

1 Evan S. Gaines, Esq. SBN 287668
2 **GAINES LAW CORPORATION**
3 4550 E. Thousand Oaks Blvd., Suite 100
4 Westlake Village, CA 91362
5 Telephone: (805) 832-8200
6 Facsimile: (805) 800-8928
7 Email: evan@gaines.law

8
9 Attorneys for Plaintiff Guadalupe Sandoval,
10 on behalf of herself and all “PAGA Settlement Employees”
11 pursuant to Labor Code § 2698 *et seq.*

12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE

11 GUADALUPE SANDOVAL, on behalf of
12 herself and all “PAGA Settlement
13 Employees” pursuant to Labor Code §
14 2698 *et seq.*,

15 Plaintiff,

16 v.

17 FORTIS ENTERPRISE INC., a California
18 Corporation, and DOES 1 through 50,
19 inclusive,

20 Defendants.

Case No. 30-2025-01461144-CU-OE-CXC

Assigned for all purposes to the Honorable
Melissa R. McCormick, Dept. CX105

**DECLARATION OF EVAN S GAINES IN
SUPPORT OF UNOPPOSED MOTION FOR
AN ORDER APPROVING SETTLEMENT
OF CLAIMS BROUGHT PURSUANT TO
THE PRIVATE ATTORNEYS GENERAL
ACT OF 2004, AWARDING ATTORNEYS’
FEES, COSTS, AND REIMBURSEMENT
OF SETTLEMENT ADMINISTRATION
EXPENSES, AND ENTERING JUDGMENT**

Date: July 16, 2026

Time: 2:30 p.m.

Dept.: CX105

Reservation Number: 74836404

Complaint Filed: February 18, 2025

1 I, EVAN S. GAINES, hereby declare and state as follows:

2 1. I am an attorney duly admitted to the practice of law in the State of California. I am
3 the principal of Gaines Law Corporation, counsel for Plaintiff Guadalupe Sandoval (“Plaintiff”) in
4 this action. I have personal knowledge of the facts set forth herein and if called as a witness to
5 testify to them, I could and would do so competently.

6 **Counsel’s Experience and Recommendation:**

7 2. I obtained my BA degree from the University California at Santa Barbara in 2005.
8 I majored in Film Studies.

9 3. Thereafter, I attended the Michigan State University College of Law (“MSU”). At
10 MSU, I was the recipient of jurisprudence awards (highest grade) in Client Counseling and
11 Interviewing and Complex Civil Litigation. At MSU, I focused my studies on complex litigation. I
12 earned my JD and became a member of the California Bar in 2012.

13 4. After becoming a member of the Bar, I practiced law with my father (Kenneth S.
14 Gaines) and brother (Daniel F. Gaines) at Gaines & Gaines, APLC. In January 2024, I started my
15 own law firm, Gaines Law Corporation. My practice specializes in litigation, with an emphasis in
16 employment disputes like this one. Over 95% of my practice is devoted to complex employment
17 litigation similar to the instant action.

18 5. My firm has represented employees in employment matters such as this one, with
19 an emphasis in wage and hour issues. I have participated, and have been certified as Court-approved
20 class counsel, in dozens of class and representative action matters since my admission to the Bar.
21 A true and correct list of some of the cases in which I have been appointed as class counsel is
22 attached hereto as **Exhibit “A”**.

23 **Background and Procedural History**

24 6. Defendant operates a marijuana distribution facility in Orange County, where
25 Plaintiff worked.

26 7. Defendant employed Plaintiff as a non-exempt employee from September 2022
27 through September 2024. The PAGA Settlement Employees are all current and former non-exempt
28

1 employees who worked for Fortis Enterprise, Inc. in the State of California during the PAGA Period
2 (November 14, 2023 through September 22, 2025).

3 8. Plaintiff asserts claims that Defendant failed to pay all minimum and overtime
4 wages earned by Plaintiff and PAGA Settlement Employees, failed to provide Plaintiff and PAGA
5 Settlement Employees with legally compliant meal and rest periods, or compensation in lieu
6 thereof, failed to issue accurately itemized wage statements to Plaintiff and PAGA Settlement
7 Employees, and failed to timely pay Plaintiff and PAGA Settlement Employees all wages due at
8 the separation of their employment. Plaintiff asserts these claims under PAGA, on behalf of herself,
9 individually, and on behalf of the State of California and other PAGA Settlement Employees, and
10 civil penalties for the alleged Labor Code violations for Plaintiff and PAGA Settlement Employees.

11 **Compliance with Procedural Requirements of PAGA:**

12 9. On November 14, 2024, pursuant to Labor Code section 2699.3, Plaintiff gave
13 written notice by online filing with the LWDA and by certified mail, return receipt requested, to
14 Defendant, of the specific provisions of the Labor Code alleged to have been violated, including
15 the facts and theories to support the alleged violation. A true and correct copy of the November 14,
16 2024 notice letter to the LWDA is attached hereto as **Exhibit B**.

17 10. Thereafter, on February 18, 2025, Plaintiff filed a Representative Action complaint
18 in this Court alleging claims individually and pursuant to PAGA on behalf of herself and PAGA
19 Settlement Employees alleging the claims in the LWDA Letter.

20 **Counsel's Diligence In Advance of, and In Connection With, Settlement Negotiations:**

21 11. I engaged in targeted, informal discovery of Defendant's alleged Labor Code
22 violations, which specifically evaluated the strength and value of the PAGA claims in preparation
23 for a resolution of this Action.

24 12. I obtained from Defendant and reviewed (i) relevant policy documents relating to
25 the employment of Plaintiff and PAGA Settlement Employees; and (ii) a sampling of payroll and
26 time data relating to the number of alleged violations, including the PAGA Settlement Employee
27 group size.

1 13. Based on the information received, as well as through discussions with Defendant's
2 Counsel, I was able to (i) determine the total number of distinct individuals falling within the
3 definition of "PAGA Settlement Employee" for the relevant statutory period and (ii) construct a
4 damage model that calculated the maximum amount of PAGA penalties that could be levied against
5 Defendant within the PAGA Period based on employee time and pay period data produced by
6 Defendant. At all relevant times, Defendant has disputed Plaintiff's claims and contested both the
7 existence of, and extent of liability as alleged by Plaintiff.

8 14. My experience in litigating similar "representative" wage and hour claims, the
9 degree of investigation that was conducted here, the amount of data that was obtained, and the
10 discussions guided by mediation was sufficient to determine the potential value of the PAGA claim
11 and to evaluate the strength of this claim for purposes of settlement. Defendant, however, disputed
12 Plaintiff's claims and disputed both the existence of and extent of liability as alleged by Plaintiff.

13 15. On September 22, 2025, the Parties participated in a mediation session with an
14 experienced and reputable retired jurist and wage and hour and PAGA action mediator, Brandon
15 Coen, Esq. During the mediation, the Parties engaged in arm's-length negotiations and reached a
16 resolution of the PAGA claims asserted in this Action with the assistance of Mr. Coen.

17 **Settlement Terms:**

18 16. The Parties jointly prepared and executed a Private Attorneys General Act (Labor
19 Code § 2698 et seq.) Settlement Agreement (the "Settlement" or "Settlement Agreement"). A true
20 and correct copy of the Settlement is attached hereto as **Exhibit C**.

21 17. Defendant agrees to settle the PAGA matter for the payment of \$117,500
22 (hereinafter the "PAGA Gross Settlement Amount"), payable by Defendant (*see* Settlement at
23 III.2), which shall be all inclusive, encompassing (i) all payments to the LWDA and PAGA
24 Settlement Employees, (ii) any and all costs of third-party administration of the settlement, and (iii)
25 Plaintiff's Counsel's attorneys' fees and costs of suit.

26 18. By a separate agreement, the Confidential Settlement Agreement and Release of All
27 Claims, the Parties have resolved all of Plaintiff's individual claims through a comprehensive
28

1 general release in favor of Defendant. The separate individual settlement agreement provide an
2 amount, separate from the PAGA Gross Settlement Amount, to resolve Plaintiff's individual claims
3 against Defendant. It is not an amount that is part of the PAGA Gross Settlement Amount to be
4 approved. If the Court wishes to review the individual settlement agreement, I propose providing
5 it for *in camera* review at the time of the hearing due to its confidentiality.

6 19. The total sum available for payment of PAGA penalties shall be calculated by
7 deducting from the \$117,500 PAGA Gross Settlement Amount, the projected \$35,250 for the
8 payment of Plaintiff's Counsel's fees, \$8,598.10 for the payment of Plaintiff's Counsel's costs, and
9 the costs of administration not to exceed \$4,300, which yields \$69,351.90, and of which sixty-five
10 percent (65%) or \$45,078.74, shall be distributed to the LWDA, and the remaining twenty-five
11 percent (35%) or \$24,273.16, shall be distributed to the PAGA Settlement Employees.

12 20. All PAGA Settlement Employees will receive a pro rata share of the \$24,273.16
13 allocated to them, which shall be distributed based on the number of pay periods each PAGA
14 Settlement Employee worked for Defendant in California during the PAGA Period. Although these
15 calculations will not be made until after approval, a rough estimation of the value to the
16 approximately 355 individuals falling within the definition of "PAGA Settlement Employee" may
17 be gleaned from the fact that an equal division would provide about \$68.38 to each PAGA
18 Settlement Employee, net of payments to the LWDA, the Settlement Administrator, and attorney's
19 fees and costs. The LWDA will be paid a substantial \$45,078.74.

20 21. The Settlement Agreement has allocated the settlement administration fees up to
21 \$4,300.

22 22. Finally, under the terms of the Settlement Agreement, the value of checks uncashed
23 more than 180 days after issuance shall be remitted to the Unclaimed Property Fund of the
24 California State Controller's Office to be held in the name of the PAGA Settlement Employee. I
25 attest that my office regularly receives calls from class members or PAGA Settlement Employees
26 years after a case has settled to inquire about obtaining their settlement share because they did not
27 cash their check in time, lost their check, or never received their check. By remitting the unclaimed
28

1 checks to the State Controller, the PAGA Settlement Employees have a chance to receive their
2 individual settlement payment after the check cashing deadline.

3 23. The relative strength of the PAGA claim brought by Plaintiff weighs in favor of the
4 Court finding that the settlement is fair, adequate, and reasonable, as Defendant maintained
5 numerous defenses to the theories of penalty-liability put forward by Plaintiff that, if successful,
6 had the potential to completely eliminate any recovery. In fact, Defendant maintained that it took
7 remedial action to implement and correct its wage and hour policies in April 2024 and there was
8 only a few months between October 30, 2023 to April 2024 where it faced liability for potential
9 wage and hour violations. Since this matter was instituted post-PAGA reform, Defendant
10 maintained that had this matter gone to trial, a court would find that any penalties should be reduced
11 by the 85% maximum deduction in light of the efforts it took to create and maintain compliance.
12 Moreover, a substantial amount of aggrieved employees were hired just prior to the mediation and
13 while those new hires increased the aggrieved employee pool and number of pay periods,
14 Defendant maintained that those employees suffered few, if any, injuries

15 24. This case addresses violations of important employee protections embodied in the
16 California Labor Code – namely, that Defendant (1) failed to pay minimum and overtime wages
17 due to Plaintiff and PAGA Settlement Employees, in violation of Labor Code §§ 510, 558, and
18 1194; (2) failed to provide Plaintiff and PAGA Settlement Employees with legally compliant meal
19 periods, or compensation in lieu thereof, in violation of Labor Code §§ 226.7, 510, 512, 558, 1174,
20 1174.5, and 1194; (3) failed to provide Plaintiff and PAGA Settlement Employees with legally
21 compliant rest periods, or compensation in lieu thereof, in violation of Labor Code § 226.7; (4)
22 failed to issue accurately itemized wage statements to Plaintiff and PAGA Settlement Employees,
23 in violation of Labor Code §§ 226(a) and 226.3; (5) failed to timely pay Plaintiff and PAGA
24 Settlement Employees all wages due at the separation of their employment, in violation of Labor
25 Code §§ 201-202.

26 25. Defendant's realistic maximum theoretical exposure in this Action, without stacking
27 penalties, totals approximately \$531,400 computed by multiplying 5,314 aggregate pay periods by
28

1 \$100 each. There is no California authority that expressly permits the practice of counting multiple
2 violations/penalties that occur within the same pay period, known as “stacking” penalties.
3 Plaintiff’s Counsel is aware of no court that has actually stacked such PAGA penalties for multiple
4 violations (meaning the “market” for PAGA settlements is based on no stacking of penalties) and
5 given the circumstances of this case, it is unlikely that this Court would impose a massive penalty
6 by stacking the PAGA penalty claims against Defendant. Although stacking penalties is not
7 unlawful, the majority of cases that address awards of PAGA penalties focus on the court’s
8 discretion to reduce awards. Based thereon, the non-stacking/one penalty per pay period is an
9 appropriate evaluation for maximum potential exposure in this case.

10 26. Defendant was not notified by the Labor Commissioner or any court that it was
11 subject to the California Labor Code, and has not been previously cited by the Labor Commissioner
12 for Labor Code violations. Therefore, any violations prior to Plaintiff’s November 14, 2024 LWDA
13 letter are not subject to heightened penalties.

14 27. Defendant contends it acted within the requirements of California law at all times
15 as to all Aggrieved Employees. In particular, Defendant contends that it paid all employees all
16 wages due. Defendant also contends that it maintains compliant meal and rest break practices.
17 Defendant further contends that not every pay period at issue involved an alleged Labor Code
18 violation subject to civil penalties. Moreover, Defendant maintained that even if the Court did
19 award penalties, the Court could and would *substantially* reduce the penalties awarded based on
20 the discretionary factors contained in Labor Code § 2699(e)(2). Defendant also argued that it had a
21 valid and enforceable arbitration agreement, which could preclude the litigation of PAGA claims
22 on a representative basis altogether, given the United States Supreme Court’s recent ruling in *Viking*
23 *River Cruises v. Moriana*, 142 S.Ct. 734 (2022).

24 28. Based on these disputes, which had the potential to completely eliminate Plaintiff’s
25 recovery, the range of realistic “litigation outcomes” on the Plaintiff’s PAGA claim was defined
26 by a “maximum possible liability” amount of approximately \$531,400, and a net-zero recovery
27 based on the defenses asserted by Defendant. Notwithstanding the existence of such issues, the
28

1 Settlement achieves a significant benefit – approximately 22% recovery of the maximum possible
2 liability. As such, this factor weighs very heavily in favor of resolution by way of the compromise
3 set forth in the Settlement Agreement.

4 **Attorneys' Fees:**

5 29. My office is submitting an attorney fee request of 30% of the PAGA Gross
6 Settlement Amount (projected to be \$35,250) Based on a projected final lodestar of \$46,410, this
7 yields a negative “multiplier” of approximately 1.32 *over* the \$35,250 fee request. The billing rates
8 used to compute the lodestar are reasonable in view of the evidence submitted herewith. A true and
9 correct copy of my firm’s time-task chart is attached hereto as **Exhibit D**.

10 30. As detailed in the first few paragraphs of this declaration, I have practiced law in
11 California since 2012 and most of that time has been dedicated exclusively to representing
12 employees in wage and hour matters, many of which have been litigated and resolved in the PAGA
13 and class action contexts. My reasonable hourly rate is \$700, which is commensurate with my
14 education and experience.

15 31. In total, my lodestar is \$46,410.

16 32. This case was taken on a contingency basis with the real risk that my office would
17 receive no compensation whatsoever for our efforts. The potential costs which we can be required
18 to advance in wage and hour representative actions like this one are substantial. Furthermore, as
19 described above, my firm has extensive experience in representative action litigation, particularly
20 in the employment context, and as detailed herein, the Aggrieved Employees and the State of
21 California reaped significant benefits. The success achieved by the Settlement supports my firm’s
22 fee request.

23 33. This Court can undoubtedly appreciate that litigating a representative action case in
24 dynamic, ever-changing areas of law is not appealing to most lawyers, particularly when the
25 plaintiff’s lawyer undertakes the obligation to finance the litigation and effectively bears the risk in
26 the event of an unsuccessful outcome, at trial or otherwise. This case was taken on a contingency
27 basis with the real risk that my office would receive no compensation whatsoever for our efforts.

1 The potential costs which we can be required to advance in wage and hour actions like this one are
2 substantial.

3 34. Notwithstanding the existence of issues having the potential to eliminate recovery
4 on the PAGA claim, the Settlement Agreement not only achieves a recovery that exceeds typical
5 PAGA awards routinely approved by the courts, but it also recovers monies for Aggrieved
6 Employees which they otherwise would not receive.

7 35. Representative action work also requires specialized learning and the willingness to
8 take large risks. I have extensive experience in wage and hour representative action litigation,
9 particularly in the employment context, as detailed herein.

10 36. Furthermore, as described above, the Aggrieved Employees and the State of
11 California reaped significant benefits. The success achieved by the Settlement supports my firm's
12 fee request.

13 37. As a sole practitioner, I can only properly litigate a limited number of cases at one
14 time. The requirements of this case were significant. Had I not reached a settlement with Defendant,
15 the demands of this case would have required a significant portion of my limited resources. I was
16 precluded from taking other employment cases due to the demands of litigating this case.

17 38. I am sharing Attorney's fees with two separate firms, divided as follows: 66 2/3%
18 to Gaines Law Corporation; 16 2/3% to Gaines & Gaines, APLC, and 16 2/3% to Law Offices of
19 Alex P. Katofsky, APC.

20 39. The Parties are unaware of any other cases that may be impacted by the Settlement.

21 **Counsel's Costs:**

22 40. My firm's total costs are \$8,598.10 and include, among other expenses, filing fees,
23 future costs, and mediation fees. A true and correct copy of an itemized list of costs incurred by my
24 firm in this action is attached hereto as **Exhibit E**. These costs were reasonably incurred in
25 litigating this matter.

26 ///

27 ///

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

I declare, under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct. Executed on April 27, 2026, at Westlake Village, California.

EVANS. GAINES

EXHIBIT A

Adams v. Sam's West, Inc., San Bernardino County Superior Court, Case No. CIVDS1403987

Amenhotep v. Google, Inc., Santa Clara County Superior Court, Case No. 17CV311528

Anaya v. Progressive Logistics Services, LLC, Riverside County Superior Court, Case No. RIC1308270

Aranda, et al. v. Universal Lumpers of California, Inc., San Joaquin County Superior Court, Case No. STK-UOE-2017-7826

Armendariz v. Integrated Pain Management Medical Group, Inc., Kern County Superior Court, Case No. BCV-19-100267-SDS

Barrow, et al. v. Desmond Foods, L.P., Sacramento County Superior Court, Case No. 34-2015-00187227

Bosser v. Hooked on Solar, Yolo County Superior Court, Case No. CVCV-2016-876

Bourland v. Horizon Personnel Services, Inc., Sacramento County Superior Court, Case No. 34-2014-00161365-CU-OE-GDS

Bowen v. IMI Material Handling Logistics, Inc., San Joaquin County Superior Court, Case No. STK-CV-UOE-2016-0000192

Branson v. Mladen Buntich Construction, San Bernardino County Superior Court, Case No. CIVDS1609129

Calhoun v. Celadon Trucking Services, Inc., USDC – Central District of California (Los Angeles), Case No. 5:16-cv-01351-PSG-FFM

Carlisle, et al. v. Professional Technical Security Services, Inc., Case No. CGC18569791

Carrillo v. Bimbo Bakeries, Inc., San Bernardino County Superior Court, Case No. CIVDS1606813

Cheifer, et al. v. WHGM, Inc., Los Angeles County Superior Court, Case No. LC104900

Contreras v. Osmose Utilities Services, Inc., San Bernardino County Superior Court, Case No. CIVDS1513998

Contreras v. West American Service Corporation, Kings County Superior Court, Case No. 14C0280

Cowen, et al. v. Evergreen Alliance Golf Limited, L.P., d/b/a Arcis Golf, San Bernardino County Superior Court, Case No. CIVDS1719283

Cunningham v. Performance Contracting, Inc., Contra Costa County Superior Court, Case No. C16-02157

Dabney v. Coneybeare, LLC, et al., Orange County Superior Court, Case No. 30-2018-00999989-CU-OE-CXC

Dabney, et al. v. Panera, LLC., San Bernardino County Superior Court, Case No. CIVDS1516030

Duran v. J.S. Homen Trucking, Inc., Imperial County Superior Court, Case No. ECU004017

Esakhani v. Central Valley Gaming, Stanislaus County Superior Court, Case No. 2020667

Espinosa v. Taltech Construction, et al., Los Angeles County Superior Court, Case No. BC590176

Espinosa v. Bodycote Thermal Processing, Inc., Los Angeles County Superior Court, Case No. BC501617

Espinoza v. Pabco Building Products, LLC, Los Angeles County Superior Court, Case No. VC065660

Friel v. Midwest Construction Services, Inc., San Joaquin County Superior Court, Case No. 39-2015-00329204-CU-OE-STK

Gagnon v. Banc of California, Contra Costa County Superior Court, Case No. C 15-00196

Geer v. Applied Aerospace Structures Corp., San Joaquin County Superior Court, Case No. 39-2014-00313702-CU-OE-STK

Getz v. California Cinema Investments, Inc., Ventura County Superior Court, Case No. 56-2013-00437706-CU-MC-VTA

Gharremain v. Grieco Motors West LLC, Ventura County Superior Court, Case No. 2024CUOE023304

Guerrero v. Main Electric Supply Company LLC, Ventura County Superior Court, Case No. 56-2019-00525427-CU-OE-VTA

Gutierrez v. Asset Management Specialists, Inc., Fresno County Superior Court, Case No. 12CECG03577

Hurtado v. Rush Truck Centers of California, Inc., Los Angeles County Superior Court, Case No. BC427672

Ibrihim v. Imperfect Foods, Inc., San Joaquin County Superior Court, Case No. STK-VI-UOE-2019-0000846

Jenkins v. Sedgwick Claims Management Services, Inc., Los Angeles Superior Court, Case No. LC101648

Job v. California Security Services, Yuba County Superior Court, Case No. 14-0000820

Kunsman v. Punch Bowl Sacramento, LLC, et al., Sacramento County Superior Court, Case No. 34-2018-00243175

LaFear v. Encore Education Corporation, San Bernardino County Superior Court, Case No. CIVDS1802251

Lanzarin v. AWI Management Corporation, Solano County Superior Court, Case No. FCS041809

Lewis v. American Casino & Entertainment Properties LLC, San Bernardino County Superior Court, Case No. CIVDS1719094

Leon v. Piercey West Inc., Los Angeles County Superior Court, Case No. BC656874

Lingad v. Top Quality Manufacturing, LLC, Los Angeles County Superior Court, Case No. 24STCV03079

Lopez v. Go Green Auto Spa Franchise, Inc., et al., Los Angeles County Superior Court, Case No. BC 562212

Macias v. American Tire Distributors, Inc., Kern County Superior Court, Case No. BCV-18-101586

Mayne v. John Muir Behavioral Health, Contra Costa County Superior Court, Case No. C17-00998

Molina v. Berkshire Hathaway Energy Company, et al., Imperial County Superior Court, Case No. ECU000522

Myles v. Central Transport LLC, San Bernardino County Superior Court, Case No. CIVDS1401434

Ochoa v Agusa, Kings County Superior Court, Case No. 24CU0042

Osier v. Heritage Bag Company, et al., Imperial County Superior Court, Case No. ECU003651

Ponce, et al. v. Express Dry, Inc., San Diego County Superior Court, Case No. 37-2024-00022921-CU-OE-CTL

Rambeau v. C.C.M. Corporation, et al., Sacramento County Court, Case No. 34-2018-00244842

Rankins v. Roman Empire Living Skills, Inc., Los Angeles County Superior Court, Case No. BC713399

Richard v. A-Para Transit Corp., Alameda County Superior Court, Case No. HG17870373

Roden v. Service Champions, San Bernardino County Superior Court, Case No. CIVDS1613183

Sebrell v. Pomeroy IT Solutions, San Bernardino County Superior Court, Case No. CIVDS1721560

Seymour v. Quest Service Group, LLC, Sacramento County Superior Court, Case No. 34-2017-00206917

Silva v. Driveline Retail Merchandising, Inc., Imperial County Superior Court, Case No. ECU003111

Smith v. Steelcase, Inc., San Bernardino County Superior Court, Case No. CIVDS1725850

Sohal v. Foster Poultry Farms, Stanislaus County Superior Court, Case No. 2026605

Solorzano v. FDS Manufacturing Corporation, Los Angeles County Superior Court, Case No. BC542532

Spitzer, et al. v. FRHI Hotels & Resorts (Canada) Inc., San Bernardino County Superior Court, Case No. CIVDS1712220

Taylor v. A Plus Tree, LLC, Solano County Superior Court, Case No. CU24-03172

Thompson v. Sidhu Truck Line, Inc., Kern County Superior Court, Case No. BCV-15-101308-DRL

Tripp v. California Guest Services, Inc., Plumas County Superior Court, Case No. CV16-00036

Valdez v. Diamond Landscaping, Inc., Los Angeles County Superior Court, Case No. BC497097

Valencia v. American Team Managers, Inc., Orange County Superior Court, Case No. 30-2016-00857365-CU-CR-CXC

Warner v. Waterdrops Express Car Wash, LLC, Tulare County Superior Court, Case No. 265708

White v. Sally Beauty Supply, LLC, Imperial County Superior Court, Case No. ECU08177

Winningham v. Storer Transportation Service, San Joaquin County Superior Court, Case No. 39-2015-00324708-CU-STK

Woods, et al. v. F&B Innovations, LLC, San Bernardino County Superior Court, Case No. CIVDS1717765

Wright v. Social Vocational Services, Inc., Kern County Superior Court, Case No. BCV-15-101264

EXHIBIT B

November 14, 2024

Via Certified Mail

Labor & Workforce Development Agency
By online submission

Fortis Enterprise Inc.
3901 Daimler Street
Santa Ana, CA 92705

Defendant mailed certified # 9589071052700763984538

Agent for Service of Process for Fortis Enterprise Inc.
Linda Duong
72 Holmes Place
Tustin, CA 92782

Agent mailed certified # 9589071052700763984545

Re: ***Labor Code Violations of Fortis Enterprise Inc. – Compliance Letter of
California Labor Code § 2698 - Private Attorneys General Act***

Dear LWDA:

This office represents Guadalupe Sandoval, a former non-exempt California employees of Fortis Enterprise Inc. (“Defendant”). The purpose of this letter is to comply with the Private Attorneys General Act of 2004, pursuant to California Labor Code § 2698 *et seq.*

Our client was employed by Defendant in Southern California. Herein we set forth the facts and theories of California Labor Code violations which we allege Defendant engaged in with respect to our client and its other non-exempt California employees (“Aggrieved Employees”).

Our client alleges that Defendant failed to pay all minimum and overtime wages earned during the course of employment, in violation of Labor Code §§ 510, 558, 1194, and 1194.2. Our client and Aggrieved Employees were required to work off-the-clock and without compensation because Defendant did not compensate them for all hours worked—they were required to undergo a security bag check after they clocked out for their shift, but before they could leave the work premises, and without compensation. However, none of this time was compensated even though Defendant is required to pay them since an employer is obligated to pay the wages of an hourly employee for all time that the employee is under the control of the employer, and this includes all the time the employee is suffered or permitted to work, whether or not required to do so. When our client and Aggrieved Employees were required to undergo a security bag check outside of their scheduled shift, they were under the control of Defendant and required to be compensated for all hours worked. These instances deprive our client and other Aggrieved Employees of significant hours worked and wages due, and constitute violations of Labor Code §§ 510, 558, 1194, and 1194.2 and IWC Wage Order 4-2001.

Labor & Workforce Development Agency
Fortis Enterprise Inc.
Linda Duong
November 14, 2024
Page 2

Defendant failed to pay correct premium wages to our client and other Aggrieved Employees who were denied proper meal periods, in violation of Labor Code §§ 226.7, 512, and 558, and IWC Wage Order 4-2001. Our client and other Aggrieved Employees were routinely denied, and not authorized to take, a timely, uninterrupted, 30-minute meal period for every shift worked that exceeds five hours, or a second timely, uninterrupted, 30-minute meal period for every shift worked that exceeds ten hours, but were not paid premium wages of one hour's pay at the proper rate of pay for each missed first or second meal period. When they did receive a meal period, it would typically be late, and Defendant would adjust their timecard to show a legally compliant meal period (and no premiums were paid)—as a result, they would also work off-the-clock during the meal period time on the timecard. This violates Labor Code §§ 226.7, 510, 512, 558, 1174, 1174.5, 1175, and 1194 and IWC Wage Order 4-2001.

Defendant also failed to pay correct premium wages to our client and other Aggrieved Employees who were denied rest periods, in violation of Labor Code § 226.7 and IWC Wage Order No. 4-2001. Our client and other Aggrieved Employees were routinely unable to take a 10-minute rest period for every four (4) hours of work or major fraction thereof, but were not paid premium wages of one hour's pay for each missed rest period. Furthermore, our client and other Aggrieved Employees were never provided a rest period for shifts in excess of 10 hours in duration. This violates Labor Code § 226.7 and IWC Wage Order No. 4-2001.

Our client further alleges that Defendant failed to provide her and other Aggrieved Employees with wage statements that fully and accurately itemized the requirements set forth in Labor Code §§ 226(a) and 226.3. Our client and other Aggrieved Employees were not paid all wages due, as stated above. As such, the wage statements provided by Defendant failed to accurately state all gross wages earned, in violation of Labor Code §§ 226(a)(1) and 226.3, total hours worked, in violation of Labor Code §§ 226(a)(2) and 226.3, net wages earned, in violation of Labor Code §§ 226(a)(5) and 226.3, and all applicable hourly rates in effect during the pay period and the corresponding number of hours worked, in violation of Labor Code §§ 226(a)(9) and 226.3.

Our client further alleges that Defendant failed to pay her all wages due at the separation of her employment based on the time frames required by Labor Code §§ 201 and 202. As stated above, our client and other Aggrieved Employees were not paid all wages due during the course of their employment and, as a result of this failure, they were not timely paid all wages due at the separation of their employment. This violates Labor Code §§ 201-202 and is alleged on behalf of our client and certain Aggrieved Employees no longer employed by Defendant.

The \$75 PAGA filing fee has been submitted to the LWDA concurrently with the transmission of this letter.

We invite Defendant or its attorneys to contact our office to discuss this matter, including whether an early resolution of the claims can be reached.

Labor & Workforce Development Agency
Fortis Enterprise Inc.
Linda Duong
November 14, 2024
Page 3

Our office awaits your response.

Very truly yours,

GAINES LAW CORPORATION

By: 
EVANS S. GAINES

EXHIBIT C

PRIVATE ATTORNEYS GENERAL ACT (LABOR CODE § 2698 ET SEQ.)
SETTLEMENT AGREEMENT

Subject to the approval of the Court, this Settlement Agreement (“Settlement Agreement” or “Settlement”) is made and entered into between Plaintiff Guadalupe Sandoval, acting in a private attorney general capacity, on behalf of the State of California on behalf of herself and all PAGA Settlement Employees, and Defendant Fortis Enterprise, Inc. (collectively, the “Parties”).

I. DEFINITIONS

The following terms, when used in this Settlement Agreement, shall have the following meanings:

1. “Action” means the matter entitled *Guadalupe Sandoval v. Fortis Enterprise, Inc.*, pending in the Orange County Superior Court of the State of California, Case No. 30-2025-01461144-CU-OE-CXC.
2. “Complaint” means the Complaint in the Action.
3. “Defendant” means Fortis Enterprise, Inc.
4. “Effective Date” of the Settlement means the date upon which the Court enters the Final Order.
5. “Final Order” refers to the order of the Court granting approval of this PAGA Settlement Agreement on substantially the terms provided herein or as may be modified by subsequent agreement of the Parties and entry of judgment.
6. “Individual PAGA Payment” means the pro rata amount to be paid to each PAGA Settlement Employee from the twenty-five percent (25%) portion of the PAGA Payment allocated to employees; such individual share to be based on the number of pay periods during which a PAGA Settlement Employee worked for Fortis Enterprise, Inc. during the PAGA Period.
7. “LWDA” means the California Labor and Workforce Development Agency.
8. “LWDA Letter” means the letter Plaintiff submitted to the LWDA on November 14, 2024.
9. “Net Settlement Amount” or “PAGA Payment” is the amount remaining to distribute to the LWDA and PAGA Settlement Employees after the following amounts, if approved by the Court, are subtracted from the PAGA Gross Settlement Amount: (a) Plaintiff’s Attorneys’ Fees of up to 33 1/3% of the PAGA Gross Settlement Amount (projected to be Thirty-Nine Thousand One Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$39,166.67)); (b) Plaintiff’s Costs up to Twelve Thousand Dollars and Zero Cents (\$12,000.00); and (c) PAGA Settlement Administration costs not to exceed Five Thousand Dollars and Zero Cents (\$5,000.00).
10. “Parties” means Plaintiff and Defendant.
11. “PAGA” means the California Labor Code Private Attorneys General Act, California Labor Code section 2698, *et seq.*

12. “PAGA Gross Settlement Amount” is the sum of One Hundred Seventeen Thousand Five Hundred Dollars and Zero Cents (\$117,500.00), which represents the total amount payable by Defendant Fortis Enterprise, Inc. under this Settlement Agreement for the release of the Released Claims and includes payments to all PAGA Settlement Employees, payment to the LWDA, payment of Plaintiff’s attorneys’ fees and costs, and payment to the Settlement Administrator.

13. “PAGA Period” means the time period from November 14, 2023 through September 22, 2025. As of September 22, 2025, there were 5,314 pay periods worked during the PAGA Period by 355 PAGA Settlement Employees.

14. “PAGA Representative Counsel” means Gaines Law Corporation, located at 4550 East Thousand Oaks Boulevard, Suite 100, Westlake Village, California 91362.

15. “PAGA Settlement Employee” or “PAGA Settlement Employees” means and includes all current and former non-exempt employees who worked for Fortis Enterprise, Inc. in the State of California during the PAGA Period.

16. “Plaintiff” means Guadalupe Sandoval.

17. “QSF” means qualified settlement fund.

18. “Released Claims” means all claims, rights, demands, liabilities, and causes of action for civil penalties recoverable under PAGA, that were asserted or could have been asserted, assessed upon or collected from the Released Parties by or on behalf of Plaintiff, the PAGA Settlement Employees, the LWDA, the State of California, or any of its agencies, based on any of the facts or violations alleged in the Complaint or LWDA Letter, including claims for PAGA civil penalties under or based on any alleged violations of Labor Code sections: 201, 202, 226(a), 226.3, 226.7, 227.3, 510, 512, 558, 1194, and 1194.2, and 2699, *et seq.*, the violation of any Industrial Welfare Commission Order, and any other claims asserted in the Action and operative Complaint.

19. “Released Parties” means Defendant Fortis Enterprise, Inc., its past and present officers, directors, shareholders, unit holders, managers, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, and its respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys from all claims, demands, rights and liabilities as set forth above.

20. “Settlement Administrator” means APEX Class Action Administration .

21. “PAGA Settlement Administration Costs” means the cost, not to exceed Four Thousand Three Hundred Dollars and Zero Cents (\$4,300.00), to be paid to the Settlement Administrator for administering the Settlement, including sending checks and Settlement Notices to the PAGA Settlement Employees.

22. “Settlement Notice” means an explanatory letter to be sent by the Settlement Administrator to PAGA Settlement Employees, substantially in the form attached hereto as **Exhibit A**.

II. RECITALS

1. Fortis Enterprise, Inc. employed Plaintiff during the PAGA Period.
2. On November 14, 2024, Plaintiff Sandoval provided written notice to the LWDA and Defendant pursuant to Labor Code section 2699.3 of *inter alia* alleged violations of the California Labor Code and Industrial Welfare Commission Orders.
3. On February 18, 2025, Plaintiff Sandoval filed the Action, pursuant to PAGA, on behalf of the State of California and other aggrieved employees alleging multiple violations of the California Labor Code and Industrial Welfare Commission Wage Orders by Defendant.
4. Defendant generally denies all of Plaintiff's allegations in the Action, including all PAGA claims, and further specifically denies that Defendant or any of the Released Parties committed or engaged in any misconduct, statutory or regulatory violations, wrongdoing, or other actionable conduct of any kind.
5. The Parties have independently analyzed and investigated the facts and law relevant to this case through informal discovery and pre-settlement disclosures, including, but not limited to, the employment policies, procedures, and practices implicated by the Complaint and/or the LWDA Letter; a sampling of all timekeeping and payroll records for employees on whose behalf the Complaint and/or the LWDA Letter are asserted by Plaintiff; and summaries of data pertaining to the number of employees allegedly affected by the policies, procedures, and practices implicated by the Complaint and/or the LWDA Letter.
6. After evaluating the strengths and weaknesses of their respective positions, after considering the time, expense, and risk associated with litigating this case to judgment, and after engaging in arm's-length settlement negotiations through informed counsel, the Parties agreed to fully and finally, and exclusively, resolve the Released Claims as to Plaintiff and the PAGA Settlement Employees, subject to Court approval.
7. This Settlement contemplates the entry of an Order by the Court approving the payment allocated for settlement of PAGA penalties to the LWDA, Plaintiff and PAGA Settlement Employees, entering judgment in the Action, and set a Final Accounting hearing to ensure that the settlement funds will be distributed in accordance with the terms stated herein..

III. OPERATIVE TERMS OF SETTLEMENT AGREEMENT

The Parties agree as follows:

1. **Non-Admission.** Nothing in this Settlement Agreement or the judgment to be entered in this Action pursuant to the terms of this Settlement Agreement shall be construed to be an admission: (1) by Plaintiff that their claims do not have merit or (2) by Defendant of any liability or wrongdoing as to Plaintiff, the PAGA Settlement Employees or any other person, and Defendant generally denies any such liability or wrongdoing. Defendant specifically denies any liability to Plaintiff or any other allegedly aggrieved employee for any alleged violation of his/her/their rights, or for any alleged violation of any order, law, statute, duty or contract. The Parties have entered into this Settlement Agreement with the intention to avoid further disputes and litigation with the

attendant inconvenience, expenses, and risks. This Settlement Agreement and any related court documents or orders are not and may not be cited or admitted as evidence of liability.

2. **PAGA Gross Settlement Amount.** Fortis Enterprise, Inc. shall pay One Hundred Seventeen Thousand Five Hundred Dollars and Zero Cents (\$117,500.00) as the PAGA Gross Settlement Amount. Fortis Enterprise, Inc. will not pay more than the PAGA Gross Settlement Amount to resolve the claims covered by this Agreement, except as otherwise stated in this Agreement. The PAGA Gross Settlement Amount shall be paid in two equal installments of \$39,166.66 and a third installment of \$39,166.68. Defendant shall deposit the first installment of the PAGA Gross Settlement Amount for \$39,166.66 within 30 days of the Effective Date. Defendant shall deposit the second installment of the PAGA Gross Settlement Amount for \$39,166.66 within 30 days of depositing the first installment. Defendant shall deposit the third installment of the PAGA Gross Settlement Amount for \$39,166.68 within 30 days of depositing the second installment.

3. **Net Settlement Amount.** The Parties agree that the following amounts should be subtracted from the PAGA Gross Settlement Amount, if approved by the Court, resulting in a Net Settlement Amount to be distributed to the LWDA and PAGA Settlement Employees:

- a. **Plaintiff's Attorneys' Fees and Costs.** Defendant will not oppose Plaintiff's request for Plaintiff's Attorneys' Fees of up to 33 1/3% of the PAGA Gross Settlement Amount (projected to be Thirty-Nine Thousand One Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$39,166.67)) and Plaintiff's Costs up to Twelve Thousand Dollars (\$12,000.00) incurred in prosecuting this Action. In the event the Court approves a payment of less than the amount of fees and costs requested by Plaintiff, the difference will be added to the PAGA Payment.
- b. **Administration Cost.** Defendant will not oppose the Settlement Administrator's costs, not to exceed Four Thousand Three Hundred Dollars (\$4,300.00), for administering the Settlement. In the event the Court approves a payment of less than this amount, the difference will be added to the PAGA Payment.

4. **PAGA Payment.** A portion of the PAGA Payment will be allocated to the LWDA and the remainder will be allocated to PAGA Settlement Employees in settlement of the Released Claims. The PAGA Payment will be subject to Court approval consistent with California Labor Code section 2699.3(b)(4). Upon approval, the PAGA Payment shall be allocated as follows:

- a. Sixty-five percent (65%) will be paid to the LWDA, as required by California Labor Code section 2699(i).
- b. Thirty-five percent (35%) will be paid to the PAGA Settlement Employees, divided on a pro rata basis among them and distributed by the Settlement Administrator as Individual PAGA Payments, as required by California Labor Code section 2699(i).

- c. The payments will be reported as penalties on IRS Forms 1099 issued to the LWDA and each PAGA Settlement Employee. The Settlement Administrator will be responsible for issuing to PAGA Settlement Employees and PAGA Representative Counsel any 1099 or other tax forms as may be required by law for all amounts paid pursuant to this Settlement.

5. **Representative PAGA Release.** Upon Defendant's deposit of the entire PAGA Gross Settlement Amount with the Settlement Administrator, Plaintiff, as an individual, and as the representative of the PAGA Settlement Employees, the LWDA and the State of California, hereby forever and completely releases and discharges the Released Parties of and from all of the Released Claims, and thus, Plaintiff, the PAGA Settlement Employees, LWDA and the State of California will be forever barred from pursuing any of the Released Claims defined herein against Released Parties which arose during periods of employment in a non-exempt position in California during the PAGA Period. The Parties understand and agree that this release is limited to the Released Claims and does not otherwise impact the individual rights or claims of the PAGA Settlement Employees. In accordance with *Arias v. Superior Court* (2009) 46 Cal.4th 969, 985, a judgment in "a representative action brought by an aggrieved employee under the Labor Code Private Attorneys General Act of 2004 . . . is binding not only on the named employee Plaintiff but also on government agencies and any aggrieved employee not a party to the proceeding," which the Final Order shall so reflect. Pursuant to *Arias* and *Cardenas v. McLane Foodservice, Inc.*, 796 F.Supp.2d 1246 (2011), the Final Order and judgment in this Action shall be binding on the PAGA Settlement Employees, LWDA, State of California and its agencies as to the Released Claims which arose during the PAGA Period, regardless of whether their settlement checks are cashed or not. The Parties further understand and agree that the continued effectiveness of this PAGA Release is contingent upon Defendant's payment of the PAGA Gross Settlement Amount. If Defendant defaults on any of its payment obligations under this Agreement, the PAGA Release set forth in this paragraph shall become ineffective until such default is cured in full.

6. **Separate Release and Individual Settlement by Plaintiff.** In addition to this Agreement, Plaintiff has entered into a separate Confidential Settlement Agreement And General Release Of All Claims ("Individual Settlement Agreements") with Defendant for all of her separate individual (non-PAGA) claims arising out of her employment with Defendant, in exchange for a full release of those claims. The Parties acknowledge and agree that the Individual Settlement Agreement and the covenants, promises and released claims contained therein shall not serve to modify or limit Plaintiff's right to continue with this Action and seek the Court's approval of this PAGA Settlement; however, Plaintiff shall have no right to be the representative of a class action lawsuit against Defendant. The Parties further agree that if for any reason the Effective Date does not occur with regard to this Settlement and/or the Final Order is not entered, then the Individual Settlement Agreement shall also be null and void.

7. **Filing of Request for Approval of PAGA Settlement by Plaintiff's Counsel**

Plaintiff's counsel shall be responsible for filing a motion for approval of the Settlement. Plaintiff shall provide the requisite notice of this Settlement Agreement to the LWDA on or before the date Plaintiff requests approval of this Settlement Agreement from the Court. If the Court

approves this Settlement, the Parties shall request that the Court enter a Final Order approving the settlement.

As part of the request to approve the Settlement, Plaintiff shall submit a proposed Order granting approval of this Settlement. The Court shall retain jurisdiction to enforce the terms of this Agreement. This Settlement is expressly conditioned upon the Court entering such a Final Order, approving this Settlement as set forth herein, and entry of judgment, disposing of the Action in its entirety and ensuring that this Settlement has a *res judicata* effect.

IV. ADMINISTRATION OF SETTLEMENT

1. **Settlement Administrator.** The Settlement Administrator will be responsible for establishing a QSF and issuing payments and appropriate tax forms to PAGA Settlement Employees, the LWDA, and Plaintiff's counsel.

2. **Provision of Information for PAGA Settlement Employees.** Within fourteen (14) calendar days after the Effective Date, Fortis Enterprise, Inc. will provide the information regarding the PAGA Settlement Employees to the Settlement Administrator. This information will include the name, most recently known address, social security number, and total pay periods worked by each of the PAGA Settlement Employees in a non-exempt position in California during the PAGA Period. The Settlement Administrator will maintain the list in confidence, and access shall be limited to those with a need to use the list as part of the administration of the Settlement.

The Settlement Administrator will calculate the amount to be received by each PAGA Settlement Employee. Within twenty-one (21) calendar days of the Effective Date, the Settlement Administrator will circulate to counsel for both Parties an anonymized spreadsheet containing the estimated individual settlement payments to each PAGA Settlement Employee, and the data used to calculate said payments. The Settlement Administrator shall obtain approval from all counsel of the calculations before mailing Individual PAGA Payments.

3. **Explanatory Letter and Individual PAGA Payments.** Upon receipt of the information for PAGA Settlement Employees, the Settlement Administrator will perform a search on the National Change of Address database to update the PAGA Settlement Employees' addresses.

Within ten (10) calendar days of receiving the PAGA Gross Settlement Amount, the Settlement Administrator will issue payments to: (a) PAGA Settlement Employees along with an explanatory letter accompanying the payment ("Settlement Notice"); (b) the LWDA; (c) Plaintiff's counsel; and (d) itself. The Settlement Notice shall be mailed to each PAGA Settlement Employee with their disbursement.

4. **Undeliverable Notices.** Any checks returned as non-deliverable on or before the check cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip trace, or other search using the name, address or social security number of the PAGA Settlement Employees involved, and will then perform a single re-mailing. Individual PAGA Payment checks will remain negotiable for one hundred eighty (180) calendar days from issuance, and PAGA Settlement Employees will

have one hundred eighty (180) calendar days from the date of issuance to cash their Individual PAGA Payment checks. If a PAGA Settlement Employee's check is returned to the Settlement Administrator with a forwarding address provided by the United States Postal Service, the Settlement Administrator will promptly resend the check to that PAGA Settlement Employee to that address, but this re-mailing will not extend the 180-day period to cash a check. Funds represented by Individual PAGA Payment checks returned as undeliverable and those Individual PAGA Payment checks remaining un-cashed for more than one hundred eighty (180) calendar days after issuance will be paid to the California State Controller in the name of the PAGA Settlement Employee who did not cash the check, from which the PAGA Settlement Employee may claim the funds. Neither Defendant, Defense Counsel, Plaintiff's Counsel nor Plaintiff will have any liability for lost or stolen settlement checks, forged signatures on settlement checks, unauthorized negotiation of settlement checks or failure to timely cash a settlement check within the 180-day period.

Defendant fully discharges its obligations to those PAGA Settlement Employees who are entitled to an Individual PAGA Payment through the Settlement Administrator's mailing of a check, regardless of whether such checks are actually received and/or negotiated by PAGA Settlement Employees.

5. **Tax Consequences.** Individual PAGA Payments made under this Settlement will be attributed one hundred percent (100%) as penalties and paid via IRS Form 1099 issued to each PAGA Settlement Employee. The Parties and their counsel make no representations or warranties with respect to tax consequences of any payment under this Settlement Agreement.

V. **MISCELLANEOUS PROVISIONS**

1. **Mutual Preparation and Drafting.** The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement. The Parties agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive, arm's-length negotiations between the Parties through informed counsel and that neither Party shall be considered the "drafter" of this Settlement Agreement for purposes of having terms construed against that Party.

2. **Successors.** This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, and successors and assigns.

3. **Costs and Fees.** The Parties shall each bear their own costs, attorneys' fees, and other fees incurred in connection with this Settlement Agreement, the Action, and Plaintiff's claims, except as otherwise set forth specifically herein.

4. **Authority.** Defendant represents and warrants that the undersigned have the authority to act on behalf of Defendant and to bind Defendant to the terms of this Settlement Agreement.

5. **Governing Law.** This Settlement Agreement shall be construed under and governed by the laws of the State of California.

6. **Complete Agreement.** The Parties each acknowledge and represent that no promise or representation not contained in this Settlement Agreement has been made to them, and acknowledge and represent that this Settlement Agreement contains the entire understanding between them and contains all terms and conditions pertaining to the compromise and settlement of the PAGA Claims. Excluded from this Section is a separate settlement agreement related to Plaintiff's individual claims. This Settlement Agreement cannot be amended or modified except by a writing signed by the Parties hereto.

7. **Nullification of Settlement Agreement.** In the event that: (i) the Court does not approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other reason, then this Settlement Agreement and any documents generated to bring it into effect, will be null and void, and the Parties will be returned to their original respective positions, without prejudice. Neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect.

8. **Continuing Jurisdiction.** After approval of this Settlement and entry of the judgment in the Action, the Court will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement and judgment, (ii) Settlement administration matters, and (iii) such matters as may be appropriate under court rules or as set forth in this Settlement Agreement. The Parties further agree that this Agreement shall be enforceable by the Court pursuant to California Code of Civil Procedure Section 664.6 and California Rules of Court Rule 3.769 and the Court shall retain exclusive and continuing equity jurisdiction of this Action over all Parties and PAGA Settlement Employees to interpret and enforce the terms, conditions and obligation of the Agreement.

9. **Amendment or Modification.** This Settlement Agreement may be amended or modified only by a written instrument, signed by either the Parties or their successors-in-interest.

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

11. **Execution and Counterparts.** This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts, and each of them, including facsimile, DocuSign, and scanned copies of the signature page, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange among themselves original signed counterparts.

12. **Acknowledgement that the Settlement is Fair and Reasonable.** The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action, and have arrived at this settlement after arm's-length negotiations by experienced counsel. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this settlement.

13. **Invalidity of Any Provision.** Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest

extent possible consistent with applicable precedents, so as to define all provisions of this Settlement Agreement valid and enforceable. Invalidation of any material portion of this Agreement shall invalidate this Agreement in its entirety unless the Parties shall subsequently agree in writing that the remaining provisions shall remain in full force and effect.

14. **Severability**. If any term or provision of this Settlement Agreement is held to be invalid or unenforceable, the remaining portions of this Settlement Agreement will continue to be valid and will be performed, construed and enforced to the fullest extent permitted by law, and the invalid or unenforceable term will be deemed amended and limited in accordance with the intent of the Parties, as determined from the face of the Agreement, to the extent necessary to permit the maximum enforceability or validation of the term or provision.

15. **Waiver**. No waiver of any condition or covenant contained in this Settlement Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such Party of the same or any other condition, covenant, right or remedy.

16. **Enforcement Action**. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement Agreement or to declare rights and/or obligations under this settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

17. **Dispute(s)**. Should any dispute(s) arise among the Parties or their respective counsel regarding the implementation or interpretation of this Agreement, the Parties agree to submit any such dispute(s) to the Court. To the extent any Party seeks to enforce any of the terms of this Agreement in or before the Court, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs.

18. **Non-Evidentiary Use**. Neither this Agreement nor any of its terms shall be offered or used as evidence by any of the Parties, or their respective counsel in the Action or in any other action or proceeding except for purposes of establishing the Released Claims have been settled; provided, however, this shall not prevent this Agreement from being used, offered, or received in evidence in any proceeding to enforce, construe, or finalize this Agreement.

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

20. **No Public Comment**. Neither the Parties nor their counsel shall make or issue any public statements to the press or any other third party, nor post any information on websites or other public forums, concerning the Action in any way.

21. **Cooperation and Execution of Necessary Documents**. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

22. **Binding Agreement.** The Parties warrant that they understand and have full authority to enter into this settlement, and further intend that this Settlement Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any settlement confidentiality provisions that otherwise might apply under federal or state law.

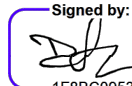
23. **Denial of Liability.** The Parties expressly recognize that the making of this Settlement Agreement does not in any way constitute an admission or concession of wrongdoing on the part of Defendant. Nothing in this settlement, nor any action taken in implementation thereof, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the course of this Action, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this Settlement Agreement may be used in any court proceeding that has as its purpose the interpretation, implementation or enforcement of the settlement or any orders or judgments of the Court entered into in connection therewith.

IN WITNESS THEREOF, the Parties each acknowledge that he/it has read the foregoing Settlement Agreement, accepts and agrees to the provisions contained in this Settlement Agreement, and hereby executes it voluntarily and with full understanding of its consequences.

Dated: 04 / 16 / 2026

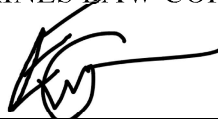
By: 
Plaintiff Guadalupe Sandoval

Dated: 4/23/2026

By: 
Signed by:
1F0BC0953E374FE...
Defendant Fortis Enterprise, Inc.
Daniel Luu, Executive Chairman

Approved as to form:

Dated: April 15, 2026

GAINES LAW CORPORATION

Evan S. Gaines, Esq.
Attorney for Plaintiff Guadalupe Sandoval

Dated: April 24, 2026

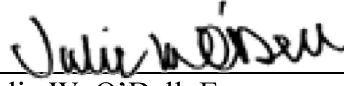
O'DELL LAW GROUP, APC

Julie W. O'Dell, Esq.
Attorneys for Defendant
Fortis Enterprise, Inc.

EXHIBIT A

«FIRST_NAME» «LAST_NAME»

«ADDRESS 1»

«ADDRESS 2»

Re: Settlement Payment from *Sandoval v. Fortis Enterprise, Inc.*

Dear «FIRST_NAME» «LAST_NAME»

By order of the Orange County Superior Court, enclosed is the payment to which you are entitled from the settlement of the *Guadalupe Sandoval v. Fortis Enterprise, Inc.*, litigation (the “Settlement”) filed in the Orange County Superior Court, Case No. 30-2025-01461144-CU-OE-CXC (the “Lawsuit”).

The Lawsuit was filed against Fortis Enterprise, Inc. (referred to as “Defendant”) under the California Private Attorneys General Act of 2004, Cal. Labor Code §§ 2698, *et seq.* (abbreviated “PAGA”) for alleged violations of the California Labor Code. Guadalupe Sandoval (“Plaintiff”) alleged this PAGA claim on behalf of the State of California and all current and former non-exempt employees who worked for Defendant Fortis Enterprise, Inc. in the State of California from November 14, 2023 through September 22, 2025 (the “PAGA Period”) (“PAGA Members”). You have been identified as a PAGA Member, on whose behalf the case was brought.

PAGA deputizes employees to act like private attorneys general. If an employer violates certain provisions of the California Labor Code, an aggrieved employee can file a lawsuit not just for themselves, but for all affected employees (the PAGA Members like yourself)—and for the State of California.

In the Lawsuit, Plaintiff claimed Defendant owed civil penalties under PAGA for violating certain provisions of the California Labor Code, including allegations that Defendant: (1) failed to pay all wages due; (2) failed to provide rest periods; (3) failed to provide meal periods; (4) failed to pay wages timely upon separation of employment; and (5) failed to provide complete and accurate itemized wage statements under Labor Code § 226. Defendant vigorously denies that it violated any provisions of the California Labor Code and contends that its policies and practices regarding the payment of wages, meal periods and rest breaks, and wage statements were fully compliant. Nevertheless, without admitting any wrongdoing, Defendant has agreed resolve the Lawsuit by way of settlement to avoid further costs associated with ongoing litigation.

The Orange County Superior Court has not ruled on the merits of the Lawsuit, but it has approved the settlement between the Parties, including the settlement amount to be paid by Defendant. Pursuant to California law, 65% of that settlement amount goes to the State of California’s Labor and Workforce Development Agency, (“LWDA”). 35% of the settlement amount goes to the PAGA Members (see below). The settlement of this Lawsuit and Order Approving PAGA Settlement and Judgement releases only claims for civil penalties alleged under PAGA and does not in any way otherwise affect or release any individual PAGA Member’s rights.

The released claims in this lawsuit constitutes all claims, rights, demands, liabilities, and causes of action for civil penalties recoverable under PAGA, that were asserted or could have been asserted, assessed upon or collected from the Released Parties by or on behalf of Plaintiff, the PAGA Settlement Employees, the LWDA, the State of California, or any of its agencies, based on any of the facts or violations alleged in the Complaint or LWDA Letter,

including claims for PAGA civil penalties under or based on any alleged violations of Labor Code sections: 201, 202, 226(a), 226.3, 226.7, 227.3, 510, 512, 558, 1194, and 1194.2, and 2699, *et seq.*, the violation of any Industrial Welfare Commission Order, and any other claims asserted in the Action and operative Complaint.

The total gross settlement amount is \$117,500. The Court has allowed for attorney's fees of \$35,250, reimbursement of litigation costs not to exceed \$8,598.10, and settlement administration costs not to exceed \$4,300. The remaining funds, totaling \$69,351.90, will be allocated sixty-five percent (65%), or \$45,078.74, to the California Labor and Workforce Development Agency, and thirty-five percent (35%), or \$24,273.16, to the PAGA Members, pursuant to PAGA. Payments to PAGA Members are calculated on a pro-rata basis based on the number of pay periods worked during the PAGA Period

You are receiving this payment due under the settlement. PAGA Members cannot opt out of this Settlement and even if you do not cash your check, you will still be bound by the release of claims, below. You have 180 days to cash the settlement check. If you do not cash your check by this date, the money will be transferred to the State of California Unclaimed Property Fund, from which you may recover the money at a future time. You will receive an IRS Form 1099 form for the amount of your settlement check, if required by law. If you have lost or misplaced your settlement check, you should contact the Administrator at the toll-free number shown at the top of this letter. It is strongly recommended that all checks be cashed immediately upon receipt. Defendant will not in any manner retaliate against any individual who cashes their settlement check.

You are not a party to the Lawsuit, but you and the State of California will be bound by the order in this matter approving the settlement and entering judgment in the Lawsuit, as well as to the release of claims in this Lawsuit, only as to civil penalties under PAGA. If you have any questions, you can contact the settlement administrator (whose contact information is at the top of this letter) or visit the following website: [\[INSERT WEBSITE\]](#).

**PLEASE DO NOT CONTACT THE COURT OR THE JUDGE WITH ANY
QUESTIONS ABOUT THE LAWSUIT OR THE SETTLEMENT**

EXHIBIT D

Sandoval v. Fortis Enterprise Inc.
Attorney Time/Task

Task	Evan S. Gaines, Esq. \$700/hr
Pre-Lawsuit interviewing, investigation and research re Defendant and claims; Research re: defenses to action; Review employee file	8.0
Draft LWDA compliance Letter; Review, revise, mail, and submit LWDA Letter; Communications with Client re same	2.4
Draft and file PAGA Complaint and related research; Communications with Client re same; service of Defendant and related filing of proof of service.	3.7
Prepare mediation informal discovery letter and related communications with Defense Counsel and Client	2.9
Draft and file stipulation to continue initial status conference; Communications with Defense re same	2.6
Review and preparation for mediation; Related legal research; Review Defendants' informal document production, Prepare mediation brief and related exhibits; Communications with Client re same	10.2
Attend mediation via Zoom with Brandon Coen Esq.; Communications with Client re mediation	5.0
Research, review and preparation of PAGA settlement agreement, PAGA notice, and individual settlement; Further communications and discussions with Defense Counsel and Client re same	7.5
Preparation of Amended PAGA settlement agreement and PAGA notice; Further communications and discussions with Defense Counsel and Client re same; Prepare and file Stipulation to Continue ISC	4.0

Sandoval v. Fortis Enterprise Inc.
Attorney Time/Task

Task	Evan S. Gaines, Esq. \$700/hr
Drafting of motion for PAGA approval and related exhibits and documents and related communications with Defense Counsel and Client; Review court's tentatives and prior rulings re Motion for Approval	13.0
Estimated time required for related administration work and uploading of documents to LWDA; Prepare for and attend PAGA Approval hearing and related communications with Defense and Client	7.0
Total Hours:	66.3
Total Lodestar Per Attorney:	\$46,410.00
Total All Attorneys:	66.3

EXHIBIT E

**Sandoval v Fortis Enterprise, Inc.
Gaines Law Corporation Counsel's Costs**

<u>EXPENSE CATEGORY</u>	<u>EXPENSE</u>
Filing fees	\$ 1,687.66
Expert Fees	\$ 1,115.44
Mediation Fees	\$ 5,665.00
Misc Fees	\$ 10.00
Future estimated expenses -	\$ 120.00
• <i>Filing fees and One Legal Service fees for Filing the Motion for PAGA Approval and Notice of Entry of Order (\$90 + \$30)</i>	
TOTAL EXPENSES	\$ 8,598.10

EXHIBIT F