complaint"). Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint, and denies any and all liability for the causes of action alleged.

2.2 Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff Macias gave timely written notice to Defendant and the LWDA by sending her PAGA Notice on November 27, 2024.

2.3 On May 5, 2026, Plaintiff and Defendant participated in an all-day mediation presided over by David Phillips, Esq. which led to this Agreement to settle the Action.

2.4 Prior to mediation, Plaintiff obtained, through informal discovery, a sampling of time and payroll data for the putative class, and figures and information regarding the class size and composition. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Ford Motor Company* (1996) 48 Cal.App.4th 1794, 1801-1803 and *Kullar v. Foot Locker Retail, Inc*. (2008) 168 Cal.App.4th 116, 129-130 (collectively, "*Dunk/Kullar*").

2.5 The Court has not granted class certification because the Parties engaged in mediation before the class certification stage.

2.6 Class Counsel, including but not limited to D.Law, Inc., covenants and agrees that they shall not seek to include, represent, or pursue claims on behalf of any of Metrie EL & EL LLC's direct hourly employees in California in the action styled *Nicolas Cruz Urbina v. Full Steam Staffing, LLC, et al.,* Case No. STK-CV-UOE-2026-0001967 (San Joaquin Superior Court), or any amendment, continuation, or related proceeding thereof. The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

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2.7 Benefits of Settlement for Plaintiff and Class Members. Plaintiff and Class Counsel recognize the expense and length of continued proceedings necessary to litigate Plaintiff's disputes in the Action through trial and any possible appeals. Plaintiff also has taken into account the uncertainty and risks of the outcome of further litigation and the difficulties and delays inherent in such litigation. Plaintiff and Class Counsel are also aware of the burdens of proof necessary to establish liability for the claims asserted in the Operative Complaint, both generally and in response to Defendant's defenses thereto, and the difficulties in establishing damages, penalties, restitution and other relief sought. Plaintiff and Class Counsel have also taken into account Defendant's agreement to enter into a settlement that confers substantial benefits upon the Class Members. Based on the foregoing, Plaintiff and Class Counsel have determined this Agreement is fair, adequate, and reasonable and is in the best interest of the Class.

2.8 Defendant's Reasons for Settlement. Defendant has concluded that further defense of the Action would be protracted and expensive. Substantial amounts of Defendant's time, energy, and resources have been, and unless this Settlement is completed, shall continue to be devoted to the defense of the claims asserted by Plaintiff. Defendant has also taken into account the risks of further litigation in reaching its decision to enter into this Agreement. Even though Defendant contends it is not liable for any of the claims alleged in the Action, Defendant has agreed to settle in the manner and upon the terms set forth in this Agreement to fully and finally put to rest the claims alleged in this Action. Defendant has asserted and continues to assert that the claims alleged by Plaintiff have no merit and do not give rise to any liability, damages, restitution, penalties, or other payments. This Agreement is a compromise of disputed claims. Nothing in this Agreement or actions taken to carry out this Agreement shall be construed or used as an admission by or Against Defendant as to the merits or lack thereof of the claims asserted in the Action. Defendant contends it has complied with all applicable laws. In the event this Settlement does not obtain Final Approval, Defendant retains all rights it has to defend itself in this matter and to take any actions in defense of itself.

3. MONETARY TERMS.

3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay $435,000.00 and no more as the Gross Settlement Amount to the Administrator and to separately pay any and all employer payroll taxes owed on the Wage Portion of the Individual Class Payments. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) 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 Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

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

3.2.1 To Plaintiff: Class Representative Service Payment to the Class Representative of not more than $7,500.00 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third (1/3) of the Gross Settlement Amount, which is currently estimated to be $145,000.00, and a Class Counsel Litigation Expenses Payment for reimbursement of actual expenses incurred, which is currently estimated not to exceed $25,000.00. Defendant will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Court's approval of lesser amounts than those set forth in this section shall not provide a basis for either party to revise or rescind this Agreement. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3 To the Administrator: An Administration Expenses Payment not to exceed $9,950.00 except for a showing of good cause and as approved by the Court. Defendant will not oppose requests for these payments provided

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that they do not exceed this amount. To the extent the Administration Expenses are less, or the Court approves payment less than $9,950.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4 To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Class Workweeks.

3.2.4.1 Tax Allocation of Individual Class Payments. 10% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. 90% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.4.2 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of $50,000.00 to be paid from the Gross Settlement Amount, with 65% ($32,500.00) allocated to the LWDA PAGA Payment and 35% ($17,500.00) allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 35% share of PAGA Penalties, $17,500.00, by the total number of PAGA Workweeks worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Workweeks. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

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

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4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Class Data. Not later than twenty-one (21) days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. The Administrator will also return or certify the destruction of the Class Data upon completion of the settlement administration process. If any Class Data is disclosed to Plaintiff or Class Counsel, it will identify Class Members by anonymous identifier only, without the name, address, or Social Security number of any Class Member. Defendant has a continuing duty to immediately notify Administrator if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.2 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than sixty-five (65) days after the Effective Date.

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

4.3.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Participating Class Members and/or Aggrieved Employees via First Class U.S. Mail, postage prepaid. Individual Class Payment and Individual PAGA Payment checks will remain valid and negotiable for 180 calendar days after the date of their issuance. The face of each check shall prominently state the date when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Class Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice

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was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the National Change of Address Database. In the event a Participating Class Member fails to cash or deposit their Individual Class Payment, the Participating Class Member shall nevertheless remain bound by the Settlement.

4.3.2 The Administrator must conduct a Class Member Address Search for all other Participating Class Members and/or Aggrieved Employees whose checks are retuned undelivered without United States Postal Service ("USPS") forwarding address. Within seven (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 Class Member Address Search. The Administrator need not take further steps to deliver checks to Participating Class Members and/or Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Participating Class Member and/or Aggrieved Employee whose original check was lost or misplaced, if requested by the Participating Class Member and/or Aggrieved Employee prior to the void date.

4.3.3 For any Participating Class Member and/or Aggrieved Employee whose Individual Class Payment and/or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Participating Class Member and/or Aggrieved Employee thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b) as the Gross Settlement Amount shall be paid to Participating Class Members, whether or not their checks are cashed. In such event, the Participating Class Member and/or Aggrieved Employee shall nevertheless remain bound by the Agreement and the Court's Final Approval Order and Judgment.

4.3.4 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Participating Class Members and Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement. Furthermore, all monies received by Participating Class Members under the Settlement which are attributable to wages shall constitute income solely in the year in which such monies are actually received by Participating Class Members.

5. RELEASES OF CLAIMS. Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage

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Portion of the Individual Class Payments, Plaintiff, Participating Class Members, and Aggrieved Employees will release claims against all Released Parties as follows:

5.1 Plaintiff's Release. Plaintiff and her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, fully and forever release and discharge Released Parties from any and all claims, transactions, or occurrences related to Plaintiff's employment with Defendant, including, but not limited to, all claims transactions, causes of action, damages, wages, benefits, expenses, penalties, debts, liabilities, demands, obligations, attorney's fees, costs, and any other form of relief or remedy in law, equity, or whatever kind or nature, whether known or unknown, suspected or unsuspected that arise from or are related to Plaintiff's employment by Defendant or the Action, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Action, (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Action or Plaintiff's PAGA Notice, (c) all claims Plaintiff may have against Defendant and/or the Released Parties; (d) any claims under federal, state or local law for or relating to wages, benefits, compensation, vacation or other paid time off, and claims for liquidated damages, penalties, or costs and fees associated therewith, including under the California Labor Code or the California Business and Professions Code; (e) wrongful termination, discrimination, harassment, and/or retaliation, including under the California Fair Employment and Housing Act, Title VII of the Civil Rights Act of 1964, the Family Medical Leave Act, the California Family Rights Act, the Americans with Disabilities Act, the Equal Pay Act, the California Labor Code, the California Government Code, (f) any act, omission, or occurrence or claim arising out of or related to the Action or Plaintiff's employment or termination thereof with Defendant taking place on or before Plaintiff's execution of this Agreement; and (g) any other form of relief or remedy of any kind, nature, or description whatsoever, whether premised on statute, contract, tort, or other theory of liability under state, federal, or local law. ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences after Plaintiff's execution of this Agreement. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.1 Plaintiff's Waiver of Rights Under California 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

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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.

Thus, notwithstanding the provisions of Section 1542, Plaintiff expressly acknowledges this Agreement is intended to include in its effect all claims Plaintiff does not know or suspect to exist in the Plaintiff's favor at the time of signing this Agreement, and that this Agreement contemplates the extinguishment of any such claims. Plaintiff warrants that Plaintiff has read this Settlement, including this waiver of California Civil Code section 1542, and that Plaintiff has consulted with or had the opportunity to consult with counsel of Plaintiff's choosing about this Agreement and specifically about the waiver of Section 1542, and that Plaintiff understands this Agreement and the Section 1542 waiver, and so Plaintiff freely and knowingly enters into this Agreement. Plaintiff further acknowledges that Plaintiff later may discover facts different from or in addition to those Plaintiff now knows or believe to be true regarding the matters released or described in this Agreement, and even so Plaintiff agrees that the releases and agreements contained in this Agreement shall remain effective in all respects notwithstanding any later discovery of any different or additional facts. Plaintiff expressly assumes any and all risk of any mistake in connection with the true facts involved in the matters, disputes, or controversies released or described in this Agreement or with regard to any facts now unknown to Plaintiff relating thereto.

5.2 Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, fully release and discharge the Released Parties from any and all claims that were alleged or reasonably could have been alleged based on the factual allegations in the Operative Complaint and PAGA Notice and arising during the Class Period (collectively, the "Released Class Claims"). The Released Class Claims include but are not limited to claims for any alleged or actual failures to timely, fully, properly, or completely pay any minimum wages, regular wages, overtime premium wages, meal or rest period premium wages, or other wages owed to the Settlement Class; any and all alleged or actual failures to comply with meal or rest period requirements; any alleged or actual failures to provide proper, accurate, timely, adequately descriptive, or complete wage statements or pay stubs; any and all alleged or actual failures to fully or properly reimburse or indemnify for any and all employment-related expenses; any and all alleged or actual failures to pay all wages, or compensation owed to a fired, quitting, or otherwise departing employee; any and all alleged or actual unfair business practices; any and all alleged or actual failures to pay employees in compliance with Labor Code section 204; any and all alleged or actual failures to keep required payroll records

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in compliance with Labor Code sections 1174 and 1174.5; any and all alleged or actual failures to comply with the applicable Industrial Welfare Commission Wage Order, including but not limited to paragraph 15 relating to workplace temperature; and any and all alleged or actual failures to pay any interest or penalties (excluding civil penalties under PAGA) owed as a result of any and all of the foregoing. Participating Class Members will release the Released Parties from all remedies that could be claimed in connection with the Released Class Claims including but not limited to, statutory, constitutional, contractual damages, unpaid costs, penalties, punitive damages, interest, attorneys' fees, litigation costs, restitution, and equitable relief.

5.3 Release by Aggrieved Employees: All Aggrieved Employees, including Non-Participating Class Members who are Aggrieved Employees, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, are deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties from all claims for civil penalties pursuant to PAGA that are reasonably related to or arising out of the factual allegations in the Operative Complaint and/or the PAGA Notice, or could have reasonably been alleged or asserted based on, reasonably related to, or arising out of the facts alleged in the Operative Complaint and the PAGA Notice during the PAGA Period (collectively, the "Released PAGA Claims"). The Released PAGA Claims include civil penalties and any other available relief under PAGA, including but not limited to, interest, attorneys' fees, and litigation costs. This release shall be binding on all Aggrieved Employees regardless of whether they submit a valid Request for Exclusion.

6. MOTION FOR PRELIMINARY APPROVAL. Plaintiff agrees to prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") no later than sixty (60 days) after the full execution of this Agreement. Plaintiff shall provide a draft of the Motion for Preliminary Approval paperwork to Defendant at least five (5) court days prior to filing the paperwork with the Court. Plaintiff will prepare the motion for preliminary approval so that it complies with the Court's current checklist for Preliminary Approvals.

6.1 Plaintiff's Responsibilities. Plaintiff will prepare all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under California Labor Code Section 2699(l)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of

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any financial relationship with Plaintiff, Class Counsel, or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members and/or the Administrator; (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (vii) all facts relevant to any actual or potential conflict of interest with Class Members, and/or the Administrator. In their Declarations, Plaintiff and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Responsibilities of Counsel. Class Counsel is responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 60 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval Order to the Administrator.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class 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 Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in good faith to modify the Agreement and otherwise satisfy the Court's concerns. The Parties represent that they have cooperated in the drafting and preparation of this Agreement. Thus, in any construction made of this Agreement, the same shall not be construed against any of the Parties.

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected ILYM Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, ILYM Group, Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of the Administration Expenses Payment. 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.

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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, in which the Gross Settlement Amount shall be placed and from which payments required by the Settlement shall be made.

7.4 Notice to Class Members.

7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and PAGA Workweeks in the Class Data.

7.4.2 Using best efforts to perform as soon as possible, and in no event later than fourteen (14) days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Workweeks (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

7.4.3 Not later than three (3) business days after the Administrator's receipt of any Notice Packet returned by the USPS as undelivered, the Administrator shall re-mail the Notice Packet using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Notice Packet to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Notice Packet to Class Members whose Notice Packet is returned by the USPS a second time. If these procedures are followed, notice to Class Members shall be deemed to have been fully satisfied, and if the intended recipient of the Notice Packet does not receive the Notice Packet, the intended recipient shall nevertheless remain a Class Member and shall be bound by all terms of the Settlement and the Judgment.

7.4.4 The deadlines for Class Members' written objections, Challenges to Workweeks and/or PAGA Workweeks, and Requests for Exclusion will be extended an additional fourteen (14) days beyond the forty-five (45) days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

If the Administrator, Defendant, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have

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received Class Notice, the Parties will expeditiously meet and confer in person or by telephone or by email, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than fourteen (14) days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

7.5 Requests for Exclusion (Opt-Outs).

7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than forty-five (45) days after the Administrator mails the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's (1) name, (2) address, and (3) email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' and Aggrieved Employees' Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Class Members who worked during the PAGA Period that submit a valid Request for Exclusion will still be deemed Aggrieved Employees, will still receive their Individual PAGA Payments, and will still be bound by the Released PAGA Claims.

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7.6 Challenges to Calculation of Workweeks. Each Class Member shall have forty-five (45) days after the Administrator mails the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice is re-mailed) to challenge the number of Workweeks and PAGA Workweeks (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email, or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. The Administrator will also send the dispute information to Defense Counsel within five (5) calendar days of receiving the dispute, and Defendant will review its records and submit any additional supporting information to the Administrator within ten (10) calendar days of receiving the dispute from the Administrator. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks and/or PAGA Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or PAGA Workweeks shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to the calculation of Workweeks and/or PAGA Workweeks to Defense Counsel and Class Counsel and the Administrator's determination regarding the challenges.

7.7 Objections to Settlement.

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

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. A Notice of Objection must: (a) contain the case name and number of the Action; (b) contain the objector's full name, signature, address, telephone number, and the last four (4) digits of the objector's Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; and (d) contain copies of any papers, briefs, or other documents upon which the objection is based. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than forty-five (45) days after the Administrator's mailing of the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice was re-mailed). Not later than five (5) days after the expiration of the deadline for submitting Notices of Objection, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted

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valid Notices of Objection; and (b) copies of all Notices of Objection submitted (whether valid or invalid).

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

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

7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time, and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payment, the Final Approval, and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes, and emails.

7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); and (b) copies of all Requests for Exclusion from Settlement submitted.

7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion received, Notices of Objection received, challenges to Workweeks and/or PAGA Workweeks received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and Notices of Objections received.

7.8.4 Workweek and/or PAGA Workweek Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member and/or Aggrieved Employee challenges over the calculation of Workweeks and/or PAGA Workweeks. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

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7.8.5 Administrator's Declaration. Not later than fourteen (14) days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of the Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections, and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

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

8. CLASS SIZE ESTIMATES and ESCALATOR CLAUSE The Gross Settlement Amount was calculated based on the estimate that 546 Class Members worked a total of 46,000 Workweeks from May 15, 2023 through May 5, 2026. If the total number of Workweeks during the Class Period increases by more than 10% (i.e. more than 4,600 additional Workweeks such that the final Workweeks being released are greater than 50,600 Workweeks), then the Gross Settlement Amount will be increased proportionally by the number of Workweeks worked in excess of 10%. For example, if the total number of Workweeks increases by 15% over 46,000 Workweeks, the Gross Settlement Amount will increase by 5%. If this provision is triggered, the Parties agree that the portion of the Gross Settlement Amount allocated to attorneys' fees will increase proportionally such that the total amount of attorneys' fees remains one-third (1/3) of the Gross Settlement Amount after the upward adjustment required by this provision is implemented. Alternatively, at its option, Defendant can avoid increasing the Gross Settlement Amount by electing to end the Class Period and PAGA Period on a date on which the number of Workweeks does not exceed 50,600. Defendant shall confirm whether the escalator clause has been triggered, and if so, make their election under the escalator clause prior to the filing of Plaintiff's motion for preliminary approval of the Settlement.

9. DEFENDANT'S RIGHT TO WITHDRAW. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Class Members, Defendant may, but is not obligated to, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no

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force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement administration expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than seven (7) days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

10. MOTION FOR FINAL APPROVAL. Unless otherwise ordered by the Court, not later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a notice, memorandum of points and authorities, necessary declarations, a request for approval of the PAGA Settlement under California Labor Code section 2699, subd. (l), a Proposed Final Approval Order, and a Proposed Judgment (collectively "Motion for Final Approval"), and any other necessary supporting documentation. Plaintiff shall provide drafts of these documents to Defense Counsel not later than five (5) court days prior to filing the Final Approval papers. Class Counsel and Defense Counsel will expeditiously meet and confer, in good faith, to resolve any disagreements concerning the Motion for Final Approval.

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

10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Participating Class Members or Aggrieved Employees), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Administration Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph nor serve as a basis for Plaintiff to rescind this Agreement.

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

10.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment

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and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs, or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Participating Class Members or Aggrieved Employees), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses Payment reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payments or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

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

12. ADDITIONAL PROVISIONS.

12.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, will be construed as an admission or concession by Defendant of any such violations or failures to comply with any applicable law. The Parties agree that class certification and representative treatment is for the limited purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval, or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement, and 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).

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12.2 Confidentiality Prior to Preliminary Approval. The Parties and their counsel agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Thereafter, the Parties and their counsel agree that they will not, unless required by law, publicize the existence of or set forth the terms of the settlement in a public manner, including without limitation by communicating or publicizing the existence of or the terms of the settlement to members of the press, or to publish such information on any website or social media forum (including through organizations that publicize verdicts and settlements and on websites operated by or for counsel). Nothing herein shall be interpreted as preventing any good-faith communications by any Counsel for the Parties and/or any Parties with any court, Class Members, or the Settlement Administrator for the purpose of facilitating the settlement of the Lawsuit. Nothing herein shall prevent the Parties from filing documents and communicating with the courts and other counsel in connection with the Lawsuit. Nothing shall prevent Defendant from communicating with its employees, ownership, or lender concerning the settlement. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members. Plaintiff and Plaintiff's counsel will undertake any and all disclosures required to be made to the LWDA in conformity with PAGA.

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

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

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

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12.6 Agreement Contingent on Court Approval. This Agreement is contingent upon an order by the Court granting Final Approval of the Settlement, and that the LWDA does not intervene and object to the Settlement. In the event it becomes impossible to secure approval of the Settlement by the Court and the LWDA, the Parties shall be restored to their respective positions in the Action prior to entry of this Settlement. If this Settlement Agreement is voided, not approved by the Court or approval is reversed on appeal, it shall have no force or effect and no Party shall be bound by its terms except to the extent: (a) the Court reserves any authority to issue any appropriate orders when denying approval; or (b) there are any terms and conditions in this Agreement specifically stated to survive the Agreement being voided or not approved, and which control in such an event.

12.7 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 or the Court for resolution.

12.8 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 that Party in this Settlement.

12.9 No Tax Advice and Circular 230 Disclaimer. Defendant makes no representation as to the tax treatment or legal effect of the payments called for hereunder, and the Plaintiff and Participating Class Members are not relying on any statement, representation, or calculation by Defendant or by the Administrator in this regard. Participating Class Members and Class Counsel understand and agree that they shall be responsible for the payment of all taxes and penalties assessed on the payments specified herein, and shall hold the Parties, Class Counsel, and Defense Counsel free and harmless from and against any claims resulting from treatment of such payments as non-taxable, including the treatment of such payments as not subject to withholding or deduction for payroll and employment taxes.

EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR

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DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

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

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

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

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

12.14 Duty to Support and Defend the Settlement. The Parties agree to abide by all of the terms of this Agreement in good faith and to support the Settlement fully and to use their best efforts to defend this Settlement from any legal challenge, whether by appeal or collateral attack. Nothing in this provision limits any Class Member's right to object, request exclusion if applicable, or otherwise participate in the approval process as permitted by the Court-approved notice and applicable law.

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

12.16 Non-Evidentiary Use. Whether or not the Effective Date occurs, neither this Agreement, nor any of its terms, nor the Settlement itself, will be: (a) construed as, offered, or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to Defendant or any other of the Released Parties, including but not limited to, evidence of a presumption, concession, indication, or admission by Defendant or any of the Released Parties of any liability, fault, wrongdoing, omission, concession, or damage, or (b) disclosed, referred to, or offered in evidence against Defendant or any of the Released Parties in any further proceeding in the Action, except for the purposes of effectuating the Settlement pursuant to this Agreement or for Defendant to establish that a Class Member has resolved any of their claims released through this Agreement.

12.17 No Third-Party Beneficiaries. Plaintiff, Participating Class Members, Aggrieved Employees, the State of California, Class Counsel, and Defendant are direct beneficiaries of this Agreement, but there are no third-party beneficiaries.

12.18 Use and Return of Class Data. Information provided to Class Counsel pursuant to California Evidence Code section 1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 30 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destruction, of Class Data.

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

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

12.21 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:

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D.LAW, INC.
Natalie Haritoonian
n.haritoonian@d.law
Andrea A. Amaya Silva
a.amaya@d.law
Enoch J. Kim
e.kim@d.law
Arianna N. Razi
a.razi@d.law
250 North Madison Avenue, 2nd Floor
Pasadena, California 91101-1639
Telephone: (818) 962-6465

To Defendant:

DAVIS WRIGHT TREMAINE LLP
Julie M. Capell
juliecapell@dwt.com
Evelyn Wang
evelynwang@dwt.com
Alexa Graumlich
alexagraumlich@dwt.com
Philip Lamborn
philiplamborn@dwt.com
350 South Grand Avenue, 27th Floor
Los Angeles, California 90071
Telephone: (213) 633-6800

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

12.23 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 California Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under California Code of Civil Procedure section 583.310 for the entire period of this settlement process.

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12.24 Binding Nature of Notice. Because the Class Members are so numerous, it is impractical to have each Class Member execute this Agreement. The Notice Packet shall advise all Class Members of the binding nature of the Settlement, and releases in sections 5.2 and 5.3 shall have the same force and effect as if this Agreement were executed by each Participating Class Member and Aggrieved Employee.

12.25 Mutual Preparation. Both Parties have had a full opportunity to negotiate the terms and conditions of this Agreement. Accordingly, this Agreement shall not be construed more strictly against one Party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations between the Parties, all Parties have contributed to the preparation of this Agreement.

12.26 Authorization. Class Counsel and Defense Counsel warrant and represent that they are expressly authorized by the Parties whom they represent to negotiate this Agreement and take all appropriate actions required or permitted to be taken to effectuate its terms and to execute any other documents required to effectuate the terms of this Agreement.

12.27 Invalidity of Any Provision. Before declaring any provision of this Agreement invalid, the Parties request that the Court first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Agreement valid and enforceable.

12.28 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 unenforceability shall in no way affect any other provision if Defense Counsel and Class Counsel, on behalf of the Parties, the Class Members, and the Aggrieved Employees, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

12.29 Neutral Reference. Defendant agrees that for all employment reference inquiries directed to Defendant's Human Resources regarding Plaintiff, it will respond by providing a neutral reference confirming only Plaintiff's names, job titles, and dates of employment.

12.30 Resolution of Disputes. The Parties agree to refer any disputes regarding the drafting of this Agreement and attached documents to mediator David Phillips, Esq.

12.31 IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Class Action and PAGA Settlement Agreement between Plaintiff, on the one hand, and Defendant, on the other hand, as of the date(s) set forth below:

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Dated: 10/5/2026

Laura Maria Macias

Signed by:
1CA7F42A962E47A...

Dated: 10/12/2026

Metrie EL & EL, LLC

Signed by:
06419AFC15FE47F...

By: Kelsey Chan

Title: People & Culture Business Partner

Approved as to form and content:

Dated: 10/12/2026

DAVIS WRIGHT TREMAINE LLP

Julie M. Capell, Esq.
Evelyn Wang, Esq.
Alexa Graumlich, Esq.

Counsel for Defendant Metrie EL & EL, LLC

Dated: 10/5/2026

D.LAW, INC.

Natalie Haritoonian, Esq.
Andrea A. Amaya Silva, Esq.
Enoch J. Kim, Esq.
Arianna N. Razi, Esq.
Attorneys for Plaintiff Laura Maria Macias

EXHIBIT A

COURT APPROVED NOTICE OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

Laura Maria Macias v. Metrie EL & EL, LLC
San Bernardino County Superior Court of California – Case No. CIVRS2403124

The Superior Court for the State of California authorized this Notice. Read it carefully! It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

You may be eligible to receive money from an employee class action lawsuit against Defendant Metrie EL & EL, LLC ("Defendant") for alleged wage and hour violations. The lawsuit was filed by former employee Laura Maria Macias ("Plaintiff") and seeks payment of (1) back wages and other relief for a class of all current and former non-exempt employees who worked for Defendant in California as a non-exempt employee at any time from May 15, 2023 through July 15, 2026 ("Class Members"); and (2) penalties under the California Private Attorney General Act ("PAGA") for all current and former non-exempt employees who worked for Defendant in California as a non-exempt employee at any time from November 27, 2023 through July 15, 2026 ("Aggrieved Employees").

Defendant and Plaintiff have reached a settlement of the above captioned action, *Macias v. Metrie EL & EL, LLC*, No. CIVRS2403124, pending in the Superior Court of California, County of San Bernardino (the "Action"), which may affect your legal rights. On [ ], 2026, the court granted preliminary approval of the settlement and scheduled a hearing on [DATE] at [TIME] ("Final Approval Hearing") to determine whether or not the court should grant final approval of the settlement.

Below are some important definitions to keep in mind as you are reviewing this Notice:

- "**Class**" means all current and former non-exempt employees who worked for Defendant in California as a non-exempt employee during the Class Period.
- "**Class Member**" means a member of the Class.
- "**Class Period**" means the period from May 15, 2023 to July 15, 2026.
- "**Participating Class Member**" means a Class Member who does not opt-out of the Class Settlement.
- "**Class Settlement**" means the settlement and resolution of all Released Class Claims (detailed below).
- "**Aggrieved Employees**" means all current and former non-exempt employees who worked for Defendant in California as a non-exempt employee during the PAGA Period.
- "**PAGA Period**" means the period from November 27, 2023 through July 15, 2026.
- "**PAGA Settlement**" means the settlement and resolution of all Released PAGA Claims

(detailed below).

- "**PAGA**" means the Labor Code Private Attorneys General Act of 2004, California Labor Code Section 2698 *et seq*.

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendant to fund Individual Class Payments, and (2) a PAGA Settlement requiring Defendant to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency ("LWDA").

Based on Defendant's records, and the Parties' current assumptions, **your Individual Class Payment is estimated to be $____ (less withholding) and your Individual PAGA Payment is estimated to be $____**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendant's records you are not eligible for an Individual PAGA Payment under the Settlement because you didn't work as a non-exempt employee in California during the PAGA Period.)

The above estimates are based on Defendant's records showing that **you worked _____ workweeks as a non-exempt employee** during the Class Period and **you worked _____ workweeks as a non-exempt employee** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See **Section 5** of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendant.

Defendant will not retaliate against you for any actions you take with respect to the proposed Settlement.

1. SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendant that are covered by this Settlement (discussed below).
You Can Opt-out of the Class Settlement but not the PAGA Settlement	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-

The Opt-out Deadline is _____, 2026	Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section **7** of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released PAGA Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by _____, 2026	All Class Members who do not opt-out ("Participating Class Members") can object to the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the lawsuit on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section **8** of this Notice.
You Can Participate in the _____, 2026 Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on _____. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section **9** of this Notice.
You Can Challenge the Calculation of Your Class Workweeks and/or PAGA Workweeks Written Challenges Must be Submitted by _____, 2026	The amount of your Individual Class Payment and Individual PAGA Payment (if any) depend on how many Class Workweeks you worked as a non-exempt employee during the Class Period and how many PAGA Workweeks you worked as a non-exempt employee during the PAGA Period. The number of Class Period Workweeks and number of PAGA Workweeks you worked according to Defendant's records is stated on the first page of this Notice. If you disagree with this number, you must challenge it by _____, 2026. See Section **5** of this Notice.

2. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Defendant. The Action accuses Defendant of violating California labor laws by: (1) failing to pay minimum wages; (2) failing to pay wages and overtime; (3) failing to provide meal periods; (4) failing to provide rest periods; (5) failing to reimburse necessary expenditures; (6) failing to provide compliant wage statements; (7) failing to keep required payroll records; (8) failing to timely pay final wages; (9) failing to timely pay wages during employment; and (10) violation of California Business and Professions Code section 17200 *et seq*. Based on the same claims, Plaintiff has also asserted a claim for civil

penalties under PAGA (Labor Code sections 2699, *et seq*.).

Defendant denies all the allegations in the Action or that it violated any law. Defendant contends that its conduct is and has been lawful at all times and that Plaintiff's claims have no merit. Considering the risks, uncertainties, inconvenience, and expense associated with the Action, the Parties have concluded that it is in the best interest of the Parties and Class to settle the Action for the terms summarized in this Notice.

3. WHAT DOES IT MEAN THAT THE ACTIONS HAVE SETTLED?

So far, the Court has made no determination whether Defendant or Plaintiff are correct on the merits.

In the meantime, Plaintiff and Defendant hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. Plaintiff and Defendant have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims.

The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

4. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Defendant Will Pay $435,000.00 as the Gross Settlement Amount (Gross Settlement). Defendant has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the LWDA. Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement Amount not more than 65 days after the Judgment entered by the Court becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

    A. Up to one-third of the Gross Settlement to Class Counsel for attorneys' fees (currently estimated at $145,000.00) and reimbursement for their litigation expenses, which is currently estimated not to exceed $25,000.00. To date, Class Counsel have worked and incurred expenses on the Action without payment.

    B. Up to $7,500.00 to Plaintiff as a Class Representative Service Payment for

filing the Action, working with Class Counsel, and representing the Class. The Class Representative Service Payment will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.

C. Up to $9,950.00 to the Administrator for services administering the Settlement.

D. Up to $50,000.00 for the PAGA Penalties, allocated 65% to the LWDA PAGA Payment and 35% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Workweeks.

3. Net Settlement Amount Distributed to Participating Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement Amount") by making Individual Class Payments to Participating Class Members based on their Class Period workweeks.

4. Taxes Owed on Payments to Participating Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of 10% of each Individual Class Payment to taxable wages ("Wage Portion") and 90% to interest and penalties ("Non-Wage Portion"). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

   Although Plaintiff and Defendant have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and/or Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California State Controller's Unclaimed Property Fund in your name.

   If the monies represented by your check is sent to the California State Controller's Unclaimed Property Fund, you should consult the rules of the Fund for instructions on how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you opt out of the Class Settlement. The procedure for opting out of the Class Settlement is explained in Section 7 below. Non-Participating Class

Members will not receive Individual Class Payments but will preserve their rights to personally pursue the Released Class Claims against Defendant.

You cannot opt out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement remain eligible for Individual PAGA Payments and are required to give up their right to assert the Released PAGA Claims against Defendant.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Class Members and Aggrieved Employees will not release any claims against Defendant.

8. Administrator. The Court has appointed a neutral company, ILYM Group, Inc. (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member and/or Aggrieved Employee challenges over Workweeks and/or PAGA Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement.

   The Administrator's contact information is contained in **Section 10** of this Notice.

9. Participating Class Members' Release. Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Participating Class Members will be bound by the following release:

   All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, fully release and discharge the Released Parties from any and all claims that were alleged or reasonably could have been alleged based on the factual allegations in the Operative Complaint and PAGA Notice and arising during the Class Period (collectively, the "Released Class Claims"). The Released Class Claims include but are not limited to claims for any alleged or actual failures to timely, fully, properly, or completely pay any minimum wages, regular wages, overtime premium wages, meal or rest period premium wages, or other wages owed to the Settlement Class; any and all alleged or actual failures to comply with meal or rest period requirements; any alleged or actual failures to provide proper, accurate, timely, adequately descriptive, or complete wage statements or pay stubs; any and all alleged or actual failures to fully or properly reimburse or indemnify for any and all employment-related expenses; any and all alleged or actual failures to pay all wages, or compensation owed to a fired, quitting, or otherwise departing employee; any and all alleged or actual unfair business practices; any and all alleged or actual failures to pay employees in compliance with Labor Code section 204; any and all alleged or actual failures to keep required payroll records in compliance with Labor Code sections 1174 and

1174.5; any and all alleged or actual failures to comply with the applicable Industrial Welfare Commission Wage Order, including but not limited to paragraph 15 relating to workplace temperature; and any and all alleged or actual failures to pay any interest or penalties (excluding civil penalties under PAGA) owed as a result of any and all of the foregoing. Participating Class Members will release the Released Parties from all remedies that could be claimed in connection with the Released Class Claims including but not limited to, statutory, constitutional, contractual damages, unpaid costs, penalties, punitive damages, interest, attorneys' fees, litigation costs, restitution, and equitable relief.

10. "Released Parties" means: Defendant and each of its former and present predecessors, successors, assigns, subsidiaries, affiliates, parents, agents, employees, members, investors, partners (limited and general), holding companies and investment partnerships, owners, officers, directors, attorneys, trustees, insurers, representatives, and shareholders.

11. Aggrieved Employees' PAGA Release. Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Aggrieved Employees will be bound by the following release: All Aggrieved Employees, including Non-Participating Class Members who are Aggrieved Employees, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, are deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties from all claims for civil penalties pursuant to PAGA that are reasonably related to or arising out of the factual allegations in the Operative Complaint and/or the PAGA Notice, or could have reasonably been alleged or asserted based on, reasonably related to, or arising out of the facts alleged in the Operative Complaint and the PAGA Notice during the PAGA Period (collectively, the "Released PAGA Claims"). The Released PAGA Claims include civil penalties and any other available relief under PAGA, including but not limited to, interest, attorneys' fees, and litigation costs. This release shall be binding on all Aggrieved Employees regardless of whether they submit a valid Request for Exclusion.

5. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.

2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing $17,500.00 by the total number of PAGA Workweeks worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Workweeks worked by each individual Aggrieved Employee.

3. Workweek Disputes. The number of Class Workweeks you worked during the

Class Period and the number of PAGA Workweeks you worked during the PAGA Period, as recorded in Defendant's records, are stated in the first page of this Notice. You have until _____, **2026**, to challenge the number of Workweeks and/or PAGA Workweeks credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email, or fax. **Section 10** of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of Workweeks and/or PAGA Workweeks based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or PAGA Workweek disputes based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

6. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment (if any).

2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 10 of this Notice has the Administrator's contact information.

7. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, and email address or telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Laura Maria Macias v. Metrie EL & EL, LLC* and include your identifying information (full name, address, and email address or telephone number). You must make the request yourself. If someone else makes the request for you, it will not be valid. **Your Request for Exclusion must be faxed, emailed, or postmarked by _____, 2026, or it will be invalid.** Section 10 of the Notice has the Administrator's contact information.

8. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. If you wish to remain a Class Member, but you object to the proposed settlement (or any of its terms) and

wish the Court to consider your objection at the Final Approval Hearing, you may object to the proposed settlement in writing by submitting a written objection that: (a) contains the case name and number of the Action; (b) contains your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) contains a written statement of all grounds for the objection accompanied by any legal support for such objection; and (d) contains copies of any papers, briefs, or other documents upon which the objection is based. All written objections, supporting papers, and/or notices of intent to appear at the Final Approval Hearing must clearly identify the case name and number and be mailed to the Administrator, whose contact information is in Section 10 of this Notice. **Your written objection must be faxed, emailed, or postmarked by _____, 2026**.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 9 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

9. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _____, at _____ a.m./p.m. in Department R17 of the San Bernardino Superior Court, located at 8303 North Haven Avenue, Rancho Cucamonga, CA, 91730. You may also attend the Final Approval Hearing via Zoom. To join by Zoom, use the following link: https://sanbernardino.courts.ca.gov/online-services/remote-access. You can also join by phone by dialing 1 669 254 5252 or 1 669 216 1590 and entering the Meeting ID: 161 5295 5568. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel, and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) personally. Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website _____ beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

10. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment, or any other Settlement documents is to go to the Administrator's website at _____.

You can also contact Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to https://cap.sb-court.org/search and entering the Case Number for the Action, Case No. CIVRS2403124.

Class Counsel:
Natalie Haritoonian, Esq.
Andrea A. Amaya Silva, Esq.
Enoch J. Kim, Esq.

Arianna N. Razi, Esq.
D.Law, Inc.
250 North Madison Avenue, 2nd Floor
Pasadena, California 91101-1639
Telephone: (818) 962-6465
Email: n.haritoonian@d.law
a.amaya@d.law
e.kim@d.law
a.razi@d.law

Administrator:
ILYM Group, Inc.
[Mailing Address]
[Telephone]
[Fax Number]

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT

11. WHAT IF I LOSE MY SETTLEMENT CHECK?

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

12. WHAT IF I CHANGE MY ADDRESS?

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

EXHIBIT 2

D.Law

450 N. Brand Blvd, Suite 840
Glendale, CA 91203

(818) 962-6465
(818) 962-6469

November 27, 2024

VIA ON-LINE SUBMISSION ONLY TO:
https://dir.tfaforms.net/128 **(copy by certified mail to all Defendants)**

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

METRIE EL & EL, LLC
2390 Peace Portal Drive 304
Blaine, WA 98230
Certified Mail Tracking Number: 9414 8112 0620 5545 4451 25

METRIE EL & EL, LLC
CSC Lawyers Incorporating Service
2710 Gateway Oaks Drive Suite 150 N
Sacramento, CA 95833
Certified Mail Tracking Number: 9414 8112 0620 5545 4423 39

EL & EL WOOD PRODUCTS CORP.
6011 Schaefer Avenue
Chino, CA 91710
Certified Mail Tracking Number: 9414 8112 0620 5545 4402 50

LWDA No.: LWDA-CM-1064108-24

Re: Labor Code § 2698, *et seq*. Penalties – PAGA Notice Letter to the LWDA
MACIAS v. METRIE EL & EL, LLC., et al.
Superior Court for the County of San Bernardino

Gentlepersons:

This office represents Plaintiff Laura Maria Macias ("Plaintiff") and other similarly situated aggrieved non-exempt, hourly employees (collectively "Aggrieved Employees") for violations of California Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 227.3, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, 2699, *et seq.,* 2802, 2926 and provisions of the Industrial Welfare Commission (IWC) Wage Order(s); and California Business & Professions Code § 17200 et seq.

The purpose of this letter is to comply with the Private Attorneys General Act of 2004, pursuant to California Labor Code § 2698 *et. seq.* ("the Act"). Plaintiff would like to bring a representative action, pursuant to the Act, on behalf of herself and all other similarly situated Aggrieved

Employees, and the State of California, against Defendant, METRIE EL & EL, LLC., a Washington Limited Liability Company; EL & EL WOOD PRODUCTS, CORP.; and DOES 1 through 50 inclusive (collectively "Defendants").

Additionally, this correspondence will serve to satisfy the notice requirements under the Act, along with a copy of Plaintiff's Class Action Complaint, which is attached to this Notice letter. The Complaint is being concurrently filed in San Bernardino County Superior Court and will be assigned a local case number. The Complaint allegations and claims are incorporated into this Notice Letter.

We also set forth herein the facts and theories and the California Labor Code violations which Defendants engaged in with respect to Plaintiff and all of their Aggrieved Employees in California. The attached Class Action Complaint provides the details of Plaintiff's class-wide claims and claims under the Act, and the applicable California law governing them. It, along with this Notice Letter, addresses in detail numerous violations that subjects Defendants to civil and statutory penalties under the Act.

Relevant Facts

Plaintiff was employed by Defendants as a non-exempt, hourly employee based out of Defendants' location in California. Aggrieved Employees include all non-exempt hourly employees of Defendants within the state of California from one year prior to the date of this letter and continuing through the present. Plaintiff and Aggrieved Employees are collectively referred to herein as "Aggrieved Employees." Aggrieved Employees consistently worked at Defendants' behest and under their control and subject to their policies and practices without being paid all wages due. Plaintiff is also informed and believes that there are other Aggrieved Employees employed by Defendants as non-exempt employees within the state of California within the statutory time period who suffer or suffered from the same wage and hour violations outlined below.

Defendants had a common policy and/or practice of failing to pay Aggrieved Employees minimum wages for all hours worked. Aggrieved Employees were either not paid by Defendants for all hours worked or were not paid at the appropriate minimum, regular and overtime rates. Plaintiff also contends that Defendants failed to pay Aggrieved Employees all wages due and owing, including by requiring off the clock work, failing to incorporate non-discretionary bonuses into the regular rate of pay used to calculate and pay for overtime pay, sick pay, and meal and rest break premiums, failing to provide meal and rest breaks, failing to furnish accurate wage statements, failing to timely pay wages including final wages, failing to maintain accurate records, and failing to reimburse for necessary business expenses all in violation of various provisions of the California Labor Code and applicable Wage Orders.

During the course of Aggrieved Employees' employment with Defendants, Aggrieved Employees were not paid all wages they were owed, including for all work performed resulting in off the clock work. Aggrieved Employees were required to perform pre-shift and post-shift off the clock work which they were not compensated for despite being subject to Defendants' control. For instance,

Aggrieved Employees were required to undergo COVID-19 screenings such as temperature checks, screening questionnaire, testing and vaccinations while off the clock. Additionally, Aggrieved Employees were also required to wait in line for a time clock to become available to clock in for their scheduled shift. After Aggrieved Employees clocked out at the end of their scheduled shift time, they would continue working off the clock to help other employees. Furthermore, Aggrieved Employees were required to work through portions of their meal periods while they were off the clock and were not paid for this time. Defendants also contacted Aggrieved Employees on their personal cell phones with work demands outside of scheduled work hours. Aggrieved Employees were not paid for this time.

Defendants also failed to pay Aggrieved Employees all wages due and owing because Defendants failed to incorporate non-discretionary and/or performance-based bonuses into the regular rate of pay. Contrary to the requirements of the Labor Code and IWC Wage Orders under California law, Defendants did not incorporate these non-discretionary and/or performance-based bonuses to the Aggrieved Employees into the regular rate of pay Defendants used to calculate and pay for overtime compensation, sick pay, and meal and rest break premiums.

By implementing policies, programs, practices, procedures and protocols which resulted in off the clock work and the failure to incorporate non-discretionary bonuses into the regular rate of pay, Defendants' willful actions resulted in the systematic underpayment of wages and overtime pay to Aggrieved Employees. For example, the off the clock work addressed above caused Aggrieved Employees to begin receiving overtime pay later than they should have.

As a result of the above described requirements to work off the clock and the failure to incorporate non-discretionary bonuses into the regular rate of pay, Aggrieved Employees were not properly paid all wages earned and all wages owed to them by Defendants, including when working more than eight (8) hours in any given day and/or more than forty (40) hours in any given week. Moreover, the uncompensated time, discussed above, was worked by Aggrieved Employees in excess of 8 hours a day and/or 40 hours a week, further entitling Aggrieved Employees overtime wages which they were consistently denied, all in violation of Labor Code and applicable Wage Orders.

Additionally, Defendants failed to provide all the legally required unpaid, off-duty meal periods and all the legally required paid, off-duty rest periods to Aggrieved Employees, as required by the applicable Wage Order and Labor Code. Aggrieved Employees were required to perform work as ordered by Defendants for more than five (5) hours during a shift but were often required to do so without receiving a lawful and timely meal break. In addition to untimely meal periods, Defendants also required Aggrieved Employees to respond to work demands. Defendants placed their needs over Aggrieved Employees' lawful meal and rest breaks, and this resulted in Aggrieved Employees often having to work through their scheduled meal and/or rest breaks, or otherwise taking shortened ones, because the demands of the job would not avail them the opportunity to take a lawfully uninterrupted and off duty meal and/or rest break.

On the occasions when Aggrieved Employees worked over 10 hours in a shift, Defendants also

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

Therefore, Defendants have regularly required Aggrieved Employees to work shifts in excess of five (5) hours without providing them with uninterrupted meal periods of not less than thirty (30) minutes, and shifts in excess of (10) hours without providing them with second meal periods of not less than thirty minutes; nor did Defendants pay Aggrieved Employees "premium pay," i.e. one hour of wages at each Aggrieved Employee's effective hourly rate of pay, for each meal period that Defendants failed to provide or deficiently provided.

Aggrieved Employees were also not authorized and permitted to take lawful rest periods, were systematically required by Defendants to work through or during breaks and were not provided with one (1) hour's wages in lieu thereof. Aggrieved Employees were restricted in their ability to take their full ten (10) minutes net rest time or were otherwise not provided with duty-free rest periods. Therefore, Defendants have consistently failed to provide Aggrieved Employees with paid rest breaks of not less than ten minutes for every work period of four or more consecutive hours; or major fraction thereof, nor did Defendant pay Aggrieved Employees premium pay for each day on which requisite rest breaks were not provided or were deficiently provided.

Defendants also consistently failed to issue accurate itemized wage statements as required by Labor Code § 226(a). Specifically, the wage statements failed to include the "total hours worked" by Aggrieved Employees. Labor Code § 226(a)(2) requires that wage statements include the total hours worked by the employee. Thus, the wage statements do not comply with Labor Code § 226(a)(2). Additionally, the wage statements fail to include the applicable hourly rates in effect during the pay period. Labor Code § 226(a)(9) requires that wage statements include all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employe. Thus, the wage statements do not comply with Labor Code § 226(a)(9). Moreover, the wage statements given to Aggrieved Employees failed to incorporate non-discretionary bonuses and/or performance-based bonuses into the regular rate of pay used to calculate and pay overtime compensation, sick pay, and meal and rest break premiums. Thus, the wage statements do not provide accurate hourly rates for overtime and the statements do not comply with Labor Code § 226(a)(9). The wage statements given to Aggrieved Employees failed to accurately account for unpaid wages and overtime because Defendants under-reported Aggrieved Employees' actual hours worked due to the off the clock work. Additionally, the wage statements given to Aggrieved Employees failed to accurately account for premium pay for deficiently provided meal periods and rest breaks.

Additionally, Defendants failed to pay Aggrieved Employees all wages owed, as detailed above, at the time of their termination or within seventy-two (72) hours of their resignation, as required under Labor Code § 203. Specifically, Plaintiff and Aggrieved Employees were not paid all regular

and overtime wages because Defendants failed to pay for all hours worked by requiring off the clock work, and failed to incorporate non-discretionary bonuses and/or performance-based bonuses into the regular rate of pay used to calculate and pay for overtime compensation, sick pay, and meal and rest break premiums. Additionally, Defendants failed to pay premium wages owed for unprovided meal periods and rest periods. Defendants' failure to pay said wages within the required time was willful within the meaning of Labor Code § 203.

Defendants also failed to reimburse Aggrieved Employees for necessary business expenses. Defendants have regularly required Plaintiff to incur business expenses in the course of performing her required job duties for Defendants including for cell phone usage, and mileage. Upon information and belief, Aggrieved Employees incurred similar costs. These expenses incurred by Plaintiff and Aggrieved Employees were necessary and required of them in performing their assigned job duties, but Defendants failed to reimburse Aggrieved Employees for all such necessary expenditures, thus entitling them to reimbursement according to proof as required under Labor Code § 2802 and the applicable provisions of the IWC Wage Orders.

Further, the facilities where Defendants required Aggrieved Employees to work were intolerably hot, and Plaintiff, and upon information and belief the Aggrieved Employees, were concerned that they would suffer from heat-related injuries during their work shifts. Defendants' management would not permit ventilation in the warehouse because it would ruin the paint on the custom doors. The warehouse where Plaintiff and Aggrieved Employees were required to work did not have air conditioning nor proper air ventilation. By failing to maintain temperatures providing reasonable comfort levels consistent with industry-wide standards for the nature and process of the work performed, Defendants violated paragraph 15 of the applicable IWC Wage Orders and are entitled to civil penalties as appropriate.

PAGA Claim Details, Legal Bases for Violations and Penalties:
As addressed above and in further detail in the attached Class Action Complaint, Plaintiff and the Aggrieved Employees complain of the following violations committed by Defendants:

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

In California, employees must be paid at least the then applicable state minimum wage for all hours worked, including under Labor Code § 1197, IWC Wage Order MW-2014, and paragraphs 2(K), 2(S), and 4(A)-4(C) of the applicable IWC Wage Orders. Paragraph 2(H) of the applicable IWC Wage Orders defines "Hours Worked" as "the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so." Additionally, pursuant to Labor Code § 204, other applicable

laws and regulations, and public policy, an employer must timely pay its employees for all hours worked. Defendants failed to do so.

California Labor Code § 1197, entitled "Pay of Less Than Minimum Wage" states: "The minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful." The minimum wage provisions of California Labor Code are enforceable by private civil action pursuant to Labor Code § 1194(a) which states: "Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney's fees and costs of suit."

As described in California Labor Code §§ 1185 and 1194.2, any action for wages incorporates the applicable Wage Order of the California Industrial Welfare Commission. Also, California Labor Code §§ 1194, 1197, 1197.1 and those Industrial Welfare Commission Wage Orders entitle non-exempt employees to an amount equal to or greater than the minimum wage for all hours worked. All hours must be paid at the statutory or agreed rate, or at the minimum rate in the absence of a contractually agreed upon one. The underpayment of wages to Aggrieved Employees is and has been a direct consequence of Defendants' unlawful compensation policies and practices, which applied uniformly to the Aggrieved Employees working at locations and work sites throughout California.

During the course of Aggrieved Employees' employment with Defendants, they were not paid all wages they were owed, including for all work performed resulting in off the clock work, and failed to incorporate non-discretionary bonuses and/or performance-based bonuses into the regular rate of pay used to calculate and pay for overtime compensation, sick pay, and meal and rest break premiums. Aggrieved Employees were required to perform pre-shift and post-shift off the clock work which they were not compensated for despite being subject to Defendants' control. For instance, Aggrieved Employees were required to undergo COVID-19 screenings such as temperature checks, screening questionnaire, testing and vaccinations while off the clock. Additionally, Aggrieved Employees were also required to wait in line for a time clock to become available to clock in for their scheduled shift. After Aggrieved Employees clocked out at the end of their scheduled shift time, they would continue working off the clock to help other employees. Furthermore, Aggrieved Employees were required to work through portions of their meal periods while they were off the clock and were not paid for this time. Defendants also contacted Aggrieved Employees on their personal cell phones with work demands outside of scheduled work hours, and Aggrieved Employees were not paid for this time.

During the relevant time period, Defendants thus regularly failed to pay minimum wages to Plaintiff and the Aggrieved Employees, including by requiring systematic off the clock work. Defendants' uniform pattern of unlawful wage and hour practices manifested, without limitation, applicable to the Aggrieved Employees as a whole, as a result of implementing a uniform policy and practice that denied accurate compensation to Plaintiff and the other Aggrieved Employees as to minimum wage pay.

In light of the foregoing, the Aggrieved Employees seek to recover wages and penalties. Aggrieved Employees are entitled to recover the unpaid minimum wages (including double minimum wages), liquidated damages in an amount equal to the minimum wages unlawfully unpaid, interest thereon and reasonable attorney's fees and costs of suit pursuant to California Labor Code § 1194(a). Plaintiff and the other Aggrieved Employees further request recovery of all unpaid wages, according to proof, interest, statutory costs, as well as the assessment of any statutory and civil penalties against Defendants, in a sum as provided by the California Labor Code and/or other applicable statutes, including pursuant to Labor Code § 558, and Wage Order provisions. To the extent minimum wage compensation is determined to be owed to the Aggrieved Employees who have terminated their employment, Defendants' conduct also violates Labor Code §§ 201 and/or 202, and therefore these individuals are also be entitled to waiting time penalties under California Labor Code § 203, which penalties are sought herein on behalf of these Aggrieved Employees. Defendants' failure to timely pay all wages owed also violated Labor Code § 204 and resulted in violations of Labor Code § 226 because they resulted in the issuance of inaccurate wage statements. Defendants' conduct as alleged herein was willful, intentional and not in good faith. Further, Plaintiff and other Aggrieved Employees are entitled to seek and recover statutory costs.

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

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

Defendants violated the law by failing to pay Aggrieved Employees earned wages and overtime and double time. Specifically, Defendants had a consistent policy of not paying Employees wages for all hours worked, including hours at their required regular, overtime, and double-time rates. Defendants, and each of them, have intentionally and improperly required Aggrieved Employees to work off the clock to avoid paying Aggrieved Employees all earned and owed straight time and overtime wages and other benefits.

Defendants have violated Labor Code § 1194 and Labor Code § 510 (and paragraphs 2(K), 2(S), 3(A) and 4(A)-4(B) of the relevant orders of the Industrial Welfare Commission) by failing to pay Employees: (a) time and one-half their regular hourly rates for hours worked in excess of eight hours in a workday or in excess of forty hours in any workweek or for the first eight hours worked on the seventh day of work in any one workweek; or (b) twice their regular rate of pay for hours worked in excess of twelve hours in any one day or for hours worked in excess of eight hours on any seventh day of work in a workweek. Defendants had a consistent policy of not paying Employees wages for all hours worked, including by requiring off the clock work as addressed above and by under-reporting actual hours worked. With work shifts generally requiring eight hours or more of work on a given day, this unpaid off the clock work resulted in Aggrieved Employees working past eight hours on a shift or more than forty hours in a week, which required that they be paid at the correct overtime rate of 1.5 times their regular rate.

When considered in combination with the other wage violations addressed above, Aggrieved Employees were not properly compensated, nor were they paid overtime and double time rates for hours worked in excess of eight hours or twelve hours in a given day, and/or forty hours in a given week. Defendants did not make available to Employees a reasonable protocol for correcting time records when Employees worked overtime hours or to fix incorrect time entries or those that Defendants unlawfully under-recorded to the Employee's detriment. Defendants have also violated these provisions by requiring Plaintiff and other similarly situated Aggrieved Employees to work through meal periods when they were required to be clocked out or to otherwise work off the clock to complete their daily job duties.

In light of the forgoing, Aggrieved Employees seek to recover wages and penalties pursuant to the California Labor Code, including Labor Code §§ 204, 510, 558, 1174, 1194, 1198, 1199, and the relevant paragraphs of the IWC Wage Orders, including paragraphs 2(K), 2(S), 3(A), 4, and 20. Defendants are liable to Employees for the full amount of all their unpaid wages and overtime compensation, with interest, plus their reasonable attorneys' fees and costs, as well as the assessment of any statutory penalties against Defendants, and each of them, and any additional sums as provided by the Labor Code and/or other statutes and Wage Order provisions.

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

Meal-Period Liability Under Labor Code §§ 226.7 and 512 and Penalties

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

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

Defendants also miscalculated the rate at which they paid any meal period or rest period premiums when Defendant did attempt to pay them, resulting in further violations of section 226.7.

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

Rest-Break Liability Under Labor Code § 226.7 and Penalties

Defendants have consistently failed to provide Aggrieved Employees with paid rest breaks of not less than ten minutes for every work period of four or more consecutive hours, as required under Labor Code § 226.7. Specifically, Defendants provided rest periods untimely or for shortened durations, and Defendants' policies and procedures required Aggrieved Employees to remain under Defendants' control during breaks to respond to job requirements.

Defendants also failed to pay Aggrieved Employees premium pay for each day on which requisite rest breaks were not provided or were deficiently provided, or miscalculated any premiums paid. Therefore, pursuant to Labor Code § 226.7 and paragraphs 12 and 20 of the applicable IWC Wage Order, Aggrieved Employees are entitled to damages in an amount equal to one hour of wages at their correctly calculated regular rate of compensation for each rest period not provided or deficiently provided, as well as the assessment of any statutory penalties against the Defendants, and each of them, in a sum as provided by the Labor Code, including Labor Code § 558 and other applicable statutes and Wage Order provisions.

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

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

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

Defendants failed to provide accurate itemized wage statements in writing, as required by the Labor Code and paragraph 7 of the applicable IWC Wage Orders. Any wage statements given to Employees by Defendants necessarily failed to accurately account for wages, overtime, and

premium pay, including by failing to pay for all hours worked, failure to pay for all overtime hours worked or at the correct rate of pay, for providing deficient meal periods and rest breaks, and failing to incorporate non-discretionary bonuses into the regular rate of pay used to calculate and pay for overtime pay, sick pay, and meal and rest break premiums, all of which Defendants knew or reasonably should have known were owed to the Employees, as alleged above.

In light of these violations, and pursuant to Labor Code §§ 226(a) and 226(e) and paragraphs 4(b), 7, and 20 of the applicable IWC Wage Orders, Aggrieved Employees are entitled to recover the greater of all actual damages or fifty dollars ($50) for the initial pay period in which a violation occurs and one hundred dollars ($100) for each violation in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars ($4,000). They are also entitled to an award of costs and reasonable attorneys' fees.

Under the PAGA, and following exhaustion of the notice period, Plaintiff asserts PAGA claims for failure to provide Aggrieved Employees with accurate, itemized wage statements and failure to maintain employment records for Plaintiff and Aggrieved Employees under Labor Code §§ 226, 1174, and 1198.5, and Sections 7(A), 7(B), and 7(C) of the applicable IWC Wage Order(s) seeking all civil and statutory penalties and wages available and applicable under Labor Code §§ 226(e), 226.3, 558, 1174.5, 1199, and 2699(f)(2), and paragraph 20 of the applicable IWC Wage Order, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1). More specifically, by providing inaccurate wage statements and failing to maintain records as required under Labor Code § 226(a), Defendants committed ongoing violations giving rise to civil penalties under Labor Code §226.3, which in addition to other penalties provided by law, subjects Defendants to "a penalty in the amount of two hundred fifty dollars ($250) per employee per violation in an initial citation and one thousand dollars ($1,000) per employee for each violation in a subsequent citation, …"

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

In failing to pay Aggrieved Employees wages, overtime, premium pay, etc., and failing to provide them with checks and wage statements, Defendants failed to timely pay Aggrieved Employees wages on a semimonthly basis as required under Labor Code § 204. Defendants failed to maintain records showing accurate hours worked daily and the wages paid to Aggrieved Employees, as well as the meal and rest periods taken by Aggrieved Employees, as required by Labor Code § 1174 and the applicable IWC wage orders.

Defendants also required Aggrieved Employees to work hours off the clock for which they were not compensated, including during interrupted or otherwise on-duty meal and rest periods. Defendants also failed to pay all overtime premium wages owed for work conducted on a work shift and a workday or miscalculated these premiums by not including all forms of remuneration in the regular rate, as addressed above. Therefore, when Aggrieved Employees received wage statements and pay checks, they did not compensate all hours worked on a timely basis, resulting in Defendants' systematic failure to pay all wages owed to Aggrieved Employees twice monthly in accordance with the requirements of Labor Code § 204. Additionally, by not providing wage statements as required under section 204, Defendants systematically violated Labor Code § 204 and § 226.

Given the above described off the clock work, Plaintiff was not paid at the correct overtime rate for all hours she worked after eight hours into a shift or over forty in a work week and that she was not paid all double time owed either. Defendants' uniformly applied payroll policies and practices thus resulted in further systematic and ongoing violations of the requirements of Labor Code § 204.

In light of the foregoing, Plaintiff and Aggrieved Employees seek to recover wages and penalties, interest, fees and costs pursuant to Labor Code §§ 201.3, 210, 218.5, 558, and 1194. In failing to pay Aggrieved Employees minimum wages and overtime, and off the clock work, by not providing proper meal and rest periods, failing to provide accurate itemized wage statements, and failing to pay Employees wages upon termination or timely upon resignation, all discussed above, Defendants failed to timely pay Aggrieved Employees wages on a semimonthly basis as required under Labor Code § 204. Defendants also failed to maintain records showing accurate hours worked daily and the wages paid to Aggrieved Employees, as required by Labor Code § 1174 and paragraph 7 of the applicable IWC Wage Orders, entitling Aggrieved Employees to recover penalties pursuant to paragraph 20 of the applicable IWC Wage Orders.

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

Failure to Keep Records In Accordance With Labor Code § 1174

Labor Code § 1174 requires employers to keep records showing payroll data and the hours worked daily by employees and the wages paid to employees. By failing to pay Aggrieved Employees proper wages, overtime, double time, premium pay, etc., and by not recording meal period start and end times, all discussed herein, Defendants failed to maintain proper employment records in accordance with Section 1174. In light of the forgoing, Plaintiff and Aggrieved Employees seek to recover penalties pursuant to Labor Code §§ 1174.5 and 2699, *et seq.* Defendants have also failed to comply with paragraph 7 of the applicable California IWC Wage Orders by failing to maintain time records showing when the employee begins and ends each work period, meal periods, wages earned pursuant to Labor Code § 226.7, and total daily hours worked by itemizing in wage statements all deductions from payment of wages and accurately reporting total hours worked by the Aggrieved Employees, and they are entitled to recover penalties pursuant to paragraph 20 of the applicable IWC Wage Orders.

Under the PAGA, and following exhaustion of the notice period, Plaintiff asserts PAGA claims for failure to provide Plaintiff and the Aggrieved Employees with accurate, itemized wage statements and failure to maintain employment records for Plaintiff and Aggrieved Employees under Labor Code §§ 226, 1174, 1198, and 1198.5, and Sections 7(A), 7(B), and 7(C) of the applicable IWC Wage Order(s) seeking all civil and statutory penalties and wages available and applicable under

Labor Code §§ 558, 1174.5, 1199, and 2699(f)(2), 2699.5, and paragraph 20 of the applicable IWC Wage Order, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Waiting Time Penalties Pursuant to Labor Code § 203

Some Aggrieved Employees no longer work for Defendants; they either resigned or were terminated from Defendants' employ. Based on the foregoing, Defendants have had a consistent policy of failing to pay all wages earned by and owed to Aggrieved Employees at the time of their termination or within seventy-two hours of their resignation, as required by California under Labor Code § 203. In light of the forgoing, Plaintiff and Aggrieved Employees seek to recover wages and penalties pursuant to Labor Code § 558 and further specifically seek penalties and wages under Labor Code § 203, which provides that an employee's wages shall continue until paid for up to thirty (30) days from the date they were due.

Under the PAGA, and following exhaustion of the notice period, Plaintiff asserts PAGA claims for failure to timely pay all wages owed, including at least semi-monthly and upon separation or termination, under Labor Code §§ 201, 201, 203, 204, 1197.5, 2926, and 2927 seeking all civil penalties available and applicable under Labor Code §§ 201, 202, 203, 210, 558, 1197, 1198, 1199, 2699(f)(2), 2699.5, and paragraph 20 of the applicable IWC Wage Orders, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Failure to Reimburse for Necessary Business Expenditures in Violation of Labor Code § 2802

Defendants have regularly required Plaintiff to incur business expenses in the course of performing her required job duties for Defendants including for cell phone usage, and mileage. Upon information and belief, Aggrieved Employees incurred similar costs. These expenses incurred by Plaintiff and Aggrieved Employees were necessary and required of them in performing their assigned job duties, but Defendants failed to reimburse Aggrieved Employees for all such necessary expenditures, thus entitling them to reimbursement according to proof as required under Labor Code § 2802 and the applicable provisions of the IWC Wage Orders.

Defendants systematically and uniformly failed to reimburse those lawful and necessary work related expenses or losses incurred in direct discharge of their job duties during employment with Defendants and at the direction of the Defendants pursuant to Labor Code § 2802(a) and the applicable IWC Wage Orders, paragraph 9. Defendants are liable for PAGA penalties resulting from their failure to reimburse necessary business expenses incurred by the Aggrieved Employees. Accordingly, Aggrieved Employees are entitled to recover, and hereby seek through this Representative Action, all civil and statutory penalties authorized for violations of California Labor Code §§ 1198 and 2802, and Section 9(B) of the applicable IWC Wage Orders, and Plaintiff seeks all civil and statutory penalties available and applicable under Labor Code §§ 2802 and 2699(f)(2), and also attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Failure to Maintain Temperatures Under the Wage Orders

Under Labor Code § 1198, "[t]he employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful." Additionally,

paragraph 15 of the applicable IWC Wage Orders requires the following regarding the temperatures maintained at employers' facilities within California: "(A) The temperature maintained in each work area shall provide reasonable comfort consistent with industry-wide standards for the nature of the process and the work performed. (B) If excessive heat or humidity is created by the work process, the employer shall take all feasible means to reduce such excessive heat or humidity to a degree providing reasonable comfort… (C) A temperature of not less than 68° shall be maintained in the toilet rooms, resting rooms, and change rooms during hours of use. (D) Federal and State energy guidelines shall prevail over any conflicting provision of this section." (*See, e.g.,* Cal. Code Regs., tit. 8 § 11070(15), Cal. Code Regs., tit. 8, § 11090(15)).

Further California Labor Code § 6720 required the California Division of Occupational Safety and Health ("Cal/OSHA") to propose an indoor heat illness standard by January 1, 2019. Cal/OSH's draft standard applies its proposed regulations to all indoor work areas where the temperature equals or exceeds 82° Fahrenheit when employees are present. At times during the relevant time period Plaintiff and Aggrieved Employees were subjected to excessive heat resulting in temperatures equaling or exceeding 82° F. During the relevant time period, as detailed above, Defendants violated Labor Code §§ 1198 and 1199 and paragraph 15 of the IWC Wage Orders by failing to provide Plaintiff and Aggrieved Employees with reasonable comfort by maintaining the indoor temperature within the range of industry standards by, *inter alia*, providing adequate air conditioning or ventilation etc.

These practices and policies resulted in Defendants' failure to maintain temperature providing reasonable comfort in violation of Labor Code §§ 1198 and 1199 and paragraph 15 of the applicable IWC Wage Orders. Plaintiff and the Aggrieved Employees may therefore pursue damages and penalties for violations of Labor Code §§ 1198 and 1199 and paragraph 15 of the applicable IWC Wage Orders, including penalties under paragraph 20 of the applicable IWC Wage Orders, in an amount to be determined at trial. More specifically, for the above addressed violations of paragraph 15 of the applicable IWC Wage Orders constituting violations of Labor Code § 1198 and Labor Code § 2699.5, Plaintiff seeks penalties available and applicable under Labor Code § 2699(f)(2) and paragraphs 14 and 20 of the applicable IWC Wage Orders, and also attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

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

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

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

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

Plaintiff and the Aggrieved Employees seek penalties under Labor Code §§ 2698 and 2699 for Defendants' violation of Labor Code provisions included under Labor Code § 2699.5, including the penalty provisions, without limitation, based, *inter alia*, on the following California Labor Code sections: §§ 201, 202, 203, 204, 210, 226, 226(b), 226.3, 226.7, 227.3, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1198.5, 1199, 2698, 2699, *et seq.* and 2802, including as follows:

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

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

(c) Inaccurate Wage Statements and Failure to Maintain Records: For failure to provide Plaintiff and the Aggrieved Employees with wage statements or with accurate, itemized wage statements and failure to maintain employment records for Plaintiff and Aggrieved Employees under Labor Code §§ 226, 1174, and 1198.5, and Sections 7(A), 7(B), and 7(C) of the applicable IWC Wage Order(s) seeking all civil and statutory penalties and wages available and applicable under Labor Code §§ 226(e), 226.3, 558, 1174.5, 1199, and 2699(f)(2), and paragraph 20 of the applicable IWC Wage Order, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1). More specifically, by providing inaccurate wage statements and failing to maintain records as required under Labor Code § 226(a), Defendants committed ongoing violations giving rise to civil penalties under Labor Code §226.3, which in addition to other penalties provided by law, subjects Defendants to "a penalty in the amount of two hundred fifty dollars ($250) per employee per violation in an initial citation and one thousand dollars ($1,000) per employee for each violation in a subsequent citation, …";

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

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

(f) Failure to Maintain Temperatures: For failure to maintain temperatures providing reasonable comfort constituting violations of Labor Code §§ 1198 and 1199 and paragraph 15 of the applicable IWC Wage Orders, and Labor Code § 2699.5, and seeking penalties available and applicable under Labor Code § 2699(f)(2) and paragraph 20 of the applicable IWC Wage Orders, and for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

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

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

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

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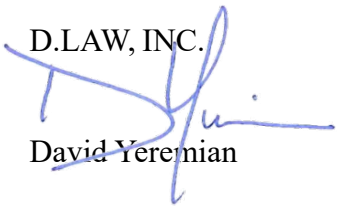
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Wherefore we request that you advise us, by certified mail within sixty days of the postmark on this letter, whether you intend to proceed with these claims or whether Plaintiff and the Aggrieved Employees should include them in an amended Labor Code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

Regards,

D.LAW, INC.



David Yeremian

Cc: METRIE EL & EL, LLC; EL & EL WOOD PRODUCTS, CORP. by Certified Mail

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on behalf of herself and others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN BERNARDINO

LAURA MARIA MACIAS, an individual on behalf of herself and all others similarly situated, Plaintiff, vs. METRIE EL & EL, LLC., a Washington Limited Liability Company; EL & EL WOOD PRODUCTS CORP., an unknown entity; and DOES 1 through 50, inclusive, Defendants.	Case No.: CLASS ACTION **CLASS ACTION COMPLAINT FOR:** 1. Failure to Pay Minimum Wages; 2. Failure to Pay Wages and Overtime Under Labor Code § 510; 3. Meal Period Liability Under Labor Code § 226.7; 4. Rest-Break Liability Under Labor Code § 226.7; 5. Violation of Labor Code § 226(a); 6. Violation of Labor Code § 203; 7. Violation of Labor Code § 204; 8. Failure to Keep Required Payroll Records under Labor Code §§ 1174 and 1174.5; 9. Failure to Reimburse Necessary Business Expenses § 2802; and 10. Violation of Business & Professions Code § 17200 *et seq*. **DEMAND FOR JURY TRIAL**

INTRODUCTION

1. Plaintiff LAURA MARIA MACIAS ("Plaintiff") brings this action on behalf of herself and the Class Members who are defined as "all current and former employees within the State of California who, at any time from four (4) years prior to the filing of this lawsuit, are or were employed as non-exempt hourly employees by Defendant METRIE EL & EL, LLC., a Washington Limited Liability Company ("Defendant Metrie") and/or EL & EL WOOD PRODUCTS CORP., an unknown entity ("Defendant EL & EL"); and/or DOES 1 through 50, inclusive" (all Defendants being collectively referred to herein as "Defendants").

2. Plaintiff alleges that Defendants, and each of them, violated various provisions of the California Labor Code, relevant orders of the Industrial Welfare Commission (IWC), and the California Business & Professions Code, and seeks redress for these violations.

3. Upon information and belief, Plaintiff was employed by Defendants and (1) shared similar job duties and responsibilities; (2) was subjected to the same policies and practices; and (3) endured similar violations at the hands of Defendants as the other Class Members who served in similar and related positions.

THE PARTIES

A. The Plaintiff

4. Plaintiff LAURA MARIA MACIAS resides in California, during the time period relevant to this Complaint, and was employed by Defendants as a non-exempt hourly employee within the State of California.

B. The Defendants

5. Defendant Metrie is a Washington Limited Liability Company with its principal place of business in Blaine, Washington and is registered with the California Secretary of State. Defendant Metrie has been the employer listed on the wage statements and employment records issued to Plaintiff during the relevant time period that Plaintiff was employed with Defendants. Defendant Metrie employs Plaintiff and the Class Members in California, including at Defendants' offices and facilities in Chino, California, and throughout California, and conducts business throughout California.

6. Defendant EL & EL is an unknown entity. Defendant EL & EL has been the employer listed on the wage statements and employment records issued to Plaintiff during the relevant time period that Plaintiff was employed with Defendants. Defendant EL & EL employs Plaintiff and the Class Members in California, including at Defendants' offices and facilities in Chino, California, and throughout California, and conducts business throughout California.

7. The true names and capacities, whether individual, corporate, associate, or whatever else, of the Defendants sued herein as Does 1 through 50, inclusive, are currently unknown to Plaintiff, who therefore sues these Defendants by such fictitious names under Code of Civil Procedure § 474. Plaintiff is informed and believes and thereon alleges that Defendants designated herein as Does 1 through 50, inclusive, and each of them, are legally responsible in some manner for the unlawful acts referred to herein. Plaintiff will seek leave of court to amend this Complaint to reflect the true names and capacities of the Defendants designated herein as Does 1 through 50 when their identities become known.

8. Plaintiff is informed and believes and thereon alleges that each Defendant acted in all respects pertinent to this action as the agent of the other Defendants, that Defendants carried out a joint scheme, business plan, or policy in all respects pertinent hereto, and that the acts of each Defendant are legally attributable to the other Defendants. Furthermore, Defendants acted in all respects as the employers or joint employers of Class Members. Defendants, and each of them, exercised control over the wages, hours or working conditions of Class Members, or suffered or permitted Class Members to work, or engaged, thereby creating a common law employment relationship, with Class Members. Therefore, Defendants, and each of them, employed or jointly employed Class Members.

9. Whenever and wherever reference is made in this Complaint to any act by a Defendant or Defendants, such allegations and references shall also be deemed to mean the acts and failures to act of each Defendant acting individually, jointly, and severally.

10. Whenever and wherever reference is made to individuals who are not named as a Defendant in this Complaint but were agents, servants, employees and/or supervisors of Defendants, such individuals at all relevant times acted on behalf of Defendants within the scope

of their employment.

JURISDICTION AND VENUE

11. This Court has jurisdiction over this Action pursuant to California Code of Civil Procedure § 410.10 and California Business & Professions Code § 17203. This Action is brought as a Class Action on behalf of similarly situated Class Members of Defendants pursuant to California Code of Civil Procedure § 382. Venue as to Defendants is also proper in this judicial district pursuant to California Code of Civil Procedure § 395 *et seq*. Upon information and belief, the obligations and liabilities giving rise to this lawsuit occurred in part in San Bernardino County. Defendants maintain and operate facilities in San Bernardino County and employs Plaintiff and other Class Members in San Bernardino County, while doing business throughout California.

FACTUAL BACKGROUND

12. Class Members consistently worked at Defendants behest without being paid all wages due. Class Members were either not paid by Defendants for all hours worked or were not paid at the appropriate minimum, regular and overtime rates. Plaintiff also contends that Defendants failed to pay Class Members all wages due and owing, including by requiring off the clock work, failing to incorporate non-discretionary bonuses into the regular rate of pay used to calculate and pay for overtime pay, sick pay, and meal and rest break premiums, failing to provide meal and rest breaks, failing to furnish accurate wage statements, failing to timely pay wages including final wages, failing to maintain accurate records, and failing to reimburse necessary business expenses all in violation of various provisions of the California Labor Code and applicable Wage Orders.

13. During the course of Class Members' employment with Defendants, Class Members were not paid all wages they were owed. Class Members were required to perform pre-shift and post-shift off the clock work which they were not compensated for despite being subject to Defendants' control. Specifically, Class Members were required to undergo COVID-19 screenings such as temperature checks, screening questionnaire, testing and vaccinations while off the clock. Additionally, Class Members were also required to wait in line for a time clock to become available to clock in for their scheduled shift. After Class Members clocked out at the end of their scheduled shift time, they were required to continue working off the clock to help other employees.

Furthermore, Class Members were required to work through portions of their meal periods while they were off the clock and were not paid for this time. Defendants also contacted Class Members on their personal cell phones with work demands outside of scheduled work hours, and Class Members were not paid for this time.

14. Defendants also failed to pay Class Members all wages due and owing because Defendants failed to incorporate non-discretionary and/or performance-based bonuses into the regular rate of pay. Contrary to the requirements of the Labor Code and IWC Wage Orders under California law, Defendants did not incorporate these non-discretionary and/or performance-based bonuses to the Class Members into the regular rate of pay Defendants used to calculate and pay for overtime compensation, sick pay, and meal and rest break premiums.

15. By implementing policies, programs, practices, procedures and protocols which resulted in off the clock work and the failure to incorporate non-discretionary bonuses and/or performance-based bonuses into the regular rate of pay used to calculate and pay overtime compensation, sick pay, and meal and rest break premiums, Defendants' willful actions resulted in the systematic underpayment of wages to Class Members, including underpayment of overtime pay to Class Members over the relevant time period. For example, the above described off the clock work caused Plaintiff and Class Members to begin receiving overtime pay later than they should have.

16. As a result of the above-described requirements to work off the clock, the failure to incorporate non-discretionary bonuses and/or performance-based bonuses into the regular rate of pay, and the other wage violations they endured at Defendants' hands, Class Members were not properly paid all wages earned and all wages owed to them by Defendants, including when working more than eight (8) hours in any given day and/or more than forty (40) hours in any given week.

17. As a result of Defendants' unlawful policies and practices, Class Members incurred overtime hours worked for which they were not adequately and completely compensated, in addition to the hours they were required to work off the clock. To the extent applicable, Defendants also failed to pay Class Members at an overtime rate of 1.5 times the regular rate for the first eight hours of the seventh consecutive work day in a week and overtime payments at the rate of 2 times the

regular rate for hours worked over eight (8) on the seventh consecutive work day, as required under the Labor Code and applicable IWC Wage Orders.

18. Therefore, from at least four (4) years prior to the filing of this lawsuit and continuing to the present, Defendants had a consistent policy or practice of failing to pay Class Members for all hours worked, and failing to pay minimum wages for all time worked, as required by California law. Defendants thus failed to pay Class Members at least minimum wages for all the time they worked for Defendants in violation of the Labor Code and applicable IWC Wage Orders as the actual times when Class Members were under the control and direction of Defendants was under reported in the hours reflected on the timekeeping records. Furthermore, Defendants' willful actions resulted in the systematic underpayment of wages to Class Members, including underpayment of overtime pay to Class Members over a period of time.

19. Therefore, from at least four (4) years prior to the filing of this lawsuit and continuing to the present, Defendants had a consistent policy or practice of failing to pay Class Members for all hours worked. Also, from at least four (4) years prior to the filing of this lawsuit and continuing to the present, Defendants also had a consistent policy or practice of failing to pay Class Members their true and correct overtime compensation at premium overtime rates for all hours worked in excess of eight (8) hours a day and/or forty (40) hours a week, and double-time rates for all hours worked in excess of twelve (12) hours a day, in violation of Labor Code § 510 and the corresponding sections of IWC Wage Orders.

20. Additionally, Defendants failed to provide all the legally required unpaid, off-duty meal periods and all the legally required paid, off-duty rest periods to Class Members, as required by the applicable Wage Order and Labor Code. Class Members were required to perform work as ordered by Defendants for more than five (5) hours during a shift but were often required to do so without receiving a lawful and timely meal break. In addition to untimely meal periods, Defendants also required Class Members to respond to work demands. Defendants placed their needs over Class Members lawful meal and rest breaks, and this resulted in Class Members often having to work through their scheduled meal and/or rest breaks, or otherwise taking shortened ones, because the demands of the job would not avail them the opportunity to take a lawfully uninterrupted and off

duty meal and/or rest break.

21. On the occasions when Class Members worked over 10 hours in a shift, Defendants also failed to provide them with a second, uninterrupted, timely and duty-free meal period. As a result, Defendants' failure to provide Class Members with all legally required off-duty, unpaid meal periods and all the legally required off-duty, paid rest periods is and will be evidenced by Defendants' business records, or lack thereof. Defendants also failed to pay Class Members "premium pay," i.e. one hour of wages at each Class Member's effective hourly rate of pay, for each meal period or rest break that Defendants failed to provide or deficiently provided.

22. Therefore, for at least four years prior to the filing of this action and through to the present, Defendants have regularly required Class Members to work shifts in excess of five (5) hours without providing them with uninterrupted meal periods of not less than thirty (30) minutes, and shifts in excess of (10) hours without providing them with second meal periods of not less than thirty minutes; nor did Defendants pay Class Members "premium pay," i.e. one hour of wages at each Class Member's effective hourly rate of pay, for each meal period that Defendants failed to provide or deficiently provided.

23. Meal period violations thus occurred in one or more of the following manners:

(a) Class Members were not provided full thirty-minute duty free meal periods for work days in excess of five (5) hours and were not compensated one (1) hour's wages in lieu thereof, all in violation of, among others, Labor Code §§ 226.7, 512, and the applicable Industrial Welfare Commission Wage Order(s);

(b) Class Members were not provided second full thirty-minute duty free meal periods for work days in excess of ten (10) hours;

(c) Class Members were required to work through at least part of their daily meal period(s);

(d) Meal periods were provided after five (5) hours of continuous work during a shift; and

(e) Class Members were restricted in their ability to take a full thirty-minute

meal period.

24. Class Members were also not authorized and permitted to take lawful rest periods, were systematically required by Defendants to work through or during breaks and were not provided with one (1) hour's wages in lieu thereof. Class Members were restricted in their ability to take their full ten (10) minutes net rest time or were otherwise not provided with duty-free rest periods. Therefore, from at least four years prior to the filing of this lawsuit and continuing to the present, Defendants have consistently failed to provide Class Members with paid rest breaks of not less than ten minutes for every work period of four or more consecutive hours; or major fraction thereof, nor did Defendant pay Class Members premium pay for each day on which requisite rest breaks were not provided or were deficiently provided.

25. Rest period violations therefore arose in one or more of the following manners:

(a) Class Members were required to work without being provided a minimum ten (10) minute rest period for every four (4) hours or major fraction thereof worked and were not compensated one (1) hour of pay at their regular rate of compensation for each workday that a rest period was not provided;

(b) Class Members were not authorized and permitted to take timely rest periods for every four hours worked, or major fraction thereof; and

(c) Class Members were required to remain on-duty during rest periods or otherwise had their rest periods interrupted by work demands.

26. Defendants also consistently failed to issue accurate itemized wage statements as required by Labor Code § 226(a). Specifically, the wage statements fail to include the "total hours worked" by Class Members. Labor Code § 226(a)(2) requires that wage statements include the total hours worked by the employee. Thus, the wage statements do not comply with Labor Code § 226(a)(2). Additionally, the wage statements fail to include the applicable hourly rates in effect during the pay period. Labor Code § 226(a)(9) requires that wage statements include all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employe. Thus, the wage statements do not comply with Labor Code § 226(a)(9).

Moreover, the wage statements given to Class Members failed to incorporate non-discretionary bonuses and/or performance-based bonuses into the regular rate of pay used to calculate and pay overtime compensation, sick pay, and meal and rest break premiums. Thus, the wage statements do not provide accurate hourly rates for overtime and the statements do not comply with Labor Code § 226(a)(9). The wage statements given to Class Members failed to accurately account for unpaid wages and overtime because Defendants under-reported Class Members' actual hours worked due to the off the clock work. Additionally, the wage statements given to Class Members failed to accurately account for premium pay for deficiently provided meal periods and rest breaks.

27. From at least four (4) years prior to filing this lawsuit and continuing to the present, Defendants have thus also had a consistent policy of failing to pay all wages owed to Class Members at the time of their termination of within seventy-two (72) hours of their resignation, as required by California wage-and-hour laws. Specifically, Class Members were not paid all regular and overtime wages because Defendants failed to pay for all hours worked by requiring off the clock work and failed to incorporate non-discretionary bonuses and/or performance-based bonuses into the regular rate of pay used to calculate and pay for overtime compensation, sick pay, and meal and rest break premiums. Additionally, Defendants failed to pay premium wages owed for unprovided meal periods and rest periods, as further detailed in this Complaint. Defendants' failure to pay said wages within the required time was willful within the meaning of Labor Code § 203.

28. Additionally, from at least four (4) years prior to the filing of this lawsuit and continuing to the present, Defendants have regularly required Plaintiff to incur business expenses in the course of performing her required job duties for Defendants, including for cell phone expenses, and mileage. Upon information and belief, Class Members incurred similar costs. These expenses incurred by Plaintiff and Class Members were necessary and required of them in performing their assigned job duties, but Defendants failed to reimburse Plaintiff and Class Members for all such necessary expenditures, thus entitling them to reimbursement according to proof as required under Labor Code § 2802 and the applicable provisions of the IWC Wage Orders.

29. In light of the foregoing, Plaintiff and Class Members bring this action pursuant to, *inter alia*, Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 227.3, 510, 512, 558, 558.1,

1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2802, 2926 and California Code of Regulations, Title 8, section 11000 *et seq*.

30. Furthermore, pursuant to Business and Professions Code §§ 17200-17208, Plaintiff and the Class Members seek injunctive relief, restitution, and disgorgement of all benefits Defendants have enjoyed from their violations of Labor Code and the other unfair, unlawful, or fraudulent practices alleged in this Complaint.

CLASS ALLEGATIONS

31. Plaintiff seeks to represent the Subclasses composed of and defined as follows:

a. Subclass 1. Minimum Wages Subclass. All Class Members who were not compensated for all hours worked for Defendants at the applicable minimum wage.

b. Subclass 2. Wages and Overtime Subclass. All Class Members who were not compensated for all hours worked for Defendants at the required rates of pay, including for all hours worked in excess of eight in a day and/or forty in a week.

c. Subclass 3. Meal Period Subclass. All Class Members who were subject to Defendants' policy and/or practice of failing to provide unpaid 30-minute uninterrupted and duty-free meal periods or one hour of pay at the Class Member's regular rate of pay in lieu thereof.

d. Subclass 4. Rest Break Subclass. All Class Members who were subject to Defendants' policy and/or practice of failing to authorize and permit Class Members to take uninterrupted, duty-free, 10-minute rest periods for every four hours worked, or major fraction thereof, and failing to pay one hour of pay at the Class Member's regular rate of pay in lieu thereof.

e. Subclass 5. Wage Statement Subclass. All Class Members who, within the applicable limitations period, were not provided with accurate itemized wage statements.

f. Subclass 6. Termination Pay Subclass. All Class Members who, within the applicable limitations period, either voluntarily or involuntarily separated from their employment and were subject to Defendants' policy and/or practice of failing to timely pay wages upon termination.

g. Subclass 7: Failure to Timely Pay Wages Twice Monthly Subclass. All Class Members who were subject to Defendants' policy and practice of not timely paying all wages earned

when they were due and payable at least twice monthly.

h. Subclass 8. Payroll Records Subclass. All Class Members who were subject to Defendants' policy and/or practice of failing to keep accurate time and wage records as required by California wage-and-hour laws.

i. Subclass 9. Expense Reimbursement Subclass. All Class Members who incurred necessary and reasonable expenses in connection with performing their job duties for Defendant and who were subject to a policy and/or practice under which such expenses were not reimbursed.

j. Subclass 10. UCL Subclass. All Class Members who are owed restitution as a result of Defendants' business acts and practices, to the extent such acts and practices are found to be unlawful, deceptive, and/or unfair.

32. Plaintiff reserves the right under California Rule of Court 3.765 to amend or modify the class description with greater particularity or further division into subclasses or limitation to particular issues. To the extent equitable tolling operates to toll claims by the Class against Defendants, the Class Period should be adjusted accordingly.

33. Defendants, as a matter of company policy, practice and procedure, and in violation of the applicable Labor Code, Industrial Welfare Commission ("IWC") Wage Order requirements, and the applicable provisions of California law, intentionally, knowingly, and willfully, engaged in a practice whereby Defendants failed to correctly calculate compensation for the time worked by Class Members, even though Defendants enjoyed the benefit of this work, required Class Members to perform this work and permitted or suffered to permit this work. Defendants have uniformly denied these Class Members wages to which these employees are entitled and failed to provide meal periods or authorize and permit rest periods, in order to unfairly cheat the competition and unlawfully profit.

34. This action has been brought and may properly be maintained as a class action under the provisions of Code of Civil Procedure § 382 because there is a well-defined community of interest in litigation and proposed class is easily ascertainable.

A. Numerosity

35. The potential members of the class as defined are so numerous that joinder of all the

member of the class is impracticable. While the precise number of class member has not been determined at this time, Plaintiff is informed and believes that Defendants employ or, during the time period relevant to this lawsuit, hundreds of employees who satisfy the Class definition within the State of California.

36. Accounting for employee turnover during the relevant time period increases this number substantially. Plaintiff alleges that Defendants' employment records will provide information as to the number and location of all Class Members.

B. Commonality

37. There are questions of law and fact common to the Class that predominates over any questions affecting only individual Class Members. These common questions of law and fact include:

a. Whether Defendants failed to pay Class Members minimum wages;

b. Whether Defendants failed to pay Class Members wages for all hours worked;

c. Whether Defendants failed to pay Class Members overtime as required under Labor Code § 510;

d. Whether Defendants violated Labor Code §§ 226.7 and 512, and the applicable IWC Wage Orders, by failing to provide Class Members with requisite meal periods or premium pay in lieu thereof;

e. Whether Defendants violated Labor Code §§ 226.7, and the applicable IWC Wage Orders, by failing to authorize and permit Class Members to take requisite rest breaks or provide premium pay in lieu thereof;

f. Whether Defendants violated Labor Code § 226(a) by providing Class Members with inaccurate wage statements;

g. Whether Defendants violated Labor Code §§ 201, 202, and 203 by failing to pay wages and compensation due and owing at the time of termination of employment;

h. Whether Defendants' conduct was willful;

i. Whether Defendants violated Labor Code § 226 and § 1174 and the IWC Wage Orders by failing to maintain accurate records of Class Members' earned wages and

work periods;

j. Whether Defendants violated Labor Code § 1194 by failing to compensate all Class Members during the relevant time period for all hours worked, whether regular or overtime;

k. Whether Defendants violated Labor Code § 204 by failing to timely pay wages;

l. Whether Defendants violated Labor Code § 2802 by failing to reimburse all necessary business expenses Defendants required them to incur in performing their job duties;

m. Whether Defendants violated Business and Professions Code § 17200 *et seq.*; and

n. Whether Class Members are entitled to equitable relief pursuant to Business and Professions Code § 17200 *et seq*.

C. Typicality

38. The claims of the named Plaintiff is typical of those of Class Members. The Class Members all sustained injuries and damages arising out of and caused by Defendants' common course of conduct in violation of statutes, as well as regulations that have the force and effect of law, as alleged herein.

D. Adequacy of Representation

39. Plaintiff will fairly and adequately represent and protect the interest of the Class Members. Counsel who represents Class Members are experienced and competent in litigating employment class actions.

E. Superiority of Class Action

40. A class action is superior to other available means for the fair and efficient adjudication of this controversy. Individual joinder of all Class Members is not practicable, and questions of law and fact common to all Class Members predominate over any questions affecting only individual Class Members. Each Class Member has been damaged and is entitled to recovery by reason of Defendants' illegal policies or practices of failing to compensate Class Members properly.

41. As to the issues raised in this case, a class action is superior to all other methods for

the fair and efficient adjudication of this controversy, as joinder of all Class Members is impracticable and many legal and factual questions to be adjudicated apply uniformly to all Class Members. Further, as the economic or other loss suffered by vast numbers of Class Members may be relatively small, the expense and burden of individual actions makes it difficult for the Class Members to individually redress the wrongs they have suffered. Moreover, in the event disgorgement is ordered, a class action is the only mechanism that will permit the employment of a fluid fund recovery to ensure that equity is achieved. There will be relatively little difficulty in managing this case as a class action, and proceeding on a class-wide basis will permit Class Members to vindicate their rights for violations they endured which they would otherwise be foreclosed from receiving in a multiplicity of individual lawsuits that would be cost prohibitive to them.

42. Class action treatment will allow those persons similarly situated to litigate their claims in the manner that is most efficient and economical for the parties and the judicial system. Plaintiff is unaware of any difficulties in managing this case that should preclude class treatment. Plaintiff contemplates the eventual issuance of notice to the proposed Class Members that would set forth the subject and nature of the instant action. The Defendants' own business records can be utilized for assistance in the preparation and issuance of the contemplated notices. To the extent that any further notice is required, additional media and/or mailings can be used.

43. Defendants, as prospective and actual employers of the Class Members, had a special fiduciary duty to disclose to prospective Class Members the true facts surrounding Defendants' pay practices, policies and working conditions imposed upon Class Members as well as the effect of any alleged arbitration agreements that may have been forced upon them. In addition, Defendants knew they possessed special knowledge about pay practices and policies, most notably intentionally refusing to pay for all hours actually worked which should have been recorded in Defendants' pay records and the consequence of the alleged arbitration agreements and policies and practices on Class Members.

44. Class Members did not discover the fact that they were entitled to all pay under the Labor Code until shortly before the filing of this lawsuit nor was there ever any discussion about

Plaintiff's and the Class's wavier of their Constitutional rights of trial by jury, right to collectively organize and oppose unlawful pay practices under California law as well as obtain injunctive relief preventing such practices from continuing. As a result, the applicable statutes of limitation were tolled until such time as Plaintiff and the Class Members discovered their claims.

FIRST CAUSE OF ACTION

FAILURE TO PAY MINIMUM WAGES

(Against All Defendants)

45. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in full herein.

46. Defendants failed to pay Class Members minimum wages for all hours worked. Defendants had a consistent policy of misstating Class Members' time records and failing to pay Class Members for all hours worked. Class Members would work hours and not receive wages, including as alleged above in connection with off the clock work. Additionally, Defendants failed to incorporate non-discretionary bonuses and/or performance-based bonuses into the regular rate of pay used to calculate and pay overtime compensation, sick pay and meal and rest break premiums. Defendants, and each of them, have intentionally and improperly changed, adjusted and/or modified the hours of Class Members, which resulted in off the clock work and underpayment of all wages owed to Class Members over a period of time, while benefiting Defendants. During the relevant time period, Defendants thus regularly failed to pay minimum wages to Class Members, to their detriment. Additionally, Defendants had a consistent policy of failing to pay Class Members for hours worked during alleged meal and rest periods for which Class Members were consistently denied, as also addressed herein. Defendants' uniform pattern of unlawful wage and hour practices manifested, without limitation, applicable to the Class as a whole, as a result of implementing a uniform policy and practice that denied accurate compensation to Class Members as to minimum wage pay.

47. In California, employees must be paid at least the then applicable state minimum wage for all hours worked. (IWC Wage Order MW-2014). Additionally, pursuant to California Labor Code § 204, other applicable laws and regulations, and public policy, an employer must

timely pay its employees for all hours worked. Defendants failed to do so.

48. California Labor Code § 1197, entitled "Pay of Less Than Minimum Wage" states: "The minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful."

49. The applicable minimum wages fixed by the commission for work during the relevant period is found in Paragraph 4(A)-4(D) of the IWC Wage Orders.

50. The minimum wage provisions of California Labor Code are enforceable by private civil action pursuant to Labor Code § 1194(a) which states: "Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney's fees and costs of suit."

51. As described in California Labor Code §§ 1185 and 1194.2, any action for wages incorporates the applicable Wage Order of the California Industrial Welfare Commission. Also, California Labor Code §§ 1194, 1197, 1197.1 and those Industrial Welfare Commission Wage Orders entitle non-exempt employees to an amount equal to or greater than the minimum wage for all hours worked. All hours must be paid at the statutory or agreed rate and no part of this rate may be used as a credit against a minimum wage obligation.

52. In committing these violations of the California Labor Code, Defendants inaccurately recorded, or required Class Members to input times that did not reflect their actual hours worked, or calculated the correct time worked and consequently underpaid the actual time worked by Class Members. Defendants acted in an illegal attempt to avoid the payment of all earned wages, and other benefits in violation of the California Labor Code, the Industrial Welfare Commission requirements and other applicable laws and regulations. As a result of these violations, Defendant also failed to timely pay all wages earned in accordance with California Labor Code § 1194.

53. California Labor Code § 1194.2 also provides for the following remedies: "In any action under Section 1194 . . . to recover wages because of the payment of a wage less than the

minimum wages fixed by an order of the commission, an employee shall be entitled to recover liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon."

54. In addition to restitution for all unpaid wages, pursuant to California Labor Code § 1197.1, Class Members are entitled to recover a penalty of $100.00 for the initial failure to timely pay each employee minimum wages, and $250.00 for each subsequent failure to pay each employee minimum wages.

55. Pursuant to California Labor Code § 1194.2, Class Members are further entitled to recover liquidated damages in an amount equal to wages unlawfully unpaid and interest thereon.

56. Defendants have the ability to pay minimum wages for all time worked and have willfully refused to pay such wages with the intent to secure for Defendants a discount upon this indebtedness with the intent to annoy, harass, oppress, hinder, delay, or defraud Class Members.

57. Wherefore, Class Members are entitled to recover the unpaid minimum wages (including double minimum wages), liquidated damages in an amount equal to the minimum wages unlawfully unpaid, interest thereon and reasonable attorney's fees and costs of suit pursuant to California Labor Code § 1194(a). Plaintiff and the other members of the Class further request recovery of all unpaid wages, according to proof, interest, statutory costs, as well as the assessment of any statutory penalties against Defendants, in a sum as provided by the California Labor Code, including § 558, and/or other applicable statutes.

SECOND CAUSE OF ACTION

FAILURE TO PAY WAGES AND OVERTIME UNDER LABOR CODE § 510

(Against All Defendants)

58. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in full herein.

59. California Labor Code § 1194 provides that "any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney's fees, and costs of suit." The action may be maintained directly against the employer in an employee's name without first filing a

claim with the Division of Labor Standards and Enforcement.

60. By their conduct, as set forth herein, Defendants violated California Labor Code § 510 (and the relevant orders of the Industrial Welfare Commission) by failing to pay Class Members: (a) time and one-half their regular hourly rates for hours worked in excess of eight (8) hours in a workday or in excess of forty (40) hours in any workweek or for the first eight (8) hours worked on the seventh day of work in any one workweek; or (b) twice their regular rate of pay for hours worked in excess of twelve (12) hours in any one (1) day or for hours worked in excess of eight (8) hours on any seventh day of work in a workweek.

61. Defendants had a consistent policy of not paying Class Members wages for all hours worked, including by requiring off the clock work, as addressed above. Additionally, Defendants failed to incorporate non-discretionary bonuses and/or performance-based bonuses into the regular rate of pay used to calculate and pay overtime compensation, sick pay and meal and rest break premiums. Defendants, and each of them, have intentionally and improperly rounded, changed, adjusted, and/or modified certain employees' hours, including Plaintiff's, in order to avoid paying Class Members all earned and owed straight time and overtime wages and other benefits, in violation of the California Labor Code, the California Code of Regulations and the IWC Wage Orders and guidelines set forth by the Division of Labor Standards and Enforcement. Defendants have also violated these provisions by requiring Class Members to work through portions of their meal period. Therefore, Class Members were not properly compensated, nor were they paid overtime rates for hours worked in excess of eight hours in a given day, and/or forty hours in a given week. Based on information and belief, Defendants did not make available to Class Members a reasonable protocol for correcting time records when Class Members worked overtime hours or to fix incorrect time entries.

62. Defendants' failure to pay Class Members the unpaid balance of regular wages owed and overtime compensation, as required by California law, violates the provisions of Labor Code §§ 510 and 1198, and is therefore unlawful.

63. Additionally, Labor Code § 558(a) provides "any employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any

provisions regulating hours and days of work in any order of the IWC shall be subject to a civil penalty as follows: (1) For any violation, fifty dollars ($50) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages. (2) For each subsequent violation, one hundred dollars ($100) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages. (3) Wages recovered pursuant to this section shall be paid to the affected employee." Labor Code § 558(c) states, "the civil penalties provided for in this section are in addition to any other civil or criminal penalty provided by law." Defendants have violated provisions of the Labor Code regulating hours and days of work as well as the IWC Wage Orders. Accordingly, Plaintiff and the Class Members seek the remedies set forth in Labor Code § 558.

64. Defendants' failure to pay compensation in a timely fashion also constituted a violation of California Labor Code § 204, which requires that all wages shall be paid semimonthly. From four (4) years prior to the filing of this lawsuit to the present, in direct violation of that provision of the California Labor Code, Defendants have failed to pay all wages and overtime compensation earned by Class Members. Each such failure to make a timely payment of compensation to Class Members constitutes a separate violation of California Labor Code § 204.

65. Class Members have been damaged by these violations of California Labor Code §§ 204 and 510 (and the relevant orders of the Industrial Welfare Commission).

66. Consequently, pursuant to the California Labor Code, including Labor Code §§ 204, 510, 558, and 1194, and the applicable IWC Wage Order, paragraph 3(A) and 4(B), Defendants are liable to Class Members for the full amount of all their unpaid wages and overtime compensation, with interest, plus their reasonable attorneys' fees and costs, as well as the assessment of any statutory penalties against Defendants, and each of them, and any additional sums as provided by the Labor Code and/or other statutes.

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THIRD CAUSE OF ACTION

MEAL-PERIOD LIABILITY UNDER LABOR CODE § 226.7

(Against All Defendants)

67. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in full herein.

68. Class Members regularly worked shifts greater than five (5) hours and in some instances, greater than ten (10) hours. Pursuant to Labor Code § 512 an employer may not employ someone for a shift of more than five (5) hours without providing him or her with a meal period of not less than thirty (30) minutes or for a shift of more than ten (10) hours without providing him or her with a second meal period of not less than thirty (30) minutes.

69. Defendants failed to provide Class Members with meal periods as required under the Labor Code. Defendants placed their needs over Class Members lawful meal breaks and this resulted in Class Members consistently having to work through their scheduled meal breaks because the demands of the job would not avail them the opportunity to take a lawfully uninterrupted and off-duty meal break. Furthermore, upon information and belief, on the occasions when Class Members worked more than ten (10) hours in a given shift, they did so without receiving a second uninterrupted thirty (30) minute meal period as required by law.

70. Defendants thus failed to provide Class Members with meal periods as required by the Labor Code, including by not providing them with the opportunity to take meal breaks, by providing them late or for less than thirty (30) minutes, or by requiring them to perform work during breaks.

71. Moreover, Defendants failed to compensate Class Members for each meal period not provided or inadequately provided, as required under Labor Code § 226.7 and paragraph 11 of the applicable IWC Wage Orders, which provide that, if an employer fails to provide an employee a meal period in accordance with this section, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the meal period is not provided. Defendants failed to compensate Class Members for each meal period not provided or inadequately provided, as required under Labor Code § 226.7.

72. Therefore, pursuant to Labor Code § 226.7 and the applicable IWC Wage Order, paragraph 11, Class Members are entitled to damages in an amount equal to one (1) hour of wages at their effective hourly rates of pay for each meal period not provided or deficiently provided, a sum to be proven at trial, as well as the assessment of any statutory penalties against the Defendants, and each of them, in a sum as provided by the Labor Code and other statutes.

FOURTH CAUSE OF ACTION

REST-BREAK LIABILITY UNDER LABOR CODE § 226.7

(Against All Defendants)

73. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in full herein.

74. Labor Code §§ 226.7 and paragraph 12 of the applicable IWC Wage Orders provide that employers must authorize and permit all employees to take rest periods at the rate of ten (10) minutes net rest time per four (4) work hours.

75. Class Members consistently worked consecutive four (4) hour shifts and were generally scheduled for shifts of greater than 3.5 hours total, thus requiring Defendants to authorize and permit them to take rest periods. Pursuant to the Labor Code and the applicable IWC Wage Order, Class Members were entitled to paid rest breaks of not less than ten (10) minutes for each consecutive four (4) hour shift, and Defendants failed to provide Class Members with timely rest breaks of not less than ten (10) minutes for each consecutive four (4) hour shift. Defendants placed their needs over Class Members lawful rest breaks and this resulted in Class Members consistently having to work through their scheduled rest breaks because the demands of the job would not avail them the opportunity to take a lawfully uninterrupted and off-duty rest break. Thus, Class Members were consistently denied their rest breaks.

76. Labor Code §§ 226.7 and paragraph 12 of the applicable IWC Wage Orders provide that if an employer fails to provide an employee rest period in accordance with this section, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the rest period is not provided.

77. Defendants, and each of them, have therefore intentionally and improperly denied

rest periods to Class Members in violation of Labor Code §§ 226.7 and 512 and paragraph 12 of the applicable IWC Wage Orders.

78. Defendants failed to authorize and permit Class Members to take rest periods, as required by the Labor Code. Moreover, Defendants did not compensate Class Members with an additional hour of pay at each Class Member's effective hourly rate for each day that Defendants failed to provide them with adequate rest breaks, as required under Labor Code § 226.7.

79. Therefore, pursuant to Labor Code § 226.7 and paragraph 12 of the applicable IWC Wage Orders, Class Members are entitled to damages in an amount equal to one (1) hour of wages at their effective hourly rates of pay for each day worked without the required rest breaks, a sum to be proven at trial, as well as the assessment of any statutory penalties against Defendants, and each of them, in a sum as provided by the Labor Code and/or other statutes.

FIFTH CAUSE OF ACTION

VIOLATION OF LABOR CODE § 226(a)

(Against All Defendants)

80. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in full herein.

81. California Labor Code § 226(a) requires an employer to furnish each of his or her employees with an accurate, itemized statement in writing showing the gross and net earnings, total hours worked, and the corresponding number of hours worked at each hourly rate; these statements must be appended to the detachable part of the check, draft, voucher, or whatever else serves to pay the employee's wages; or, if wages are paid by cash or personal check, these statements may be given to the employee separately from the payment of wages; in either case the employer must give the employee these statements twice a month or each time wages are paid.

82. Defendants failed to provide Class Members with accurate itemized wage statements in writing, as required by the Labor Code. Specifically, the wage statements fail to include the "total hours worked" by Class Members. Labor Code § 226(a)(2) requires that wage statements include the total hours worked by the employee. Thus, the wage statements do not comply with Labor Code § 226(a)(2). Additionally, the wage statements fail to include the

applicable hourly rates in effect during the pay period. Labor Code § 226(a)(9) requires that wage statements include all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employe. Thus, the wage statements do not comply with Labor Code § 226(a)(9). Moreover, the wage statements given to Class Members failed to incorporate non-discretionary bonuses and/or performance-based bonuses into the regular rate of pay used to calculate and pay overtime compensation, sick pay, and meal and rest break premiums. Thus, the wage statements do not provide accurate hourly rates for overtime and the statements do not comply with Labor Code § 226(a)(9). The wage statements given to Class Members failed to accurately account for unpaid wages and overtime because Defendants under-reported Class Members' actual hours worked due to the off the clock work. Additionally, the wage statements given to Class Members failed to accurately account for premium pay for deficiently provided meal periods and rest breaks.

83. Throughout the liability period, Defendants intentionally failed to furnish to Class Members, upon each payment of wages, itemized statements accurately showing: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate paid on a piece-rate basis, (4) all deductions, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee pursuant to Labor Code § 226, amongst other statutory requirements. Defendants knowingly and intentionally failed to provide Class Members with such timely and accurate wage and hour statements.

84. Class Members suffered injury as a result of Defendants' knowing and intentional failure to provide them with the accurate wage and hour statements as required by law and are presumed to have suffered injury and be entitled to penalties under Labor Code § 226(e), as the Defendants have failed to provide wage statements with accurate and complete information as required by any one or more of items Labor Code § 226 (a)(1) to (9), inclusive, and Class

Members cannot promptly and easily determine from the wage statement alone one or more of the following: (i) The amount of the gross wages or net wages paid to the employee during the pay period or any of the other information required to be provided on the itemized wage statement pursuant to items (2) to (4), inclusive, (6), and (9) of subdivision (a), (ii) Which deductions the employer made from gross wages to determine the net wages paid to the employee during the pay period, (iii) The name and address of the employer and, (iv) The name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number. For purposes of Labor Code § 226(e) "promptly and easily determine" means a reasonable person [i.e. an objective standard] would be able to readily ascertain the information without reference to other documents or information.

85. Therefore, as a direct and proximate cause of Defendants' violation of Labor Code § 226(a), Class Members suffered injuries, including among other things confusion over whether they received all wages owed to them, the difficulty and expense involved in reconstructing pay records, and forcing them to make mathematical computations to analyze whether the wages paid in fact compensated them correctly for all hours worked.

86. Pursuant to Labor Code §§ 226(a) and 226(e) and 1174, and the applicable IWC Wage Order, paragraph 7(B), Class Members are entitled to recover the greater of all actual damages or fifty dollars ($50) for the initial pay period in which a violation occurs and one hundred dollars ($100) for each violation in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars ($4,000). They are also entitled to an award of costs and reasonable attorneys' fees.

SIXTH CAUSE OF ACTION

VIOLATION OF LABOR CODE § 203

(Against All Defendants)

87. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in full herein.

88. Numerous Class Members are no longer employed by Defendants; they either quit Defendants' employ or were fired therefrom.

89. Defendants failed to pay these Class Members all wages due and certain at the time of termination or within seventy-two (72) hours of resignation.

90. The wages withheld from these Class Members by Defendants remained due and owing for more than thirty (30) days from the date of separation from employment.

91. Defendants failed to pay Class Members without abatement, all wages as defined by applicable California law. Class Members were not paid all regular and overtime wages because Defendants failed to pay for all hours worked, required off the clock work, and failed to incorporate non-discretionary bonuses and/or performance based bonuses into the regular rate of pay used to calculate and pay for overtime, sick pay, and meal and rest break premiums. Additionally, Defendants failed to pay premium wages owed for unprovided meal periods and rest periods, as further detailed in this Complaint. Defendants' failure to pay said wages within the required time was willful within the meaning of Labor Code § 203.

92. Defendants' failure to pay wages, as alleged entitles these Class Members to penalties under Labor Code § 203, which provides that an employee's wages shall continue until paid for up to thirty (30) days from the date they were due.

SEVENTH CAUSE OF ACTION

VIOLATION OF LABOR CODE § 204

(Against All Defendants)

93. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in full herein.

94. Labor Code § 204 instructs that: "All wages, …earned by any person in any employment are due and payable twice during each calendar month, on days designated in advance by the employer as the regular paydays. Labor performed between the 1st and 15th days, inclusive, of any calendar month shall be paid for between the 16th and the 26th day of the month during which the labor was performed, and labor performed between the 16th and the last day, inclusive, of any calendar month, shall be paid for between the 1st and 10th day of the following month." Additionally, the requirements of this section shall be deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven

calendar days following the close of the payroll period." As detailed above, Defendants maintained a consistently applied policy and practice of not paying all wages earned between the 1st and 15th days of a month between the 16th and 26th day and failed to pay all wages earned between the 16th and the last day of the month between the 1st and 10th day of the following month. Defendants similarly failed to pay all wages earned by not more than seven calendar days following the close of the payroll period. These failures all arose from Defendants' failure to pay for all hours worked, and failing to incorporate non-discretionary bonuses into the regular rate of pay used to calculate and pay for overtime pay, sick pay, and meal and rest break premiums as detailed above.

95. All wages due and owing to Plaintiff and the Class Members, including as required under Labor Code § 510, were therefore not timely paid by Defendants, as addressed in detail above. Additionally, wages required by Labor Code § 1194 and other sections became due and payable to each Class Member in each pay period that he or she was not provided with a meal period or rest period or paid straight or overtime wages or commissions to which he or she was entitled.

96. Defendants thus violated Labor Code § 204 by systematically refusing to pay wages due under the Labor Code, as addressed above. Additionally, under paragraph 4(B) of the applicable IWC Wage Orders, employers are required "to pay each employee, on the established payday for the period involved, not less than the applicable minimum wage for all hours worked in the payroll period, …" Under Labor Code § 1198, "[t]he employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful." Plaintiff and the Class Members may therefore pursue damages and penalties for violations of Labor Code § 204 and paragraph 4(B) of the applicable IWC Wage Orders, including penalties under paragraph 20 of the applicable IWC Wage Orders.

97. As a result of the unlawful acts of Defendants, Plaintiff and Class Members seek to represent they have been deprived of wages in amounts to be determined at trial, and they are entitled to recovery of such amounts, plus interest and penalties thereon, attorneys' fees, and costs, pursuant to Labor Code § 210, 218.5, 1194 and 1198, and paragraphs 4(B) and 20 of the

applicable IWC Wage Orders.

EIGHTH CAUSE OF ACTION

FAILURE TO KEEP REQUIRED PAYROLL RECORDS UNDER LABOR CODE § 1174 AND 1174.5

(Against All Defendants)

98. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in full herein.

99. California Labor Code § 1174 requires that all employers shall keep accurate time and wage records for all employees. California Labor Code § 1174.5 further requires that any employee suffering injury due to a willful violation of the aforementioned obligations may seek damages, including civil penalties, from the employer.

100. During the course of Plaintiff's and Class Members' employment, Defendants consistently failed to maintain accurate time and wage records for Plaintiff and Class Members as required by California Labor Code § 1174 by failing to pay Plaintiff and Class Members proper wages, overtime, and premium pay as discussed above.

101. Accordingly, Defendants are liable for civil penalties pursuant to the California Labor Code § 1174.5 for the three (3) years prior to the filing of this Complaint.

NINTH CAUSE OF ACTION

REIMBURSEMENT OF NECESSARY EXPENDITURES UNDER LABOR CODE § 2802

(Against All Defendants)

102. Plaintiff re-alleges and incorporates all preceding paragraphs as though set forth in full herein.

103. Under Labor Code § 2802(a) an employer must indemnify its employees for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer.

104. Defendants have regularly required Plaintiff to incur business expenses in the course of performing his required job duties for Defendants including for cell phone expenses, and mileage. Upon information and belief, Class Members incurred similar costs. These expenses incurred by

Plaintiff and Class Members were necessary and required of them in performing their assigned job duties, but Defendants failed to reimburse Plaintiff and Class Members for all such necessary expenditures. Class Members were not reimbursed for those lawful and necessary work related expenses or losses incurred in direct discharge of their job duties during their employment with Defendants and at the direction of the Defendants pursuant to Labor Code § 2802(a) and the applicable IWC Wage Orders, paragraph 9.

105. As a result of the unlawful acts of Defendants, Class Members have been deprived of reimbursement in amounts to be determined at trial; they are entitled to recovery of such amounts, plus interest and penalties thereon, attorneys' fees, and costs.

TENTH CAUSE OF ACTION

VIOLATION OF BUSINESS & PROFESSIONS CODE § 17200 *ET SEQ.*

(Against All Defendants)

106. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in full herein.

107. Plaintiff, on behalf of herself, Class Members, and the general public, brings this claim pursuant to Business & Professions Code § 17200 *et seq*. The conduct of Defendants as alleged in this Complaint has been and continues to be unfair, unlawful, and harmful to Class Members and the general public. Plaintiff seeks to enforce important rights affecting the public interest within the meaning of Code of Civil Procedure § 1021.5.

108. Plaintiff is a "person" within the meaning of Business & Professions Code § 17204, has suffered an injury, and therefore has standing to bring this cause of action for injunctive relief, restitution, and other appropriate equitable relief.

109. Business & Professions Code § 17200 *et seq*. prohibits unlawful and unfair business practices. By the conduct alleged herein, Defendants' practices were deceptive and fraudulent in that Defendants' policy and practice failed to provide the required amount of compensation for missed meal and rest breaks, and failed to adequately compensate Class Members for all hours worked, due to systematic business practices as alleged herein that cannot be justified, pursuant to the applicable California Labor Code and Industrial Welfare Commission

requirements in violation of California Business and Professions Code §§ 17200, *et seq.,* and for which this Court should issue injunctive and equitable relief, pursuant to California Business & Professions Code § 17203, including restitution of wages wrongfully withheld.

110. Wage-and-hour laws express fundamental public policies. Paying employees their wages and overtime, providing them with meal periods and rest breaks, etc., are fundamental public policies of California. Labor Code § 90.5(a) articulates the public policies of this State vigorously to enforce minimum labor standards, to ensure that employees are not required or permitted to work under substandard and unlawful conditions, and to protect law-abiding employers and their employees from competitors who lower costs to themselves by failing to comply with minimum labor standards.

111. Defendants have violated statutes and public policies. Through the conduct alleged in this Complaint Defendants have acted contrary to these public policies, have violated specific provisions of the Labor Code, and have engaged in other unlawful and unfair business practices in violation of Business & Professions Code § 17200 *et seq*.; which conduct has deprived Plaintiff, and all persons similarly situated, and all interested persons, of the rights, benefits, and privileges guaranteed to all employees under the law.

112. Defendants' conduct, as alleged above, constitutes unfair competition in violation of the Business & Professions Code § 17200 *et seq*.

113. Defendants, by engaging in the conduct herein alleged, by failing to pay wages and overtime, failing to provide meal periods and rest breaks, etc., either knew or in the exercise of reasonable care should have known that their conduct was unlawful; therefore their conduct violates the Business & Professions Code § 17200 *et seq*.

114. By the conduct alleged herein, Defendants have engaged and continue to engage in a business practice which violates California and federal law, including but not limited to, the applicable Industrial Wage Order(s), the California Code of Regulations, and the California Labor Code including Sections 203, 204, 226, 226.7, 512, 1194, 1197, and 1198, for which this Court should issue declaratory and other equitable relief pursuant to California Business & Professions Code § 17203 as may be necessary to prevent and remedy the conduct held to constitute unfair

competition, including restitution of wages wrongfully withheld.

115. As a proximate result of the above-mentioned acts of Defendants, Class Members have been damaged, in a sum to be proven at trial.

116. Unless restrained by this Court Defendants will continue to engage in such unlawful conduct as alleged above. Pursuant to the Business & Professions Code, this Court should make such orders or judgments, including the appointment of a receiver, as may be necessary to prevent the use by Defendants or their agents or employees of any unlawful or deceptive practice prohibited by the Business & Professions Code, including but not limited to the disgorgement of such profits as may be necessary to restore Class Members to the money Defendants have unlawfully failed to pay.

RELIEF REQUESTED

WHEREFORE, Plaintiff prays for the following relief:

1. For an order certifying this action as a class action;

2. For compensatory damages in the amount of the unpaid minimum wages for work performed by Class Members and unpaid overtime compensation from at least four (4) years prior to the filing of this action, as may be proven;

3. For liquidated damages in the amount equal to the unpaid minimum wage and interest thereon, from at least four (4) years prior to the filing of this action, according to proof;

4. For compensatory damages in the amount of all unpaid wages, including overtime and double-time pay, as may be proven;

5. For compensatory damages in the amount of the hourly wage made by Class Members for each missed or deficient meal period where no premium pay was paid therefor from four (4) years prior to the filing of this action, as may be proven;

6. For compensatory damages in the amount of the hourly wage made by Class Members for each day requisite rest breaks were not provided or were deficiently provided where no premium pay was paid therefor from at least four (4) years prior to the filing of this action, as may be proven;

7. For penalties pursuant to Labor Code § 226(e) for Class Members, as may be

proven;

8. For penalties pursuant to Labor Code § 203 for all Class Members who quit or were fired in an amount equal to their daily wage times thirty (30) days, as may be proven;

9. For restitution and/or damages for all amounts unlawfully withheld from the wages for all class members in violation of Labor Code § 204, as may be proven;

10. For penalties pursuant to Labor Code §§ 226 and 1198.5, as may be proven;

11. For restitution and/or damages for all amounts unlawfully withheld from the wages for all Class Members in violation of Labor Code § 2802, as may be proven;

12. For restitution for unfair competition pursuant to Business & Professions Code § 17200 *et seq*., including disgorgement or profits, as may be proven;

13. For an order enjoining Defendants and their agents, servants, and employees, and all persons acting under, in concert with, or for them, from acting in derogation of any rights or duties adumbrated in this Complaint;

14. For other wages and penalties under the Labor Code as may be proven;

15. For all general, special, and incidental damages as may be proven;

16. For an award of pre-judgment and post-judgment interest;

17. For an award providing for the payment of the costs of this suit;

18. For an award of attorneys' fees; and

19. For such other and further relief as this Court may deem proper and just.

DATED: November 27, 2024

D.LAW, INC.

By: _____
Emil Davtyan
David Yeremian
Natalie Haritoonian
Andrea A. Amaya Silva
Attorneys for Plaintiff LAURA MARIA MACIAS, and all others similarly situated

DEMAND FOR JURY TRIAL

Plaintiff hereby demand trial of her claims by jury to the extent authorized by law.

DATED: November 27, 2024

D.LAW, INC.

By: _____
Emil Davtyan
David Yeremian
Natalie Haritoonian
Andrea A. Amaya Silva
Attorneys for Plaintiff LAURA MARIA MACIAS, and all others similarly situated

EXHIBIT 3