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8
9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

10 **FOR THE COUNTY OF LOS ANGELES**

11 ROSEANNA MAGDALENO, an individual
12 and on behalf of all others similarly situated;

13 Plaintiff,

14 vs.

15 MILKY WAY INTERNATIONAL TRADING
16 CORPORATION, a California corporation;
and DOES 1 through 50,

17 Defendants.

Case No.: 24STCV32622

[Assigned for All Purposes to:
Hon. Laura A. Seigle, Dept. 17]

**DECLARATION OF WILLIAM C. SUNG
IN SUPPORT OF MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

(Filed concurrently with Motion for
Preliminary Approval; Supporting
Declarations; and [Proposed] Order)

DATE: June 23, 2026

TIME: 9:00 a.m.

DEPT: 17

Action Filed: December 11, 2024

Trial Date: Not Set

1 I, William C. Sung, hereby declare as follows:

2 1. I am an attorney licensed to practice law in the state of California and have been
3 admitted to practice before this Court. I am an attorney with the law firm of Justice for Workers,
4 P.C., counsel of record for Plaintiff ROSEANNA MAGDALENO (“Plaintiff”) in this action. I am
5 lead counsel for Plaintiff in this case and I have personal knowledge of the matters stated herein and
6 if called and sworn as a witness, I would and could competently testify under oath thereto.

7 **ATTORNEY QUALIFICATIONS**

8 2. My qualifications are as follow: I received my J.D. from the University of Southern
9 California Gould School of Law in 2011. During law school, I served as the Senior Content Editor
10 on the Southern California Law Review where I published the article: *Taking the Fight Back to Title*
11 *VII: A Case for Redefining “Because of Sex” to Include Gender Stereotypes, Sexual Orientation,*
12 *and Gender Identity*, Southern California Law Review, Volume 84:2 (Jan. 2011). During law
13 school, I also served as a judicial extern to U.S. Ninth Circuit Judge, Hon. Kim M. Wardlaw, and
14 U.S. Bankruptcy Court Judge, Hon. Ernest M. Robles; served as a law clerk to the General Counsel
15 of JM Eagle; and participated in the law school’s Employer Legal Advice Clinic.

16 3. After passing the California Bar in December 2011, I began practicing management-
17 side employment law at the Los Angeles office of Lewis Brisbois Bisgaard & Smith LLP. In 2013, I
18 began focusing my practice at Lewis Brisbois on representing employers in wage and hour class and
19 PAGA action lawsuits. In January 2017, I was elevated to the position of Partner and Vice Chair of
20 Lewis Brisbois’ Wage & Hour Class Action Practice Group. In November 2020, I was elevated as
21 the Co-Chair of Lewis Brisbois Wage & Hour Class Action Practice Group, becoming one of the
22 youngest attorneys to chair a practice group at the firm. In January 2022, I was voted in as an equity
23 partner, becoming one of the youngest equity partners and the third Asian-American equity partner
24 in the history of this 1,500-attorney firm. During my tenure as a wage and hour class action defense
25 attorney, I have represented employers in over 80 wage and hour class and/or PAGA action
26 lawsuits.

27 4. In July 2023, I joined Justice for Workers, P.C. (“JFW”) and began heading its
28 Complex Litigation Practice Group where I focus my practice on representing employees in wage

1 and hour class and PAGA action lawsuits. In my current practice at JFW, I serve as the lead
2 plaintiff's counsel on over 100 pending class and/or PAGA actions. In addition to this matter, my
3 team and I have resolved over 70 other class and/or PAGA actions at mediation. The following are
4 cases in which I have received final approval of class action settlement and I was appointed as class
5 counsel: *Darcy Nuber v. Fever Labs, Inc.*, Los Angeles Superior Court, Case No. 23STCV21796,
6 final approval of class/PAGA settlement granted on March 30, 2026; *Cesar Tate v. St. Distributing*
7 *Co., LLC*, Los Angeles Superior Court Case No. 23STCV22743, final approval of class/PAGA
8 settlement granted on February 11, 2026; *Andrew Carmona v. Western Holdings Group dba Los*
9 *Angeles Property Management Group*, Los Angeles Superior Court, Case No. 23STCV24028, final
10 approval of class/PAGA settlement granted on January 29, 2026; *Poul Bedri v. City of Hope*
11 *National Medical Center*, Los Angeles Superior Court, Case No. 23STCV23713, final approval of
12 class/PAGA settlement granted on January 28, 2026; *Irene Eunhee Ikuta v. TAKEE International,*
13 *Inc.*, Los Angeles Superior Court, Case No. 23STCV21120, final approval of class/PAGA
14 settlement granted on January 22, 2026; *Amourafina Burton v. Trove Recommerce, Inc.*, San Mateo
15 Superior Court, Case No. 23-CIV-06108, final approval of class/PAGA settlement granted on
16 January 9, 2026; *Shayne Werber v. Teleferic Barcelona*, Los Angeles Superior Court Case No.
17 23STCV25517, final approval of class/PAGA settlement granted on December 17, 2025; *Linda*
18 *Salazar Ayala v. Applied Membranes, Inc.*, San Diego Superior Court Case No. 37-2023-00054420-
19 CU-OE-CTL, final approval of class/PAGA settlement granted on December 5, 2025; *Justin Le, et*
20 *al. v. Dragonfly Tea Bar LLC, et al.*, Los Angeles Superior Court Case No. 23STCV26247, final
21 approval of class/PAGA settlement granted on October 29 2025; *Ryan Lukman v. Safe Haven*
22 *Security Services, LLC*, Riverside County Superior Court, Case No. CVRI2400777, final approval
23 of class/PAGA settlement granted on October 1, 2025; *Amaya Nelson v. Clair Global Corp.*, Los
24 Angeles Superior Court, Case No. 24STCV14597, final approval of class/PAGA settlement granted
25 on May 22, 2025; *Jose Regalado v. United Markets*, Marin County Superior Court Case No.
26 CV0001169, final approval of class/PAGA settlement granted on August 29, 2025; *Mushfiqur*
27 *Chowdhury v. CWT US, LLC*, Los Angeles Superior Court Case No. 23STCV25373, final approval
28 of class/PAGA settlement granted on August 22, 2025; *Pedro Hernandez v. Edmund A. Gray Co.*,

1 Los Angeles Superior Court Case No. 24STCV04118, final approval of class/PAGA settlement
2 granted on August 19, 2025; *Alexis Bartram v. Lakeshore Learning Materials, LLC*, Los Angeles
3 Superior Court Case No. 23STCV21174, final approval of class/PAGA settlement granted on July
4 3, 2025; *Randall Bachman v. Geodis Logistics LLC*, Riverside Superior Court, Case No.
5 CVRI2400956, final approval of class/PAGA settlement granted on June 25, 2025; *Eric Echeverria*
6 *v. Fireclay Tile Inc.*, San Benito Superior Court Case No. CU-23-00249, final approval of
7 class/PAGA settlement granted on May 7, 2025; *Norma Borquez v. Smart Metals Recycling LLC*,
8 Yolo Superior Court Case No. CV2024-0050, final approval of class/PAGA settlement granted on
9 April 4, 2025; *Juan Hinojos Campos v. Applied Technology Group, Inc.*, Kern Superior Court Case
10 No. BCV-23-103067, final approval of class/PAGA settlement granted on March 11, 2025;
11 *Dennisha Lampkin v. Sunstates Security, Inc.*, Riverside Superior Court Case No. CVRI2305600,
12 final approval of class/PAGA settlement granted on December 18, 2024.

13 5. Tiffany L. Luu, Esq.'s primary practice has been employment law throughout her
14 entire legal career. Ms. Luu handled a number of wage and hour matters, including individual
15 actions and class and/or PAGA actions, on behalf of plaintiffs and defendants. Ms. Luu received her
16 J.D., cum laude, along with her Master of Dispute Resolution, from the Pepperdine University Rick
17 J. Caruso School of Law in 2020. Ms. Luu practiced as a labor and employment associate for the
18 next 3 years representing employers in wage and hour class and/or PAGA actions, including at
19 Lewis Brisbois Bisgaard & Smith LLP and Fisher & Phillips LLP. In January 2024, Ms. Luu joined
20 JFW and as an associate in the Complex Litigation Practice Group, where she focuses her practice
21 on representing employees in wage and hour class and PAGA action lawsuits. Ms. Luu has been
22 appointed as class counsel in all of the class settlements referenced in Paragraph 4 above.

23 6. Joseph C. Ramli, Esq.'s primary practice has been employment law throughout his
24 entire legal career. Mr. Ramli received his J.D. from the Pepperdine University Rick J. Caruso
25 School of Law in 2021. Shortly after passing the California State Bar, Mr. Ramli practiced as a
26 labor and employment associate starting in March 2022 representing employers in wage and hour
27 class and/or PAGA actions, including at Lewis Brisbois Bisgaard & Smith LLP and O'Hagan Meyer
28 LLP. In January 2025, Mr. Ramli joined JFW and as an associate in the Complex Litigation Practice

1 Group, where he focuses his practice on representing employees in wage and hour class and PAGA
2 action lawsuits. Mr. Ramli has been appointed as class counsel in some of the class settlements
3 referenced in Paragraph 4 above.

4 7. As counsel for Plaintiff and the proposed Class, I have been intimately
5 involved in this case since its inception and I believe that the proposed class settlement is an
6 excellent result for the Class. Enclosed as **Exhibit 1** is a true and correct copy of the Parties' fully
7 executed Class Action and PAGA Settlement Agreement and Class Notice (the "Settlement" or
8 "Agreement"). The proposed Class Notice is attached to the Agreement as **Exhibit A**.

9 8. Enclosed as **Exhibit 2** is a true and correct copy of the redlined Class Action and
10 PAGA Settlement Agreement and Class Notice. The redlined Class Notice is attached to the
11 redlined Agreement as **Exhibit A**.

12 **THE PARTIES AND BRIEF PROCEDURAL HISTORY**

13 9. Defendant owns and operates a canned foods distribution company in Norwalk,
14 California.

15 10. On December 11, 2024, Plaintiff sent a notice letter under PAGA to the Labor and
16 Workforce Development Agency ("LWDA") and gave notice to Defendant. Enclosed as **Exhibit 3**
17 is a true and correct copy of PAGA Notice.

18 11. On the same day, December 11, 2024, Plaintiff filed the Class Action Complaint
19 alleging claims for (1) Minimum Wage Violations; (2) Overtime Wage Violations; (3) Meal Period
20 Violations; (4) Rest Period Violations; (5) Wage Statement Penalties; (6) Waiting Time Penalties;
21 (7) Failure to Reimburse Necessary Business Expenses; and (8) Unfair Competition. On October
22 28, 2024, Plaintiff filed the operative First Amended Complaint ("Operative Complaint") adding a
23 cause of action for Civil Penalties Under PAGA against Defendant. Enclosed as **Exhibit 4** is a true
24 and correct copy of the Operative Complaint, which has been uploaded to the LWDA's website.

25 **PLAINTIFF'S CLAIMS AND DEFENDANTS' DEFENSES**

26 12. Plaintiff alleged that she often worked off the clock without pay, such as answering
27 calls during her meal break, and experienced unpaid minimum and overtime wages as a result of the
28 off-the-clock work. Defendant argued it has compliant policies that prohibit working off the clock

1 and require all employees to receive wages for all hours worked. During the Class Period,
2 Defendant paid Class Members over \$14,000.00 in overtime wages. Defendant thus contended that
3 Plaintiff's off-the-clock work claim is individualized and not suited for class certification since
4 there is no evidence of a common policy or practice forcing Class Members to work off the clock
5 and numerous individual inquiries would be needed to assess which Class Members, if any, worked
6 off the clock, how often, the reasons why a particular Class Member worked off the clock, and
7 whether Defendant knew or should have known that Class Members worked off the clock for the
8 imposition of classwide liability.

9 13. Plaintiff claimed that Defendant failed to provide Class Members with compliant
10 meal breaks. In response, Defendant argued that it maintained compliant meal period policies and
11 practices throughout the Class Period and always provided compliant meal periods in line with
12 those policies. Defendant pointed to the fact that it paid \$1,088.00 in meal period premiums as
13 evidence of its superior meal period compliance practices. As such, Defendant maintained that
14 Plaintiff's meal period claim is not suited for class certification since individual inquiries would be
15 needed to assess which employees, if any, took non-compliant meal periods, how many meal
16 periods were non-compliant, and the reasons why a particular employee did not take a meal period
17 on a particular shift and a meal period premium was not paid.

18 14. Plaintiff claimed that Defendant failed to provide Class Members with compliant rest
19 breaks. Defendant countered that it has maintained compliant rest period policies and practices and
20 provided compliant rest periods in line with those policies. Defendant further maintained that
21 Plaintiff's rest period claim is not suited for class certification since individual inquiries would be
22 needed to assess which employees, if any, took non-compliant rest periods, how many rest periods
23 were non-compliant, and the reasons why a particular employee did not take a rest period on a
24 particular shift

25 15. Plaintiff alleged that she was required to use her personal cellphone for work
26 purposes, such as to download applications for communication with customers out of the country.
27 In response, Defendant argued that it does not require employees to use their personal cellphones
28 and Plaintiff used her personal cellphone out of her own convenience. Defendant further maintained

1 that Plaintiff's reimbursement claim is not suited for class certification since individual inquiries
2 would be needed to assess which employees, if any, used their personal cellphone and whether such
3 usage was necessary to perform their duties.

4 16. As a result of the unpaid wages and meal period premium wages described above,
5 Plaintiff contended that Defendants failed to comply with its final pay obligations set forth in Labor
6 Code §§ 201 to 203 to former employees and failed to issue accurate itemized wage statements to
7 Class Members as set forth in Labor Code § 226(a). Thus, the claims for waiting time and wage
8 statement penalties are derivative of the underlying claims. Defendants argued that it possessed
9 strong, good faith defenses to Plaintiff's underlying claims and these claims cannot meet the
10 willfulness standard in Labor Code § 203 or the knowing and intentional standard in Labor Code §
11 226(e). Notably, Defendant relied on the California Supreme Court decision in *Naranjo v. Spectrum*
12 *Security Services, Inc.* (2024) 15 Cal.5th 1056, 1065, which held that an employer's good-faith
13 defenses precludes a "willfulness" finding under Labor Code § 203 and a "knowing and intentional"
14 finding under Labor Code § 226(e) for the imposition of statutory penalties. Defendant further
15 asserted that Plaintiff's waiting time and wage statement penalty exposure was inflated as not every
16 employee experienced the alleged Labor Code violations.

17 17. Plaintiff further contended that, as a result of the foregoing Labor Code violations,
18 Defendants are liable for civil penalties under the PAGA. Since Plaintiff's PAGA claims are
19 derivative of Plaintiff's underlying wage claims, Defendant asserted the PAGA claim would fail
20 with those claims. Defendant further maintained that, given their good faith defenses, this Court
21 would exercise its discretion to substantially reduce any PAGA penalties if it were to find
22 Defendant liable for any of Plaintiff's claims.

23 **DISCOVERY AND MEDIATION**

24 18. Plaintiff initiated pre-certification written discovery prior to the Parties agreeing to
25 mediation. In connection with mediation, the Parties engaged in extensive informal discovery.
26 Defendant produced (1) a class list with employee numbers, dates of employment, positions, and the
27 number of Class Workweeks and PAGA Pay Periods; (2) time and payroll records for all Class
28 Members; (3) Defendant's employee handbooks and standalone policy documents; and (4)

1 Plaintiff's personnel records and wage statements.

2 19. Plaintiff submits that Class Members' time and payroll records are statistically
3 significant and reliable. The timekeeping data and payroll data produced for mediation were
4 generated from uniform timekeeping and payroll systems, which allowed Class Counsel to
5 extrapolate his and his expert's findings with confidence. Class Members worked in similar job
6 positions and were subject to the same wage and hour policies and procedures. Given these
7 circumstances, the experiences of a subset of employees – the sampling – can be probative as to the
8 experiences of all Class Members

9 20. In preparation for mediation, Class Counsel worked with an expert data analyst and
10 conducted a comprehensive analysis and extrapolation of the payroll and timekeeping data
11 produced by Defendants to create a detailed exposure analysis for all claims at issue. This discovery
12 and analysis allowed the Parties to assess the merits and value of Plaintiff's claims, the chances of
13 certification of Plaintiff's claims, and Defendants' potential defenses.

14 21. On January 9, 2026, the Parties participated in a full-day mediation with Steven
15 Pearl, Esq. a well-respected wage and hour class action mediator. During mediation, the Parties
16 vigorously debated their opposing legal positions, the likelihood of certification of Plaintiff's
17 claims, and the legal basis for the claims and defenses. The Parties reached a tentative class and
18 PAGA settlement at the mediation. During the months that followed, the Parties finalized the terms
19 of the Settlement and executed the Agreement now before the Court.

20 **THE PROPOSED SETTLEMENT**

21 22. The monetary terms of the Settlement are summarized below:

Gross Settlement Amount:	\$250,000.00
Minus Court-approved attorneys' fees:	\$83,333.33
Minus Court-approved verified costs (up to):	\$20,000.00
Minus Court-approved Service Payment:	\$7,500.00
Minus estimated settlement administration costs:	\$3,970.00
Minus amount set aside as PAGA Payment:	\$15,000.00
Net Settlement Amount:	\$120,196.67
35% PAGA Payment to Aggrieved Employees:	\$5,250.00

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27 23. According to Defendant, there are approximately 42 Class Members. Therefore, the
28 average Individual Class Payment from the Net Settlement Amount is projected to be approximately

1 \$2,861.83. There are also approximately 22 Aggrieved Employees during the PAGA Period who
2 will each receive an average of approximately \$238.64 as Individual PAGA Payments.

3 24. The requested fee is fair compensation for undertaking complex, risky, expensive,
4 and time-consuming litigation on a purely contingent fee basis. Class Counsel have incurred
5 substantial attorneys' fees and costs conducting pre-filing investigation, analyzing Plaintiff's
6 claims, conducting legal research, conducting discovery, analyzing Class Members' time and
7 payroll records, creating a comprehensive damages model, preparing for and attending mediation,
8 negotiating and preparing the long-form Agreement, preparing this Motion, and otherwise litigating
9 the case. Class Counsel expect to expend additional attorney time in attending the hearing on this
10 Motion, overseeing the Class Notice process and fielding questions from Class Members, preparing
11 the Final Approval papers, and attending the Final Approval hearing.

12 **PRELIMINARY APPROVAL IS WARRANTED**

13 25. Although Plaintiff maintains that Plaintiff's claims are meritorious, Plaintiff
14 acknowledges that there were substantial risks and uncertainty in proceeding with litigation. . As
15 described above, Defendant presented multiple defenses to Plaintiff's claims, both on the merits and
16 with respect to class certification. Although the Parties engaged in significant informal discovery
17 prior to mediation, the Parties still had significant formal discovery to complete had the matter not
18 been settled. This would have required the expenditure of substantial time and resources by both
19 Parties that would have very likely spanned several years. Even if Plaintiff were to certify the
20 classes, the Parties would incur considerably more attorneys' fees and costs through a possible
21 decertification motion, trial, and possible appeal. This Settlement avoids those risks and the
22 accompanying expense.

23 26. Plaintiff has not yet filed a motion for class certification, and as such, the extent to
24 which Plaintiff's proposed classes were certifiable is somewhat speculative. Absent settlement,
25 there was a risk that there would not be a certified class at the time of trial, or if there were, it would
26 consist of a significantly smaller group of employees than the proposed Class due to a narrowing of
27 the class definition in a Court order on a contested motion for class certification.

28 ///

1 27. Unpaid Wages. Any instance of off-the-clock work would not be reflected in the
2 records. Estimating that Class Members worked on average 3 hours off the clock per pay period, at
3 an average hourly rate of \$24.28, and extrapolated to 2,391 pay periods, Defendant's maximum
4 exposure for unpaid wages, including overtime, is \$261,240.66. As discussed above, Defendant
5 argued it has compliant policies that prohibit working off the clock and require all employees to
6 receive wages for all hours worked; during the Class Period, Defendant paid Class Members over
7 \$14,000.00 in overtime wages; and that Plaintiff's off-the-clock work claim is individualized and
8 not suited for class certification. Thus, Plaintiff discounted Defendant's maximum exposure by 50%
9 to account for the risk of non-certification and for Defendant's defenses on the merits or failing to
10 recover the full amount sought to arrive at an estimated realistic recovery of approximately
11 \$130,620.33.

12 28. Meal Period Premiums. Plaintiff's expert found, out of 10,282 shifts and 1,143 pay
13 periods: 2,255 shifts or 21.93% had missed meal periods, 3,470 shifts or 33.75% had late meal
14 periods, 1,273 shifts or 12.38% had short meal periods, 1,290 shifts or 12.55% had missed second
15 meal periods, and after accounting for meal period premiums paid, there were 5.7 meal period
16 violations per pay period. Extrapolating 5.7 violations per pay period to 2,391 pay periods and at an
17 average hourly rate of \$24.28, Defendant's maximum exposure for unpaid meal period premiums is
18 \$330,848.97. As discussed above, Defendant argued that it maintained compliant meal period
19 policies and practices throughout the Class Period and always provided compliant meal periods in
20 line with those policies; that it paid \$1,088.00 in meal period premiums as evidence of its superior
21 meal period compliance practices; and Plaintiff's meal period claim is not suited for class
22 certification since individual inquiries predominated. Thus, Plaintiff discounted Defendant's
23 maximum exposure by 50% to account for the risk of non-certification and for Defendant's
24 defenses on the merits or failing to recover the full amount sought to arrive at an estimated realistic
25 recovery of approximately \$165,424.49.

26 29. Rest Period Premiums. Defendant had Class Members record their rest breaks on
27 timesheets and Plaintiff's expert analyzed the rest break entries and found 34.54% of shifts had a
28 rest period violation, or 2.82 rest period violations per pay period. Extrapolating 2.82 rest period

1 violations per pay period to 2,391 pay periods and at an average hourly rate of \$24.28, Defendant's
2 maximum exposure for unpaid meal period premiums is \$163,915.71 As discussed above,
3 Defendant argued that it maintained compliant rest period policies and practices throughout the
4 Class Period and always provided compliant rest periods in line with those policies; and Plaintiff's
5 rest period claim is not suited for class certification since individual inquiries predominated. Thus,
6 Plaintiff discounted Defendant's maximum exposure by 50% to account for the risk of non-
7 certification and for Defendant's defenses on the merits or failing to recover the full amount sought
8 to arrive at an estimated realistic recovery of approximately \$81,957.86.

9 30. Unreimbursed Expenses: Estimating a cellphone reimbursement rate of \$25 per pay
10 period, extrapolated over 2,391 pay periods, Defendant's maximum exposure for unreimbursed
11 business expenses is \$59,775.00. As discussed above, Defendant argued that Class Members were
12 not required to use their personal cellphone to perform their duties and Plaintiff's reimbursement
13 claim is not suited for class certification since individual inquiries predominated. Thus, Plaintiff
14 discounted Defendant's maximum exposure by 50% to account for the risk of non-certification and
15 for Defendant's defenses on the merits or failing to recover the full amount sought to arrive at an
16 estimated realistic recovery of approximately \$29,887.50.

17 31. Waiting Time Penalties: As a result of the regular rate violations described above,
18 Plaintiff contends that Defendant failed to comply with its final pay obligations set forth in Labor
19 Code §§ 201 to 203 to former employees. At 24 former employees, at an average hourly rate of
20 \$24.28 and average hours worked of 8.05 hours, and over 30 days, Defendant's maximum exposure
21 for waiting time penalties is \$140,726.88. Defendant presented several defenses, including that
22 because it possessed good-faith defenses to the underlying wage claims, any failure to pay wages
23 was not "willful" as a matter of law; Plaintiff's waiting time penalty exposure was grossly inflated
24 as not every former employee experienced the alleged Labor Code violations; and because the
25 waiting time claim is derivative of Plaintiff's underlying wage claims, Plaintiff would need to
26 overcome Defendant's defenses, both as to class certification and on the merits, as to the underlying
27 claims. Thus, Plaintiff discounted Defendant's maximum exposure by 80% to account for the risk
28 of non-certification and Defendant's defenses on the merits or failing to recover the full amount

1 sought, to arrive at an estimated realistic recovery of approximately \$28,145.38.

2 32. Wage Statement Penalties: Plaintiff alleged that Defendant is liable for wage
3 statement penalties as a result of unpaid wages. Those penalties are calculated as \$50 for each
4 “initial” violation and \$100 for each “subsequent” violation, with a maximum of \$4,000 per
5 employee. Lab. Code § 226(e). Class Counsel found in the payroll records approximately 38.39% of
6 pay periods had a regular rate violation, and at \$50 for the initial violation and \$100 for each
7 subsequent violation per employee, Defendant’s maximum exposure for wage statement penalties is
8 \$80,812.29. As discussed above, Defendant presented several defenses, most notably their assertion
9 that because they possessed good-faith defenses to the underlying claims for meal period violations
10 and any failure to pay wages was not “knowing and intentional” as a matter of law and because the
11 wage statement claim is derivative of Plaintiff’s underlying wage claims, Plaintiff would need to
12 overcome Defendant’s defenses, both as to class certification and on the merits, as to his underlying
13 claims. Thus, Plaintiff discounted Defendant’s maximum exposure by 80% to account for the risk
14 of non-certification and Defendant’s defenses on the merits or failing to recover the full amount
15 sought, to arrive at an estimated realistic recovery of approximately \$16,162.46.

16 33. PAGA Penalties: Plaintiff estimated a maximum total PAGA exposure of
17 approximately \$83,100.00 (\$100 initial penalty X 8,310 pay periods). However, these penalties
18 derive from the underlying wage and hour violations discussed above, which Defendants dispute
19 vigorously. Therefore, Plaintiff discounted the maximum figure by 80% for the risk of losing on the
20 merits and/or not recovering a PAGA penalty for each and every pay period and to account for the
21 possibility of this Court reducing penalties, to arrive at an estimated exposure of approximately
22 \$16,620.00.

23 34. Using these estimated figures for each of the claims described above, Plaintiff
24 predicted that the potential realistic recovery for the Class would be approximately \$468,818.00.
25 The proposed Settlement of \$308,583.00 represents approximately 53.33% of the reasonably
26 forecasted recovery for the Class. Preliminary approval is appropriate since the Settlement will
27 provide significant monetary relief to the Class, which is consistent with what Class Counsel
28 believes could have been recovered had the case proceeded through trial.

1 35. There is no conflict between my interests and the interests of the Class that I am
2 seeking to represent. I have demonstrated my ability to advocate for the interests of the Class by
3 initiating this litigation, undertaking extensive class discovery, negotiating the proposed Settlement
4 at mediation, seeking preliminary approval, and otherwise litigating this case. I also do not have any
5 conflict of interest with the Administrator.

6 36. I am not aware of any other pending matter or action asserting claims that will be
7 extinguished or affected by the Settlement.

8 37. On June 23, 2026, I uploaded a copy of the Motion for Preliminary Approval, the
9 fully executed Agreement, supporting declarations, and Proposed Order to the LWDA's website.
10 Enclosed as **Exhibit 5** is a true and correct copy of the LWDA's filing confirmation.

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

13 Executed on May 1, 2026 at Los Angeles, California.

14
15 

16 _____
William C. Sung

EXHIBIT 1

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Roseanna Magdaleno (“Plaintiff”) and Defendant Milky Way International Trading Corporation (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Actions” means the Plaintiff’s lawsuit alleging wage and hour violations against Defendant captioned *Roseanna Magdaleno v. Milky Way International Trading Corporation*, Case No. 24STCV32622 initiated on December 11, 2024 and pending in Superior Court of the State of California, County of Los Angeles.
- 1.2. “Administrator” means Apex Class Action LLC, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. “Aggrieved Employee” means all current and former non-exempt or hourly paid employees who worked for Defendant in California at any time during the PAGA Period.
- 1.5. “Class” shall mean all current and former non-exempt or hourly paid employees who worked for Defendant in California at any time during the Class Period.
- 1.6. “Class Counsel” means William C. Sung, Tiffany L. Luu, and Joseph C. Ramli of Justice for Workers, P.C.
- 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.8. “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Pay Periods and PAGA Pay Periods.
- 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a

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

- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12. “Class Period” means the period from December 11, 2020 through March 10, 2026 or the date of Preliminary Approval, whichever is earlier.
- 1.13. “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.
- 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.
- 1.15. “Court” means the Superior Court of California, County of Los Angeles.
- 1.16. “Defendant” means Defendant Milky Way International Trading Corporation.
- 1.17. “Defense Counsel” means Soltman & Wattles LLP.
- 1.18. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment, which is 60 days after entry of the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.21. “Final Judgment” means the Judgment Entered by the Court upon Granting Final

Approval of the Settlement.

- 1.22. “Gross Settlement Amount” means Two Hundred Fifty Thousand Dollars and Zero Cents (\$250,000.00) which is the 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 Administrator’s Expenses.
- 1.23. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Class Pay Periods worked during the Class Period.
- 1.24. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 35% of the PAGA Penalties calculated according to the number of pay periods worked during the PAGA Period.
- 1.25. “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.26. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.27. “LWDA PAGA Payment” means the 65% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.28. “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 is to be paid to Participating Class Members as Individual Class Payments.
- 1.29. “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.
- 1.30. “PAGA Pay Period” means any pay period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.31. “PAGA Period” means the period from December 11, 2023 through March 10, 2026 or the date of Preliminary Approval, whichever is earlier.
- 1.32. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

- 1.33. “PAGA Notice” means Plaintiff’s December 11, 2024 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.34. “PAGA Penalties” means Fifteen Thousand Dollars and Zero Cents (\$15,000.00) which is the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 35% to the Aggrieved Employees (\$5,250.00) and the 65% to LWDA (\$9,750.00) in settlement of PAGA claims.
- 1.35. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.36. “Plaintiff” mean Roseanna Magdaleno, the named Plaintiff in the Action.
- 1.37. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.38. “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.39. “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.
- 1.40. “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.41. “Released Parties” means Defendant and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.
- 1.42. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.43. “Response Deadline” means 45 days after the Administrator mails Notice to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are remailed after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the date the Response Deadline has expired.
- 1.44. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

- 1.45. “Class Pay Period” means any pay period during which a Class Member worked for Defendant for at least one day, during the Class Period.

2. RECITALS.

- 2.1. On December 11, 2024, Plaintiff commenced this Action by filing a Class Action Complaint alleging causes of action against Defendant for (1) Minimum Wage Violations; (2) Overtime Wage Violations; (3) Meal Period Violations; (4) Rest Period Violations; (5) Wage Statement Penalties; (6) Waiting Time Penalties; (7) Failure to Reimburse Necessary Business Expenses; and (8) Unfair Competition. On February 18, 2025, Plaintiff filed the First Amended Complaint adding the following cause of action: (9) Civil Penalties Under the California Private Attorneys General Act. The First Amended Complaint is the operative complaint in the Action (the “Operative Complaint”). Defendant denies the allegations in the Action, denies any failure to comply with the laws identified 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 gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.
- 2.3. On January 9, 2026, the Parties participated in an all-day mediation presided over by Steven Pearl, Esq. which led to this Agreement to settle the Action.
- 2.4. Prior to mediation, Plaintiff obtained, through informal discovery, Defendant’s policies and procedures at issue and class records, including all Class Members’ time and payroll records. Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).
- 2.5. The Court has not granted class certification.
- 2.6. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay Two Hundred Fifty Thousand Dollars and Zero Cents (\$250,000.00) and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions 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.

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. Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service 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. Plaintiffs assume full responsibility and liability for employee taxes owed on the Class Representative Service Payment.
- 3.2.2. To Class Counsel: Attorneys' fees of not more than One-Third (33 1/3%) of the Gross Settlement Amount which is currently estimated to be \$83,333.33 and reimbursement of litigation costs of up to \$20,000.00. 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. 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 Fee 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 Fee Payment and 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: The Administration Expenses Payment not to exceed \$3,970.00 except for a showing of good cause and as approved by the Court.

Defendant will not oppose requests for these payments provided that they do not exceed this amount. To the extent the Administration Expenses Payment is less or the Court approves a payment of less than \$3,970.00, 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 Class Pay Periods worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Class Pay Periods.

3.2.4.1. Tax Allocation of Individual Class Payments. 20% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. 80% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

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

3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$15,000.00 to be paid from the Gross Settlement Amount, with 65% (\$9,750.00) allocated to the LWDA Payment and 35% (\$5,250.00) 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 (\$5,250.00) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2. If the Court approves PAGA Penalties of less than the amount

requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1. Class Pay Periods and Aggrieved Employee PAGA Pay Periods. Based on a review of its records to date, Defendant estimate that there are 42 Class Members who collectively worked a total of 2,290 Class Pay Periods, and 9 Aggrieved Employees who worked a total of 885 PAGA Pay Periods.
- 4.2. Class Data. Not later than 15 days after the Court grants Preliminary Approval of the Settlement, Defendant will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.
- 4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than 30 days after the Effective Date.
- 4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.
 - 4.4.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (180 days after the date of mailing) when the

check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

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

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

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

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

5.1 Plaintiff's Release. Plaintiff and Plaintiff's respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or

occurrences related to Plaintiff's employment with Defendant, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiff's PAGA Notice. ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. 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 favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

5.2 Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from any and all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint that arose during the Class Period, including without limitation: (1) minimum wage violations; (2) overtime wage violations; (3) meal period violations; (4) rest period violations; (5) wage statement penalties; (6) waiting time penalties; (7) failure to reimburse necessary business expenses; and (8) unfair competition ("Released Class Claims"). Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

5.3 Release by Aggrieved Employees: All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on facts stated in the Operative Complaint and the PAGA Notice that

arose during the PAGA Period, including without limitations: (1) minimum wage violations; (2) overtime wage violations; (3) meal period violations; (4) rest period violations; (5) wage statement penalties; (6) waiting time penalties; (7) failure to reimburse necessary business expenses; and violations of Labor Code §§ 201, 202, 203, 204, 210, 226, 226.7, 256, 510, 512, 516, 558, 558.1, 1174, 1194, 1197, 1197.1, 1198, and 2802 (“Released PAGA Claims”).

6. MOTION FOR PRELIMINARY APPROVAL. The Parties agree to jointly prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s current checklist for Preliminary Approvals.

- 6.1 Defendant’s Declaration in Support of Preliminary Approval. Within 14 days of the full execution of this Agreement, Defendant will prepare and deliver to Class Counsel a signed Declaration from Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In their Declarations, Defense 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. Within 14 days of the full execution of this Agreement, Defendant will prepare and deliver to Class Counsel a signed Declaration from Defendant attesting to the English proficiency of the Class Members.
- 6.2 Plaintiff’s Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; and (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (v) 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)); (vi) a redlined version of the parties’ Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (vii) all facts relevant to any actual or potential conflict of interest with Class Members and the

Administrator. In their Declarations, Plaintiff and Class Counsel Declaration shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

- 6.3 Responsibilities of Counsel. Class Counsel is responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 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 to the Administrator.
- 6.4 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 person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected Apex Class Action LLC to serve as the Administrator and verified that, as a condition of appointment, Apex Class Action LLC agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for 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.
- 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 7.4 Notice to Class Members.
- 7.4.1 No later than three (3) 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, Class Pay

Periods, and PAGA Pay Periods 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 USPS mail, the Class Notice, with Spanish translation, substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Class Pay Periods and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
- 7.4.3 Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- 7.4.4 The deadlines for Class Members' written objections, Challenges to Class Pay Periods and/or PAGA Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 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.
- 7.4.5 If the Administrator, Defendant or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5 Requests for Exclusion (Opt-Outs).

- 7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.
- 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. 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' Release under Paragraph 5.2 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.
- 7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

- 7.6 Challenges to Calculation of Class Pay Periods. Each Class Member shall have 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Pay Periods and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating

with the Administrator via fax, email, or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Class Pay Periods 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 Class Pay Periods and/or PAGA Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to the calculation of Class Pay Periods and/or PAGA Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

7.7 Objections to Settlement.

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

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 45 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

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

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

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

number to receive Class Member calls, faxes and emails.

- 7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).
- 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Class Pay Periods and/or PAGA Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.
- 7.8.4 Class Pay Periods and/or PAGA Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Class Pay Periods and/or PAGA Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.
- 7.8.5 Administrator’s Declaration. Not later than 14 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and the full names of Class Members who opted out of the settlement, the high, low, and average Individual Class Payments, and the high, low, and average Individual PAGA Payments. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class

Counsel is responsible for filing the Administrator's declaration(s) in Court.

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

8. **CLASS SIZE ESTIMATES and ESCALATOR CLAUSE** Based on its records, Defendant estimates that, as of the date of this Settlement Agreement, (1) there are 42 Class Members and 2,290 total Class Pay Periods during the Class Period and (2) there were 22 Aggrieved Employees who worked 831 PAGA Pay Periods during the PAGA Period. If the total Class Pay Periods during the Class Period is 10% higher (2,519 Class Pay Periods), then Defendant shall have the option to either: (1) de-escalate the settlement so that the Class Period ends on the date that the Class Pay Periods count totals no more than 2,519 Class Pay Periods and the PAGA Period will end on the same date as the Class Period; or (2) permit the Gross Settlement Amount to be increased proportionally by the Class Pay Periods in excess of 2,519 Class Pay Periods (the "Escalator Clause"). For example, if the number of Class Pay Periods is 11% higher, the Gross Settlement Amount will increase by 1%. No later than two weeks after the close of the Class Period or two weeks prior to the hearing on Preliminary Approval, Defendant shall verify the total number of Class Pay Periods during the Class Period by either submitting a declaration to Class Counsel stating the total number of Class Pay Periods during the Class Period or providing the number of Class Pay Periods and/or dates of employment of Class Members to the Administrator, who will calculate Class Pay Periods. If the Escalator Clause is triggered, prior to the hearing on preliminary approval, Defendant shall choose to either change the end date of the Class Period or increase the Gross Settlement Amount in accordance with the Escalator Clause such that there is a certain end date for the Class Period for preliminary approval.
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, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no 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 Administration Expenses Payment incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than 7 days within learning this information; late elections will have no effect.

10. MOTION FOR FINAL APPROVAL. Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively “Motion for Final Approval”). Plaintiff shall provide drafts of these documents to Defense Counsel not later than 7 days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and 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 5 days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

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

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

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

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

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

12. ADDITIONAL PROVISIONS.

12.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the 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. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any 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 Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

12.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will

be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that “the matter was resolved,” or words to that effect. This paragraph does not restrict Class Counsel’s communications with Class Members in accordance with Class Counsel’s ethical obligations owed to Class Members.

- 12.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel’s ability to communicate with Class Members in accordance with Class Counsel’s ethical obligations owed to Class Members.
- 12.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 12.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 12.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 12.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this

Settlement.

- 12.8 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 12.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 12.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 12.13 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during the Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 12.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.
- 12.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 12.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this

Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

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

To Plaintiff:

JUSTICE FOR WORKERS, P.C.

William C. Sung
Tiffany L. Luu
Joseph C. Ramli
3600 Wilshire Blvd., Ste. 1815
Los Angeles, CA 90010
T: (323) 922-2000
william@justiceforworkers.com
tluu@justiceforworkers.com
jramli@justiceforworkers.com

To Defendant:

SOLTMAN & WATTLES LLP

Kevin S. Wattles
Rachael L. Marko
90 E. Thousand Oaks Blvd., Suite 300
Thousand Oaks, CA 91360
Tel: (805) 497-7706
Fax: (805) 497-1147

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

ACCEPTED AND AGREED:

Dated: _____, 2026

Plaintiff Roseanna Magdaleno

Dated: February 9, 2026



Defendant Milky Way International Trading Corporation

By: Anson To
Printed Name

Its: Controller
Title

AGREED AS TO FORM AND CONTENT:

Dated: _____, 2026

William C. Sung
Tiffany L. Luu
JUSTICE FOR WORKERS P.C
Attorneys for Plaintiff Roseanna Magdaleno

Dated: February 3, 2026



Kevin S. Wattles
Rachael L. Marko
SOLTMAN & WATTLES LLP
Attorneys for Defendant Milky Way International Trading Corporation

Exhibit A

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

Roseanna Magdaleno v. Milky Way International Trading Corporation, Case No. 24STCV32622

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

You may be eligible to receive money from an employee class action lawsuit (“Action”) against Milky Way International Trading Corporation (“Defendant”) for alleged wage and hour violations. The Action was filed by a former employee Roseanna Magdaleno (“Plaintiff”) and seeks payment of (1) back wages and other relief for a class of all current and former non-exempt or hourly employees who worked for Defendant within the State of California during the Class Period of December 11, 2020 through March 10, 2026 or the date of Preliminary Approval, whichever is earlier (“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 within the State of California during the PAGA Period of December 11, 2023 through March 10, 2026 or the date of Preliminary Approval, whichever is earlier (“Aggrieved Employees”).

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 \$INSERT (less withholding) and your Individual PAGA Payment is estimated to be \$INSERT**. The actual amount you may receive may 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 did not work during the PAGA Period.)

The above estimates are based on Defendant’s records showing that **you worked INSERT Class Pay Periods** during the Class Period, and **you worked INSERT PAGA Pay Periods** during the PAGA Period. If you believe that you worked more pay periods during either period, you can submit a challenge by the deadline date. See Section 4 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 do not act. 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.

If you worked for Defendant during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

- (1) **Do Nothing.** You do not have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendant.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Defendant, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

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

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 (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is 	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-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 6 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 [REDACTED]	All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of 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 Action 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 7 of this Notice.
You Can Participate in the [REDACTED] Final Approval Hearing	The Court’s Final Approval Hearing is scheduled to take place on [REDACTED]. You do not 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 8 of this Notice.
You Can Challenge the Calculation of Your Pay Periods Written Challenges Must be Submitted by [REDACTED]	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many Class Pay Periods you worked at least one day during the Class Period and how many PAGA Pay Periods you worked at least one day during the PAGA Period, respectively. The number of Class Pay Periods and number of PAGA Pay Periods you worked according to Defendant’s records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by [REDACTED]. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Defendant Milky Way International Trading Corporation. The Action accuses Defendant of violating California labor laws by failing to pay minimum and overtime wages; failing to provide legally compliant meal and rest periods; failing to reimburse necessary business expenses; failing to pay wages due upon termination; failing to provide accurate itemized wage statements; and unfair competition. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”). Plaintiff is represented by attorneys in the Action: William C. Sung, Tiffany L. Luu, Joseph C. Ramli of Justice for Workers, P.C. (“Class Counsel”).

Defendant strongly denies violating any laws or failing to pay any wages and contends it complied

with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Defendant or Plaintiff is correct on the merits. In the meantime, Plaintiff and Defendant hired an experienced, neutral mediator in an effort to resolve the Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, 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.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendant have agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

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

1. Defendant Will Pay \$250,000.00 as the Gross Settlement Amount. Defendant has agreed to deposit the Gross Settlement Amount into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement Amount 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 California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement Amount not more than 30 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 Amount. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$83,333.33 (One-Third or 33 1/3% of the Gross Settlement Amount) to Class Counsel for attorneys’ fees and up to \$20,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$7,500.00 to Plaintiff as Class Representative Service Payment for filing the

Action, working with Class Counsel and representing the Class. A 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 \$3,970.00 to the Administrator for services administering the Settlement.

D. Up to \$5,250.00 for PAGA Penalties, allocated 65% to the LWDA Payment and 35% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement Amount (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Pay Periods.
4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages ("Wage Portion") and 80% to interests 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 has 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 Individual PAGA Payments will show the date when the check expires (the void date). If you do not cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name.

If the monies represented by your check are sent to the Controller's Unclaimed Property, 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 notify

the Administrator in writing, not later than **INSERT**, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the **INSERT** Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member's name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments but will preserve their rights to personally pursue wage and hour claims against Defendant.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendant based on the PAGA Period facts alleged in the Action.

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 has agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Class Members will not release any claims against Defendant.
8. Administrator. The Court has appointed a neutral company, Apex Class Action LLC (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Class Pay Periods, 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 9 of this Notice.
9. Participating Class Members' Release. After the Judgment is final and Defendant has fully funded the Gross Settlement Amount and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant or related entities for wages based on the Class Period facts and PAGA Penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The 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, release Released Parties from any and all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint that arose during the Class Period, including without limitation: (1) minimum wage violations; (2) overtime wage violations; (3) meal period violations;

(4) rest period violations; (5) wage statement penalties; (6) waiting time penalties; (7) failure to reimburse necessary business expenses; and (8) unfair competition (“Released Class Claims”). Except as set forth in Section 5.3 of the Settlement Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period.

10. Aggrieved Employees’ PAGA Release. After the Court’s Judgment is final, and Defendant has paid the Gross Settlement Amount and separately paid the employer-side payroll taxes, all Aggrieved Employees will be barred from asserting PAGA claims against Defendant, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendant or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees’ Releases for Participating and Non-Participating Class Members are as follows:

All Participating and Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties, from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on facts stated in the Operative Complaint and the PAGA Notice that arose during the PAGA Period, including without limitations: (1) minimum wage violations; (2) overtime wage violations; (3) meal period violations; (4) rest period violations; (5) wage statement penalties; (6) waiting time penalties; (7) failure to reimburse necessary business expenses; and violations of Labor Code §§ 201, 202, 203, 204, 210, 226, 226.7, 256, 510, 512, 516, 558, 558.1, 1174, 1194, 1197, 1197.1, 1198, and 2802 (“Released PAGA Claims”).

4. 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 Class Pay Periods worked by all Participating Class Members, and (b) multiplying the result by the number of Class Pay Periods worked by each individual Participating Class Member.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$5,250.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Pay Periods worked by each individual Aggrieved Employee.

3. Workweek/PAGA Pay Period Challenges. The number of Class Pay Periods you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendant's records, are stated in the first page of this Notice. You have until **INSERT** to challenge the number of Class Pay Periods and/or PAGA Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email, or fax. Section 9 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 Class Pay Periods and/or PAGA Pay Periods 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 Pay Period challenges 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 cannot appeal or otherwise challenge its final decision.

5. 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 does not opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.
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 in this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

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

Submit a written and signed letter with your name, present address, 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 to be excluded. Be sure to personally sign your request, identify the Action as *Roseanna Magdaleno v. Milky Way International Trading Corporation*, Case No. 24STCV32622, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must receive your request to be excluded by **INSERT**, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to approve. At least 16 court days before the **INSERT** Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Attorneys' Fees and Litigation Costs and Class Representative Service Payment stating (i) the amount Class Counsel is requesting for Attorneys' Fees and Litigation Costs; and (ii) the amount Plaintiff is requesting as Class Representative Service Payment. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website www._____.com or the Court's website <https://www.lacourt.ca.gov/home>.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Attorneys' Fees and Litigation Costs, and Class Representative Service Payment may wish to object. **The deadline for sending written objections to the Administrator is **INSERT****. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action *Roseanna Magdaleno v. Milky Way International Trading Corporation*, Case No. 24STCV32622 and include your name, current address, telephone number, and approximate dates of employment for Defendant and sign the objection. Section 9 of this Notice has the Administrator's contact information.

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 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing **INSERT** at **INSERT a.m./p.m.** in Department 17 of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement Amount 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) either personally or virtually via LACourtConnect (<https://lacc.lacourt.org/>). Check the Court's website for the most current information.

It is possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website www._____.com beforehand or contact Class Counsel to verify

the date and time of the Final Approval Hearing.

9. 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 www.justiceforworkers.com. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<https://www.lacourt.ca.gov/home>) and entering the Case Number for the Action, Case No. 24STCV32622. You can also make an appointment to personally review court documents in the Clerk's Office at the Los Angeles Superior Court.

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

Class Counsel:

JUSTICE FOR WORKERS, P.C.

William C. Sung

Tiffany L. Luu

Joseph C. Ramli

3600 Wilshire Blvd., Ste. 1815

Los Angeles, CA 90010

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william@justiceforworkers.com

tluu@justiceforworkers.com

jramli@justiceforworkers.com

Administrator:

Apex Class Action LLC

Mailing Address: P.O. Box 7208, Orange, CA 92863

Telephone: (800) 523-5773

Facsimile: (949) 209-2503

Email: info@phoenixclassaction.com

10. 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. If your check is already void, you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds.

11. 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

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff [Roseanna Magdaleno](#) (“Plaintiff”) and Defendant [Milky Way International Trading Corporation](#) (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Actions” means the Plaintiff’s lawsuit alleging wage and hour violations against Defendant captioned [Roseanna Magdaleno v. Milky Way International Trading Corporation, Case No. 24STCV32622](#) initiated on [December 11, 2024](#) and pending in Superior Court of the State of California, County of Los Angeles.
- 1.2. “Administrator” means [Apex Class Action LLC](#), the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. “Aggrieved Employee” means [all current and former non-exempt or hourly paid employees who worked for Defendant in California at any time during the PAGA Period.](#)
- 1.5. “Class” shall mean [all current and former non-exempt or hourly paid employees who worked for Defendant in California at any time during the Class Period.](#)
- 1.6. “Class Counsel” means [William C. Sung, Tiffany L. Luu, and Joseph C. Ramli of Justice for Workers, P.C.](#)
- 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.8. “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class [Period Workweeks](#)[Pay Periods](#) and PAGA Pay Periods.
- 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as

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

- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English ~~[with a Spanish translation, if applicable]~~ in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12. “Class Period” means the period from December 11, 2020 through March 10, 2026 or the date of Preliminary Approval, whichever is earlier.
- 1.13. “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.
- 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.
- 1.15. “Court” means the Superior Court of California, County of Los Angeles.
- 1.16. “Defendant” means Defendant Milky Way International Trading Corporation.
- 1.17. “Defense Counsel” means Soltman & Wattles LLP.
- 1.18. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment, which is 60 days after entry of the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

- 1.21. “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
- 1.22. “Gross Settlement Amount” means Two Hundred Fifty Thousand Dollars and Zero Cents (\$250,000.00) which is the 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 Administrator’s Expenses.
- 1.23. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of WorkweeksClass Pay Periods worked during the Class Period.
- 1.24. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25%35% of the PAGA Penalties calculated according to the number of Workweekspay periods worked during the PAGA Period.
- 1.25. “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.26. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.27. “LWDA PAGA Payment” means the 75%65% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.28. “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 is to be paid to Participating Class Members as Individual Class Payments.
- 1.29. “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.
- 1.30. “PAGA Pay Period” means any pPay pPeriod during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.31. “PAGA Period” means the period from December 11, 2023 through March 10, 2026 or the date of Preliminary Approval, whichever is earlier.

- 1.32. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.33. “PAGA Notice” means Plaintiff’s December 11, 2024 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.34. “PAGA Penalties” means Fifteen Thousand Dollars and Zero Cents (\$15,000.00) which is the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated ~~25%~~35% to the Aggrieved Employees (\$5,250.00) and the ~~75%~~65% to LWDA (\$9,750.00) in settlement of PAGA claims.
- 1.35. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.36. “Plaintiff” mean Roseanna Magdaleno, the named Plaintiff in the Action.
- 1.37. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.38. “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.39. “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.
- 1.40. “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.41. “Released Parties” means Defendant and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.
- 1.42. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.43. “Response Deadline” means 45 days after the Administrator mails Notice to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are remailed after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the date the Response Deadline has expired.
- 1.44. “Settlement” means the disposition of the Action effected by this Agreement and the

Judgment.

- 1.45. “Workweek Class Pay Period” means any week-pay period during which a Class Member worked for Defendant for at least one day, during the Class Period.

2. RECITALS.

- 2.1. On December 11, 2024, Plaintiff commenced this Action by filing a Class Action Complaint alleging causes of action against Defendant for (1) Minimum Wage Violations; (2) Overtime Wage Violations; (3) Meal Period Violations; (4) Rest Period Violations; (5) Wage Statement Penalties; (6) Waiting Time Penalties; (7) Failure to Reimburse Necessary Business Expenses; and (8) Unfair Competition. On February 18, 2025, Plaintiff filed the First Amended Complaint adding the following cause of action: (9) Civil Penalties Under the California Private Attorneys General Act. ~~[The Complaint is the operative complaint in the Action (the “Operative Complaint.”)] [On , Plaintiff filed a First Amended Complaint alleging causes of action against Defendant.~~ The First Amended Complaint is the operative complaint in the Action (the “Operative Complaint”).] Defendant denies the allegations in the Action, denies any failure to comply with the laws identified 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 gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.
- 2.3. On January 9, 2026, the Parties participated in an all-day mediation presided over by Steven Pearl, Esq. which led to this Agreement to settle the Action ~~[or describe alternative means of negotiation]~~.
- 2.4. Prior to mediation ~~/negotiating the Settlement~~, Plaintiff obtained, through ~~formal~~/informal discovery, Defendant’s policies and procedures at issue and class records, including all Class Members’ time and payroll records. Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).
- 2.5. The Court ~~has~~/has not granted class certification.
- 2.6. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below,

Defendant promises to pay Two Hundred Fifty Thousand Dollars and Zero Cents (\$250,000.00) and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions 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.

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. Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service 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. Plaintiffs assume full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

3.2.2. To Class Counsel: Attorneys' fees of not more than One-Third (33 1/3%) of the Gross Settlement Amount which is currently estimated to be \$83,333.33 and reimbursement of litigation costs of up to \$20,000.00. 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. 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 Fee 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 Fee Payment and 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: The Administration Expenses Payment not to exceed ~~\$43,970.00~~ except for a showing of good cause and as approved by the Court. Defendant will not oppose requests for these payments provided that they do not exceed this amount. To the extent the Administration Expenses Payment is less or the Court approves a payment of less than ~~\$43,970.00~~, 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~~Class Pay Periods worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's ~~Workweeks~~Class Pay Periods.

3.2.4.1. Tax Allocation of Individual Class Payments. ~~20%~~ of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. ~~80%~~ of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

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

3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of ~~\$15,000.00~~ to be paid from the Gross Settlement Amount, with ~~75%~~65% (~~\$9,750.00~~) allocated to the LWDA Payment and ~~25%~~35% (~~\$5,250.00~~) 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' ~~25%~~35% share of PAGA Penalties (~~\$5,250.00~~) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA

Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

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

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1. Class ~~Workweeks-Pay Periods~~ and Aggrieved Employee PAGA Pay Periods. Based on a review of its records to date, Defendant estimate that there are 42 Class Members who collectively worked a total of 2,290 ~~Workweeks~~Class Pay Periods, and 9 Aggrieved Employees who worked a total of 885 PAGA Pay Periods.
- 4.2. Class Data. Not later than 15 days after the Court grants Preliminary Approval of the Settlement, Defendant will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.
- 4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than 30 days after the Effective Date.
- 4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

- 4.4.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
- 4.4.2. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without United States Postal Service ("USPS") forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.
- 4.4.3. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks [to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).] ~~for to a Court-approved nonprofit organization or foundation consistent with Code of Civil Procedure Section 384, subd. (b) ("Cy Pres Recipient") ____]. The Parties, Class Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient.~~
- 4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

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

5.1 Plaintiff's Release. Plaintiff and Plaintiff's respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences related to Plaintiff's employment with Defendant that occurred during the Class Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiff's PAGA Notice, ~~[or ascertained during the Action and released under 5.2, below]~~. ("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 outside the Class Period. 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 favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

5.2 Release by Participating Class Members Who Are Not Aggrieved Employees: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from any and all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint that arose during the Class Period, including without limitation: (1) minimum wage violations; (2) overtime wage violations; (3) meal period violations; (4) rest period violations; (5) wage statement penalties; (6) waiting time penalties; (7) failure to reimburse necessary business expenses; and (8) unfair competition ("Released Class Claims"). ~~(i) all claims that were alleged, or reasonably could~~

~~have been alleged, based on the Class Period facts stated in the Operative Complaint [and ascertained in the course of the Action] [including, e.g., “(a) any and all claims involving any alleged failure to pay minimum wage; etc.].~~ Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period.

- 5.3 Release by ~~Non-Participating Class Members Who Are~~ Aggrieved Employees: All ~~Non-Participating Class Members who are~~ Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on facts stated in the Operative Complaint and the PAGA Notice that arose during the PAGA Period, including without limitations: (1) minimum wage violations; (2) overtime wage violations; (3) meal period violations; (4) rest period violations; (5) wage statement penalties; (6) waiting time penalties; (7) failure to reimburse necessary business expenses; and violations of Labor Code §§ 201, 202, 203, 204, 210, 226, 226.7, 256, 510, 512, 516, 558, 558.1, 1174, 1194, 1197, 1197.1, 1198, and 2802 (“Released PAGA Claims”). ~~all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint[,]~~ ~~[and] the PAGA Notice [and ascertained in the course of the Action][including, e.g., “(a) any and all claims involving any alleged failure to pay minimum wage; etc.].~~

6. MOTION FOR PRELIMINARY APPROVAL. The Parties agree to jointly prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s current checklist for Preliminary Approvals.

- 6.1 Defendant’s Declaration in Support of Preliminary Approval. Within 14 days of the full execution of this Agreement, Defendant will prepare and deliver to Class Counsel a signed Declaration from ~~Defendants and~~ Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator ~~and Cy Pres Recipient~~. In their Declarations, Defense Counsel ~~and Defendants~~ 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. Within 14 days of the full execution of this Agreement, Defendant will prepare and deliver to Class Counsel a signed Declaration from Defendant attesting to the English proficiency of the Class Members.
- 6.2 Plaintiff’s Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval

that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; and (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/or the proposed Cy Pres]~~; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, ~~[and/or]~~ the Administrator ~~[and/or the proposed Cy Pres]~~; (v) 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)); (vi) a redlined version of the parties’ Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (vii) all facts relevant to any actual or potential conflict of interest with Class Members and; the Administrator ~~and/or the Cy Pres Recipient~~. In their Declarations, Plaintiff and Class Counsel Declaration shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.3 Responsibilities of Counsel. Class Counsel is responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 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 to the Administrator.

6.4 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 person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court’s concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected Apex Class Action LLC to serve as the Administrator and verified that, as a condition of appointment, Apex Class Action LLC agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for 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.
- 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1.
- 7.4 Notice to Class Members.
- 7.4.1 No later than three (3) 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, WorkweeksClass Pay Periods, and PAGA Pay Periods 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 USPS mail, the Class Notice, with Spanish translation, ~~if applicable~~, substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of WorkweeksClass Pay Periods and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
- 7.4.3 Not later than 3 business days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4 The deadlines for Class Members' written objections, Challenges to ~~Workweeks~~Class Pay Periods and/or PAGA Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 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.

7.4.5 If the Administrator, Defendant or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5 Requests for Exclusion (Opt-Outs).

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

7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. 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' 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. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.6 Challenges to Calculation of ~~Workweeks~~Class Pay Periods. Each Class Member shall have 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class ~~Workweeks~~Pay Periods and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email, or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the ~~Workweeks~~Class Pay Periods 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~~Class Pay Periods and/or PAGA Pay Periods 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~~Class Pay Periods and/or PAGA Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

7.7 Objections to Settlement.

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

7.7.2 Participating Class Members may send written objections to the

Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 45 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

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

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

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

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

7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to WorkweeksClass Pay Periods and/or PAGA Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly

Report”). The Weekly Reports must include the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

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

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

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

8. CLASS SIZE ESTIMATES and ESCALATOR CLAUSE Based on its records, Defendant estimates that, as of the date of this Settlement Agreement, (1) there are 42 Class Members and 2,290 total WorkweeksClass Pay Periods during the Class Period and (2) there were 22 Aggrieved Employees who worked 831 PAGA Pay Periods during the PAGA Period. If the total Class Pay Periods during the Class Period is 10% higher (2,519 Class Pay Periods), then Defendant shall have the option to either: (1) de-escalate the settlement so that the Class Period ends on the date that the Class Pay Periods count totals no more than 2,519

Class Pay Periods and the PAGA Period will end on the same date as the Class Period; or (2) permit the Gross Settlement Amount to be increased proportionally by the Class Pay Periods in excess of 2,519 Class Pay Periods (the “Escalator Clause”). For example, if the number of Class Pay Periods is 11% higher, the Gross Settlement Amount will increase by 1%. No later than two weeks after the close of the Class Period or two weeks prior to the hearing on Preliminary Approval, Defendant shall verify the total number of Class Pay Periods during the Class Period by either submitting a declaration to Class Counsel stating the total number of Class Pay Periods during the Class Period or providing the number of Class Pay Periods and/or dates of employment of Class Members to the Administrator, who will calculate Class Pay Periods. If the Escalator Clause is triggered, prior to the hearing on preliminary approval, Defendant shall choose to either change the end date of the Class Period or increase the Gross Settlement Amount in accordance with the Escalator Clause such that there is a certain end date for the Class Period for preliminary approval.

8. _____

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, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no 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 Administration Expenses Payment incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than 7 days within learning this information; late elections will have no effect.

10. MOTION FOR FINAL APPROVAL. Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively “Motion for Final Approval”). Plaintiff shall provide drafts of these documents to Defense Counsel not later than 7 days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and 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 5 days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court’s concerns by revising the

Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administration Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

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

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

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

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

12. ADDITIONAL PROVISIONS.

- 12.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the 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. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any 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 Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).
- 12.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 12.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 12.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 12.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 12.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 12.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 12.8 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 12.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 12.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation

of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

- 12.13 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during the Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 12.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.
- 12.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 12.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 12.17 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

JUSTICE FOR WORKERS, P.C.

William C. Sung

Tiffany L. Luu

Joseph C. Ramli

3600 Wilshire Blvd., Ste. 1815

Los Angeles, CA 90010

T: (323) 922-2000

william@justiceforworkers.com

tluu@justiceforworkers.com
jramli@justiceforworkers.com

To Defendant:

SOLTMAN & WATTLES LLP

Kevin S. Wattles
Rachael L. Marko
90 E. Thousand Oaks Blvd., Suite 300
Thousand Oaks, CA 91360
Tel: (805) 497-7706
Fax: (805) 497-1147

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

ACCEPTED AND AGREED:

Dated: _____, 2026

Plaintiff Roseanna Magdaleno

Dated: _____, 2026

Defendant Milky Way International Trading Corporation

By: _____

Printed Name

Its: _____

Title

AGREED AS TO FORM AND CONTENT:

Dated: _____, 2026

William C. Sung
Tiffany L. Luu
JUSTICE FOR WORKERS P.C
Attorneys for Plaintiff Roseanna Magdaleno

Dated: _____, 2026

Kevin S. Wattles
Rachael L. Marko
SOLTMAN & WATTLES LLP
Attorneys for Defendant Milky Way International Trading
Corporation

Exhibit A

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

Roseanna Magdaleno v. Milky Way International Trading Corporation, Case No. 24STCV32622

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

You may be eligible to receive money from an employee class action lawsuit (“Action”) against Milky Way International Trading Corporation (“Defendant”) for alleged wage and hour violations. The Action was filed by a former employee Roseanna Magdaleno (“Plaintiff”) and seeks payment of (1) back wages and other relief for a class of all current and former non-exempt or hourly employees who worked for Defendant within the State of California during the Class Period of December 11, 2020 through March 10, 2026 or the date of Preliminary Approval, whichever is

earlier (“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 within the State of California during the PAGA Period of December 11, 2023 through March 10, 2026 or the date of Preliminary Approval, whichever is earlier (“Aggrieved Employees”).

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 \$INSERT (less withholding) and your Individual PAGA Payment is estimated to be \$INSERT**. The actual amount you may receive may 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 did not work during the PAGA Period.)

The above estimates are based on Defendant’s records showing that **you worked INSERT WorkweeksClass Pay Periods** during the Class Period, and **you worked INSERT PAGA Pay Periods** during the PAGA Period. If you believe that you worked more workweeks-pay periods during either period, you can submit a challenge by the deadline date. See Section 4 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 do not act. 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.

If you worked for Defendant during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

- (1) **Do Nothing.** You do not have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendant.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Defendant, and, if you are an Aggrieved Employee,

remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

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

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 (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is 	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-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 6 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 	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of 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 Action 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 7 of this Notice.

You Can Participate in the [REDACTED] Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [REDACTED]. You do not 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 8 of this Notice.
You Can Challenge the Calculation of Your ~~Workweeks~~/Pay Periods Written Challenges Must be Submitted by [REDACTED]	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many ~~Workweeks~~ <u>Class Pay Periods</u> you worked at least one day during the Class Period and how many PAGA Pay Periods you worked at least one day during the PAGA Period, respectively. The number of Class ~~Period~~ <u>Workweeks</u> <u>Pay Periods</u> and number of PAGA Pay Periods you worked according to Defendant's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by [REDACTED]. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Defendant Milky Way International Trading Corporation. The Action accuses Defendant of violating California labor laws by failing to pay minimum and overtime wages; failing to provide legally compliant meal and rest periods; failing to reimburse necessary business expenses; failing to pay wages due upon termination; failing to provide accurate itemized wage statements; and unfair competition. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys in the Action: William C. Sung, Tiffany L. Luu, Joseph C. Ramli of Justice for Workers, P.C. ("Class Counsel").

Defendant strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Defendant or Plaintiff is correct on the merits. In the meantime, Plaintiff and Defendant hired an experienced, neutral mediator in an effort to resolve the Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, 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.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendant have agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

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

1. Defendant Will Pay \$250,000.00 as the Gross Settlement Amount. Defendant has agreed to deposit the Gross Settlement Amount into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement Amount 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 California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement Amount not more than 30 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 Amount. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$83,333.33 (One-Third or 33 1/3% of the Gross Settlement Amount) to Class Counsel for attorneys' fees and up to \$20,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$7,500.00 to Plaintiff as Class Representative Service Payment for filing the Action, working with Class Counsel and representing the Class. A 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 \$3,970.00 to the Administrator for services administering the Settlement.
 - D. Up to \$5,250.00 for PAGA Penalties, allocated 75%65% to the LWDA Payment and 25%35% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court

will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement Amount (the “Net Settlement”) by making Individual Class Payments to Participating Class Members based on their Class ~~Period Workweeks~~Pay Periods.
4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages (“Wage Portion”) and 80% to interests 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 has 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 Individual PAGA Payments will show the date when the check expires (the void date). If you do not cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name.

If the monies represented by your check are sent to the Controller’s Unclaimed Property, 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 notify the Administrator in writing, not later than **INSERT**, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the **INSERT** Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member’s name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments but will preserve their rights to personally pursue wage and hour claims against Defendant.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible

for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendant based on the PAGA Period facts alleged in the Action.

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 has agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Class Members will not release any claims against Defendant.
8. Administrator. The Court has appointed a neutral company, [Apex Class Action LLC](#) (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges over [WorkweeksClass Pay Periods](#), 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 9 of this Notice.
9. Participating Class Members’ Release. After the Judgment is final and Defendant has fully funded the Gross Settlement Amount and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant or related entities for wages based on the Class Period facts and PAGA Penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The 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, release Released Parties from [any and all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint that arose during the Class Period, including without limitation: \(1\) minimum wage violations; \(2\) overtime wage violations; \(3\) meal period violations; \(4\) rest period violations; \(5\) wage statement penalties; \(6\) waiting time penalties; \(7\) failure to reimburse necessary business expenses; and \(8\) unfair competition \(“Released Class Claims”\).](#) Except as set forth in Section 5.3 of the Settlement Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period.

10. Aggrieved Employees’ PAGA Release. After the Court’s Judgment is final, and Defendant has paid the Gross Settlement Amount and separately paid the employer-side payroll taxes, all Aggrieved Employees will be barred from asserting PAGA claims against Defendant,

whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendant or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees' Releases for Participating and Non-Participating Class Members are as follows:

All Participating and Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties, from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on facts stated in the Operative Complaint and the PAGA Notice that arose during the PAGA Period, including without limitations: (1) minimum wage violations; (2) overtime wage violations; (3) meal period violations; (4) rest period violations; (5) wage statement penalties; (6) waiting time penalties; (7) failure to reimburse necessary business expenses; and violations of Labor Code §§ 201, 202, 203, 204, 210, 226, 226.7, 256, 510, 512, 516, 558, 558.1, 1174, 1194, 1197, 1197.1, 1198, and 2802 ("Released PAGA Claims"). ~~all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint[,] [and] the PAGA Notice [and ascertained in the course of the Action][including, e.g., (a) any and all claims involving any alleged failure to pay minimum wage; etc.]~~.

4. 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 WorkweeksClass Pay Periods worked by all Participating Class Members, and (b) multiplying the result by the number of WorkweeksClass Pay Periods worked by each individual Participating Class Member.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$5,250.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Pay Periods worked by each individual Aggrieved Employee.
3. Workweek/PAGA Pay Period Challenges. The number of Class Workweeks Pay Periods you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendant's records, are stated in the first page of this Notice. You have until **INSERT** to challenge the number of WorkweeksClass Pay Periods and/or PAGA Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email, or fax. Section 9 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 WorkweeksClass Pay Periods and/or PAGA Pay Periods 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 Pay Period challenges 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 cannot appeal or otherwise challenge its final decision.

5. 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 does not opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.
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 in this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

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

Submit a written and signed letter with your name, present address, 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 to be excluded. Be sure to personally sign your request, identify the Action as Roseanna Magdaleno v. Milky Way International Trading Corporation, Case No. 24STCV32622, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must receive your request to be excluded by INSERT, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to approve. At least 16 court days before the **INSERT** Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other

things, the reasons why the proposed Settlement is fair, and (2) a Motion for Attorneys' Fees and Litigation Costs and Class Representative Service Payment stating (i) the amount Class Counsel is requesting for Attorneys' Fees and Litigation Costs; and (ii) the amount Plaintiff is requesting as Class Representative Service Payment. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website www._____.com or the Court's website <https://www.lacourt.ca.gov/home>.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Attorneys' Fees and Litigation Costs, and Class Representative Service Payment may wish to object. **The deadline for sending written objections to the Administrator is INSERT**. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action *Roseanna Magdaleno v. Milky Way International Trading Corporation, Case No. 24STCV32622* and include your name, current address, telephone number, and approximate dates of employment for Defendant and sign the objection. Section 9 of this Notice has the Administrator's contact information.

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 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing **INSERT** at **INSERT a.m./p.m.** in Department 17 of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement Amount 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) either personally or virtually via LACourtConnect (<https://lacc.lacourt.org/>). Check the Court's website for the most current information.

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

9. 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 www._____.com. You

can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<https://www.lacourt.ca.gov/home>) and entering the Case Number for the Action, Case No. [24STCV32622](#). You can also make an appointment to personally review court documents in the Clerk's Office at the Los Angeles Superior Court.

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

Class Counsel:

JUSTICE FOR WORKERS, P.C.

William C. Sung
Tiffany L. Luu
Joseph C. Ramli
3600 Wilshire Blvd., Ste. 1815
Los Angeles, CA 90010
T: (323) 922-2000
william@justiceforworkers.com
tluu@justiceforworkers.com
jramli@justiceforworkers.com

Administrator:

Apex Class Action LLC
Mailing Address: P.O. Box 7208, Orange, CA 92863
Telephone: (800) 523-5773
Facsimile: (949) 209-2503
Email: info@phoenixclassaction.com

10. 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. If your check is already void, you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds.

11. 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 3



JUSTICE FOR WORKERS

3600 WILSHIRE BOULEVARD, SUITE 1815, LOS ANGELES, CA 90010

TEL: (323) 922-2000

FAX: (323) 922-2000

www.JusticeForWorkers.com

December 10, 2024

VIA PAGA ONLINE FILING ONLY

California Labor and Workforce Development Agency

Attn: PAGA Administrator

455 Golden Gate Avenue, 9th Floor

San Francisco, CA 94102

<https://dir.tfaforms.net/308>

**Re: *Roseanna Magdaleno v. Milky Way International Trading Corporation*
Notice of Private Attorneys General Act Claim**

Dear PAGA Administrator:

This office has been retained by aggrieved employee Roseanna Magdaleno ("Plaintiff") concerning a representative action pursuant to the Private Attorneys General Act of 2004, California Labor Code §§ 2698, *et seq.* ("PAGA") against Milky Way International Trading Corporation (including any and all affiliates, subsidiaries, parents, directors, officers, managing agents, and executive employees) (collectively referred to as "Defendants") for violations of California wage and hour laws. Plaintiff seeks civil penalties for violations of the Labor Code and all other remedies available under PAGA.

Plaintiff seeks these remedies on behalf of the State of California and "aggrieved employees," as defined herein. This letter is sent in compliance with the notice requirements of Labor Code § 2699.3.

Defendants own and operate a canned foods distribution company in Norwalk, California. Defendants employed Plaintiff as an hourly-paid, non-exempt employee from approximately October 3, 2023 to approximately October 10, 2024 as a receptionist. The "aggrieved employees" that Plaintiff seeks civil penalties on behalf of are all current and former hourly-paid or non-exempt employees—whether directly hired or through staffing agencies—who worked for Milky Way International Trading Corporation within the State of California.

Based on the following facts and theories, Defendants violated and/or continue to violate, among other provisions of the Labor Code and applicable wage law, California Labor Code §§ 201, 202, 203, 204, 210, 226, 226.7, 256, 510, 512, 516, 558, 558.1, 1174, 1194, 1197, 1197.1, 1198, and 2802, and IWC Wage Orders including Wage Order 7-2001.

Labor Code §§ 1194, 1197, and 1197.1 provide the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful. The applicable Wage Order 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." See §2 of all applicable Wage Orders. Therefore, employers are required to pay employees for all time spent subject to the control of the employer and all time the employee is suffered or permitted to work. During the relevant time period, Defendants required Plaintiff and other aggrieved employees to perform work before clocking in, after clocking out, and/or during off-the-clock meal breaks, and failed to compensate aggrieved employees for this time.

Labor Code §§ 510 and 1198 require employers to pay time-and-a-half or double time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates at one-and-one-half times or double the regular rate of pay, including additional remuneration. During the relevant time period, Plaintiff and other aggrieved employees worked in excess of 8 hours in a day and 40 hours in a week but were not paid for all hours worked before clocking in, after clocking out, and/or during off-the-clock meal breaks.

Labor Code §§ 226.7, 512, 516, and the Wage Orders require employers to pay an employee one additional hour of pay at the employee's regular rate of compensation for each meal or rest period that is not provided. During the relevant time period, Defendants required Plaintiff and other aggrieved employees to work during meal and rest periods and failed to compensate them properly and at the regular rate of compensation for non-compliant meal and rest periods including, *inter alia*, short, late, interrupted, and missed meal and rest periods, unlawful rounding of meal period punches.

Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. During the relevant time period, Defendants failed to pay Plaintiff and other aggrieved employees all wages due to them within any time period specified by Labor Code §§ 201 and 202, including earned and unpaid minimum, overtime, and premium wages as discussed above.

Labor Code § 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. Labor Code § 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, Defendants failed to pay Plaintiff and other

aggrieved employees all wages due to them within any time period specified by Labor Code § 204, including earned and unpaid minimum, overtime, and premium wages as discussed above.

Labor Code § 226 requires employers to make, keep and provide complete and accurate itemized wage statements to their employees. During the relevant time period, Defendants did not provide Plaintiff and other aggrieved employees with complete and accurate itemized wage statements. The wage statements they received from Defendants were in violation of Labor Code § 226(a). The violations include, but are not limited to, the failure to include the total hours worked, including time spent working off the clock and during meal and rest periods, failure to state the correct gross and net wages earned for all time worked, and failure to state all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.

Labor Code § 1174 requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case shall be kept on file for not less than two years. During the relevant time period, Defendants failed to keep accurate and complete payroll records showing the actual hours worked daily and the wages earned by Plaintiff and other aggrieved employees, including earned and unpaid minimum, overtime, and premium wages as discussed above.

Labor Code § 2802 requires an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. During the relevant time period, Plaintiff and other aggrieved employees incurred necessary business-related expenses and costs that were not fully reimbursed by Defendants, including, but not limited to, use their personal cellphones to communicate with customers by voice or instant messaging during and/or after their shifts.

Therefore, on behalf of all aggrieved employees, Plaintiff seeks all applicable penalties arising out of the above-referenced wage, hour, and payroll practices, or which could be assessed and collected by the LWDA, for violation of the Labor Code pursuant to PAGA. Labor Code § 2699.3 requires that a claimant send a certified letter (i.e. this letter) to the employer in question and file an online claim to the LWDA setting forth the claims and the basis for the claims, thereby giving the LWDA and employer an opportunity to investigate the claims and/or take any action they deem appropriate. If the LWDA and Defendants elect not to take any action with respect to any of the foregoing claims, Plaintiff will seek these penalties in a civil action on behalf of all aggrieved employees within one year of the date of this letter as allowed by law.

If you have any questions, please contact me at the phone number or address below:

William C. Sung
JUSTICE FOR WORKERS, P.C.
9575 Bolsa Avenue
Westminster, CA 92683
Office: 323-922-2000
Fax: 323-922-2000
Email: william@justiceforworkers.com

Thank you for your attention to this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read 'William C. Sung', with a stylized flourish at the end.

William C. Sung
JUSTICE FOR WORKERS, P.C.

Cc: Via USPS Certified Mail – Return Receipt Requested

Milky Way International Trading Corporation
c/o Frederick Chiu
Agent for Service of Process
15203 Shoemaker Ave.
Norwalk, CA 90650

9589 0710 5270 1741 2744 81

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

PC 2117
12/11

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee \$

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15203 Shoemaker Ave.
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JUSTICE FOR WORKERS, P.C.
 9575 Bolsa Ave
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- Complete items 1, 2, and 3.
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1. Article Addressed to:

Milky Way International Trading
40 Frederick Chiu Corporation
Agent for Service of Process
15203 Shoemaker Ave.
Norwalk, CA 90650



9590 9402 9088 4122 8656 21

2. Article Number (Transfer from service label)

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PS Form 3811, July 2020 PSN 7530-02-000-9053

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Domestic Return Receipt

Subject: Thank you for submission of your PAGA Case.

Date: Tuesday, December 10, 2024 at 1:24:32 PM Pacific Standard Time

From: noreply@salesforce.com on behalf of LWDA DO NOT REPLY

To: William Sung

12/10/2024

LWDA Case No. LWDA-CM-1066384-24

Law Firm : Justice for Workers, P.C.

Plaintiff Name : Roseanna Magdaleno

Employer: Milky Way International Trading Corporation

Filing Fee : \$75.00

IFP Claimed : No

Item submitted: Initial PAGA Notice

Thank you for your submission to the Labor and Workforce Development Agency. Please make a note of the LWDA Case No. above as you may need this number for future reference when filing any subsequent documents for this Case.

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

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

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

EXHIBIT 4

JUSTICE FOR WORKERS, P.C.

William C. Sung, SB# 280792

E-Mail: william@justiceforworkers.com

Tiffany L. Luu, SB# 335127

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9575 Bolsa Avenue

Westminster, CA 92683

Tel: 323-922-2000

Fax: 323-922-2000

Attorneys for Plaintiff ROSEANNA MAGDALENO

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

ROSEANNA MAGDALENO, an individual
and on behalf of all others similarly situated;

Plaintiff,

vs.

MILKY WAY INTERNATIONAL TRADING
CORPORATION, a California corporation;
and DOES 1 through 50,

Defendants.

Case No.: 24STCV32622

**FIRST AMENDED CLASS AND
REPRESENTATIVE ACTION
COMPLAINT:**

- (1) **MINIMUM WAGE VIOLATIONS**
(LABOR CODE §§ 1182.12, 1194,
1194.2, 1197);
- (2) **OVERTIME WAGE VIOLATIONS**
(LABOR CODE §§ 204, 510, 1194,
1198);
- (3) **MEAL PERIOD VIOLATIONS**
(LABOR CODE §§ 226.7, 512, 558);
- (4) **REST PERIOD VIOLATIONS**
(LABOR CODE §§ 226.7, 516, 558);
- (5) **WAGE STATEMENT PENALTIES**
(LABOR CODE § 226);
- (6) **WAITING TIME PENALTIES**
(LABOR CODE §§ 201-203);
- (7) **FAILURE TO REIMBURSE
NECESSARY BUSINESS EXPENSES**
(LABOR CODE § 2802);
- (8) **UNFAIR COMPETITION (BUS &
PROF CODE §§ 17200, et seq.); and**
- (9) **CIVIL PENALTIES UNDER THE
CALIFORNIA PRIVATE**

FILED
Superior Court of California
County of Los Angeles

02/18/2025

David W. Stryker, Executive Officer / Clerk of Court

By: M. Arellanes Deputy

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**ATTORNEYS GENERAL ACT
(LABOR CODE §§ 2698, *et seq.*)**

DEMAND FOR JURY TRIAL

Plaintiff ROSEANNA MAGDALENO (“Plaintiff”), on behalf of herself and all others similarly situated, hereby brings this Class and Representative Action Complaint (“Complaint”) against Defendants MILKY WAY INTERNATIONAL TRADING CORPORATION, a California corporation, and DOES 1 to 50 (collectively “Defendants”), and on information and belief alleges as follows:

JURISDICTION AND VENUE

1. Plaintiff, on behalf of herself and all others similarly situated, hereby brings this Complaint for recovery of unpaid wages and penalties under California Business and Professions Code § 17200, *et seq.*, Labor Code §§ 201-204, 226, 226.7, 510, 512, 516, 558, 1182.12, 1194, 1194.2, 1197, 1198, 2802, 2698, *et seq.*, and Industrial Welfare Commission (“IWC”) Wage Order 7-2001 (“Wage Order 7”), in addition to seeking injunctive relief, declaratory relief, and restitution. This Complaint is brought pursuant to California Code of Civil Procedure § 382. This Court has jurisdiction over Defendants’ violations of the Labor Code because the amount in controversy exceeds \$25,000.

2. Venue is proper in this judicial district because Defendants maintain offices, have agents, and/or transact business in the State of California, including Los Angeles County, and some of the acts and omissions complained of herein occurred in Los Angeles County. Furthermore, Plaintiff was employed by Defendants within Los Angeles County.

PARTIES

3. Plaintiff is, and at all times relevant herein was, an individual over the age of eighteen (18) and is a California resident. Within the statute of limitations periods applicable to each cause of action pled herein, Plaintiff was employed by Defendants as a non-exempt employee. Plaintiff was, and is, a victim of Defendants’ policies, practices, and/or customs complained of herein and has been deprived of the rights guaranteed by Business and Professions Code § 17200, *et seq.*, Labor Code §§ 201-204, 226, 226.7, 510, 512, 516, 558, 1182.12, 1194, 1194.2, 1197, 1198,

1 2802, 2698, *et seq.*, and Wage Order 7.

2 4. Plaintiff is informed and believes, and based thereon alleges, that during the
3 applicable statute of limitations for each cause of action pled herein and continuing to the present,
4 Defendants engaged in, and continue to engage in, business, and employed Plaintiff and other,
5 similarly-situated non-exempt employees within Los Angeles County, and the State of California
6 and, therefore, were (and are) doing business in Los Angeles County and the State of California.

7 5. Plaintiff does not know the true names or capacities, whether individual, partner, or
8 corporate, of the defendants sued herein as DOES 1 to 50, inclusive, and for that reason, said
9 defendants are sued under such fictitious names, and Plaintiff will seek leave from this Court to
10 amend this Complaint when such true names and capacities are discovered. Plaintiff is informed and
11 believes, and based thereon alleges, that each of said fictitious defendants, whether individual,
12 partners, or corporate, was responsible in some manner for the acts and omissions alleged herein,
13 and proximately caused Plaintiff and the Classes (as defined below) to be subject to the unlawful
14 employment practices, wrongs, injuries, and damages complained of herein.

15 6. At all times herein mentioned, each of said Defendants participated in the doing of
16 the acts hereinafter alleged to have been done by the named Defendant; and furthermore,
17 Defendants, and each of them, were the agents, servants, and employees of each of the other
18 defendants, as well as the agents of all Defendants, and at all times herein mentioned, were acting
19 within the course and scope of said agency and employment.

20 7. Plaintiff is informed and believes, and based thereon alleges, that at all times
21 material hereto, each of the Defendants named herein was the agent, employee, alter ego and/or
22 joint venturer of, or working in concert with each of the other co-Defendants and was acting within
23 the course and scope of such agency, employment, joint venture, or concerted activity. To the extent
24 said acts, conduct, and omissions were perpetrated by certain Defendants, each of the remaining
25 Defendants confirmed and ratified said acts, conduct, and omissions of the acting Defendants.

26 8. At all times herein mentioned, Defendants, and each of them, were members of, and
27 engaged in, a joint venture, partnership, and common enterprise, and acting within the course and
28 scope of, and in pursuance of, said joint venture, partnership, and common enterprise.

1 9. At all times herein mentioned, the acts and omissions of various Defendants, and
2 each of them, concurred and contributed to the various acts and omissions of each and all of the
3 other Defendants in proximately causing the injuries and damages as herein alleged.

4 **FACTUAL ALLEGATIONS**

5 10. Defendants own and operate a canned foods distribution compay in Norwalk,
6 California. Defendants employed Plaintiff as an hourly-paid, non-exempt employee from
7 approximately October 3, 2023 to approximately October 10, 2024 as a receptionist.

8 11. Throughout Plaintiff's employment with Defendants, Defendants' timekeeping
9 and/or payroll policies and practices resulted in Plaintiff and other non-exempt employees not being
10 compensated for all hours actually worked. Plaintiff and other non-exempt employees regularly
11 worked more than eight hours in a workday or 40 hours in a workweek. Upon information and
12 belief, Defendants required Plaintiff and other non-exempt employees to perform work before their
13 scheduled shifts, after their scheduled shifts, and/or during off-the-clock meal breaks, and failed to
14 compensate employees for this time. As a result, Plaintiff and other non-exempt employees were
15 not compensated for all earned minimum and overtime wages.

16 12. Defendants failed to provide Plaintiff and other non-exempt employees with all
17 legally compliant meal periods due to Defendants' meal period policies/practices, which have
18 frequently resulted in late (commencing after the fifth hour of work), short (less than 30 minutes),
19 and/or missed meal periods. Upon information and belief, Plaintiff and other non-exempt
20 employees were not able to take their legally compliant meal breaks due to work demands imposed
21 by Defendants. Upon information and belief, Defendants do not keep accurate records of Plaintiff's
22 and other non-exempt employees' hours worked, including accurate time records showing when
23 employees take their meal periods. On those occasions when Plaintiff and other non-exempt
24 employees were not provided with all legally compliant meal periods to which they were entitled,
25 Defendants failed to compensate Plaintiff and other non-exempt employees with the required meal
26 period premium(s) for each workday there was a meal period violation as mandated by Labor Code
27 § 226.7. Upon information and belief, Defendants maintained no mechanism for the payment of
28 meal period premium payments as required by Labor Code § 226.7 in the event that a legally

1 compliant meal period was not provided to their non-exempt employees.

2 13. Plaintiff and other non-exempt employees were not authorized and permitted to take
3 all required rest periods due to Defendants' unlawful rest period policies/practices, which failed to
4 authorize and permit a net 10-minute rest period for every four hours worked, or major fraction
5 thereof. Plaintiff and other non-exempt employees were not able to take their legally compliant rest
6 breaks due to work demands imposed by Defendants. On those occasions when Plaintiff and other
7 non-exempt employees were not authorized and permitted to take all legally compliant rest periods
8 to which they were entitled, Defendants failed to compensate them with the required rest period
9 premium(s) for each workday there was a rest period violation as mandated by Labor Code § 226.7.
10 Upon information and belief, Defendants maintained no mechanism for the payment of rest period
11 premium payments as required by Labor Code § 226.7, in the event that a legally compliant rest
12 period was not authorized and permitted to their non-exempt employees.

13 14. As a result of Defendants' failure to pay all minimum and overtime wages, failure to
14 pay all meal and rest period premium wages, and unlawful timekeeping and payroll practices as
15 alleged above, Defendants maintained inaccurate payroll records and issued inaccurate wage
16 statements to Plaintiff and other non-exempt employees. As a further result of Defendants' failure to
17 pay all minimum and overtime wages, and meal and rest period premium wages, Defendants failed
18 to timely pay all final wages to Plaintiff and other former non-exempt employees upon their
19 separation of employment from Defendants.

20 15. Additionally, Defendants required Plaintiff and other non-exempt employees to use
21 their personal cellphones to communicate with customers by voice or instant messaging during
22 and/or after their shifts. Despite requiring employees to incur these necessary business expenses,
23 Defendants failed to reimburse Plaintiff and other non-exempt employees for the cost of these
24 expenses.

25 **CLASS ACTION ALLEGATIONS**

26 16. **Class Definitions:** Plaintiff brings this action on behalf of herself and the following
27 Classes pursuant to § 382 of the California Code of Civil Procedure:

28 ///

- 1 a. Minimum Wage Class: All current and former non-exempt employees of Defendants
2 in the State of California, whether directly hired or employed through staffing
3 agencies, who were subject to Defendants' timekeeping and payroll policies and/or
4 practices, during the four years immediately preceding the filing of this action
5 through the present.
- 6 b. Overtime Class: All current and former non-exempt employees of Defendants in the
7 State of California, whether directly hired or employed through staffing agencies,
8 who worked more than eight hours per day and/or 40 hours per week and were
9 subject to Defendants' timekeeping policies and/or practices, during the four years
10 immediately preceding the filing of this action through the present.
- 11 c. Meal Period Class: All current and former non-exempt employees of Defendants in
12 the State of California, whether directly hired or employed through staffing agencies,
13 who: (i) worked at least one shift in excess of 5.0 hours; and/or (ii) worked at least
14 one shift in excess of 10.0 hours, during the four years immediately preceding the
15 filing of this action through the present.
- 16 d. Rest Period Class: All current and former non-exempt employees of Defendants in
17 the State of California, whether directly hired or employed through staffing agencies,
18 who worked at least one shift of 3.5 or more hours, during the four years
19 immediately preceding the filing of this action through the present.
- 20 e. Wage Statement Class: All current and former non-exempt employees of Defendants
21 in the State of California, whether directly hired or employed through staffing
22 agencies, who received a wage statement, during the one year immediately preceding
23 the filing of this action through the present.
- 24 f. Waiting Time Penalty Class: All of Defendants' formerly employed members of the
25 Minimum Wage Class, Overtime Class, Rest Period Class, and/or Meal Period Class
26 during the three years immediately preceding the filing of this action through the
27 present.

28 ///

g. Expense Reimbursement Class: All current and former non-exempt employees of Defendants in the State of California, whether directly hired or employed through staffing agencies, who were not reimbursed for all necessary business expenses, during the four years immediately preceding the filing of this action through the present.

17. **Numerosity/Ascertainability**: The members of the Classes are so numerous that joinder of all members would be impractical, if not impossible. The membership of the Classes is unknown to Plaintiff at this time; however, it is estimated that the members of the Classes number greater than 50 individuals. The identity of such membership is readily ascertainable via inspection of Defendants' employment records, including payroll records.

18. **Common Questions of Law and Fact Predominate/Well-Defined Community of Interest**: There are predominant common questions of law and fact as to Plaintiff and members of the Classes, which predominate over questions affecting only individual members including, without limitation to:

- a. Whether Defendants properly paid all overtime wages to members of the Overtime Class;
- b. Whether Defendants paid at least the minimum wage for all hours worked to members of the Minimum Wage Class;
- c. Whether Defendants provided all legally compliant meal periods or paid meal period premium wages due to members of the Meal Period Class pursuant to Labor Code §§ 226.7 and 512;
- d. Whether Defendants authorized and permitted all legally compliant rest periods or paid all rest period premium wages due to members of the Rest Period Class pursuant to Labor Code §§ 226.7 and 516;
- e. Whether Defendants reimbursed members of the Expense Reimbursement Class for all necessary business expenses pursuant to Labor Code § 2802;
- f. Whether Defendants furnished legally compliant wage statements to members of the Wage Statement Class pursuant to Labor Code § 226; and

1 g. Whether Defendants timely paid all final wages to members of the Waiting Time
2 Class at the time of their separation of employment pursuant to Labor Code §§ 201
3 and 202.

4 These common questions of law and fact set forth above are numerous and substantial and
5 stem from Defendants' policies and/or practices applicable to each individual class member. As
6 such, the common questions predominate over individual questions concerning each individual
7 class member's showing as to their eligibility for recovery or as to the amount of their damages.

8 19. **Typicality:** The claims of Plaintiff are typical of the claims of the Classes because
9 Plaintiff was employed by Defendants as a non-exempt employee in California during the statute(s)
10 of limitations period applicable to each cause of action pled in the Complaint. As alleged herein,
11 Plaintiff, like the members of the Classes, was not paid all minimum and overtime wages owed due
12 to Defendants' timekeeping and payroll policies/practices, not provided all required meal periods,
13 not authorized and permitted all rest periods, did not receive premium pay for non-compliant meal
14 and rest periods, not reimbursed for all necessary business expenses, not paid all final wages upon
15 separation of employment, and not provided with accurate, compliant, itemized wage statements.

16 20. **Adequacy of Representation:** Plaintiff is fully prepared to take all necessary steps
17 to represent fairly and adequately the interests of the members of the Classes. Moreover, Plaintiff's
18 attorneys are ready, willing and able to fully and adequately represent the members of the Classes
19 and Plaintiff. Plaintiff's attorneys have litigated numerous wage-and-hour class actions in state and
20 federal courts in the past and are committed to vigorously prosecuting this action on behalf of the
21 members of the Classes.

22 21. **Superiority:** The Labor Code is broadly remedial in nature and serves an important
23 public interest in establishing minimum working conditions and standards in California. These laws
24 and labor standards protect the average working employee from exploitation by employers who
25 have the responsibility to follow the laws and who may seek to take advantage of superior economic
26 and bargaining power in setting onerous terms and conditions of employment. The nature of this
27 action and the format of laws available to Plaintiff and members of the Classes make the class
28 action format a particularly efficient and appropriate procedure to redress the violations alleged

1 herein. If each employee were required to file an individual lawsuit, Defendants would necessarily
2 gain an unconscionable advantage since they would be able to exploit and overwhelm the limited
3 resources of each individual plaintiff with their vastly superior financial and legal resources.

4 22. Moreover, requiring each member of the Class(es) to pursue an individual remedy
5 would also discourage the assertion of lawful claims by employees who would be disinclined to file
6 an action against their former and/or current employer for real and justifiable fear of retaliation and
7 permanent damages to their careers at subsequent employment. The claims of the individual
8 members of the Class are not sufficiently large to warrant vigorous individual prosecution
9 considering all of the concomitant costs and expenses attending hereto.

10 23. Furthermore, the prosecution of separate actions by the individual class members,
11 even if possible, would create a substantial risk of inconsistent or varying verdicts or adjudications
12 with respect to the individual class members against Defendants herein; and which would establish
13 potentially incompatible standards of conduct for Defendants; and/or legal determinations with
14 respect to individual class members which would, as a practical matter, be dispositive of the interest
15 of the other class members not parties to adjudications or which would substantially impair or
16 impede the ability of the class members to protect their interests. As such, the Classes identified
17 hereinabove are maintainable as classes under § 382 of the Code of Civil Procedure.

18 **FIRST CAUSE OF ACTION**

19 **MINIMUM WAGE VIOLATIONS**

20 **(Against All Defendants)**

21 24. Plaintiff re-alleges and incorporates by reference all preceding paragraphs as though
22 fully set forth herein.

23 25. Labor Code §§ 1182.12, 1197, and Wage Order 7, § 4 establish the right of
24 employees to be paid minimum wages for all hours worked, in amounts set by state or local law.
25 Labor Code §§ 1194(a) and 1194.2(a) provide that an employee who has not been paid the legal
26 minimum wage as required by Labor Code § 1197 may recover the unpaid balance together with
27 attorneys' fees and costs of suit, as well as liquidated damages in an amount equal to the unpaid
28 wages and interest accrued thereon. At all relevant times herein, Defendants failed to conform its

1 pay practices to the requirements of the law by failing to pay Plaintiff and members of the
2 Minimum Wage Class for all hours worked, including, but not limited to, all hours they were
3 subject to the control of Defendants and/or suffered or permitted to work under the Labor Code and
4 Wage Order 7.

5 26. Labor Code § 1198 makes unlawful the employment of an employee under
6 conditions that the IWC prohibits. California Labor Code § 1194(a) and 1194.2(a) provide that an
7 employer who has failed to pay its employees the legal minimum wage is liable to pay those
8 employees the unpaid balance of the unpaid wages as well as liquidated damages in an amount
9 equal to the wages due and interest thereon.

10 27. As a consequence of Defendants' non-payment of minimum wages, Plaintiff and
11 members of the Minimum Wage Class seek recovery of the balance of unpaid wages, including
12 interest thereon, statutory penalties, attorneys' fees, and costs of suit according to Labor Code §§
13 218.6, 558, 1194, 1194.2, and 1199, Code of Civil Procedure § 1021.5; and Civil Code §§ 3287 and
14 3289.

15 **SECOND CAUSE OF ACTION**
16 **OVERTIME WAGE VIOLATIONS**
17 **(Against All Defendants)**

18 28. Plaintiff re-alleges and incorporates by reference all preceding paragraphs as though
19 fully set forth herein.

20 29. This cause of action is brought pursuant to Labor Code §§ 204, 510, 1194, 1198, and
21 Wage Order 7, § 3, which provide that non-exempt employees are entitled to all overtime wages
22 and compensation for all overtime hours worked and provide a private right of action for the failure
23 to pay all overtime compensation for overtime work performed.

24 30. At all times relevant herein, Defendants were required to properly compensate non-
25 exempt employees, including Plaintiff and members of the Overtime Class, for all overtime hours
26 worked pursuant to Labor Code § 1194 and Wage Order 7. Wage Order 7, § 3 requires an employer
27 to pay an employee one and one-half (1½) times and two times the employee's regular rate of pay
28 for overtime and double time hours work. Defendants caused Plaintiff and members of the Overtime

1 Class to work overtime hours but failed to compensate these employees for all overtime hours
2 actually worked.

3 31. As a consequence of Defendants' non-payment of overtime wages, Plaintiff and
4 members of the Overtime Class seek recovery of the balance of unpaid overtime wages, including
5 interest thereon, statutory penalties, attorneys' fees, and costs of suit according to Labor Code §§
6 204, 210, 216, 218.6, 510, 1194, and 1198; Code of Civil Procedure § 1021.5; and Civil Code §§
7 3287 and 3289.

8 **THIRD CAUSE OF ACTION**

9 **MEAL PERIOD VIOLATIONS**

10 **(Against All Defendants)**

11 32. Plaintiff re-alleges and incorporates by reference all preceding paragraphs as though
12 fully set forth herein.

13 33. Plaintiff is informed and believes, and based thereon alleges, that Defendants failed
14 in their affirmative obligation to provide all of their non-exempt employees in California, including
15 Plaintiff and members of the Meal Period Class, with all legally compliant meal periods in
16 accordance with the mandates of the Labor Code and Wage Order 7, § 11.

17 34. Despite Defendants' violations, Defendants did not pay an additional hour of pay to
18 Plaintiff and members of the Meal Period Class at their respective regular rates of compensation, in
19 accordance with California Labor Code §§ 204, 210, 226.7, and 512.

20 35. As a consequence of Defendants' unlawful meal period practices, Plaintiff and
21 members of the Meal Period Class seek recovery of unpaid premium wages for meal period
22 violations including interest thereon, statutory penalties, and costs of suit, pursuant to Labor Code
23 §§ 226.7, 512, 558, Wage Order 7, and Civil Code §§ 3287 and 3289.

24 **FOURTH CAUSE OF ACTION**

25 **REST PERIOD VIOLATIONS**

26 **(Against All Defendants)**

27 36. Plaintiff re-alleges and incorporates by reference all preceding paragraphs as though
28 fully set forth herein.

1 37. Labor Code §§ 226.7, 516, 558, and Wage Order 7, § 12 and establish the right of
2 employees to be provided with a rest period of at least 10 minutes for each four-hour period
3 worked, or major fraction thereof. Plaintiff is informed and believes, and based thereon alleges, that
4 despite Defendants' failure to authorize and permit Plaintiff and members of the Rest Period Class
5 to take all legally compliant rest periods as alleged herein, Defendants did not pay these individuals
6 an additional hour of pay at their respective regular rate for the rest periods that they failed to
7 authorize and permit them to take, as required by Labor Code § 226.7.

8 38. As a consequence of Defendants' unlawful rest period practices, Plaintiff and
9 members of the Rest Period Class seek recovery of unpaid premium wages for rest period violations
10 including interest thereon, statutory penalties, and costs of suit, statutory penalties, attorneys' fees,
11 and costs of suit according to Labor Code §§ 226.7, 516, 558, Wage Order 7, and Civil Code §§
12 3287 and 3289.

13 **FIFTH CAUSE OF ACTION**

14 **WAGE STATEMENT PENALTIES**

15 **(Against All Defendants)**

16 39. Plaintiff re-alleges and incorporates by reference all preceding paragraphs as though
17 fully set forth herein.

18 40. Plaintiff is informed and believes, and based thereon alleges, that Defendants
19 knowingly and intentionally, as a matter of uniform policy and practice, failed to furnish Plaintiff
20 and members of the Wage Statement Class with accurate and complete, itemized wage statements
21 that included, among other requirements, all hours worked, total gross wages earned, all rates of pay
22 and corresponding number of hours worked, total net wages earned, the inclusive dates of the pay
23 period, and/or the correct name and address of the legal entity that is the employer in violation of
24 Labor Code § 226.

25 41. Defendants' failure to furnish Plaintiff and members of the Wage Statement Class
26 with accurate and complete, itemized wage statements resulted in actual injury, as said failures led
27 to, among other things, the non-payment of minimum and overtime wages and meal and rest period
28 premium wages owed and deprived them of the information necessary to identify the discrepancies

1 in Defendants' reported payroll data.

2 42. As a consequence of Defendants' unlawful wage statement practices, Plaintiff and
3 members of the Wage Statement Class seek damages and/or statutory penalties, reasonable
4 attorneys' fees, and costs of suit according to California Labor Code § 226.

5 **SIXTH CAUSE OF ACTION**

6 **WAITING TIME PENALTIES**

7 **(Against All Defendants)**

8 43. Plaintiff re-alleges and incorporates by reference all preceding paragraphs as though
9 fully set forth herein.

10 44. This cause of action is brought pursuant to Labor Code §§ 201-203, which require an
11 employer to pay all wages immediately at the time of separation of employment in the event the
12 employer discharges the employee or the employee provides at least 72 hours of notice of their
13 intent to quit. In the event the employee provides less than 72 hours of notice of their intent to quit,
14 said employee's wages become due and payable not later than 72 hours upon said employee's last
15 date of employment.

16 45. Plaintiff is informed and believes, and based thereon alleges, that Defendants failed
17 to timely pay Plaintiff and members of the Waiting Time Class all final wages due to them at their
18 separation from employment, including unpaid minimum and overtime wages as well as unpaid
19 meal and rest period premium wages.

20 46. Furthermore, Plaintiff is informed and believes, and based thereon alleges, that as a
21 matter of uniform policy and practice, Defendants continue to fail to pay Plaintiff and members of
22 the Waiting Time Class all earned wages at the end of employment in a timely manner pursuant to
23 the requirements of Labor Code §§ 201-202.

24 47. Defendants' failure to pay all final wages was willful within the meaning of Labor
25 Code § 203. Defendants' willful failure to timely pay Plaintiff and the members of the Waiting
26 Time Class their earned wages upon separation from employment results in continued payment of
27 daily wages up to thirty days from the time the wages were due.

28 ///

1 48. As a consequence of Defendants’ unlawful practices, Plaintiff and members of the
2 Waiting Time Class seek statutory penalties, and costs of suit according to California Labor Code §
3 203.

4 **SEVENTH CAUSE OF ACTION**

5 **FAILURE TO REIMBURSE NECESSARY BUSINESS EXPENSES**

6 **(Against All Defendants)**

7 49. Plaintiff re-alleges and incorporates by reference all preceding paragraphs as though
8 fully set forth herein.

9 50. At all relevant times herein, Defendants were subject to Labor Code § 2802, which
10 states that “an employer shall indemnify his or her employees for all necessary expenditures or
11 losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his
12 or obedience to the directions of the employer.”

13 51. Defendants violated Labor Code § 2802 by failing to reimburse Plaintiff and
14 members of the Expense Reimbursement Class all necessary business expenses they incurred in the
15 performance of their job duties.

16 52. As a consequence of Defendants’ unlawful practices, Plaintiff and members of the
17 class seek recovery of unreimbursed business expenses, including interest thereon, reasonable
18 attorneys’ fees, and costs of suit pursuant to Labor Code § 2802.

19 **EIGHTH CAUSE OF ACTION**

20 **UNFAIR COMPETITION**

21 **(Against All Defendants)**

22 53. Plaintiff re-alleges and incorporates by reference all preceding paragraphs as though
23 fully set forth herein.

24 54. Defendants have engaged and continue to engage in unfair and/or unlawful business
25 practices in California in violation of Business and Professions Code § 17200, *et seq.*, by:

- 26 a. failing to pay Plaintiff and members of the Minimum Wage Class all minimum
27 wages due;
28 b. failing to pay Plaintiff and members of the Overtime Class all overtime wages due;

- 1 c. failing to provide Plaintiff and members of the Meal Period Class with all meal
2 periods to which they are entitled, and failing to pay them all meal period premium
3 wages due;
- 4 d. failing to authorize and permit Plaintiff and members of the Rest Period Class all rest
5 periods to which they are entitled, and failing to pay them all rest period premium
6 wages due;
- 7 e. failing to reimburse all necessary business expenses to Plaintiff and members of the
8 Expense Reimbursement Class;
- 9 f. failing to issue accurate and itemized wage statements to Plaintiff and members of
10 the Wage Statement Class; and
- 11 g. failing to timely pay all final wages to Plaintiff and members of the Waiting Time
12 Penalty Class.

13 55. Defendants' utilization of these unfair and/or unlawful business practices deprived
14 Plaintiff and continues to deprive members of the Classes of compensation to which they are legally
15 entitled, constitutes unfair and/or unlawful competition, and provides an unfair advantage over
16 Defendants' competitors who have been and/or are currently employing workers and attempting to
17 do so in honest compliance with applicable wage and hour laws.

18 56. Because Plaintiff is a victim of Defendants' unfair and/or unlawful conduct alleged
19 herein, Plaintiff for himself and on behalf of the members of the Classes, seeks full restitution of
20 monies, as necessary and according to proof, to restore any and all monies withheld, acquired
21 and/or converted by Defendants pursuant to Business and Professions Code §§ 17203 and 17208.

22 57. The acts complained of herein occurred within the last four years immediately
23 preceding the filing of the Complaint in this action.

24 **NINTH CAUSE OF ACTION**

25 **PRIVATE ATTORNEYS GENERAL ACT**

26 **(Against All Defendants)**

27 58. Plaintiff re-alleges and incorporates by reference all preceding paragraphs as though
28 fully set forth herein.

1 59. Plaintiff, an “aggrieved employee” within the meaning of Labor Code §§ 2698, *et*
2 *seq.*, acting on behalf of herself and other aggrieved employees (collectively, “Aggrieved
3 Employees”), brings this representative action against Defendants to recover the civil penalties due
4 to Plaintiff and other Aggrieved Employees, and the State of California according to proof pursuant
5 to Labor Code §§ 558 and 2699(a) and (f) including, but not limited to: (1) \$100.00 for each initial
6 violation for each failure to pay each employee and \$200 for each subsequent violation or willful or
7 intentional violation pursuant to Labor Code §§ 210 and/or 225.5 for each failure to pay each
8 employee, plus 25% of the amount unlawfully withheld; (2) \$50.00 for each initial violation and
9 \$100 for each subsequent violation pursuant to Labor Code § 558 per employee per pay period; (3)
10 \$100 for each initial violation and \$250 for each subsequent violation pursuant to Labor Code §
11 1197.1 per employee per pay period; (4) \$250 for each initial violation and \$1,000 for each
12 subsequent violation pursuant to Labor Code § 226.3 per employee per pay period; (5) pursuant to
13 Labor Code § 256, a civil penalty in an amount not exceeding 30 days per former employee as
14 waiting time under the terms of Labor Code § 203; and/or (6) \$100 for each initial violation and
15 \$200 for each subsequent violation per employee per pay period for those violations of the Labor
16 Code for which no civil penalty is specifically provided, based on the following Labor Code
17 violations:

- 18 a. Failing to pay minimum wages for all hours worked to Aggrieved Employees in
19 violation of Labor Code § 558, 1182.12, 1194, 1194.2, 1197, and 1198;
- 20 b. Failing to pay Aggrieved Employees all earned overtime compensation in violation
21 of Labor Code §§ 204, 510, 558, 1194, and 1198;
- 22 c. Failing to provide all legally required meal periods, and failure to pay meal period
23 premium wages, to Aggrieved Employees at the regular rate of compensation in
24 violation of Labor Code §§ 226.7, 512, 558, and 1198;
- 25 d. Failing to authorize and permit all legally required rest periods, and failure to pay
26 rest period premium wages, to Aggrieved Employees at the regular rate of
27 compensation in violation of Labor Code §§ 226.7, 516, 558, and 1198;
- 28 e. Failing to furnish Aggrieved Employees with complete, accurate, itemized wage

statements in violation of Labor Code § 226;

f. Failing to timely pay all final wages and compensation earned by Aggrieved Employees at the time of separation in violation of Labor Code §§ 201-202;

g. Failure to reimburse Aggrieved Employees for all necessary business expenses in violation of Labor Code § 2802;

h. Failing to pay Aggrieved Employees all earned wages at least twice during each calendar month in violation of Labor Code § 204; and

i. Failing to maintain accurate records on behalf of Aggrieved Employees in violation of Labor Code §§ 1174 and 1198.

60. On or about December 10, 2024, Plaintiff notified Defendants via certified mail, and notified the California Labor and Workforce Development Agency (“LWDA”) via its website, of Defendants’ violations of the Labor Code and Plaintiff’s intent to bring a claim for civil penalties under Labor Code §§ 2698, *et seq.* with respect to the violations of the Labor Code identified in the preceding paragraph. Now that 33 days and 65 days have passed from Plaintiff notifying Defendants and the LWDA of these violations, Defendants have not cured any curable violations, and the LWDA has not provided notice that it intends to investigate the violations, Plaintiff has exhausted administrative requirements for bringing a claim under the Private Attorneys General Act with respect to these violations.

61. Plaintiff has incurred attorneys’ fees and costs, which Plaintiff is entitled to receive under California Labor Code § 2699(g).

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment for herself and for all others on whose behalf this suit is brought against Defendants, as follows:

1. For an order certifying the proposed Classes;
2. For an order appointing Plaintiff as representative of the Classes;
3. For an order appointing Counsel for Plaintiff as Counsel for the Classes;
4. Upon the First Cause of Action, for payment of minimum wages, liquidated damages, and penalties according to proof pursuant to Labor Code §§ 1182.12, 1194, 1194.2, and

1 1197;

2 5. Upon the Second Cause of Action, for payment of overtime wages and penalties
3 according to proof pursuant to Labor Code §§ 204, 510, 558, 1194, and 1198;

4 6. Upon the Third Cause of Action, for meal period premium wages according to proof
5 pursuant to Labor Code §§ 226.7, 512, and 558;

6 7. Upon the Fourth Cause of Action, for rest period premium wages according to proof
7 pursuant to Labor Code §§ 226.7, 516, and 558;

8 8. Upon the Fifth Cause of Action, for statutory penalties pursuant to Labor Code §
9 226;

10 9. Upon the Sixth Cause of Action, for statutory penalties pursuant to Labor Code §
11 203;

12 10. Upon the Seventh Cause of Action, for unreimbursed business expenses according to
13 proof pursuant to Labor Code § 2802;

14 11. Upon the Eighth Cause of Action, for restitution to Plaintiff and members of the
15 Classes of all money and/or property unlawfully acquired by Defendants by means of any acts or
16 practices declared by this Court to be in violation of Business and Professions Code §§ 17200, *et*
17 *seq.*;

18 12. Upon the Ninth Cause of Action, for civil penalties due to Plaintiff, other Aggrieved
19 Employees, and the State of California according to proof pursuant to Labor Code §§ 558 and
20 2699(a) and (f) including, but not limited to: (1) \$100.00 for each initial violation for each failure to
21 pay each employee and \$200 for each subsequent violation or willful or intentional violation
22 pursuant to Labor Code §§ 210 and/or 225.5 for each failure to pay each employee, plus 25% of the
23 amount unlawfully withheld; (2) \$50.00 for each initial violation and \$100 for each subsequent
24 violation pursuant to Labor Code § 558 per employee per pay period; (3) \$100.00 for each initial
25 violation and \$250.00 for each subsequent violation pursuant to Labor Code § 1197.1 per employee
26 per pay period; (4) \$250.00 for each initial violation and \$1,000.00 for each subsequent violation
27 pursuant to Labor Code § 226.3 per employee per pay period; (5) pursuant to Labor Code § 256, a
28 civil penalty in an amount not exceeding 30 days per former employee as waiting time under the

1 terms of Labor Code § 203; and/or (6) \$100.00 for each initial violation and \$200 for each
2 subsequent violation per employee per pay period for those violations of the Labor Code for which
3 no civil penalty is specifically provided;

4 13. Prejudgment interest on all due and unpaid wages pursuant to Labor Code § 218.6
5 and Civil Code §§ 3287 and 3289;

6 14. On all causes of action, for attorneys' fees and costs as provided by Labor Code §§
7 218.5, 226, 1194, 2699(g), and Code of Civil Procedure § 1021.5; and

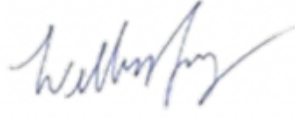
8 15. For such other and further relief, the Court may deem just and proper.

9 **DEMAND FOR JURY TRIAL**

10 Plaintiff hereby demands a trial by jury on all claims.

11
12 DATED: February 14, 2025

JUSTICE FOR WORKERS, P.C.

13
14 By: 

15 William C. Sung
16 Tiffany L. Luu
17 Joseph C. Ramli
18 Attorneys for Plaintiff
19 ROSEANNA MAGDALENO
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PROOF OF SERVICE

ROSEANNA MAGDALENO v. MILKY WAY INTERNATIONAL TRADING CORPORATION
STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the county of Orange, State of California. I am over the age of 18 and not a party to the within action. My business address is 9575 Bolsa Ave, Westminster, CA 92683.

On February 17, 2025, I served the foregoing document described as:

FIRST AMENDED CLASS AND REPRESENTATIVE ACTION COMPLAINT

☐ by placing the document(s) listed above in a sealed envelope with postage thereon fully prepaid, in the United States mail in the State of California addressed as set forth below:

☐ by placing a true copy thereof enclosed in a sealed envelope addressed as stated on the attached mailing list.

☒ by electronically serving the document(s) listed above to:

Kevin S. Wattles, Esq.

kwattles@slfesq.com

Rachel L. Marko, Esq.

rmarko@slfesq.com

Linda Abernathy

labernethy@slfesq.com

SOLTMAN & WATTLES LLP

90 E. Thousand Oaks, Blvd., Suite 300

Telephone: (805) 497-7706

Facsimile: (805) 497-1147

Attorneys for MILKY WAY INTERNATIONAL TRADING CORPORATION

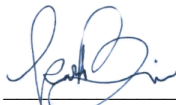
☐ by having copies **personally delivered to the designed party(ies)**

As follows: I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. postal service on the same day with postage thereon fully prepaid at Westminster, California in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

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

☐ (Federal) I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made

Executed on February 17, 2025 at Westminster, California.



Karen Bui

EXHIBIT 5