

Alexei Kuchinsky State Bar No. 279405
KUCHINSKY LAW OFFICE, P.C.
220 Montgomery Street, Suite 2100
San Francisco, CA 94104
Tel.: (628) 200-0902/ Fax.: (628) 200-0907
Email: ak@kuchinskylawoffice.com

Attorney for Plaintiff Luis Franco and the Proposed Class

Janelle Carney (201570)
Janelle@JanelleCarneyLaw.com
JANELLE CARNEY – ATTORNEY AT LAW, APC
14758 Pipeline Ave., Suite E
Chino Hills, CA 91709
Telephone: (909) 521-9609/ Fax: (909) 393-0471

Attorneys for Plaintiff ARIN ESRAELIAN, as an individual, and on behalf of all employees similarly situated (*Additional Plaintiff's Counsel listed on next page*)

Larry W. Lee (State Bar No. 228175)
Max W. Gavron (State Bar No. 291697)
DIVERSITY LAW GROUP, P.C.
515 S. Figueroa Street, Suite 1250
Los Angeles, CA 90071
Tel. (213) 488-6555/ Fax (213) 488-6554

Attorneys for Plaintiff Daniel Rodas

SUPERIOR COURT OF CALIFORNIA

COUNTY OF SANTA CLARA

Luis Franco, individually, on behalf of himself
and all other similarly situated employees,

Plaintiff,

vs.

The Goodyear Tire and Rubber Company, an
Ohio corporation, and Does 1-5

Defendants.

CASE NO.: 22CV393403

Consolidated with:

Esraelian Case No.: 21STCV44620;

Esraelian Case No.: 22STCV03534;

Rodas Case No.: 21STCV28702; and

Rodas Case No.: 21STCV35255

**JOINT STIPULATION AND
SETTLEMENT AGREEMENT OF
CLASS ACTION AND PAGA CLAIMS**

1 ARIN ESRAELIAN, as an individual, and on
2 behalf of all similarly situated employees,

3 Plaintiff,

4 v.

5 THE GOODYEAR TIRE & RUBBER
6 COMPANY, and DOES 1-50, inclusive,

7 Defendants.

8 DANIEL RODAS, as an individual and on
9 behalf of all others similarly situated,

10 Plaintiffs,

11
12 vs.

13 THE GOODYEAR TIRE & RUBBER
14 COMPANY, an Ohio corporation; and DOES 1
15 through 50, inclusive,

16 Defendants

17
18 Kevin Mahoney, Esq. (SBN: 235367)

19 kmahoney@mahoney-law.net

20 John A. Young, Esq. (SBN: 299809)

21 jyoung@mahoney-law.net

22 **MAHONEY LAW GROUP, APC**

23 249 E. Ocean Boulevard, Suite 814

24 Long Beach, California 90802

25 Telephone: (562) 590-5550

26 Facsimile: (562) 590-8400

27 Attorney for Plaintiff Arin Esraelian

1 This Joint Stipulation and Settlement Agreement of Class Action and PAGA
2 Claims (“Stipulation of Settlement” or “Settlement” or “Settlement Agreement”) is
3 made and entered into by and between Plaintiffs Arin Esraelian, Luis Franco, and Daniel
4 Rodas (hereinafter referred to as “Class Representatives” or “Plaintiffs”) and on behalf
5 of the Class and Aggrieved Employees (as defined below) and Defendant The Goodyear
6 Tire & Rubber Company (“Defendant” or “Goodyear”) (Plaintiffs and Defendant
7 hereinafter collectively referred to as the “Parties”).

8 THE PARTIES STIPULATE AND AGREE as follows:

9 **DEFINITIONS**

10 1. **“Actions”** shall mean, collectively, the lawsuits entitled *Esraelian v. The*
11 *Goodyear Tire & Rubber Company*, United States District Court – Central District of
12 California, Case No. 2:22-cv-00413-JFW-JPR (“*Esraelian*”), *Esraelian v. The*
13 *Goodyear Tire & Rubber Company*, Los Angeles Superior Court Case No.
14 22STCV03534 (“*Esraelian PAGA*”), *Franco v. The Goodyear Tire & Rubber*
15 *Company*, United States District Court – Northern District of California, Case No. 3:22-
16 cv-01320-CRB (“*Franco*”), and *Rodas v. The Goodyear Tire & Rubber Company*, Los
17 Angeles Superior Court Case No. 21STC35255 (“*Rodas PAGA*”), and *Rodas v. The*
18 *Goodyear Tire & Rubber Company*, currently pending in the United States District
19 Court – Central District of California, Case No. 2:21-cv-07526-VAP-KES (“*Rodas*”).

20 2. **“Attorneys’ Fees and Costs”** shall mean attorneys’ fees approved by the
21 Court for Class Counsel’s litigation and resolution of the Actions, and all actual costs
22 incurred and to be incurred by Class Counsel in the Actions, as set forth in Paragraph
23 70 below.

24 3. **“Class Counsel”** shall mean Janelle Carney of Janelle Carney – Attorney
25 at Law, APC, Kevin Mahoney and John Young of Mahoney Law Group, Alexei
26 Kuchinsky of Kuchinsky Law Office, P.C. and Larry W. Lee and Max Gavron of
27 Diversity Law Group.

1 4. **“Class List”** shall mean data to be provided by Defendant to the Settlement
2 Administrator, as defined in Paragraph 74, below.

3 5. **“Class”** or **“Class Members”** shall collectively mean all current and
4 former non-exempt hourly individuals employed by Goodyear in California at any time
5 from August 4, 2017 until the date of preliminary approval or July 30, 2022, whichever
6 occurs first.

7 6. **“Class Period”** shall mean any time from August 4, 2017 until the date of
8 preliminary approval or July 30, 2022, whichever occurs first.

9 7. **“Class Notice”** shall mean the Notice of Class Action and PAGA
10 Settlement in substantially the form attached hereto as **“Exhibit B”**, and as approved
11 by the Court.

12 8. **“Class Representatives”** or **“Plaintiffs”** shall collectively mean Plaintiffs
13 Arin Esraelian (“Plaintiff Esraelian”), Luis Franco (“Plaintiff Franco”), and Daniel
14 Rodas (“Plaintiff Rodas”).

15 9. **“Class Settlement”** shall mean the settlement and resolution of the
16 Released Class Claims.

17 10. **“Consolidated First Amended Complaint”** shall mean and refer to the
18 First Amended Class Action Complaint for Damages and Enforcement Under the
19 Private Attorneys General Act, California Labor Code § 2698, et seq. attached hereto
20 as **Exhibit A**.

21 11. **“Court”** shall mean the Superior Court of the State of California for the
22 County of Santa Clara.

23 12. **“Court’s Final Approval Order and Judgment”** or **“Final Approval**
24 **Order and Judgment”** means the order granting final approval of the Settlement and
25 entry of judgment based thereon, in a form to be agreed upon by the Parties and
26 approved by the Court.

27 13. **“Defendant”** shall mean The Goodyear Tire & Rubber Company.
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1 14. “**Defendant’s Counsel**” shall mean Alecia W. Winfield, Sarah Ross, and
2 Alexandra Bernstein of Littler Mendelson, P.C.

3 15. “**Effective Date**” shall have the meaning ascribed to it in Paragraph 61,
4 below.

5 16. “**Employer Taxes**” shall mean Defendant’s share of payroll taxes and
6 contributions, including but not limited to, Medicare taxes, Social Security taxes,
7 federal unemployment taxes, state unemployment insurance taxes, and employment
8 training taxes, with respect to the wages portion of Individual Settlement Shares, which
9 Defendant will pay in addition to the Gross Settlement Amount.

10 17. “**Final Approval Hearing**” shall mean the hearing at which the Court shall
11 consider, without limitations, any timely objections to the Class Settlement from
12 Settlement Class Members, testimony from the Parties or their counsel, declarations
13 regarding the notice process from the Settlement Administrator, and otherwise make a
14 final determination regarding the fairness of the Settlement as set forth herein.

15 18. “**Gross Settlement Amount**” shall refer to Three Million Five Hundred
16 Thousand Dollars and Zero Cents (\$3,500,000.00), which is the maximum amount that
17 Defendant will pay pursuant to this Settlement, subject to Paragraph 62 below, and
18 excluding Defendant’s Employer Taxes, which shall be paid by Defendant separately
19 and in addition to the Gross Settlement Amount.

20 19. “**Incentive Awards**” shall mean the payment made to Plaintiffs in
21 recognition of their efforts and work in prosecuting the Actions on behalf of Class
22 Members, State of California, and Aggrieved Employees, as set forth in Paragraph 71
23 below.

24 20. “**Individual PAGA Payment**” shall mean the amount payable to each
25 PAGA Employee for his or her *pro rata* share of the Employee PAGA Amount, to be
26 calculated in accordance with Paragraph 65 below.

1 21. **“Individual Settlement Payment”** shall mean the net payment of each
2 Settlement Class Member’s Individual Settlement Share, after reduction for the
3 employee’s share of taxes and withholdings with respect to the portion of the Individual
4 Settlement Share allocated as wages, as provided in Paragraph 66 below.

5 22. **“Individual Settlement Share”** shall mean the *pro rata* share of the Net
6 Settlement Amount that a Class Member may be eligible to receive under the Settlement
7 Agreement, to be calculated in accordance with Paragraph 64 below.

8 23. **“LWDA Payment”** means the payment of One Hundred Fifty Thousand
9 Dollars and Zero Cents (\$150,000.00), to the State of California Labor and Workforce
10 Development Agency for its seventy-five percent (75%) share of the PAGA Allocation.

11 24. **“Net Settlement Amount”** is the portion of the Gross Settlement Amount
12 available for payment to Settlement Class Members, which is the Gross Settlement
13 Amount less the following subject to Court approval: Attorneys’ Fees and Costs to Class
14 Counsel, Incentive Awards to Plaintiffs, Settlement Administration Costs to the
15 Settlement Administrator, and the PAGA Allocation.

16 25. **“Objection”** shall have the meaning ascribed to it in Paragraph 79 below.

17 26. **“PAGA”** shall mean the Private Attorneys General Act, California Labor
18 Code Section 2698, *et seq.*

19 27. **“PAGA Allocation”** means the amount of Two Hundred Thousand
20 Dollars and Zero Cents (\$200,000.00) from the Gross Settlement Amount that is
21 allocated towards penalties under the Private Attorneys General Act, California Labor
22 Code Section 2698, *et seq.*, of which seventy-five percent (75%), or \$150,000, will be
23 paid to the State of California Labor and Workforce Development Agency (“LWDA
24 Payment”) and twenty-five percent (25%), or \$50,000, will be distributed to the
25 Aggrieved Employees (“Employee PAGA Amount”).

26 28. **“PAGA Employee”** or **“Aggrieved Employee”** shall mean all current and
27 former non-exempt hourly individuals employed by Goodyear in California at any time
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1 from July 21, 2020 until the date of preliminary approval or July 30, 2022, whichever
2 occurs first.

3 29. **“PAGA Letters”** shall mean the written notices submitted to the LWDA
4 and Defendant by Plaintiff Esraelian on or about November 18, 2021, Plaintiff Rodas
5 on or about July 21, 2021, and Plaintiff Franco on or about January 17, 2022 of the
6 specific provisions of the California Labor Code and Industrial Welfare Commission
7 Wage Orders alleged to have been violated, described in Paragraphs 44, 47, and 49
8 herein.

9 30. **“PAGA Settlement”** shall mean the settlement and resolution of the
10 Released PAGA Claims.

11 31. **“Parties”** shall refer to the Plaintiffs and Defendant, each of whom is a
12 “Party.”

13 32. **“Preliminary Approval”** shall mean entry of an order by the Court
14 ordering preliminary approval of the Settlement, including an order requiring the
15 mailing of the Class Notice, setting the time, date, and place of the Final Approval
16 Hearing, and any other matters deemed necessary in connection with the Court’s
17 determination of whether or not to grant final approval of the Settlement.

18 33. **“Preliminary Approval Date”** shall mean the date that the Court grants
19 preliminary approval of the Settlement.

20 34. **“Released Class Claims”** shall mean all claims contained in the Actions
21 and Consolidated First Amended Complaint and/or any of Plaintiffs’ letters to the
22 LWDA including (including any subsequently amended complaints or letters), for work
23 performed during the Class Period, including any claims for failure to pay wages or
24 benefits (including minimum, regular and overtime wages, and/or meal or rest period
25 premiums, compensation for off-the-clock work and regular rate of pay for meal and
26 rest period premium payments and bonus/incentive pay payments), unreimbursed
27 business expenses, pay card costs, untimely wage payments both during and at the end
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1 of employment, failure to keep requisite payroll records, non-compliant meal periods,
2 non-compliant rest periods, non-compliant wage statements, and claims for interest,
3 penalties (including but not limited to wait time penalties), or premiums in connection
4 therewith, as well as any claims under the California Labor Code, California Wage
5 Orders, or the Fair Labor Standards Act (“FLSA”), alleged or which could have been
6 alleged under the facts pleaded in the Actions and Consolidated First Amended
7 Complaint, any claims for injunctive relief, declaratory relief, restitution, and unfair
8 competition and fraudulent business practices alleged or which could have been alleged
9 under the facts pleaded in the Actions and Consolidated First Amended Complaint, and
10 any and all other claims under California common law, the California Labor Code,
11 California Wage Orders, and the California Business and Professions Code alleged in
12 or that could have been alleged under the facts pleaded in the Actions and Consolidated
13 First Amended Complaint. This release includes any and all claims pursuant to:
14 California Labor Code sections §§ 200, et seq., 226, 226.7, 510, 512, 1194, 1194.2,
15 1197, 1198, and 2802; the Fair Labor Standards Act; the California Business &
16 Professions Code § 17200; and the California Industrial Welfare Commission Wage
17 Orders 7-01. No release in this Settlement shall be effective until the Gross Settlement
18 Amount is fully funded.

19 35. **“Released PAGA Claims”** shall mean all claims for civil penalties under
20 the Private Attorneys General Act, California Labor Code section 2698, et. seq.,
21 contained in the Actions and Consolidated First Amended Complaint and/or any of
22 Plaintiffs’ letters to the LWDA including (including any subsequently amended
23 complaints or letters), for work performed during the PAGA Period, including for
24 failure to pay wages or benefits (including minimum, regular and overtime wages, ,
25 and/or meal or rest period premiums, compensation for off-the-clock work and regular
26 rate of pay for meal and rest period premium payments and bonus/incentive pay
27 payments), unreimbursed business expenses, pay card costs, untimely wage payments
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1 both during and at the end of employment, failure to keep requisite payroll records, non-
2 compliant meal periods, non-compliant rest periods, non-compliant wage statements,
3 failure to pay premiums in connection therewith, in violation of the California Labor
4 Code and/or California Wage Orders, alleged or which could have been alleged under
5 the facts pleaded in the Actions and Consolidated First Amended Complaint. This
6 release includes, but is not limited to, claims for PAGA civil penalties premised on:
7 California Labor Code sections 201, 202, 203, 204, 210, 218.5, 218.6, 226, subdivision
8 (a), 226.3, 226.7, 510, 512, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, and 2802.

9 36. **“Released Parties”** collectively shall encompass The Goodyear Tire &
10 Rubber Company and any of its present, former, and future direct or indirect parent
11 companies, present owners, former owners, future owners, subsidiaries, predecessors,
12 successors, as well as each of its past, present and future shareholders, officers,
13 directors, employees, partners, members, shareholders and agents, attorneys, insurers,
14 reinsurers, and any individual or entity which could be jointly liable with Defendant.

15 37. **“Request for Exclusion”** shall have the meaning ascribed to it in
16 Paragraph 78 below.

17 38. **“Response Deadline”** shall mean Class Members’ deadline to submit a
18 Request for Exclusion, Objection, and/or Workweeks Dispute, which will be the date
19 that is thirty (30) calendar days from the initial mailing of the Class Notice by the
20 Settlement Administrator, unless the 30th day falls on a Sunday or Federal holiday, in
21 which case the Response Deadline will be extended to the next day on which the U.S.
22 Postal Service is open.

23 39. **“Settlement”** shall mean the terms and conditions set forth in this Joint
24 Stipulation and Settlement Agreement of Class Action and PAGA Claims.

25 40. **“Settlement Administrator”** shall mean Rust Consulting Inc.
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42. **“Settlement Class” or “Settlement Class Members”** shall mean all Class Members who do not submit a valid and timely Request for Exclusion as described in Paragraph 78.

RECITALS

45. On or about August 4, 2021, Plaintiff Rodas filed the *Rodas* Action in the Superior Court of California, County of Los Angeles designated as Case No. 21STCV28702 on behalf of three subclasses:

- All current and former non-exempt employees of Defendant in the State of California, who [sic] earned overtime wages and non-discretionary remuneration during the same workweek, at any time from August 4, 2017, through the present;
- All current and former non-exempt employees of Defendant in the State of California, who were paid any wages on a piece-rate basis at any time from August 4, 2020, through the present;
- All current and former non-exempt employees of Defendant[sic] in the State of California, who were paid any wages identified as “Details Not Displayed” at any time from August 4, 2020, through the present.

1 On September 20, 2021, The Goodyear Tire & Rubber Company removed the *Rodas*
 2 Action to the United States District Court – Central District of California, resulting in
 3 Case No. 2:21-cv-07526 -VAP-KES. The *Rodas* Action alleges three causes of action:
 4 (1) violation of Labor Code §§ 510, 558, and 1194, (2) violation of Labor Code § 226(a),
 5 and (3) violation of Business & Professions Code § 17200, et seq.

6 46. On or about September 24, 2021, Plaintiff Rodas filed the *Rodas PAGA*
 7 Action in the Superior Court of California, County of Los Angeles, resulting in Case
 8 No. 21STCV35255 with a single cause of action for violation of California’s Labor
 9 Code Private Attorneys General Act of 2004 (Cal. Lab. Code §2698, *et seq.* or
 10 “PAGA”).

11 47. On or about November 18, 2021, Plaintiff Esraelian submitted a PAGA
 12 Letter to the LWDA seeking civil penalties under PAGA, against The Goodyear Tire &
 13 Rubber Company on behalf of aggrieved employees in California, for alleged violations
 14 of the California Labor Code including California Labor Code sections 201-204, 206,
 15 210, 226, 226.3, 226.7, 510, 512, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1,
 16 1198, and 2802.

17 48. On or about December 8, 2021, Plaintiff Esraelian filed the *Esraelian*
 18 Action in the Superior Court of California for the County of Los Angeles, Case No.
 19 21STCV44620, on behalf of all non-exempt, hourly-paid employees currently and/or
 20 formerly employed by The Goodyear Tire & Rubber Company in California. On
 21 January 20, 2022, The Goodyear Tire & Rubber Company removed the *Esraelian*
 22 Action to the United States District Court – Central District of California, resulting in
 23 Case No. 2:22-cv-00413-JFW-JPR. The *Esraelian* Action alleges a cause of action for
 24 violations of the California Labor Code under California Business & Professions Code
 25 § 17200, et seq., for failure to pay all wages, including minimum and overtime wages
 26 (Cal. Lab. Code §§ 510 and 1194), failure to provide meal periods (Cal. Lab. Code §§
 27 226.7 and 512), failure to provide rest periods (Cal. Lab. Code §§ 226.7 and 512) failure
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1 to keep accurate payroll records (Cal. Lab. Code §§ 1174, 226(a), (e)), failure to timely
2 pay wages at separation (Cal. Lab. Code §§ 201-203), and failure to reimburse
3 employees for necessary business expenditures (Cal. Lab. Code § 2802(a)).

4 49. On or about January 17, 2022, Plaintiff Franco submitted a PAGA Letter
5 to the LWDA seeking civil penalties under PAGA, against The Goodyear Tire &
6 Rubber Company on behalf of aggrieved employees in California, for alleged violations
7 of the California Labor Code and Industrial Welfare Commission Wage Orders,
8 including California Labor Code sections 201, 202, 203, 226(a), 226.7, 512, and
9 Industrial Welfare Commission Wage Orders 9-2001.

10 50. On or about January 18, 2022, Plaintiff Franco filed the *Franco* Action in
11 the Superior Court of California, County of Santa Clara designated as Case No.
12 22CV393403 on behalf of a class (and five sub-classes) of current and former hourly
13 non-exempt employees of Defendant who were employed by Defendant in California
14 from January 18, 2018 through the present. On March 2, 2022 The Goodyear Tire &
15 Rubber Company removed the *Franco* Action to the United States District Court –
16 Northern District of California, resulting in Case No. 5:22-cv-01320 -CRB. The *Franco*
17 Action alleges six causes of action: (1) Failure to Pay Proper Premiums for Non-
18 Compliant Meal and Rest Periods in Violation of California Labor Code §§ 512 and
19 226.7 and IWC Wage Order; (2) Failure to Provide Rest Periods in Violation of
20 California Labor Code § 226.7 and IWC Wage Order; (3) Failure to Provide Accurate
21 Itemized Wage Statements in Violation of California Labor Code § 226 and IWC Wage
22 Order; (4) Failure to Pay Earned Wages Upon Separation in Violation of California
23 Labor Code §§ 201-203; (5) Unlawful, Unfair and Fraudulent Business Practices (Cal.
24 Bus. & Prof. Code §§ 17200 et. seq.); and (6) Civil Penalties Pursuant to Labor Code
25 Private Attorneys General Act of 2004 (Cal. Lab. Code §§2698 *et seq* or “PAGA”).
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1 51. On or about January 28, 2022, Plaintiff Esraelian filed the *Esraelian PAGA*
2 Action in the Superior Court of California for the County of Los Angeles, Case No.
3 22STCV03534 alleging a single cause of action for a violation of PAGA.

4 52. Following exchange and extensive review of relevant documents and class
5 data, on April 22, 2022, the Parties engaged in a full-day mediation with experienced
6 wage and hour class action mediator Steve Rottman, Esq. which did not settle that day,
7 but through continued arms-length negotiations through Mr. Rottman, eventually
8 resulted in a settlement and Parties accepted a mediator's proposal on May 27, 2022.
9 Any post-mediation disputes will be mediated through Mr. Rottman.

10 53. Defendant denies any liability or wrongdoing of any kind whatsoever
11 associated with the claims in the Actions, and further denies that, for any purpose other
12 than settling the Actions, the Actions are appropriate for class action or representative
13 treatment.

14 54. It is the Parties' desire to fully, finally and forever settle, compromise and
15 discharge all disputes and claims arising from or related to the allegations of the
16 Actions.

17 55. It is the Parties' intention that the Settlement shall constitute a full and
18 complete settlement and release of all Released Class Claims and all Released PAGA
19 Claims (as defined herein).

20 56. It is the Parties' intention that this Settlement shall not become effective
21 until the Effective Date, as defined in Paragraph 61, below.

22 57. Class Counsel have conducted a thorough investigation into the facts of
23 the Actions, including an extensive review of relevant documents and data, and have
24 diligently pursued an investigation of the class and PAGA claims against Defendant.
25 Based on its and their own independent investigation and evaluation, Class Counsel are
26 of the opinion that the Settlement with Defendant is fair, reasonable, and adequate and
27 is in the best interest of the Class Members, State of California, and Aggrieved
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1 Employees in light of all known facts and circumstances, including the risks of
2 significant delay, the class not being certified, and the defenses asserted by Defendant.

3 58. The Parties agree to cooperate and take all steps necessary and appropriate
4 to consummate this settlement in accordance with the terms of the Settlement.

5 **TERMS OF SETTLEMENT**

6 59. In consideration of the mutual covenants, promises and agreements set
7 forth herein, the Parties agree, subject to the Court's approval, to the terms herein.

8 60. It is agreed by and between Plaintiffs and Defendant that the Actions and
9 any claims, demands, liabilities, penalties, damages or causes of action of any kind
10 whatsoever claimed by Plaintiffs on behalf of themselves, the Class Members, as a
11 private attorney general on behalf of the State of California, and/or the Aggrieved
12 Employees arising out of the disputes which are the subject of the Actions, be settled
13 and compromised, subject to the terms and conditions set forth in the Settlement
14 Agreement and the Court's approval.

15 61. Conditions Precedent and Effective Date:

16 a. The following must be satisfied in order for the Settlement to
17 become effective, and the Effective Date shall be the date on which the Court's order
18 approving the settlement and its entry of judgment become Final (the "Effective Date")
19 and after the following events have occurred: (i) the Settlement Agreement has been
20 executed by Plaintiffs, Defendant, Class Counsel, and the Defendant's Counsel; (ii) the
21 Court has given preliminary approval to the Settlement; (iii) the Class Notice has been
22 mailed to the Class Members, providing them with an opportunity to object to the terms
23 of the Class Settlement or opt out of the Class Settlement; (iv) the Court has held a Final
24 Approval Hearing and entered a Final Approval Order and Judgment. "Final" shall
25 mean the latest of (i) if there is an appeal of the Court's judgment, the date the order
26 and judgment approving the settlement are affirmed on appeal, the date of dismissal of
27 such appeal, or the expiration of the time to file a petition for writ of certiorari to the
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1 California Supreme Court; (ii) if a petition for writ of certiorari is filed, the date of
2 denial of the petition for writ of certiorari, or the date the order and judgment approving
3 the settlement are affirmed pursuant to such petition; or (iii) if no objection or motion
4 for intervention is filed prior to Final Approval, then the date the court enters judgment.

5 b. Failure to satisfy a material condition of settlement set forth above
6 in Paragraph 61.a shall have the effect of terminating the Settlement Agreement, in
7 which case the Settlement Agreement shall become null and void and have no further
8 force or effect.

9 62. Gross Settlement Amount: To implement the terms of this Settlement,
10 within fifteen (15) calendar days after the Effective Date, the Settlement Administrator
11 will provide the Parties with an accounting of the amounts to be paid by Defendant
12 pursuant to the terms of the Settlement Agreement. Within thirty (30) calendar days of
13 the Effective Date, Defendant agrees to make a one-time deposit of the full Gross
14 Settlement Amount in the amount of Three Million Five Hundred Thousand Dollars
15 and Zero Cents (\$3,500,000.00) and an amount sufficient to pay the Employer Taxes,
16 into a settlement account to be established by the Settlement Administrator. Within
17 seven (7) calendar days of the funding of the Gross Settlement Amount, the Settlement
18 Administrator will issue payments under the Settlement and approved by the Court, as
19 follows: (a) Individual Settlement Payments to Settlement Class Members; (b)
20 Individual PAGA Payments to Aggrieved Employees; (c) LWDA Payment to the Labor
21 and Workforce Development Agency; (d) Incentive Awards to the Class
22 Representatives; (d) the Settlement Administration Costs to itself; and (e) Attorneys'
23 Fees and Costs to Class Counsel. Defendant shall not be required to pay any additional
24 monies beyond the amount of the Gross Settlement Amount plus the Employer Taxes.
25 Further, no portion of the Gross Settlement Amount shall revert to Defendant, and any
26 amount of the Gross Settlement Amount not required to pay the above-referenced
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1 amounts shall be paid to the Settlement Class Members on a pro rata basis according to
2 the formula contained herein.

3 63. Tax Treatment of the Gross Settlement Amount: The Parties agree that the
4 Gross Settlement Amount will qualify as a settlement fund pursuant to the requirements
5 of section 468(B)(g) of the Internal Revenue Code of 1986, as amended, and section
6 1.468B-1. *et seq.* of the income tax regulations. Furthermore, the Settlement
7 Administrator is hereby designated as the “Administrator” of the qualified settlement
8 funds for purposes of section 1.46B-2(k) of the income tax regulations. As such, all
9 taxes imposed on the gross income of the Gross Settlement Amount and any tax-related
10 expenses arising from any income tax return or other reporting document that may be
11 required by the Internal Revenue Service or any state or local taxing body will be paid
12 from the Gross Settlement Amount.

13 64. Individual Settlement Share Calculations: Class Members shall not be
14 required to submit a claim in order to receive a share of the Net Settlement Amount.
15 Individual Settlement Shares will be calculated and apportioned, based on the number
16 of weeks they worked during the relevant time periods, as follows:

17 a. The Settlement Administrator shall determine the number of weeks
18 that each Class Member was employed by Defendant during the period between August
19 4, 2017 and the date of preliminary approval or July 30, 2022, whichever occurs first,
20 by counting the number of days of employment between the start and end date within
21 the settlement Class Period and dividing by seven (7) and rounding up
22 (“**Workweeks**”).

23 b. The Settlement Administrator will divide the final Net Settlement
24 Amount by the total Workweeks to yield the “Class Workweek Value,” and multiply
25 each Settlement Class Member’s individual Workweeks by the Class Workweek Value
26 to yield his or her Individual Settlement Share.

1 65. Individual PAGA Payment Calculations: Class Members shall not be
2 required to submit a claim in order to receive a share of the Employee PAGA Amount.
3 Individual PAGA Payments will be calculated and apportioned based on the number of
4 weeks they worked during the relevant time periods, as follows:

5 a. The Settlement Administrator shall determine the number of weeks
6 each Aggrieved Employee was employed by Defendant during the period from July 21,
7 2020 until the date of preliminary approval or July 30, 2022, whichever comes first by
8 counting the number of days of employment between the start and end date and dividing
9 by seven (7) and rounding up (“**PAGA Workweeks**”).

10 b. The Settlement Administrator will divide the Employee PAGA
11 Amount (i.e. the 25% of the PAGA Allocation), by the total PAGA Workweeks of all
12 Aggrieved Employees to yield the “PAGA Workweek Value” and multiply each
13 Aggrieved Employee’s individual PAGA Workweeks by the PAGA Workweek Value
14 to yield his or her Individual PAGA Payment.

15 66. Treatment of Individual Settlement Shares and Individual PAGA
16 Payments: Each Individual Settlement Share will be allocated as follows: 1/3 percent
17 wages and 2/3 penalties and interest. The portion allocated to wages will be reported on
18 an IRS Form W-2 and the portions allocated to penalties and interest will be reported
19 on an IRS Form-1099 by the Settlement Administrator. The Settlement Administrator
20 will withhold the employee’s share of taxes and withholdings with respect to the wages
21 portion of the Individual Settlement Shares, and issue checks to Settlement Class
22 Members for their Individual Settlement Payments (i.e., payment of their Individual
23 Settlement Share net of these taxes and withholdings). The Parties further agree that
24 the Individual PAGA Payments distributed to each PAGA Employee will be allocated
25 as one hundred percent (100%) penalties, will not be subject to taxes or withholdings
26 and Plaintiffs shall assume full responsibility and liability for the payment of taxes due
27 on such award, and will be reported on an IRS Form 1099, if necessary. The employer’s
28

1 share of taxes and contributions on the wages portion of Individual Settlement Shares
2 will be paid separately and in addition to the Gross Settlement Amount.

3 67. Settlement Checks: The Settlement Administrator will be
4 responsible for undertaking appropriate deductions, required tax reporting, and issuing
5 the Individual Settlement Payments by way of check to the Settlement Class Members
6 and the Individual PAGA Payments by way of check to the Aggrieved Employees, in
7 accordance with this Settlement Agreement. The Settlement Administrator may, at its
8 discretion, distribute the Individual Settlement Payment and Individual PAGA Payment
9 by way of a single check that combines both payments (if applicable). Each Settlement
10 check will be valid and negotiable for one-hundred and eighty (180) calendar days from
11 the date of issuance of the check. Each Individual Settlement Payment check shall
12 contain the following language: "By cashing this check, I am opting into the settlement
13 and release of Released Claims arising under the Fair Labor Standards Act, 29 U.S.C.
14 § 216(b), as part of the class action settlement in the *Franco* matter. If any checks are
15 not cashed within ninety (90) calendar days after mailing, the Settlement Administrator
16 will send a reminder postcard indicating that unless the check is cashed in the next
17 ninety (90) days, it will expire and become non-negotiable, and offer to replace the
18 check if it was lost or misplaced. If any checks have not been cashed by the expiration
19 of the ninety (90) day period after mailing the reminder notice, the Settlement
20 Administrator will, within two hundred (200) calendar days after the checks are mailed,
21 cancel the checks. All funds associated with such uncashed checks shall be transmitted
22 to the State of California's State Controller Unclaimed Property Fund, in the name of
23 the individuals whose checks are cancelled, in the appropriate amounts for each such
24 individual. Settlement Class Members whose Individual Settlement Payment checks
25 are uncashed shall, nevertheless, be bound to the Class Settlement, and PAGA
26 Employees whose Individual PAGA Payment checks are uncashed shall, nevertheless,
27 be bound to the PAGA Settlement.

1 68. Settlement Payments Do Not Trigger Additional Benefits: All payments
2 made under the Settlement shall be deemed to be paid to the payee solely in the year in
3 which payments are actually issued to the payee. It is expressly understood and agreed
4 that payments made under this Settlement shall not be utilized to calculate any
5 additional benefits under any benefit plans to which any Plaintiffs, Settlement Class
6 Members, and/or Aggrieved Employees may be eligible including, but not limited to:
7 retirement plans, profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans,
8 vacation plans, paid time off, sick leave plans, PTO plans, pension plans, or any other
9 benefit plan. It is the Parties' intention that this Agreement will not affect any rights,
10 contributions, or amounts to which Plaintiffs, Settlement Class Members, and
11 Aggrieved Employees may be entitled under any benefit plans.

12 69. Settlement Administrator: The Settlement Administrator shall be Rust
13 Consulting Inc(the "Settlement Administrator"). The Settlement Administrator will
14 maintain acceptable electronic and physical security protocols to adequately protect and
15 safeguard the private employee information it will have access to as a result of the
16 claims process. The fees and expenses of the Settlement Administrator, which is
17 currently estimated at approximately Eighteen Thousand Seven Hundred Seventy Two
18 Dollars and Zero Cents (\$18,772.00), shall be paid from the Gross Settlement Amount,
19 subject to Court approval. The Settlement Administrator's work and responsibilities
20 will include, *inter alia*, translating the Class Notice in Spanish, printing, distributing,
21 and tracking Class Notices and other documents for the Settlement, calculating and
22 distributing payments due under the Settlement, issuing of 1099 and W-2 IRS Forms
23 and all required tax reporting, filings, withholdings, and remittances, providing
24 necessary reports and declarations, and other duties and responsibilities set forth herein
25 to process the Settlement, and as requested by the Parties and/or the Court. To the
26 extent actual Settlement Administration Costs are greater than the estimated amount
27 stated herein, such excess amount will be deducted from the Gross Settlement Amount,

1 subject to approval by the Court. Any portion of the estimated, designated, and/or
2 awarded Settlement Administration Costs which are not in fact required to fulfill
3 payment to the Settlement Administrator to undertake the required settlement
4 administration duties are to be part of the Net Settlement Amount.

5 70. Attorneys' Fees Costs: Class Counsel shall seek and Defendant will not
6 oppose attorneys' fees in an amount equal to One Million One Hundred Sixty Six
7 Thousand Six Hundred and Sixty Six Dollars and Sixty Seven Cents (\$1,166,666.67)
8 or 33.33% of the Gross Settlement Amount, plus reasonable actual costs/expenses not
9 to exceed Thirty Five Thousand Dollars and Zero Cents (\$35,000.00), subject to
10 approval by the Court. The amount set forth above will cover all work performed and
11 all fees and costs incurred to date, and all work to be performed and all fees and costs
12 to be incurred in connection with obtaining the Court's approval of the Settlement.
13 Should Class Counsel collectively request a lesser amount, or should the Court approve
14 a lesser amount of attorneys' fees and/or attorneys' costs, the difference between the
15 lesser amount and the maximum amount set forth above shall be added to the Net
16 Settlement Amount. Any reduction by the Court of Class Counsel's claimed attorneys'
17 fees and/or reasonable costs/expenses shall not be sufficient grounds to void the
18 Settlement. However, Class Counsel has the right to appeal any reduction of fees and
19 costs and said appeal will not effect the release of the class members or payment to the
20 class members. Plaintiffs and Defendant shall bear their own attorney's fees and costs,
21 except as provided herein.

22 71. Class Representatives' Incentive Awards: Subject to the Court's approval
23 and in recognition of their efforts and work in prosecuting the Actions, the Class
24 Representatives will each be paid an Incentive Award in an amount up to Ten Thousand
25 Dollars and Zero Cents (\$10,000.00), totaling \$30,000.00, which shall be paid from the
26 Gross Settlement Amount. Defendant will not object to Class Counsel's application for
27 Court approval of Incentive Awards to the Class Representatives in the total amount of
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1 Thirty Thousand Dollars and Zero Cents (\$30,000.00). It is understood that the
2 Incentive Awards are in addition to any Individual Settlement Payment or Individual
3 PAGA Payment to which Plaintiffs are entitled. The Incentive Award shall not be
4 deemed wages and will be reported on an IRS Form 1099, if applicable. Any reduction
5 by the Court of the Class Representatives' Incentive Awards shall not be sufficient
6 grounds to void the Settlement and shall not be grounds for appeal. Any amounts not
7 approved will continue to be part of the gross settlement amount and will be paid out
8 pursuant to this agreement.

9 72. Tax Forms: The Settlement Administrator shall be responsible for issuing
10 the payments and withholding all required state and federal taxes in accordance with
11 the Settlement Agreement. The Settlement Administrator will issue an IRS W-2 to each
12 Settlement Class Member for the wages portion of each Individual Settlement Payment
13 and subject to applicable tax withholdings. The Settlement Administrator shall issue an
14 IRS Form 1099 to each Settlement Class Member for the penalties and interest portion
15 of each Individual Settlement Payment and not subject to payroll tax withholdings. The
16 Settlement Administrator will also issue IRS Forms 1099 to: (1) Plaintiffs for the
17 Incentive Awards; (2) the Aggrieved Employees for their Individual PAGA Payments;
18 and (3) Class Counsel for the Court-approved Attorneys' Fees and Costs. The
19 Settlement Administrator will be responsible for preparing these forms correctly. The
20 Settlement Administrator shall also be responsible for submitting Defendant's
21 Employer Taxes to the appropriate government agencies on behalf of Defendant.
22 Plaintiffs and Class Counsel will be responsible for correctly characterizing the
23 compensation they receive for tax purposes and for paying any taxes on the amounts
24 received.

25 73. Indemnification: Plaintiffs and Class Counsel acknowledge and agree that
26 they are and will be responsible for the payment of any and all Federal, State, and Local
27 taxes or penalties and valid and enforceable liens and encumbrances associated with
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1 their respective allocated portions of the payments described herein, and agree to
2 indemnify and hold the Released Parties harmless from any and all claims by any
3 Federal, State, or Local taxing authority, or other entity that Plaintiffs or Class Counsel
4 failed to pay or underpaid on their or her or his share of taxes and valid and enforceable
5 liens or encumbrances associated with their payments set forth in this Settlement. The
6 Parties acknowledge and agree that Class Counsel is not responsible for the payment of
7 any Federal, State, and Local taxes or penalties associated with payments to Plaintiffs
8 and Class Members.

9 74. Class List: Within thirty (30) calendar days of preliminary approval of this
10 Settlement by the Court, Defendant shall diligently and in good faith compile from its
11 records and provide to the Settlement Administrator a database formatted as one or more
12 readable Microsoft Office Excel spreadsheets containing the following information
13 (“Class List”): the full name, last known mailing address to the extent available in
14 Defendant’s business records, full Employee Identification Number, and full Social
15 Security number of each Class Member and Aggrieved Employee, and the Workweeks
16 of each Aggrieved Employee.

17 75. Notice by First-Class U.S. Mail:

18 a. The Settlement Administrator shall send a Class Notice to Class Members
19 and Aggrieved Employees by First-Class U.S. mail within fourteen (14) calendar days
20 of receipt of the Class List. Prior to mailing the Class Notice, the Settlement
21 Administrator shall update the addresses of the Class Members and Aggrieved
22 Employees by reference to the National Change of Address Database maintained by the
23 United States Postal Service.

24 b. If a Class Notice is returned as non-deliverable within ten (10) days of
25 initial mailing, with a forwarding address, the Settlement Administrator shall resend the
26 Class Notice to the forwarding address.

1 c. If a Class Notice is returned as non-deliverable within ten (10) days of
2 initial mailing, with no forwarding address, the Settlement Administrator shall conduct
3 a single advanced skip trace to locate the most current address of the person to whom
4 the Class Notice was addressed. The Settlement Administrator shall only conduct one
5 (1) supplemental mailing of a returned Class Notice for each Class Member and/or
6 Aggrieved Employee

7 d. Class Members whose Class Notices are sent a re-mailed Class Notice
8 shall have their original Response Deadline extended by five (5) calendar days.

9 e. Upon completion of these steps, the Parties shall be deemed to have
10 satisfied their obligations to provide the Class Notice to the affected Class Members.

11 76. Settlement Administrator's Duty to Secure Information: The Settlement
12 Administrator (along with any of its agents) shall represent and warrant that it will: (1)
13 provide reasonable and appropriate administrative, physical and technical safeguards,
14 including a reasonable security protocol, for any personally identifiable information
15 ("PII"), which it receives from Defendant's Counsel and/or Class Counsel; (2) not
16 disclose the PII to third parties, including agents or subcontractors, without Defendant's
17 consent; (3) not disclose or otherwise use the PII other than to carry out its duties as set
18 forth herein; and (4) promptly provide Defendant with notice if PII is subject to
19 unauthorized access, use, disclosure, modification, or destruction. The Settlement
20 Administrator may provide notice to both Parties if the PII is subject to unauthorized
21 access, use, disclosure, modification or destruction; however, all additional
22 communications from the Settlement Administrator regarding the scope, circumstances,
23 and substance shall be communicated solely to Defendant.

24 77. Settlement Administrator's Declaration in Advance of Final Approval:
25 The Settlement Administrator shall provide to the Court, concurrently with Plaintiffs'
26 Motion for Final Approval, a declaration of due diligence and proof of mailing with
27 regard to the mailing of the Class Notices.

1 78. Procedure for Requesting Exclusion from the Class Settlement:

2 a. Any Class Member wishing to be excluded from the Class
3 Settlement must submit a written request for exclusion ("Request for Exclusion") to the
4 Settlement Administrator, by mail, on or before the Response Deadline. The date of
5 the postmark on the mailing envelope will be the exclusive means to determine whether
6 a Request for Exclusion has been timely submitted. The Request for Exclusion must:
7 (1) contain the case name and number of the *Franco* Action; (2) state the full name,
8 address, telephone number, and last four digits of the Social Security Number or
9 Employee Identification Number of the Class Member requesting exclusion; (3) clearly
10 state that the Class Member does not wish to be included in the Class Settlement; (4)
11 be signed by the Class Member; and (5) be returned by mail to the Settlement
12 Administrator at the specified address, postmarked on or before the Response Deadline.
13 A Class Member who does not submit a timely and valid Request for Exclusion will be
14 deemed a Settlement Class Member and will be bound by the Class Settlement.
15 Aggrieved Employees are bound to the PAGA Settlement; if an Aggrieved Employee
16 is also a Class Member, he or she will still be bound to the PAGA Settlement
17 irrespective of whether he or she opts out of the Class Settlement. Class Members are
18 responsible for maintaining a photocopy of their Request for Exclusion, reflecting that
19 it was submitted in a timely manner. Any disputes regarding the timeliness of a Request
20 for Exclusion or whether a written communication constitutes a valid Request for
21 Exclusion, that cannot be resolved between the Parties, shall be determined by the
22 Court, whose determination shall be final.

23 b. If ten percent (10%) or more of the Class Members opt out of the
24 Class Settlement by submitting valid and timely Requests for Exclusion, Defendant
25 shall have the sole and absolute discretion to rescind/void the Settlement Agreement
26 within fifteen (15) calendar days after receiving from the Settlement Administrator the
27 final list of Requests for Exclusion. Defendant agrees to meet and confer in good faith
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1 with Class Counsel before rescinding or voiding the Settlement Agreement. In the event
2 that Defendant elects to rescind/void the Settlement Agreement, Defendant shall
3 provide written notice of such rescission to Class Counsel and shall be responsible for
4 all costs associated with the administration of the Settlement up to the date of recission.
5 Such rescission shall have the same effect as a termination of the Settlement Agreement
6 for failure to satisfy a condition of settlement, and the Settlement Agreement shall
7 become null and void and have no further force or effect. The Parties specifically agree
8 not to solicit opt-outs, directly or indirectly, through any means.

9 79. Procedures for Objecting to the Class Settlement: Class Members who
10 have not opted out of the Class Settlement (i.e., Settlement Class Members) may object
11 to the Class Settlement by submitting a written objection (“Objection”) to the
12 Settlement Administrator, by mail, on or before the Response Deadline. The date of
13 the postmark on the mailing envelope will be the exclusive means to determine whether
14 an Objection has been timely submitted. The Objection must: (1) contain the case name
15 and number of the *Franco* Action; (2) state the full name, address, telephone number,
16 and last four digits of the Social Security Number or Employee Identification Number
17 of the objecting Class Member; (3) include a written statement of all grounds for the
18 objection accompanied by any legal support for such objection; (4) attach copies of
19 any papers, briefs, or other documents upon which the objection is based; (5) be signed
20 by the Class Member; and (6) be returned by mail to the Settlement Administrator at
21 the specified address, postmarked on or before the Response Deadline. At no time shall
22 any of the Parties or their counsel seek to solicit or otherwise encourage Class Members
23 to submit objections to the Settlement or to appeal from the Final Approval Order and
24 Judgment. Class Counsel shall not represent any Class Members with respect to any
25 such objections to the Settlement. Any Class Member who wishes to appear at the Final
26 Approval Hearing and be heard orally in support of, or to present, an objection to the
27 Class Settlement, may do so.

1 80. Dispute Regarding Workweeks: Class Members and Aggrieved
2 Employees will have an opportunity to dispute the number of Workweeks and PAGA
3 Workweeks to which they have been credited, as reflected in their respective Class
4 Notices. In order to dispute Workweeks and/or PAGA Workweeks, Class Members
5 and/or Aggrieved Employees must submit a written letter to the Settlement
6 Administrator (“Workweeks Dispute”). The Workweeks Dispute must: (1) contain the
7 case name and number of the *Franco Action*; (2) be signed by the Class Member; (3)
8 contain the full name, address, telephone number, and the last four digits of the Social
9 Security Number or Employee Identification Number of the disputing Class Member;
10 (4) clearly state that the individual disputes the number of Workweeks and/or PAGA
11 Workweeks credited to him or her and what he or she contends is the correct number(s)
12 to be credited to him or her; (e) include information and/or attach documentation
13 demonstrating that the number of Workweeks and/or PAGA Workweeks that he or she
14 contends should be credited to him or her are correct; and (f) is returned by mail to the
15 Settlement Administrator at the specified address, postmarked on or before the
16 Response Deadline. The date of the postmark on the mailing envelope on the
17 submission will be the exclusive means to determine whether a dispute has been timely
18 submitted. Absent information and/or documents demonstrating that Defendant’s
19 records and data are inaccurate as they pertain to the number of Workweeks and/or
20 PAGA Workweeks to be credited to a disputing Class Member and/or Aggrieved
21 Employee, Defendant’s records will be presumed correct and determinative of the
22 dispute. The Settlement Administrator will evaluate the materials submitted by the
23 Class Member and/or PAGA Employee and the Settlement Administrator will resolve
24 and determine the number of eligible Workweeks and/or PAGA Workweeks that the
25 disputing Class Member and/or Aggrieved Employee should be credited with under the
26 Settlement. The Settlement Administrator’s decision on such disputes will be final and
27 non-appealable.

1 81. Released Class Claims: Upon the Effective Date and full funding of the
2 Gross Settlement Amount, Plaintiffs and all Class Members who do not submit a timely
3 and valid Request for Exclusion (i.e., Settlement Class Members) will be deemed to
4 have fully, finally, and forever released, settled, compromised, relinquished, and
5 discharged the Released Parties (as defined above) of all Released Class Claims (as
6 defined above). Those Settlement Class Members who cash their Individual Settlement
7 Payment check shall be deemed to opt-in for purposes of releasing Released Parties
8 from any Released Class Claims predicated under the FLSA.

9 82. Released PAGA Claims: Upon the Effective Date and full funding of the
10 Gross Settlement Amount, Plaintiffs and the PAGA Employees will be deemed to have
11 fully, finally, and forever released, settled, compromised, relinquished and discharged
12 the Released Parties of and from any and all Released PAGA Claims. The PAGA
13 Employees will be issued a check for their share of the PAGA Payment and will not
14 have the opportunity to opt out of, or object to, the PAGA Settlement. The PAGA
15 Employees are bound by the PAGA Settlement regardless of whether they cash or
16 deposit their Individual PAGA Payment check, and even if they object or opt out of the
17 Class Settlement.

18 83. General Release of Claims by Class Representatives: Upon the Effective
19 Date, and full funding of the Gross Settlement Amount, the Class Representatives,
20 individually for themselves only, fully release the Released Parties, without limitation,
21 from any and all claims whatsoever regarding Class Representatives' employment
22 and/or the termination of employment including, but not limited to, any claims for
23 wages, bonuses, severance pay, employment benefits, stock options, violation of any
24 personnel policy, any claims based on discrimination, harassment, unlawful retaliation,
25 violation of public policy, or damages of any kind whatsoever, arising out of any
26 common law torts, contracts, express or implied, any covenant of good faith and fair
27 dealing, any theory of wrongful discharge, any theory of negligence, any theory of any
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1 federal, state, or other governmental statute, executive order, regulation or ordinance,
2 or common law, or any other basis whatsoever, to the fullest extent provided by law.
3 Class Representatives shall be deemed to have, and by operation of the Final Approval
4 Order Judgment shall have, expressly waived and relinquished to the fullest extent
5 permitted by law the provisions, rights, and benefits of Section 1542 of the California
6 Civil Code, or any other similar provision under federal or state law that purports to
7 limit the scope of a general release. Class Representatives, for themselves, have read
8 Section 1542 of the Civil Code of the State of California, which provides as follows:

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

15 The Class Representatives understand that Section 1542 gives the right not to release
16 existing claims of which they are not now aware, unless the Class Representatives
17 voluntarily choose to waive this right. Having been so apprised, the Class
18 Representatives nevertheless voluntarily waive the rights described in Section 1542 and
19 elects to assume all risks for unknown claims that now exist in her favor, known or
20 unknown. The release of the claims of the Class Representatives as set forth in this
21 paragraph is a condition precedent to enforcement of the Settlement Agreement.
22 Notwithstanding the above, the general release by Class Representatives shall not
23 extend to claims for workers' compensation benefits, claims for unemployment
24 benefits, or other claims that may not be released by law.

25 84. Duties of the Parties Prior to Court Approval/Class Certification: The
26 Parties shall stipulate to remand the actions to their respective courts and request a stay
27 of proceedings while the parties will file an amended complaint in the Santa Clara
28 Superior Court where the *Franco* action was originally filed for preliminary and final
approval of the settlement. Upon filing the amended complaint in the *Franco* action,

1 the parties will dismiss their respective actions once the court has granted Final
2 Approval and entered judgment. The Parties shall stipulate for leave to amend to permit
3 Plaintiffs to file a First Amended Class Action Complaint for Damages and
4 Enforcement Under the Private Attorneys General Act, California Labor Code § 2698,
5 Et Seq. (i.e., the Consolidated First Amended Complaint) in the *Franco* Action, in the
6 form attached hereto as “**Exhibit A**.” It is the Parties’ intent and desire that the
7 Consolidated First Amended Complaint shall be deemed filed and served as of the date
8 the Court enters an order granting the Parties’ contemplated stipulation. The Parties
9 will stipulate that the Consolidated First Amended Complaint shall include the pay
10 card/Labor Code Section 2802 allegations and any and all other claims under the Fair
11 Labor Standards Act that could have been asserted based on the allegations plead in the
12 Actions. Defendant will be permitted to file an Answer within ten (10) days of the date
13 the Consolidated First Amended Complaint is filed. Should the Settlement not be
14 approved, the stipulation to file the Consolidated First Amended Complaint will be null
15 and void and the Parties will return to their respective positions prior to this Agreement
16 being entered.

17 85. For settlement purposes only, the Parties agree that the Class as defined in
18 Paragraph 5 herein, and which will run through the date of preliminary approval or July
19 30, 2022, whichever comes first, may be certified in the Action. The Parties are not
20 certifying any PAGA claims. In support of this Agreement, Plaintiffs will request that
21 the Court certify for settlement purposes the Class as to all non-PAGA claims that have
22 been asserted, which Defendant shall not oppose or object to. Should this Settlement
23 not be approved, the stipulation to certify a class will be null and void and the Parties
24 will return to their respective positions prior to this Agreement being entered and the
25 matters will return to Federal court and litigation will resume.

26 86. Upon execution of the Settlement Agreement, Class Counsel shall
27 promptly submit the Settlement Agreement to the Court in support of Plaintiffs’ Motion
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1 for Preliminary Approval and for determination by the Court as to whether the
2 Settlement is within the range of possible judicial approval. Defendant agrees not to
3 oppose the Motion for Preliminary Approval of the Settlement consistent with the
4 Settlement Agreement. Said motion shall apply to the Court for the entry of an order
5 (“Preliminary Approval Order”), which shall be mutually agreed upon by the Parties,
6 seeking the following:

- 7 a. Conditionally certifying the Class for settlement purposes only;
- 8 b. Granting Preliminary Approval of the Settlement;
- 9 c. Preliminarily appointing Plaintiffs as representatives of the Class;
- 10 d. Preliminarily appointing Plaintiffs’ Counsel as counsel for the Class;
- 11 e. Approving, as to form and content, the mutually-agreed upon and proposed
12 Class Notice, attached hereto as “**Exhibit B**,” and directing the mailing of the Class
13 Notice by first class mail to the Class Members;
- 14 f. Approving the manner and method for Class Members to request exclusion
15 from or object to the Class Settlement as contained herein and within the Class Notice;
16 and
- 17 g. Scheduling a Final Approval Hearing at which the Court will determine
18 whether the Settlement should be finally approved as fair, reasonable, and adequate.

19 87. The Parties will work cooperatively to mutually agree upon the form and
20 content of the Class Notice, as well as the Proposed Order Granting Preliminary
21 Approval.

22 88. Other than the Joint Notices of Settlement filed respectively in the Actions,
23 Class Representatives, Defendant, and their respective counsel will not make any public
24 disclosure of the Settlement until after the filing of the motion for preliminary approval
25 of the Settlement. Class Representatives, Defendant, and their respective counsel
26 represent that they have not made any such disclosure. Notwithstanding the foregoing,
27 the Parties agree that Defendant may make such disclosures that in Defendant’s
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1 judgment are required in the ordinary course of business, except that Defendant and its
2 counsel shall not encourage any Class Members to request exclusion from or object to
3 the Class Settlement. Nor shall Class Representatives and Class Counsel encourage
4 Class Members to request exclusion from or object to the Class Settlement. Class
5 Counsel will take all steps necessary to ensure that the Class Representatives are aware
6 of, and will encourage them to adhere to, the restriction against any public disclosure
7 of the Settlement until after the Settlement is preliminarily approved by the Court.
8 Thereafter, Class Counsel and the Class Representatives agree not to publicize the terms
9 of this Settlement with the media, including but not limited to, any newspaper, journal,
10 magazine, website and/or online reporter of settlements. Nothing herein will restrict
11 Class Counsel from including publicly available information regarding the Settlement
12 in future judicial submissions regarding Class Counsel's qualifications and experience.
13 Furthermore, Plaintiff and Class Counsel will undertake any and all disclosures and/or
14 submissions required to be made to the LWDA in conformity with PAGA.

15 89. Duties of the Parties Following Final Approval: After the Response
16 Deadline, and with the Court's permission, a Final Approval Hearing will be conducted
17 to determine whether final approval of the Settlement should be granted, along with the
18 amounts properly payable for (a) Individual Settlement Payments; (b) Individual PAGA
19 Payments; (c) LWDA Payment; (d) Attorneys' Fees and Costs; (e) Incentive Awards;
20 and (f) Settlement Administration Costs. The Final Approval Hearing will not be held
21 earlier than thirty (30) calendar days after the Response Deadline. Plaintiffs and Class
22 Counsel will be responsible for drafting the motion seeking final approval of the
23 Settlement. Class Counsel will provide Defendant's Counsel a draft of the motion
24 before the filing deadline. By way of said motion, Plaintiffs will apply for the entry of
25 the mutually-agreed upon proposed order and judgment ("Final Approval Order and
26 Judgment"), which will provide for, in substantial part, the following:
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- 1 a. Approving the Settlement, adjudging the terms thereof to be fair,
- 2 reasonable and adequate, and directing consummation of its terms and provisions;
- 3 b. Certification of the Settlement Class;
- 4 c. Approval of the application for Attorneys' Fees and Costs to Class
- 5 Counsel;
- 6 d. Approval of the application for Incentive Awards to the Class
- 7 Representatives;
- 8 e. Directing Defendant to fund all amounts due under the Settlement
- 9 Agreement; and
- 10 f. Entering judgment in the Action while maintaining continuing
- 11 jurisdiction, in conformity with California Rules of Court 3.769 and the Settlement
- 12 Agreement.

13 90. Voiding of Agreement if Settlement Not Finalized: Subject to the

14 obligations of mutual full cooperation set forth herein, either Plaintiffs or Defendant

15 may terminate the Settlement if after submitting the Settlement for approval to the

16 Court, the Court denies the preliminary approval order (without providing the parties

17 an opportunity to submit supplemental and/or amended paperwork), the final approval

18 order, or judgment in substantially the form submitted by the Parties, or if the Settlement

19 conditions referenced in Paragraph 61.a. are not satisfied, if Defendant exercise their

20 option to void the Settlement Agreement in accordance with Paragraph 78.b., or if the

21 Settlement Agreement as agreed does not become final because of appellate court

22 action. In the event of termination, the terminating Party shall give to the other Party

23 (through its counsel) written notice of its decision to terminate no later than ten (10)

24 calendar days after receiving notice that one of the enumerated events has occurred.

25 Termination shall have the following effects:

- 26 (a) The Settlement shall be terminated and shall have no force or effect, and
- 27 no Party shall be bound by any of its terms;

1 (b) In the event the Settlement Agreement is terminated, Defendant shall have
2 no obligation to make any payments to any Party, Settlement Class Member, PAGA
3 Employee or Class Counsel, except that the terminating Party shall pay the Settlement
4 Administrator for services rendered up to the date the Settlement Administrator is
5 notified that the Settlement has been terminated;

6 (c) The Preliminary Approval Order, Final Approval Order and Judgment
7 shall be vacated;

8 (d) The Settlement Agreement and all negotiations, statements, and
9 proceedings relating thereto shall be without prejudice to the rights of any of the Parties,
10 all of whom shall be restored to their respective positions prior to the execution of the
11 Settlement Agreement;

12 (e) Except as otherwise discoverable, neither the Settlement nor any ancillary
13 documents, actions, statements or filings in furtherance of Settlement (including all
14 matters associated with the mediation) shall be admissible or offered into evidence in
15 the Actions or any other action for any purpose whatsoever.

16 91. Parties' Authority: The signatories hereto hereby represent and warrant
17 that they have the full authority to sign on behalf of their designated parties, enter into
18 the Settlement Agreement, and bind the Parties hereto to the terms and conditions
19 thereof.

20 92. Mutual Full Cooperation: The Parties agree to fully cooperate with each
21 other to accomplish the terms of the Settlement Agreement, including, but not limited
22 to, execution of such documents and taking of such action as reasonably may be
23 necessary to implement the terms of the Settlement. The Parties shall use their best
24 efforts, including all efforts contemplated by the Settlement and any other efforts that
25 may become necessary by order of the Court, or otherwise, to effectuate the Settlement
26 and the terms set forth herein. As soon as practicable after execution of the Settlement
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1 Agreement, Class Counsel shall take all necessary steps to secure the Court's final
2 approval of the Settlement.

3 93. The Parties and their respective counsel agree that they will not attempt to
4 encourage or discourage Class Members from filing Requests for Exclusion.

5 94. No Prior Assignments: The Parties and their respective counsel represent,
6 covenant and warrant that they have not, directly or indirectly, assigned, transferred,
7 encumbered or purported to assign, transfer or encumber to any person or entity any
8 portion of any liability, claim, demand, action, cause of action or right herein released
9 and discharged except as set forth herein.

10 95. No Admission: Nothing contained herein, nor the consummation of the
11 Settlement, is to be construed or deemed an admission regarding liability, culpability,
12 negligence, or wrongdoing on the part of Defendant. Each of the Parties hereto has
13 entered into the Settlement Agreement solely with the intention to avoid further disputes
14 and litigation with the attendant inconvenience and expenses.

15 96. Plaintiffs' Acknowledgments: Plaintiffs further acknowledge and agree
16 that they have not suffered any on-the-job injury for which they have not already filed
17 a claim, that they have been properly provided any leave of absence because of
18 Plaintiffs' or a family member's health condition, and that Plaintiffs have not been
19 subjected to any improper treatment, conduct or actions due to or related to any request
20 for or taking of any leave of absence because of Plaintiffs' own or a family member's
21 health condition, and/or been denied any leave requested under the Family and Medical
22 Leave Act or the California Family Rights Act.

23 97. Escalator Clause: Defendant represented that there were no more than
24 148,365 Workweeks through April 30, 2022. If it is determined that the actual number
25 of Workweeks through April 30, 2022 exceeds 148,365 by more than ten percent
26 (10%) (i.e., exceeds 163,202), then, Defendant shall have the option of either: (a)
27 closing the release period on the date the Class Members reach the ten percent (10%)
28

threshold, or (b) increasing the GSA by the percentage difference beyond the ten percent (10%) between the certified amount of 148,365 and the actual number of workweeks.

98. Continued Jurisdiction: The Parties will jointly request that after entry of judgment pursuant to the Settlement, the Court retain jurisdiction pursuant to Rule 3.769 of the California Rules of Court and California Code of Civil Procedure § 664.6, for purposes of addressing: (a) the interpretation and enforcement of the terms of this Settlement; (b) settlement administration matters; and (c) such post-judgment matters as may be appropriate under court rules or as set forth in the Settlement Agreement.

99. Breach: In the event of a breach of this Settlement, the non-breaching Party shall provide notice to the breaching party and request that the breaching party cure any alleged breach. If the breach is not cured within thirty (30) calendar days of said notice, the non-breaching party may pursue legal action or other proceeding against any other breaching party or parties to enforce the provisions of the Settlement Agreement or to declare rights or obligations under the Settlement Agreement. In the event of such enforcement actions, the successful party or parties shall be entitled to recover from the unsuccessful party or parties' reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions. All such disputes shall be resolved by the Court.

100. Notices: Unless otherwise specifically provided herein, all notices, demands or other communications provided concerning the Settlement shall be in writing and delivered by overnight mail at the addresses set forth below, or such other address as either Party may designate in writing from time to time:

To Plaintiffs and Settlement Class Counsel:

Janelle Carney (SBN 201570)
**JANELLE CARNEY – ATTORNEY
 AT LAW, APC**
 14758 Pipeline Ave., Suite E
 Chino Hills, California 91709
 Telephone. (909) 521-9609

Kevin Mahoney (SBN 235367)
 John A. Young (SBN 299809)
MAHONEY LAW GROUP, APC
 249 E. Ocean Boulevard, Suite 814
 Long Beach, California 90802

Facsimile: (909) 393-0471
Email: janelle@janellecarneylaw.com

Tel: (562) 590-5550
Facsimile: (562) 590-8400
Email: kmahoney@mahoney-law.net;
jyoung@mahoney-law.net

Alexei Kuchinski (SBN 279405)
KUCHINSKY LAW OFFICE, P.C.
220 Montgomery Street, Suite 2100
San Francisco, CA 94104
Tel.: (628) 200-0902
Fax: (628) 200-0907
Email: ak@kuchinskylawoffice.com

Larry W. Lee (bar no. 228174)
lwlee@diversitylaw.com
Max Gavron (bar no. 291697)
mgavron@diversitylaw.com
DIVERSITY LAW GROUP, P.C.
515 S. Figueroa Street, Suite 1250
Los Angeles, CA 90071
Telephone: 213.488.6555
Fax No.: 213.488.6554

To Defendant and Defendant's Counsel:

Alecia W. Winfield (SBN 209661)
Sarah Ross (SBN 252206)
Alexandra Bernstein (SBN 327492)
LITTLER MENDELSON, P.C.
2049 Century Park East, 6th Floor
Los Angeles, CA 90067
Telephone: (310)553-0308
Facsimile: (310)
E-mail: awinfield@littler.com; sross@littler.com;
abernstein@littler.com

101. Construction: The Parties hereto agree that the terms and conditions of the Settlement are the result of lengthy, intensive arms-length negotiations between the Parties, and the Settlement Agreement shall not be construed in favor of or against any party by reason of the extent to which any Party or their counsel participated in the drafting of the Settlement Agreement.

102. Captions and Interpretations: The captions and paragraph numbers or titles contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend or describe the scope of the Settlement Agreement or any

1 provision of it. Each term of the Settlement Agreement is contractual and not merely a
2 recital.

3 103. Modification: The Settlement Agreement may not be changed, altered or
4 modified, except in writing and signed by the Parties hereto and approved by the Court.
5 The Settlement Agreement may not be discharged except by performance in accordance
6 with its terms or by a writing signed by the Parties hereto and subject to Court approval.

7 104. Construing Provisions: The Parties agree not to challenge this Agreement
8 as illegal, invalid, or unenforceable. If any provisions of this Agreement is determined
9 to be invalid or unenforceable, that provision shall be severed from this Agreement and
10 all of the other provisions shall remain valid and enforceable notwithstanding the
11 severing of the unenforceable portion, unless the provision found to be unenforceable
12 is of such material effect that this Agreement cannot be performed in accordance with
13 the intent of the Parties in the absence of that provision.

14 105. Invalidity of Any Provision: Before declaring any provision of this
15 Settlement Agreement invalid, the Court will first attempt to construe the provision as
16 valid to the fullest extent possible consistent with applicable precedents so as to define
17 all provisions of this Settlement Agreement valid and enforceable.

18 106. Integration Clause: The Settlement Agreement and the Exhibits attached
19 hereto and incorporated herein by reference, contain the entire agreement between the
20 Parties relating to the Settlement and transaction contemplated hereby, and all prior or
21 contemporaneous agreements, understandings, representations and statements, whether
22 oral or written and whether by a Party or such Party's legal counsel, are merged herein.
23 No rights hereunder may be waived except in writing and subject to Court approval.

24 107. Liens: Named Plaintiffs and Class Counsel warrant and represent that there
25 are no liens on the Agreement. Defendant will not have any obligation to pay any
26 amounts additional to those which Defendant is obligated to pay under the Settlement.
27 The obligation of Defendant to satisfy all amounts the Court directs to be paid under
28

the Settlement is complete when the amount due is deposited into the settlement account established by the Settlement Administrator to fund the settlement. It is not the obligation of Defendant to allocate any fees amongst any counsel or to ensure the satisfaction of any purported lien.

108. Binding on Successors and Assigns: The Settlement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors and assigns.

109. Signatories: It is agreed that because the Class Members are so numerous, it is impossible or impractical to have each member execute the Settlement Agreement. The Class Notice will advise all Class Members and PAGA Employees of the binding nature of the release of claims, and the release shall have the same force and effect as if the Settlement Agreement were executed by each member.

110. Execution and Counterparts: The Settlement Agreement may be executed in counterparts and by facsimile and/or electronic signatures, and when each party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original and, when taken together with other signed counterparts, shall constitute one Settlement Agreement binding upon and effective as to all Parties.

IN WITNESS HEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Settlement Agreement of Class Action and PAGA Claims between Plaintiffs and Defendant as of the date(s) set forth below:

Dated: _____, 2022

Arin Esraelian
Plaintiff and Class Representative

Dated: _____, 2022

Luis Franco
Plaintiff and Class Representative

Dated: 0817 _____, 2022

DocuSigned by:

7B4C8250B55345C
Daniel Rodas

the Settlement is complete when the amount due is deposited into the settlement account established by the Settlement Administrator to fund the settlement. It is not the obligation of Defendant to allocate any fees amongst any counsel or to ensure the satisfaction of any purported lien.

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IN WITNESS HEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Settlement Agreement of Class Action and PAGA Claims between Plaintiffs and Defendant as of the date(s) set forth below:

Dated: 08/17/2022, 2022

Arin Esraelian

Arin Esraelian
Plaintiff and Class Representative

Dated: _____, 2022

Luis Franco
Plaintiff and Class Representative

Dated: _____, 2022

Daniel Rodas

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IN WITNESS HEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Settlement Agreement of Class Action and PAGA Claims between Plaintiffs and Defendant as of the date(s) set forth below:

Dated: _____, 2022

Arin Esraelian
Plaintiff and Class Representative

Dated: 08/18/2022, 2022

Luis Franco
Plaintiff and Class Representative

Dated: _____, 2022

Daniel Rodas

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Plaintiff and Class Representative

Dated: September 8, 2022

DocuSigned by:
Ryan G. Patterson
95B4D42FAD6D4A1...

Ryan G. Patterson
Chief Operating and Integration Officer
Americas
Defendant The Goodyear Tire & Rubber
Company

4865-9954-3080.3 / 056530-1322

Exhibit 1

Alexei Kuchinsky State Bar No. 279405
KUCHINSKY LAW OFFICE, P.C.
220 Montgomery Street, Suite 2100
San Francisco, CA 94104
Tel.: (628) 200-0902/ Fax.: (628) 200-0907
Email: ak@kuchinskylawoffice.com

Attorney for Plaintiff Luis Franco and the Proposed Class

Janelle Carney (201570)
Janelle@JanelleCarneyLaw.com
JANELLE CARNEY – ATTORNEY AT LAW, APC
14758 Pipeline Ave., Suite E
Chino Hills, CA 91709
Telephone: (909) 521-9609/ Fax: (909) 393-0471

Attorneys for Plaintiff ARIN ESRAELIAN, as an individual, and on behalf of all employees similarly situated (*Additional Plaintiff's Counsel listed on next page*)

Larry W. Lee (State Bar No. 228175)
Max W. Gavron (State Bar No. 291697)
DIVERSITY LAW GROUP, P.C.
515 S. Figueroa Street, Suite 1250
Los Angeles, CA 90071
Tel. (213) 488-6555/ Fax (213) 488-6554

Attorneys for Plaintiff Daniel Rodas

SUPERIOR COURT OF CALIFORNIA

COUNTY OF SANTA CLARA

Luis Franco, individually, on behalf of himself
and all other similarly situated employees,

Plaintiff,

vs.

The Goodyear Tire and Rubber Company, an
Ohio corporation, and Does 1-5

Defendants.

CASE NO.: 22CV393403

Consolidated with:

Esraelian Case No.: 21STCV44620;

Esraelian Case No.: 22STCV03534;

Rodas Case No.: 21STCV28702; and

Rodas Case No.: 21STCV35255

FIRST AMENDED CONSOLIDATED CLASS ACTION COMPLAINT FOR DAMAGES

1. Failure to Pay All Wages, Including Minimum and Overtime Wages (Labor Code §§ 510, 1194);
2. Failure to Provide Rest Periods (Labor Code §§ 226.7, 512);
3. Failure to Provide Meal Periods (Labor Code §§ 226.7, 512);
4. Failure to Timely Pay Wages at Separation

1 ARIN ESRAELIAN, as an individual, and on
2 behalf of all similarly situated employees,

3 Plaintiff,

4 v.

5 THE GOODYEAR TIRE & RUBBER
6 COMPANY, and DOES 1-50, inclusive,

7 Defendants.

8 DANIEL RODAS, as an individual and on
9 behalf of all others similarly situated,

10 Plaintiffs,

11
12 vs.

13 THE GOODYEAR TIRE & RUBBER
14 COMPANY, an Ohio corporation; and DOES 1
15 through 50, inclusive,

16 Defendants

- (Labor Code §§ 201, 202, 203);
5. Failure to Keep Accurate Payroll Records (Labor Code § 1174, 226 (A), (E));
 6. Failure to Reimburse Employees for Necessary Business Expenditures (Labor Code § 2802(A));
 7. Payment Via Bank Cards
 8. Unfair Business Practices (Bus. Prof. Code §§ 17200 et. seq.); and
 9. Failure to Pay Wages Under the Fair Labor Standards Act
 10. Penalties Under PAGA Labor Code §2698, et seq.

17
18 Kevin Mahoney, Esq. (SBN: 235367)
19 kmahoney@mahoney-law.net
20 John A. Young, Esq. (SBN: 299809)
21 jyoung@mahoney-law.net
22 **MAHONEY LAW GROUP, APC**
23 249 E. Ocean Boulevard, Suite 814
24 Long Beach, California 90802
25 Telephone: (562) 590-5550
26 Facsimile: (562) 590-8400

27 Attorney for Plaintiff Arin Esraelian
28

1 Plaintiffs LUIS FRANCO, ARIN ESRAELIAN, and DANIEL RODAS (“Plaintiffs”) on
2 behalf of themselves and all others similarly situated, complains and alleges on information and
3 belief, as follows:

4 **INTRODUCTION**

5 1. This is a class action brought on behalf of Plaintiffs and the class they seek to
6 represent (“Plaintiff Class”) pursuant to California Code of Civil Procedure section 382. Plaintiff
7 Class consists of all current and former non-exempt hourly individuals employed by The
8 Goodyear Tire & Rubber Company in California at any time from August 4, 2017 until July 30,
9 2022. Plaintiffs reserve the right to amend this complaint to reflect a different “Class Period” or
10 “Plaintiffs Class” as further discovery is conducted.

11 2. Plaintiffs individually and on behalf of the class they seek to represent, seeks relief
12 against Defendant for Defendant’s practices of violating the applicable wage orders, the
13 applicable Code of Regulations, and California Labor Codes, including: (1) failure to pay all
14 wages, including minimum wages and overtime wages at the correct regular rate; (2) failure to
15 provide rest periods or payments for missed rest periods at the correct regular rate; (3) failure to
16 provide meal periods or payment for missed meals at the correct regular rate; (4) failure to timely
17 pay wages at separation; (5) failure to keep accurate payroll records; (6) failure to reimburse
18 Plaintiffs and the class for out of pocket costs, including but not limited to pay card/bank card
19 charges; and (7) unfair business practices as set forth more fully herein. These violations concern
20 current and past employees of Defendant.

21 3. At all relevant times herein, Defendant has consistently maintained and enforced
22 against Plaintiffs and the Plaintiffs Class the following unlawful policies and practices: (a)
23 willfully refusing to pay Plaintiffs and Plaintiffs Class for all hours worked, including minimum
24 wages; (b) willfully refusing to include non-discretionary bonus payments, and other incentive
25 compensation, including commissions, in the regular rate calculation for overtime purposes; (c)
26 willfully refusing to permit Plaintiffs and Plaintiffs Class from taking meal and/or rest periods;
27 (d) willfully refusing to compensate Plaintiffs and certain members of the Plaintiffs Class all
28 wages due and owing at the time Plaintiffs and Plaintiffs Class’ employment with Defendant

ended; (e) willfully refusing to furnish to Plaintiffs and Plaintiffs Class with accurate itemized wage statements upon payment of wages; and (f) willfully refusing to reimburse Plaintiffs and Plaintiffs Class for necessary business expenditures.

4. Plaintiffs bring this lawsuit seeking injunctive, restitution, and monetary relief against Defendant, and each of them, on behalf of Plaintiffs, individually, and on behalf of all aggrieved and similarly-situated employees to recover, among other things, unpaid wages and benefits, interest, penalties, liquidated damages, attorney's fees, and costs pursuant to California Labor Code sections 201, 202, 203, 204, 210, 212, 213, 218.5, 218.6, 226, subdivision (a), 226.3, 226.7, 510, 512, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, and 2802, California Code of Civil Procedure 1021.5, and provisions of the applicable IWC Wage Order. Plaintiffs reserve the right to name additional representatives throughout the State of California.

JURISDICTION AND VENUE

5. Venue is proper in this judicial district and the County of Santa Clara, pursuant to Code of Civil Procedure section 395, because Defendant maintains its office location and transacts business in this county, the obligations and liability arise in this county, and work was performed by Plaintiffs and Plaintiffs Class made the subject of this action in the County of Santa Clara.

6. Defendant employed Plaintiffs and numerous Class Members within the State of California and the unlawful acts alleged herein have a direct effect on Plaintiffs and the Class Members.

7. The California Superior Court has jurisdiction in the matter because the individual claims are under the seventy-five thousand dollar (\$75,000.00) individual jurisdictional threshold and the five million dollar (\$5,000,000.00) aggregate jurisdictional threshold for federal court and, upon information and belief, Plaintiff and Defendant are residents of and/or domiciled in the State of California. Further, there is no federal question at issue as the issues herein is based solely on California Statutes and law including the California Labor Code, Industrial Welfare Commission Wage Orders, Code of Civil Procedure, Rule of Court, and Business and Professions Code. Thus, the above-entitled court maintains appropriate jurisdiction to hear this matter.

ADMINISTRATIVE PREREQUISITE

8. On November 18, 2021, Plaintiff Esraelian gave written notice by electronically filing the notice with the Labor Workforce Development Agency ("LWDA") (LWDA Case No. LWDA-CM-852749-21), and by certified mail to Defendant of the specified provisions alleged to have been violated, including the facts and theories to support the alleged violations as required by Labor Code section 2699.3. A true and correct copy of Plaintiff's letter sent to the LWDA and Defendant, dated November 18, 2021, is attached hereto as Exhibit A. As of the filing of this complaint, the LWDA has not responded.

9. On January 17, 2022, Plaintiff Franco gave written notice by electronically filing the notice with the Labor Workforce Development Agency ("LWDA") (LWDA Case No. LWDA-CM-852749-21), and by certified mail to Defendant of the specified provisions alleged to have been violated, including the facts and theories to support the alleged violations as required by Labor Code section 2699.3. A true and correct copy of Plaintiff's letter sent to the LWDA and Defendant, dated January 17, 2021, is attached hereto as Exhibit B. As of the filing of this complaint, the LWDA has not responded.

10. On July 21, 2021, Plaintiff Rodas gave written notice by electronically filing the notice with the Labor Workforce Development Agency ("LWDA") (LWDA Case No. LWDA-CM-838843-21), and by certified mail to Defendant of the specified provisions alleged to have been violated, including the facts and theories to support the alleged violations as required by Labor Code section 2699.3. A true and correct copy of Plaintiff's letter sent to the LWDA and Defendant, dated July 21, 2021, is attached hereto as Exhibit C. As of the filing of this complaint, the LWDA has not responded.

11. Under Labor Code section 2699.3, subdivision (a), a plaintiff may bring a cause of action under PAGA only after giving notice to the Labor Workforce Development Agency ("LWDA") and the employer of the Labor Code sections alleged to have been violated, and after receiving notice from the LWDA of its intention not to investigate, or after 65 days have passed without notice.

/////

1 **THE PARTIES**

2 **Plaintiffs**

3 12. Plaintiff Arin Esraelian was employed by the Defendant from in or around January
4 30, 2009, through in or around December 31, 2020. At all relevant times herein, Plaintiff
5 Esraelian was employed by Defendant in a non-exempt hourly position, and was entitled to
6 compensation for all hours worked, including but not limited to minimum wage and overtime
7 wages, as well as the aforementioned penalties from Defendant.

8 13. Plaintiff Luis Franco was employed by Defendant as a service advisor from 2009
9 through October 2, 2021, at two service centers located at 486 N Winchester Blvd, San Jose,
10 California and 3146 Stevens Creek Blvd, San Jose, California. At all relevant times herein,
11 Plaintiff Franco was employed by Defendant in a non-exempt hourly position, and was entitled to
12 compensation for all hours worked, including but not limited to minimum wage and overtime
13 wages, as well as the aforementioned penalties from Defendant.

14 14. Plaintiff Daniel Rodas was employed by the Defendant as a Maintenance
15 Technician and Customer Adviser from about January 2020 to about May 2021. At all relevant
16 times herein, Plaintiff Rodas was employed by Defendant in a non-exempt hourly position, and
17 was entitled to compensation for all hours worked, including but not limited to minimum wage
18 and overtime wages, as well as the aforementioned penalties from Defendant.

19 **Defendants**

20 15. Plaintiffs are informed and believe, and based thereon allege, that Defendant
21 manufactures and sells tires throughout the state of California. On information and belief, and
22 based thereon, Plaintiff alleges that Defendant is conducting business in good standing in
23 California, at all times herein mentioned, has regularly conducted business throughout the State
24 of California.

25 16. On information and belief, Defendant is, and was, the employer for Plaintiffs and
26 Plaintiffs Class.

27 17. Plaintiffs are ignorant of the true names, capacities, relationships, and extent of
28 participation in the conduct herein alleged, of the Defendants sued herein as DOES 1 through 50,

1 inclusive, but on information and belief alleges that said Defendants are legally responsible for
2 the payment of wages, and the payment of rest and meal period compensation, to Plaintiffs and
3 Plaintiffs Class by virtue of their unlawful practices, and therefore sues these Defendants by such
4 fictitious names. Plaintiffs will amend this complaint to allege the true names and capacities of
5 the DOE Defendants when ascertained.

6 18. Plaintiffs are informed and believe, and based thereon allege, that each Defendant
7 acted in all respects pertinent to this action as the agent of the other Defendants, carried out a
8 joint scheme, business plan or policy in all respects pertinent hereto, and the acts of each
9 Defendant are legally attributable to the other Defendants. Furthermore, Defendants in all
10 respects acted as the employer and/or joint employer of Plaintiffs and Plaintiffs Class.

11 19. Plaintiffs are informed and believe, and based thereon allege, that each Defendant
12 acted in all respects as the agent, servant, partner, joint venture, alter-ego, employee, proxy,
13 managing agent, and/or principal of the co-Defendants, and in performing the actions mentioned
14 below was acting, at least in part, within the course and scope of that authority as such agent,
15 proxy, servant, partner, joint venture, employee, alter-ego, managing agent, and/or principal with
16 the permission and consent of the co-Defendants. Plaintiffs also allege the acts of each Defendant
17 are legally attributable to the other Defendants.

18 20. Plaintiffs is informed and believe, and based thereon allege, that each of the
19 Defendants sued herein was, at all relevant times, the employer, owner, shareholder, principal,
20 joint venture, proxy, agent, employee, supervisor, representative, manager, managing agent, joint
21 employer and/or alter-ego of the remaining Defendants, and was acting, at least in part, within the
22 course and scope of such employment and agency, with the express and implied permission,
23 consent and knowledge, approval and/or ratification of the other Defendants. The above co-
24 Defendants, managing agents, and supervisors aided, abetted, condoned, permitted, approved,
25 authorized, and/or ratified the unlawful acts described herein.

26 /////

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28 /////

1 **GENERAL ALLEGATIONS**

2 21. Plaintiffs and the Plaintiffs Class are, and at all times relevant herein have been,
3 non-exempt employees within the meaning of the California Labor Code and the implementing
4 rules and regulations of IWC California Wage Orders.

5 22. Plaintiffs is informed and believe, and based thereon allege, that Defendant's
6 policies and practices described herein are common across each of Defendant's job sites within
7 the state of California.

8 23. Plaintiffs is informed and believe, and based thereon allege, that Defendant
9 instituted a policy and practice against its employees wherein minimum wages and overtime
10 wages due were not paid in compliance with California law. Specifically, Defendant failed to
11 compensate Plaintiffs and Plaintiffs Class for time spent donning and doffing Defendant's
12 required work uniform. Plaintiffs and Plaintiffs Class were required to be dressed in their uniform
13 prior to clocking in for their shift, and were required to be dressed in their uniform at the time
14 they clocked out for their shift. Thus, time spent donning and doffing Defendant's required work
15 uniform was performed without compensation for their time and in violation of the Labor Code.
16 Defendant instituted a practice of failing to record all hours that Plaintiffs and Plaintiffs Class
17 worked for donning and doffing their uniform in an effort to cut costs and gain an unfair
18 advantage over the similar businesses thus harming Plaintiffs and Plaintiffs Class.

19 24. In addition, Defendant failed to compensate Plaintiffs and certain members of the
20 Plaintiffs Class for time painting Defendant's facilities in violation of the Labor Code.

21 25. Plaintiffs are informed and believe and based thereon allege that Defendant
22 instituted a policy and practice against its employees wherein Defendant failed to include all
23 remuneration paid to all hourly non-exempt employees when calculating Plaintiffs' and Plaintiffs
24 Class' regular rate for purposes of overtime rate of pay. Specifically, Defendant paid hourly non-
25 exempt employee's non-discretionary bonuses and incentive compensation and failed to include
26 this compensation when calculating Plaintiffs' and Plaintiffs Class' regular rate for purposes of
27 overtime rate of pay and meal and rest period premium pay.

1 26. As a matter of policy and/or practice, Defendant's compensation scheme failed to
2 pay Plaintiffs and Plaintiffs Class their minimum and overtime wages due to the aforementioned
3 off-the-clock work and failure to include all remuneration in their regular rate for purposes of
4 calculating overtime pay and meal and rest period premium pay. The failure to pay Plaintiffs
5 Class minimum and overtime wages for each hour worked violates, among others, Labor Code
6 sections 1194, 1197, IWC Wage Order(s), and the UCL

7 27. Plaintiffs are informed and believe, and based thereon allege, that Defendant was
8 required to provide Plaintiffs and Plaintiffs Class with a work-free, thirty (30) minute meal period
9 within the first five (5) hours of a shift for workdays in excess of six (6) hours, and a second
10 thirty (30) minute meal period within the tenth hour of a shift for workdays in excess of ten (10)
11 hours, in compliance with Labor Code section 512. Defendant routinely denied Plaintiff and
12 Plaintiffs Class a full, thirty (30) minute off-duty meal period when they worked in excess of six
13 (6) hours within the first five (5) hours of their shifts. On information and belief, neither Plaintiffs
14 nor Plaintiffs Class waived their lawful meal periods or received compensation from Defendant
15 for their missed meal periods.

16 28. Additionally, Defendant was obligated to provide Plaintiffs and Plaintiffs Class
17 with a ten (10) minute rest break for every four (4) hours, or major fraction thereof, worked each
18 day. Defendant prevented Plaintiffs and Plaintiffs Class from taking rest breaks throughout their
19 shifts in order to complete its jobs more quickly.

20 29. During the relevant class period, on many occasions when Plaintiff and
21 Defendants' other non-exempt California employees were denied such opportunities, Defendants
22 paid Plaintiffs and Defendants' other non-exempt California employees an amount designated as
23 "CA Meal Premium" on their wage statements. The rate paid for "CA Meal Premium" was always
24 Plaintiff's and Defendants' other non-exempt California employees' base hourly rate and not their
25 "regular rate of pay" or "regular rate of compensation." The table below shows some instances
26 when Defendants failed to include the non-discretionary SPIFF pay into Plaintiff Franco's regular
27 rate of compensation for non-complaint meal periods:
28

Pay Period	# of Non-Compliant Meal Periods	Base Hourly Rate	Regular Rate of Pay	Meal Break Premiums Owed
8/02/2019 - 8/08/2019	1	\$19	\$19.38	\$0.38
8/23/2019 - 8/29/2019	2	\$19	\$21.04	\$4.08
10/04/2019-10/10/2019	1	\$19	\$20.62	\$1.62
11/08/2019-11/14/2019	1	\$19	\$20.04	\$1.04
12/27/2019-01/02/2020	1	\$19	\$21.84	\$2.84
1/24/2020-01/30/2020	1	\$19	\$23.82	\$4.82
2/28/2020-03/05/2020	1	\$19	\$20.88	\$1.88

30. On the occasions when Defendants denied Plaintiffs and their other non-exempt employees the opportunity for meal and rest periods, and thus paid them CA Meal or Rest Premium amounts, they did so only at the employees' base hourly rate as opposed to the "regular rate of compensation" as required by Labor Code section 226.7.

31. During the relevant class period, as a matter of policy and practice, due to a staff shortage, Defendants failed to provide Plaintiffs and their other non-exempt employees with an opportunity to take a 10-minute off-duty rest period for each four hours of work or major fraction thereof. As a matter of policy and practice, Defendants neither permitted nor authorized Plaintiffs and their other non-exempt employees to take a full off-duty rest period due to a staff shortage, Plaintiffs and their other non-exempt employees could not be relieved of all duties for their 10-minute rest periods. Defendants failed to pay one additional hour of pay for instances when Plaintiffs and their other non-exempt employees could not take a 10-minute rest period for each four hours of work or major fraction thereof per shift.

32. During the relevant class period, the wage statements furnished by Defendants to their non-exempt California employees violated California Labor Code section 226(a) insofar as they failed to accurately show:

- a. The gross wages earned (because CA Meal and Rest Premiums were not properly paid) in violation of Labor Code section 226(a)(1);
- b. The net wages earned (because CA Meal and Rest Premiums were not properly paid) in violation of Labor Code section 226(a)(5); and

1 c. All applicable hourly rates of pay in effect during the pay period in
2 violation of section 226(a)(9), the number of hours worked for all wages, and
3 applicable pieces and rates of pay for wages earned on a piece-rate basis, in
4 violation of Labor Code §§ 226(a)(3) and (a)(9). Wage statements issued to
5 Plaintiff and Class Members routinely displayed a gross amount paid and
6 “Details Not Displayed,” rather than the hourly rates of pay and number of
7 hours worked used.

8
9 For at least four years prior to the filing of this action and through to the present, Plaintiffs
10 allege that Defendant consistently maintained and enforced the following unlawful practices and
11 policies against its employees, in violation of California state wage and hour laws.

12 A. Defendant had a consistent policy of not paying Plaintiffs and Plaintiffs
13 Class for all hours worked;

14 B. Defendant had a consistent policy of requiring Plaintiffs Class within the
15 State of California, including Plaintiffs, to work at least five (5) hours without
16 a lawful meal period, and failing to pay such employees one (1) hour of pay at
17 the employees’ regular rate of compensation for each workday that the meal
18 period was not provided, all in violation of, among others, Labor Code
19 sections 201, 202, 226.7, 512, and applicable Industrial Welfare Commission
20 Wage Orders, in one or more of the following manners;

- 21 i. employees were required to work through their daily meal period(s), or
22 work an unlawful “on-duty meal period;”
23 ii. employees were restricted in their ability to take a meal period; and
24 iii. employees were not allowed to leave the workplace during the alleged
25 meal periods.

26 C. Defendant had a consistent policy of failing to provide Plaintiffs Class
27 within the State of California, including Plaintiffs, rest periods of at least (10)
28 minutes per four (4) hours worked or major fraction thereof and failing to pay

1 such employees one (1) hour of pay at the employees' regular rate of
2 compensation for each workday that the rest period is not provided, as required
3 by California state wage and hour laws, in one or more of the following
4 manners:

- 5 i. employees were required to work without being provided a minimum
6 ten-minute rest period for every four hours, or major fraction thereof,
7 worked and were not compensated with one hour of pay at their
8 regular rate of pay for each workday that a rest period was not
9 provided; and
- 10 ii. employees were neither permitted nor authorized to take lawful rest
11 periods or leave the premises for rest periods when allegedly
12 authorized

13 D. With respect to the Plaintiffs Class who either were discharged, laid off, or
14 resigned, Defendant failed to pay them in accordance with the requirements of
15 Labor Code sections 201, 202, and 203;

16 E. Defendant failed to institute policies and procedures that ensured accurate
17 recording of all hours Plaintiffs and Plaintiffs Class worked during the class
18 period;

19 F. Defendant instituted policies and procedures that offset the necessary costs of
20 doing business on its employees. Plaintiffs and Plaintiffs class were required to
21 wash and maintain uniforms with Defendant's logo. Defendant failed to reimburse
22 Plaintiffs and Plaintiffs' Class for the cost of washing and maintaining
23 Defendant's required uniform, cost of using their personal vehicle and cell phone,
24 as well as the costs associated with payments made on pay cards/ bank cards.
25 Defendant required Plaintiffs and Plaintiffs class to take on the burden of these
26 expenses without reimbursement in violation of Labor Code section 2802.

27 33. Plaintiffs are informed and believe, and based thereon allege, that Defendant
28 maintained a policy where Defendant sometimes paid Plaintiff and similarly situated employees

1 with pre-paid bank cards and that Plaintiff and similarly situated employees were not provided at
2 least one pay card transaction per pay period without fees and were not given the option of
3 choosing to be paid in a different manner.

4 34. Plaintiffs are informed and believe, and based thereon allege, that Defendant
5 willfully failed to pay Plaintiffs Class all wages earned, including minimum and overtime wage
6 and compensation for missed meal and rest periods, in a timely manner upon or after termination
7 of their employment with Defendant.

8 35. Plaintiffs are informed and believe, and based thereon alleges, that Defendant
9 currently employs, and during the relevant liability period has employed hundreds of employees
10 in the State of California in non-exempt positions.

11 36. At relevant times herein, Plaintiffs and the Plaintiffs Class were employed by
12 Defendant in non-exempt hourly positions.

13 37. On information and belief, Plaintiffs allege that Defendant's actions as described
14 throughout this complaint were willful.

15 38. On information and belief, Plaintiffs allege that Defendant willfully failed to pay
16 the legal wages, including minimum and overtime wage, failed to provide legal rest and meal
17 periods, and willfully failed to pay one hour's wages in lieu of rest and meal periods, when each
18 such employee quit or was discharged.

19 39. Plaintiffs, on behalf of themselves and all other Plaintiffs Class, brings this action
20 pursuant to Labor Code sections 201, 202, 203, 204, 212, 213, 218, 218.5, 218.6, 221, 226, 226.7,
21 510, 512, 1194, 1197, and 2802, California Business and Professions Code section 17200 et seq.,
22 and Code of Regulations, Title 8, section 11000 et seq., seeking unpaid wages, unpaid rest and
23 meal period compensation, penalties, injunctive, and other equitable relief, and reasonable
24 attorneys' fees and costs.

25 40. Defendant has made it difficult to account with precision for the unlawfully
26 withheld wages for time spent donning and doffing their uniform and meal and rest period
27 compensation owed to Defendant's non-exempt employees, including Plaintiffs, during the
28 liability period, because it did not implement and preserve a record-keeping method as required

1 for non-exempt employees by California Labor Code sections 226, 1174(d), and section 7 of the
2 California Wage Orders. Defendant has failed to comply with Labor Code section 226,
3 subdivision (a) by itemizing in wage statements all deductions from payment of wages and
4 accurately reporting total hours worked by Plaintiffs and the Plaintiffs Class. Plaintiffs and
5 Plaintiffs Class are therefore entitled to penalties not to exceed four thousand dollars (\$4,000.00)
6 for each employee pursuant to Labor Code section 226, subdivision (b).

7 41. Defendant has failed to comply with section 7 of the California IWC Wage Orders
8 by failing to maintain time records showing when the employee begins and ends each work
9 period, meal periods, wages earned pursuant to Labor Code section 226.7, and total daily hours
10 worked by itemizing in wage statements all deductions from payment of wages and accurately
11 reporting total hours worked by the Plaintiffs Class.

12 42. Plaintiffs, on behalf of themselves and Class Members, pursuant to Business and
13 Professions Code sections 17200-17208, also seeks injunctive relief and restitution for the unfair,
14 unlawful, or fraudulent practices alleged in this complaint.

15 **CLASS ALLEGATIONS**

16 43. Plaintiffs bring this action on behalf of themselves and all others similarly situated
17 as a class action pursuant to section 382 of the California Code of Civil Procedure. Plaintiffs seek
18 to represent Classes composed of and defined as follows:

19 All current and former non-exempt hourly individuals employed by Goodyear in
20 California at any time from August 4, 2017 through July 30, 2022.

21 44. Plaintiffs reserve the right under rule 3.764 of the California Rules of Court, to
22 amend or modify the class descriptions with greater specificity or further division into subclasses
23 or limitation to particular issues.

24 45. This action has been brought and may properly be maintained as a class action under the
25 provisions of section 382 of the Code of Civil Procedure because there is a well-defined
26 community of interest in the litigation and the proposed Classes are easily ascertainable.

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28 /////

1 **A. Numerosity**

2 46. The potential members of each Class defined herein are so numerous that joinder
3 of all the members of the Class is impracticable. While the precise number of Plaintiffs Class has
4 not been determined at this time, Plaintiffs are informed and believe that Defendant currently
5 employs, and during the relevant time period employed, at least 100 employees worked in hourly
6 positions as Defendant's non-exempt employees in California, who are or have been affected by
7 Defendant's unlawful practices as alleged herein.

8 47. Accounting for employee turnover during the relevant periods necessarily
9 increases this number substantially. Upon information and belief, Plaintiffs allege Defendant's
10 employment records would provide information as to the number and location of all employees
11 within the Plaintiffs Class. Joinder of all members of the proposed Classes is not practicable.

12 **B. Commonality**

13 48. Common questions of law and fact predominate over any questions affecting only
14 individual Class Members. These common questions of law and fact include, without limitation:

- 15 a. Whether Plaintiffs and Plaintiffs Class are entitled to wages from Defendant
16 under applicable IWC Wage Orders, regulations and statutes for hours worked
17 but not paid;
- 18 b. Whether Defendant violated Labor Code sections 226.7 and 512, section 10 of
19 the IWC Wage Orders, and Code of Regulations, Title 8, section 11000 et seq.
20 by failing to provide a lawful meal period to non-exempt employees within the
21 first five hours of their shifts on days they worked in excess of six (6) hours
22 and by failing to compensate said employees one hour's wages in lieu of meal
23 periods;
- 24 c. Whether Defendant violated Labor Code section 226.7, section 11 of the IWC
25 Wage Orders, and Cal. Code Regs., Title 8, section 11000 et seq. by failing to
26 provide daily rest periods to non-exempt employees for every four hours or
27 major fraction thereof worked and by failing to compensate said employees
28 one hour's wages in lieu of rest periods;

- 1 d. Defendants failed to comply with Industrial Welfare Commission (“IWC”) Wage Order 9-2001 and Labor Code § 226(a) by failing to issue Plaintiffs and
2 the Proposed Class accurate itemized wage statements that show all applicable
3 hourly rates in effect during the pay period and the corresponding number of
4 hours worked at each hourly rate by the employee. Plaintiffs and the Proposed
5 Class are issued wage statements that do not include meal and rest premiums as
6 a result of the claims alleged above and when they do include the premiums,
7 they are not at the applicable rate. Further, Defendant’s wage statements
8 identified certain wages paid as “Details Not Displayed.”
- 9 e. Whether Defendant violated sections 201, 202, and 203 of the Labor Code by
10 failing to pay all earned wages and/or premium wages or return unlawfully
11 deducted wages due and owing at the time that any person in the Plaintiffs
12 Class employment with Defendant terminated, voluntarily or involuntarily;
- 13 f. Whether Defendant failed to keep accurate payroll records and provide
14 accurate itemized paystubs in violation of Labor Code section 1174, 226 (A),
15 (E);
- 16 g. Whether Defendant failed to Reimburse Employees for Necessary Business
17 Expenditures in violation of Labor Code section 2802, subdivision (A);
- 18 h. Whether Defendant sometimes paid Plaintiff and similarly situated employees
19 with pre-paid bank cards and Plaintiff and similarly situated employees were
20 not provided at least one pay card transaction per pay period without fees and
21 were not given the option of choosing to be paid in a different manner in
22 violation of Labor Code sections 212(a) and 213(d).
- 23 i. Whether Defendant violated section 17200 et seq. of the Business and
24 Professions Code, Labor Code sections 201, 202, 203, 351, 226.7, 512, 1194,
25 1199, 1174, and applicable IWC Wage Orders, which violation constitutes a
26 violation of fundamental public policy; and
27
28

j. Whether Plaintiffs and Class Members are entitled to equitable relief pursuant to Business and Professions Code section 17200 et seq.

49. Plaintiffs' claims are typical of the claims of the Plaintiffs Class. Plaintiffs and the Plaintiffs Class sustained injuries and damages arising out of and caused by Defendant's common course of conduct in violation of California laws, regulations, and statutes as alleged herein.

D. Adequacy of Representation

50. Plaintiffs will fairly and adequately represent and protect the interests of the Plaintiffs Class. Counsel is competent and experienced in litigating employment class actions.

51. A class action is superior to other available means for the fair and efficient adjudication of this controversy. Individual joinder of all each person in the Plaintiffs Class is not practicable, and questions of law and fact common to each Class predominate over any questions affecting only individual members of the Class. Each member of the Plaintiffs Class has been damaged and is entitled to recovery by reason of Defendant's unlawful policies and practices alleged in the complaint.

Class action treatment will allow those similarly situated persons to litigate their claims in the manner that is most efficient and economical for the parties and the judicial system. Plaintiffs are unaware of any difficulties that are likely to be encountered in the management of this action that would preclude its maintenance as a class action.

FIRST CAUSE OF ACTION

Failure to Pay All Wages

(Plaintiffs and Plaintiffs Class Against All Defendants)

52. Plaintiff incorporates all previous paragraphs of this complaint as though fully set forth herein.

53. Plaintiff alleges that, Defendant maintained, and has maintained throughout the Class Period, a consistent policy and practice of failing to pay wages, including overtime, and minimum wage due for hours actually worked.

54. Plaintiff alleges that Defendant maintained, and has maintained throughout the Class Period, a consistent policy of failing to pay its employees for all hours worked.

1 Specifically, Defendant maintained a policy of failing to record all hours Plaintiffs and Plaintiffs
2 Class worked for time spent donning and doffing Defendant's uniform and painting Defendant's
3 facilities.

4 55. Defendant failed to include all remuneration paid to hourly non-exempt employees
5 for non-discretionary bonuses, and other types of incentive compensation, which are not statutory
6 exclusions, when calculating Plaintiffs' and Plaintiffs Class' regular rate for purposes of overtime
7 rate of pay as well as meal and rest period premium pay.

8 56. As a result of Defendant's unlawful acts, Plaintiffs and Plaintiffs Class have been
9 deprived of regular wages, minimum wages, and compensation in amounts to be determined at
10 trial, and are entitled to recovery of such amounts, plus interest and penalties thereon, attorneys'
11 fees, and costs, pursuant to Labor Code sections 1194 and 1199.

12 57. Defendant willfully violated the Labor Code with respect to meeting the
13 requirements of paying all wages earned, including minimum wage, as alleged herein.

14 58. Plaintiffs seek to recover in a civil action the unpaid balance of the full amount of
15 the unpaid wages resulting from Defendant's minimum wage violations including interest
16 thereon, reasonable attorney's fees and costs of suit, penalties, and liquidated damages to the
17 fullest extent permissible including those permitted pursuant to Labor Code sections 1194 and
18 1194.2 and Code of Civil Procedure section 1021.5 and/or any other statute.

19 59. WHEREFORE, Plaintiffs and Plaintiffs Class request relief as described herein
20 and below.

21 **SECOND CAUSE OF ACTION**

22 **Failure to Provide Rest Periods**

23 **(Plaintiffs and Plaintiffs Class Against All Defendants)**

24 60. Plaintiff incorporates all previous paragraphs of this complaint as though fully set
25 forth herein.

26 61. Labor Code section 226.7 provides that employers authorize and permit all
27 employees to take rest periods at the rate of ten (10) minutes rest time per four (4) work hours.
28

1 62. Labor Code section 226.7, subdivision (b) provides that if an employer fails to
2 provide and employee rest periods in accordance with this section, the employer shall pay the
3 employee one (1) hour of pay at the employees' regular rate of compensation for each workday
4 that the rest period is not provided.

5 63. Plaintiffs allege that during the class period, Defendant did not permit or authorize
6 Plaintiffs and Plaintiffs Class to take timely or compliant rest periods. Defendant failed to
7 adequately staff employees to allow Plaintiffs and Class Members an opportunity to be provided
8 timely, lawful duty-free rest periods for every four hours of their shift or major fraction thereof.
9 Further, Plaintiffs and Plaintiffs Class were required to remain on Defendant's premises and not
10 free to leave Defendant's premises during the rest periods.

11 64. At all times relevant hereto, Plaintiffs and Plaintiffs Class worked more than four
12 (4) hours in a workday, and ten (10) hours in a workday at times.

13 65. Plaintiffs and Plaintiffs Class did not voluntarily or willfully waive rest periods.

14 66. Defendant further failed to implement a policy to pay Plaintiffs and Plaintiffs
15 Class an additional hour of pay at their regular rate of pay for rest periods not authorized or
16 permitted.

17 67. By failing to keep adequate records as required by sections 226 and 1174,
18 subdivision (d) of the Labor Code, Defendant has injured Plaintiffs and Plaintiffs Class and made
19 it difficult to calculate the unpaid rest period compensation (including wages, interest, and
20 penalties thereon) due and owing to Plaintiffs and Plaintiffs Class.

21 68. By virtue of the Defendant's unlawful failure to provide rest periods to Plaintiffs
22 and Plaintiffs Class, they have been deprived of compliant rest periods and/or premium wages in
23 lieu thereof in amounts to be determined at trial and are entitled to recovery of such amounts, plus
24 interest and penalties thereon, attorneys fees, costs, to the fullest extent permissible under the
25 Labor Code 226.7, applicable IWC Wage Orders, Code of Civil Procedure section 1021.5.

26 69. WHEREFORE, Plaintiffs and Class Members request relief as described herein
27 and below. Plaintiffs incorporates all previous paragraphs of this complaint as though fully set
28 forth herein.

1 **THIRD CAUSE OF ACTION**

2 **Failure to Provide Meal Periods**

3 **(Plaintiffs and Plaintiffs Class Against All Defendants)**

4 70. Plaintiffs incorporate all previous paragraphs of this complaint as though fully set
5 forth herein.

6 71. Labor Code sections 226.7 and 512 provide that no employer shall employ any
7 person for a work period of more than five (5) hours without providing a meal period of not less
8 than thirty (30) minutes or employ any person for a work period of more than ten (10) hours
9 without a second (2nd) meal period of not less than thirty (30) minutes.

10 72. Labor Code section 226.7 provides that if an employer fails to provide an
11 employee a meal period in accordance with this section, the employer shall pay the employee one
12 (1) hour of pay at the employee's regular rate of compensation for each workday that the meal
13 period is not provided in accordance with this section.

14 73. Defendant maintains, and has maintained throughout the Class Period, a policy
15 and practice of failing to provide lawful work-free meal periods to Plaintiffs and Plaintiffs Class,
16 for the days on which non-exempt employees work periods in excess of six (6) hours and a
17 second meal period on days which non-exempt employees work periods in excess of ten (10)
18 hours. Plaintiffs and Plaintiffs Class were routinely denied the opportunity to be completely
19 relieved of all work duties for a 30-minute meal period as a result of Defendant's failure to
20 provide adequate staffing. In fact, if Plaintiffs and Class members were provided the opportunity
21 to take a meal period, their meal periods were interrupted because they had to attend to task such
22 attending to customers, answering phones, amongst other things. Further, Plaintiffs and Plaintiffs
23 Class were required to remain on Defendant's premises and not free to leave Defendant's
24 premises during the meal periods. Defendant failed to provide Plaintiffs and Plaintiffs Class with
25 compensation for their missed meal periods.

26 74. Plaintiffs and Plaintiffs Class did not voluntarily or willfully waive meal periods.

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28 ////

75. At all times relevant hereto, the Defendant, failed to provide Plaintiffs and Plaintiffs Class similarly a compliant duty-free meal period as required by Labor Code sections 226.7 and 512.

76. By virtue of the Defendant's unlawful failure to provide meal periods to Plaintiff and Plaintiffs Class, Plaintiffs and the Plaintiffs Class have been deprived of compliant meal periods and/or premium wages in lieu thereof in amounts to be determined at trial and are entitled to recovery of such amounts, plus interest and penalties thereon, attorneys fees, costs, to the fullest extent permissible under the Labor Code sections 226.7 and 512, applicable IWC Wage Orders, Code of Civil Procedure section 1021.5, and/or any other statute.

77. WHEREFORE, Plaintiffs and Class Members request relief as described herein and below.

FOURTH CAUSE OF ACTION

Failure to Timely Pay Wages at Separation

(Plaintiffs and Plaintiffs Class Against All Defendants)

78. Plaintiffs incorporate all previous paragraphs of this complaint as though fully set forth herein.

79. During the relevant time period, Plaintiffs and formerly employed members of the Plaintiffs Class resigned or were terminated from their positions with Defendant. Defendant, however, willfully did not pay Plaintiffs and Plaintiffs Class all wages which were due them upon their separation of employment immediately upon termination or within seventy-two (72) hours of their resignation as required by Labor Code section 202, subdivision (a). Defendant failed to pay Plaintiffs and Plaintiffs Class all minimum wages due which were earned throughout their employment. Defendant also failed to pay premium wages for times Plaintiffs and Class Members were not provided meal and/or rest breaks.

80. Under Labor Code sections 201, 202, and 203, Plaintiffs and Plaintiffs Class are entitled to waiting time penalties for not having been paid all wages due them upon their separation from employment.

81. Plaintiffs and Plaintiffs Class who terminated employment within four years of the filing of the original Complaint until the date of entry of judgment, without being paid the proper payments are entitled to thirty (30) days of pay at their regular rate of pay as waiting time penalties.

82. WHEREFORE, Plaintiffs and the Plaintiffs Class request relief as described herein and below.

FIFTH CAUSE OF ACTION

Failure to Keep Accurate Payroll Records

(Plaintiffs and Plaintiffs Class Against All Defendants)

83. Plaintiffs incorporate by reference and realleges all previous paragraphs of this complaint as though fully set forth herein.

84. Labor Code section 1174, subdivision (d), requires an employer to keep at a central location in California or at the plant or establishment at which the employee is employed, payroll records showing the hours worked daily, and the wages paid to, each employee. Labor Code section 226, subdivision (a) requires an employer to provide employees—either as a detachable part of the check, draft, or voucher paying the employee’s wages, or separately when wages are paid by personal check or cash—an accurate itemized wage statement in writing.

85. Labor Code section 226, subdivision (e) provides that if an employer knowingly and intentionally fails to provide a statement itemizing, inter alia, the gross and net wages earned, the total hours worked by the employee and the applicable hourly overtime rates, causing the employee injury, then the employee is entitled to recover the greater of all actual damages or fifty dollars (\$50.00) for the initial violation and one hundred dollars (\$100.00) for each subsequent violation, up to four thousand dollars (\$4,000.00). Plaintiffs are informed and believe that Defendant willfully failed to make or keep accurate records for Plaintiffs and Plaintiffs Class.

86. IWC Wage Orders require that every employer shall keep accurate information with respect to each employee, including time records showing when each employee begins and ends each work periods, the total daily hours worked by each employee and the total hours worked in each payroll period, and applicable rates of pay. Plaintiffs allege that Defendant

1 willfully and intentionally failed to make and/or keep records which accurately reflect the hours
2 worked by Plaintiffs and Plaintiffs Class. Specifically, Plaintiffs believe that Defendant's records
3 do not accurately reflect where Plaintiffs and Plaintiffs Class worked during their meal and/or rest
4 breaks. Furthermore, Defendant's records do not reflect all hours worked, specifically the hours
5 Plaintiffs and Plaintiffs Class were required to work off the clock for maintaining and donning
6 and doffing Defendant's uniform.

7 87. Plaintiffs are informed and believe that Defendant's failure to keep accurate
8 payroll records, as described above, violated Labor Code sections 1174, subdivision (d) and 226,
9 subdivision (a), and the applicable wage order.

10 88. Plaintiffs are informed and believe that Defendant's failure to keep and maintain
11 accurate records and information, as described above, was willful, and Plaintiffs and the Plaintiffs
12 Class are entitled to statutory penalties pursuant to Labor Code sections 226 and 1174.5.

13 89. WHEREFORE, Plaintiffs and Plaintiffs Class request relief as described herein
14 and below.

15 **SIXTH CAUSE OF ACTION**

16 **Failure to Reimburse Employees for Necessary Business Expenditures**

17 **(Plaintiffs and Plaintiffs Class Against All Defendants)**

18 90. Plaintiffs reallege and incorporate by reference all preceding paragraphs of this
19 complaint as though fully set forth herein.

20 91. Under California Labor Code section 2802, subdivision (a), an employer is legally
21 to reimburse its employees for necessary business expenditures incurred as a result of performing
22 their work.

23 92. California Labor Code section 2802 states, "An employer shall indemnify his or
24 his employee for all necessary expenditures or losses incurred by the employee in direct
25 consequence of the discharge of his or his duties..."

26 93. Plaintiffs and Plaintiffs Class has incurred out-of-pocket losses because of
27 Defendant's failure to reimburse Plaintiffs and Plaintiffs Class appropriately for all necessary
28 uniform purchase and cleaning, use of personal vehicles, and personal cell phone expenses.

1 Further, Plaintiff and the class were sometimes paid with a pre-paid bank card that also incurred
2 expense in obtaining the funds on the card. Plaintiff and the class were not reimbursed for such
3 charges to their payroll amounts. To date, Defendant has failed to indemnify Plaintiffs and
4 Plaintiffs Class for all these out-of-pocket losses.

5 94. Defendant knowingly, willingly and intentionally attempted to offset the cost of
6 doing business on the Plaintiffs and Plaintiffs Class.

7 95. Defendant has and or had a practice and policy of requiring Plaintiffs and
8 Plaintiffs Class to shoulder the burden of Defendant's cost of doing business by failing to
9 reimburse Plaintiffs and Plaintiffs Class for necessary business expenditures, specifically the cost
10 to wash and maintain their work uniforms which contains Defendant's logo at their own expense.
11 Plaintiffs and the class had to wash their uniforms separate from their personal clothing because
12 of their uniforms were heavily soiled as a result of carrying out their job duties. Defendant failed
13 to reimburse Plaintiffs and Plaintiffs Class for the cost of washing and maintaining Defendant's
14 uniform which is required in their employment. Defendant failed to reimbursement Plaintiffs and
15 the class for these expenditures incurred in carrying out their job duties by Plaintiffs and the class
16 under Defendant's policy.

17 96. Further, Defendant has and or had a practice and policy of requiring Plaintiffs and
18 Plaintiffs Class to shoulder the burden of Defendant's cost of doing business by failing to
19 reimburse Plaintiffs and Plaintiffs Class for using their personal vehicles to transport supplies
20 between Defendant's locations. In addition, Defendant failed to reimburse personal cell phone
21 expenses that Plaintiffs and Plaintiffs Class incurred while performing work for Defendant.

22 97. Further, Plaintiff and the class were sometimes paid with a pre-paid bank card that
23 also incurred expense in obtaining the funds on the card. Plaintiff and the class were not
24 reimbursed for such charges to their payroll amounts.

25 98. Accordingly, Plaintiffs and Plaintiffs Class are entitled to an award of "necessary
26 expenditures or losses" shall include all reasonable costs, including, but not limited to, attorney's
27 fees and interest.

99. WHEREFORE, Plaintiffs and the Plaintiffs Class request relief as described herein and below.

SEVENTH CAUSE OF ACTION

Payment Via Bank Cards

(Plaintiffs and Plaintiffs Class Against All Defendants)

100. Plaintiffs incorporates all previous paragraphs of this complaint as though fully set forth herein.

101. Labor Code section 212(a) provides “No person, or agent or officer thereof, shall issue in payment of wages due, or to become due, or as an advance on wages to be earned:

(a) Any order, check, draft, note, memorandum, or other acknowledgment of indebtedness, unless it is negotiable and payable in cash, on demand, without discount, at some established place of business in the state, the name and address of which must appear on the instrument, and at the time of its issuance and for a reasonable time thereafter, which must be at least 30 days, the maker or drawer has sufficient funds in, or credit, arrangement, or understanding with the drawee for its payment.

102. Labor Code section 213(d) prohibits:

an employer from depositing wages due or to become due or an advance on wages to be earned in an account in any bank, savings and loan association, or credit union of the employee's choice with a place of business located in this state, provided that the employee has voluntarily authorized that deposit. If an employer discharges an employee or the employee quits, the employer may pay the wages earned and unpaid at the time the employee is discharged or quits by making a deposit authorized pursuant to this subdivision, provided that the employer complies with the provisions of this article relating to the payment of wages upon termination or quitting of employment.

103. Plaintiffs and Plaintiffs Class allege that Defendant sometimes including at time of final pay, paid the putative class their wages on pre-paid bank cards. This policy and practice did not allow the putative class to have at least one pay card transaction per pay period without fees and did not give the putative class the option of choosing to be paid in a different manner in violation of Labor Code sections 212(a) and 213(d).

104. As a result, Plaintiffs seeks, on behalf of themselves and similarly situated employees, the applicable statutory and civil penalties, and attorneys' fees and costs, in an amount to be proven at trial.

EIGHTH CAUSE OF ACTION

Unfair Business Practices

(Plaintiffs and Plaintiffs Class Against All Defendants)

105. Plaintiffs incorporates all previous paragraphs of this complaint as though fully set forth herein.

106. On information and belief, Plaintiffs allege that Defendant engaged in conduct and maintained policies and practices that constitute false, fraudulent, unlawful, unfair, and deceptive business practices in violation of Business and Professions Code section 17200 et seq. (hereinafter the “Unfair Competition Law”). Plaintiff allege that each of the following policies and practices of Defendant violate the Unfair Competition Law:

- a. requiring employees to work in excess of six (6) hours per day without being provided a lawful meal period, and failing to compensate such employees with one hour of pay at their regular rate of compensation for each workday that a meal period was not provided;
- b. requiring employees to work in excess of ten (10) hours per day without being provided a lawful second meal period, and failing to compensate such employees with one hour of pay at their regular rate of compensation for each workday that a meal period was not provided;
- c. requiring employees to work without being provided a minimum ten-minute rest period for every four (4) hours or major fraction thereof worked, and failing to compensate such employees with one hour of pay at their regular rate of compensation for each workday that a rest period was not provided;
- d. requiring employees to work without being provided a thirty-minute (30) duty free lunch period with for every five (5) hours worked;

- e. for failing to institute policies and procedure that ensure accurate timekeeping and accurate itemized paystubs to Plaintiff and Plaintiff Class;
- f. failing to pay all earned wages, including minimum and overtime wages, to Plaintiffs and Plaintiffs Class;
- g. failing to provide Plaintiffs and Plaintiffs class with at least one pay card transaction per pay period without fees and not providing Plaintiffs and Plaintiffs class the option of choosing to be paid in a different manner in violation of Labor Code sections 212(a) and 213(d); and
- h. failing to reimburse Plaintiffs and Plaintiffs Class for necessary business expenses.

107. The actions of Defendant as alleged within this Complaint constitute false, fraudulent, unlawful, unfair, and deceptive business practices, within the meaning of Business and Professions Code section 17200 et seq.

108. Plaintiffs and the Plaintiffs Class are entitled to other equitable relief against such unlawful practices in order to prevent future damage, for which there is no adequate remedy at law, and to avoid a multiplicity of lawsuits.

109. As a result of its unlawful acts, Defendant has reaped and continue to reap unfair benefits and unlawful profits at the expense of Plaintiffs and Plaintiffs Class. Defendant should be required to restore to Plaintiffs and Class Members the wrongfully withheld wages pursuant to Business and Professions Code section 17203. Plaintiffs are informed and believe, and thereon alleges, that Defendant has been unjustly enriched through Defendant's unlawful, unfair, and fraudulent business practices as alleged throughout this Complaint. Plaintiffs are informed and believe, and based thereon allege, that Plaintiffs and Plaintiffs Class are prejudiced by Defendant's unfair trade practices.

110. As a direct and proximate result of Defendant's unfair business practices, Plaintiffs, and Plaintiffs Class are entitled to equitable including full restitution of all wages which have been unlawfully withheld from Plaintiffs and Plaintiffs Class as a result of the business acts and practices described herein.

111. WHEREFORE, Plaintiffs and Plaintiffs Class request relief as described herein and below and as deemed just.

NINTH CAUSE OF ACTION

UNPAID WAGES AND OVERTIME WAGES UNDER THE FLSA

29 U.S.C. §§206, 207(a)

(Collective Action for Unpaid Wages by All Plaintiffs Against All Defendants)

112. Plaintiffs re-allege and incorporate by reference herein the allegations of all preceding paragraphs as though fully set forth herein.

113. Plaintiffs bring this action on behalf of themselves and other members of the proposed FLSA Class as a collective action pursuant to 29 U.S.C. § 216(b), under the FLSA, 29 U.S.C. § 201 et seq.

1114. At all relevant times, each Defendant has been, and continues to be, an “employer” engaged in interstate “commerce” within the meaning of the FLSA, 29 U.S.C. § 203. At all relevant times, Defendants have employed all members of the proposed FLSA Class as “employees” within the meaning of the FLSA, 29 U.S.C. § 203. Plaintiffs are informed and believe, and thereon allege, at all relevant times, each Defendant has had gross operating revenues in excess of \$500,000.

115. 29 C.F.R. §778.500(a) states: "Since the regular rate is defined to include all remuneration for employment...the overtime provisions of the Act cannot be avoided by setting an artificially low hourly rate upon which overtime pay is to be based and making up the additional compensation due to employees by other means. The established hourly rate is the 'regular rate' to an hourly employee only if the hourly earnings are the sole source of his compensation. Payment for overtime on the basis of an artificial 'regular rate' will not result in compliance with the overtime provisions of the Act." Subsection (b) of 29 C.F.R. §778.500 states: "the hourly rate paid for the identical work during the hours in excess of the applicable maximum hours standard cannot be lower than the rate paid for the non-overtime hours nor can the hourly rate vary from week to week inversely with the length of the workweek."

116. 29 C.F.R. §778.315 states: "Overtime compensation, at a rate of not less than one

1 and one-half times the regular rate of pay must be paid for each hour worked in the workweek in
2 excess of the applicable maximum hours standard. *This extra compensation for the excess hours*
3 *of overtime work under the Act cannot be said to have been paid to an employee unless all straight*
4 *time compensation due him for the nonovertime hours under his contract (express or implied) or*
5 *under any applicable statute has been paid."*

6 117. The defendants are liable for engaging in a subterfuge or an artifice designed to
7 evade the overtime laws. That is the class members allege and will prove that they are entitled to
8 payment based on the proper and legal regular rate which will include all damages that flow from
9 this calculation.

10 118. At all relevant times, Defendants willfully, regularly and repeatedly failed to make,
11 keep and preserve accurate records required by the FLSA with respect to Plaintiffs and the other
12 FLSA Class Members', including records sufficient to accurately determine the wages and hours
13 of employment pertaining to Plaintiffs and the other FLSA Class Members.

14 119. Pursuant to 29 U.S.C. § 216(b), to become members of this FLSA collective action,
15 the putative class members of the FLSA Class are required to opt in to this action by filing their
16 consents with the Court. This process is also satisfied when individuals subject to a Rule 23 class
17 action file a claim form in connection with a settlement of the action. (*Murillo v. Pacific Gas &*
18 *Electric Co.*, (E.D.Cal.2010) 266 F.R.D. 468, 472-473).

19 120. Pursuant to 29 U.S.C. §§ 206, 207(a) and 216(b), Plaintiffs and the other members
20 of the FLSA are entitled to damages in the amount of their respective unpaid wages, including
21 unpaid minimum wages, unpaid overtime compensation, and liquidated damages as provided by
22 the FLSA, attorney's fees and costs of action, injunctive relief requiring Defendants to cease and
23 desist from their violations of the FLSA described herein and to comply with the FLSA, and such
24 other legal and equitable relief as the Court deems just and proper.

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1 not responded with any intention to investigate. As such, Plaintiffs have exhausted their
2 administrative requirements pursuant to LC §2699.3(a)(1) and (2) (A-C).

3 126. California Labor Code §§ 2699(a) and (g) authorize an aggrieved employee, on
4 behalf of themselves and other current or former employees, to bring a civil action to recover civil
5 penalties pursuant to the procedures specified in California Labor Code § 2699.3.

6 127. Pursuant to California Labor Code §§ 2699(a) and (f), Plaintiffs and the aggrieved
7 employees are entitled to recover civil penalties for each of the Defendant's violations of
8 California Labor Code §§ 201, 202, 203, 204, 226, 226.7, 510, 512, and 1194, 1197, and 1198
9 during the applicable limitations period in the following amounts:

- 10 a. For violations of California Labor Code § 204, one hundred dollars (\$100.00) for
11 each aggrieved employee for each initial violation and two hundred dollars
12 (\$200.00) for each aggrieved employee plus twenty-five percent (25%) of the
13 amount unlawfully withheld from each aggrieved employee for each subsequent,
14 willful or intentional violation (penalty amounts established by California Labor
15 Code § 210).
- 16 b. For violations of California Labor Code § 226(a), two hundred fifty dollars
17 (\$250.00) per employee for initial violation and one thousand dollars (\$1,000.00)
18 per employee for each subsequent violation (penalty amounts established by
19 California Labor Code § 226.3).
- 20 c. For violations of California Labor Code § 512, fifty dollars (\$50.00) for each
21 aggrieved employee for each initial violation for pay period for which the employee
22 was underpaid in addition to an amount sufficient to recover unpaid wages and one
23 hundred dollars (\$100.00) for each underpaid employee for each pay period for
24 which the employee was underpaid (penalty amounts established by California
25 Labor Code § 558).
- 26 d. For violations of California Labor Code § 1197, one hundred dollars (\$100.00) for
27 each aggrieved employee for each initial and intentional violation per pay period
28

(regardless of whether the initial violations were intentionally committed) and two hundred fifty dollars (\$250.00) for each aggrieved employee for each subsequent violation per pay period (regardless of whether the initial violations were intentionally committed), in addition to an amount sufficient to recover unpaid wages, liquidated damages pursuant to California Labor Code § 1194.2, and applicable penalties imposed pursuant to California Labor Code § 203.

- e. For violations of California Labor Code §§ 201, 202, 203, and 226.7, one hundred dollars (\$100.00) for each aggrieved employee per pay period for each initial violation and two hundred dollars (\$200.00) for each aggrieved employee per pay period for each subsequent violation (penalty amounts established by California Labor Code § 2699(f)(2)).
- f. Penalties under Code of Regulations, Title 8 §11070 or other applicable Code of Regulations in the amount of \$50 for each aggrieved employee per pay period for the initial violation, and \$100 for each aggrieved employee per pay period for each subsequent violation;
- g. Penalties under Labor Code §210, in addition to and entirely independent and apart from other penalty provided in the Labor Code, in the amount of \$100 for each aggrieved employee per pay period for each violation, and \$200 for each aggrieved employee per pay period for each subsequent violation, plus 25% of the wage wrongly withheld;
- h. Penalties under Labor Code §256, in addition to and entirely independent and apart from other penalty provided in the Labor Code, including Labor Code §2699, et seq., for any aggrieved employee who was discharged or quit, and was not paid all earned wages at termination in accordance with Labor Code §§201, 201.1, 201.5, 202, and 205.5, in the amount of a civil penalty of one day of pay, at the same rate, for each day that he or she was paid late, until payment was/is made, up to a maximum of thirty (30) days;

- i. Penalties under Labor Code §558, in addition to and entirely independent and apart from other penalty provided in the Labor Code, in the amount of \$50 for each underpaid aggrieved employee for each pay period the aggrieved employee was underpaid, and \$100 for each subsequent violation for each underpaid employee for each pay period for which the employee was underpaid pursuant to Labor Code §558 provided to the affected employees;
- j. Penalties under Labor Code §226.3, in addition to and entirely independent and apart from other penalty provided in the Labor Code, in the amount of \$250 for each aggrieved employee per pay period for each violation, and \$1,000 for each aggrieved employee per pay period for each subsequent violation;
- k. Any and all additional penalties and sums as provided by the Cal. Labor Code and/or other statutes.
- l. Penalties under Labor Code section 210 for the weekly pay violations.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs and Class Members pray for judgment as follows:

1. That the Court determine that this action may be maintained as a class action;
2. That Plaintiffs be appointed the representatives of each proposed Class, as appropriate;
3. That the attorneys of record for Plaintiffs whose names appear in this complaint be appointed class counsel;
4. For compensatory damages in an amount according to proof with interest thereon;
5. For economic and/or special damages in an amount according to proof with interest thereon;
6. That Defendant be found to have engaged in unfair competition in violation of Business and Professions Code section 17200 *et seq.*;
7. That Defendant be ordered to make restitution to each Class due to its unfair competition, pursuant to Business and Professions Code sections 17203 and 17204;

8. For penalties to the extent permitted pursuant to the Labor Code, Orders of the Industrial Welfare Commission, including, but not limited to, waiting time penalties under Labor Code section 203, and penalties under Labor Code sections 226, subdivision (e), 226.3, 210, 226.7, and 1174.5;
9. For compensatory damages in an amount according to the proof representing the amount of unpaid compensation owed thereto; For interest on any compensation due from the day such amounts were due; For reasonable attorney's fees and costs pursuant to 29 U.S.C. 216(b); and for liquidated damages and penalties.
10. For attorneys' fees, interest, and costs of suit under Labor Code sections 218.5, 1194 and other applicable provisions of law outside the Labor Code;
11. For such other and further relief as the Court deems just and proper.
12. On behalf of all current and former employees, for all civil penalties authorized by Labor Code Private Attorney General Act of 2004 as specified in California Labor Code §558 plus Labor Code §1197.1 for former or current employees who are due wage payments;
13. For civil penalties per Labor Code §226.3 in the amount of \$250 for each aggrieved employee per pay period for each violation, and \$1,000 for each aggrieved employee per pay period for each subsequent violation;
14. For civil penalties per Labor Code §256 in the amount of one day of pay, at the same rate, for each day that an aggrieved employee was paid late, at the time of termination, until payment was/is made, up to a maximum of thirty (30) days;
15. For civil penalties, pursuant to Labor Code § 558 as follows:
 - (1) For any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid;
 - (2) For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid;
16. For civil penalties under Labor Code §210, in addition to and entirely independent and apart from other penalty provided in the Labor Code, in the amount of \$100 for each

aggrieved employee per pay period for each violation, and \$200 for each aggrieved employee per pay period for each subsequent violation, plus 25% of the wage wrongly withheld;

17. For civil penalties under Labor Code §2699(f), in addition to and entirely independent and apart from other penalty provided in the Labor Code and for Labor Code violations without a specific civil penalty, in the amount of \$100 for each aggrieved employee per pay period for each violation, and \$200 for each aggrieved employee per pay period for each subsequent violation.

Dated: September __, 2022 KUCHINSKY LAW OFFICE, P.C.

By _____
Alexei Kuchinsky
Attorney for Plaintiff and Proposed Class

Dated: September __, 2022 JANELLE CARNEY – ATTORNEY AT LAW, APC
MAHONEY LAW GROUP, APC

By: _____
Janelle Carney, Esq.
Kevin Mahoney, Esq.
John A. Young, Esq.
Attorneys for Plaintiff ARIN ESRAELIAN and on behalf of
all employees similarly situated

Dated: September __, 2022 DIVERSITY LAW GROUP, P.C.

By: _____
Larry W. Lee
Max W. Gavron
Attorneys for Plaintiff, Daniel Rodas and the Class

Exhibit A



John Young, Esq.
562.590.5550 phone
562.590.8400 facsimile
jyoung@mahoney-law.net

November 18, 2021

VIA ONLINE SUBMISSION

LABOR AND WORKFORCE DEVELOPMENT AGENCY

Attn: PAGA Administrator

<https://dir.tfaforms.net/207>

VIA CERTIFIED MAIL # 7019 0700 0001 7488 9005

Return Receipt Requested

The Goodyear Tire & Rubber Company
200 Innovation Way
Akron, OH 44316

Re: Arin Esraelian v. The Goodyear Tire & Rubber Company

**NOTICE OF LABOR CODE VIOLATIONS PURSUANT TO
LABOR CODE SECTION SECTIONS 2698 *et seq.***

To: California Labor and Workforce Development Agency, The Goodyear Tire & Rubber Company

From: Arin Esraelian on behalf of himself and aggrieved employees who were subject to The Goodyear Tire & Rubber Company's unlawful wage and hour policies as set forth below.

Factual Statement

Please note that this firm, Mahoney Law Group, APC, represents the interests of Mr. Arin Esraelian ("Employee" or "Mr. Esraelian") as a representative for all other aggrieved employees, who intends to file a complaint alleging various Labor Code violations and seeking civil penalties under the Private Attorneys General Act of 2004, Labor Code section 2698, *et seq.* ("PAGA").

Please be advised that this letter constitutes written notice required by Labor Code sections 2699.3, subdivision (a)(1) and 2699.3, subdivision (c)(1) and may lead to action against The Goodyear Tire & Rubber Company ("Employer") in a court of law and/or administrative proceedings, as well as the imposition of substantial penalties and other remedies against Employer, and any and all related, parent, and/or alter ego companies, corporations, partnerships, subsidiaries, and/or business entities, as well as against any and all officers, owners, directors, managers, managing agents, or entities who are or may be liable under law for any of the violations alleged herein.

Theories of Labor Code Violations and Remedies

Employer manufactures and sells tires throughout California. Employee worked for Employer as a non-exempt employee within the past year.

Employee alleges that Employer violated various sections of the Labor Code, including sections 201, 202, 203, 204, 206, 210, 226, 226.3, 226.7, 510, 512, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and 2802, by failing to provide Employee and all other aggrieved employees all wages for all hours worked, including minimum and overtime wages, failed to provide meal and rest periods or compensation in lieu thereof, failing to provide accurate wage statements, failing to maintain accurate records of hours worked, failing to pay all compensation due upon separation of employment, and failing to reimburse Employee and all other aggrieved employees for work related expenses. Employee and similarly aggrieved employees consist of identifiable, current, and/or former similarly situated persons who worked for Employer as non-exempt employees during the PAGA Period defined as one year prior to the submission of this letter to the Labor Workforce and Development Agency ("LWDA") and certified mailing to Employer until resolution of these claims.

Employee and other aggrieved employees were regularly not compensated for all hours worked, including minimum wages as well as overtime wages, which is in violation of Labor Code sections 510, 1194, 1182.12, 1197 and is actionable under Labor Code section 2699.5. Employer's failed to pay Employee and other aggrieved employees the legally mandated wage rates for all hours Employee and other aggrieved employees worked. Employer failed to compensate Employee and other aggrieved employees during time which they were subject to the control of Employer, or suffered or permitted to work for Employer. Specifically, Employer failed to compensate Employee and other aggrieved employees for time spent donning and doffing Employer's required work uniform. Employee and other aggrieved employees were required to be dressed in their uniform prior to clocking in for their shift, and were required to be dressed in their uniform at the time they clocked out for their shift. Further, Employee required Employee and other aggrieved employees were required to paint Employer's facilities while off-the-clock. Accordingly, time spent donning and doffing Employer's uniform and painting Employer's facilities were performed without compensation for their time and in violation of Labor Code sections 510, 1194, 1182.12, 1197 and is actionable under Labor Code section 2699.5

Employee will further allege that Employer failed to include all remuneration when calculating his and other aggrieved employees' regular rate for purposes of compensating Employee and other aggrieved employees for her overtime under Labor Code Labor Code section 510. Specifically, Employer paid hourly non-exempt employees non-discretionary bonuses and incentive compensation and failed to include this compensation when calculating Employee's and other aggrieved employees' regular rate for purposes of overtime rate of pay. Employee will also allege that Employer violated Labor Code section 201 and 202, et seq., due to its uniform policy, practice and procedure of willfully failing to pay the earned and unpaid wages to all such former employees.

Employer also failed to provide Employee and other aggrieved employees with timely uninterrupted meal and rest periods. Employer had a practice of failing to adequately staff employees to allow Employee and other aggrieved employees to be completely relieved of all of their work responsibilities while on their legally mandated meal or rest break. Further, Employer ordered that Employee and other aggrieved employees to attend to customers, amongst other regardless of whether an employee was on their break. Further, Employer failed to provide Employee and other aggrieved employees a second meal period for shifts worked in excess of ten hours. As a result of Employer's policy and practices, Employee and other aggrieved employees did not receive timely uninterrupted meal and rest periods and were not compensated with premium wages for non-compliant meal and/or rest periods. Employer's conduct is in violation of Labor Code sections 226.7 and 512, is also actionable under PAGA.

As a result of Employer's failure to pay all wages owed as described herein, Employer violated Labor Code sections 201, 202, 203, 204, 206, and 210 due to their uniform policy, practice, and procedure of failing to timely pay all of the above-mentioned wages earned during and after Employee and the aggrieved employees' employment with Employer.

Further, Employer required Employee and other aggrieved employees to wash and maintain their work uniforms which contains Employer's logo at their own expense. Employee alleges that he and his coworkers had to wash their uniforms separate from their personal clothing because of their uniforms were heavily soiled as a result of carrying out their job duties. Employer failed to reimburse Employee and other aggrieved employees for the cost of washing and maintaining Employer's uniform which is required as part of their employment. Employer failure to reimburse Employee and other aggrieved employees for the cost of washing and maintaining Employer's uniform is in violation of Labor Code section 2802 and therefore is actionable under PAGA. In addition, Employee and other aggrieved employees were also required to use their personal cellular phones to view their schedules, receive work-related text messages, calls, and/or emails, rely on their phone's GPS system for navigation while driving between Employer's locations for Employer. Employer did not reimburse them for a reasonable percentage of their cellular phone bills, in violation of PAGA. Lastly, Employer required Employee and other aggrieved employees to use their personal vehicle to drive to trainings and between Employer's locations to pick-up and deliver supplies. Employer did not reimburse Employee and other aggrieved employees for the aforementioned use of their personal vehicle, in violation of PAGA.

In addition, Employer failed to maintain accurate payroll records and failed to provide Employee and other aggrieved employees with complete and accurate wage statements showing premium wages earned per pay period, among other things. This conduct is in violation of Labor Code sections 226, 226.3, 1174, and 1174.5 and is actionable under PAGA.

LABOR AND WORKFORCE DEVELOPMENT AGENCY

November 18, 2021

Page 4 of 4

Employee will bring his lawsuit on behalf of himself and all other aggrieved employees who were employed by Employer. Please advise if the LWDA has any objection to my client including PAGA claims in his complaint. We look forward to your response, and please feel free to contact our office if you have any questions, comments or concerns.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Young", is written over the typed name.

John Young, Esq.

MAHONEY LAW GROUP, APC

Exhibit B

January 17, 2022

Via e-Filing System (<https://dir.tfaforms.net>) to the LWDA and Via Certified U.S. Mail to
Goodyear Company

Attn. PAGA Administrator
Natalie Palugyai
California Labor and Workforce Development Agency
1515 Clay Street, Suite. 801
Oakland, CA 94612

NOTICE OF LABOR CODE VIOLATIONS
PURSUANT TO LABOR CODE SECTION 2699.3

TO: The California Labor and Workforce Development Agency, The Goodyear
Tire and Rubber Company.

FROM: Luis Franco

Dear Ms. Palugyai,

This office represents Luis Franco (“Franco” or “Claimant”) regarding his wage-and-hour claims related to his employment with The Goodyear Tire and Rubber Company (“Goodyear Company”):

- Goodyear Company failed to pay Mr. Franco and Other Aggrieved Employees one hour of pay at the employees’ *regular rate of compensation* for each workday that the meal period was not provided. Specifically, Goodyear Company failed to include into meal break premium payments the hourly value of any nondiscretionary earnings (such as nondiscretionary bonuses). Meal break premiums cannot be paid at an employee’s base hourly rate. Goodyear Company have had a consistent policy of paying meal period premiums at the base rate and not the blended rate in violation of Labor Code §§ 226.7 and 512.
- Goodyear Company failed to pay Mr. Franco and Other Aggrieved Employees one hour of pay at the employees’ *regular rate of compensation* for each workday that the rest period was not provided. Specifically, Goodyear Company failed to include into rest break premium payments the hourly value of any nondiscretionary earnings (such as nondiscretionary bonuses). Rest break premiums cannot be paid at an employee’s base hourly rate. Goodyear Company have had a consistent policy of paying rest period premiums at the base rate and not the blended rate in Violation of Labor Code §§ 226.7 and 512.

- Goodyear Company failed to apprise Mr. Franco and Other Aggrieved Employees of their rights associated with rest periods and failed to provide compliant rest periods. Goodyear Company maintained a consistent policy of failing to provide Mr. Franco and Other Aggrieved Employees rest periods of at least ten (10) minutes per four (4) hours worked or major fraction thereof. Mr. Franco and Other Aggrieved Employees were required to work four hours or more without being provided all legally required ten (10) minute rest periods.
- Goodyear Company failed to comply with Industrial Welfare Commission (“IWC”) Wage Order 9-2001 and Labor Code § 226(a) by failing to issue Mr. Franco and Other Aggrieved Employees accurate itemized wage statements that show all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. Mr. Franco and Other Aggrieved Employees are issued wage statements that do not include meal and rest premiums as a result of the claims alleged above and when they do include the premiums, they are not at the applicable rate.
- Goodyear Company has failed to pay all wages due at the time of termination or resignation to Mr. Franco and Other Aggrieved Employees.

Pursuant to California Labor Code Section 2698. *et. seq.*, Mr. Franco, as an aggrieved employee, intends to bring on behalf of himself and other current or former employees of Goodyear Company a representative action to recover all available civil penalties as provided by California Labor Code sections 558 and 2699 for violations committed during the employment period commencing one year prior to filing of this notice to the present.

I. FACTUAL STATEMENT

Goodyear Company is in business of providing automotive and tire services to the general public in California. It operates a network of service centers in California. Goodyear Company employed Franco Franco as a service advisor from 2009 through October 2, 2021 at two service centers located at 486 N Winchester Blvd, San Jose, California and 3146 Stevens Creek Blvd, San Jose, California. For services provided, Goodyear Company paid Franco hourly compensation ranging from \$16 to \$19 plus nondiscretionary bonus, known as SPIFF.

At all relevant times, as hourly non-exempt employees, Franco and Other Aggrieved Employees were entitled to the benefits and protections of California Labor Code and California Industrial Welfare Commission Occupational Wage Order No. 9-2001 (Title 8 California Code of Regulations §11090 or other applicable Wage Order(s)). As such, they were entitled to meal and rest periods as required by California law, as well as to meal/rest period premiums at their “*regular rate of compensation*” when the opportunity for meal and rest periods was not provided.

During the relevant class period, Franco and Other Aggrieved Employees were eligible for and at times received non-discretionary bonuses, commissions, variable rates, and other items of compensation. For example, Franco and Other Aggrieved Employees were eligible for and received a nondiscretionary bonus SPIFF.

During the relevant class period, Franco and Other Aggrieved Employees were also frequently denied the opportunity to take off-duty, timely, and uninterrupted meal and rest periods in accordance with, and as required by, California law.

During the relevant class period, on many occasions when Franco and Other Aggrieved Employees were denied such opportunities, Goodyear Company paid Franco and Other Aggrieved Employees an amount designated as “CA Meal Premium” on their wage statements. The rate paid for “CA Meal Premium” was always a base hourly rate and not their “regular rate of pay” or “regular rate of compensation.” The table below shows some instances when Goodyear Company failed to include the non-discretionary SPIFF pay into Franco’s regular rate of compensation for non-complaint meal periods:

Pay Period	# of Non-Compliant Meal Periods	Base Hourly Rate	Regular Rate of Pay	Meal Break Premiums Owed
8/02/2019 - 8/08/2019	1	\$19	\$19.38	\$0.38
8/23/2019 - 8/29/2019	2	\$19	\$21.04	\$4.08
10/04/2019-10/10/2019	1	\$19	\$20.62	\$1.62
11/08/2019-11/14/2019	1	\$19	\$20.04	\$1.04
12/27/2019-01/02/2020	1	\$19	\$21.84	\$2.84
1/24/2020-01/30/2020	1	\$19	\$23.82	\$4.82
2/28/2020-03/05/2020	1	\$19	\$20.88	\$1.88

On the occasions when Goodyear Company denied Franco and their other non-exempt employees the opportunity for meal and rest periods, and thus paid them CA Meal or Rest Premium amounts, they did so only at the employees’ base hourly rate as opposed to the “regular rate of compensation” as required by Labor Code section 226.7.¹

During the relevant class period, as a matter of policy and practice, due to a staff shortage, Goodyear Company failed to provide Franco and their other non-exempt employees with an opportunity to take a 10-minute off-duty rest period for each four hours of work or major fraction thereof. As a matter of policy and practice, Goodyear Company neither permitted nor authorized Franco and their other non-exempt employees to take a full off-duty rest period due

¹ *Ferra v. Loews Hollywood Hotel, LLC* (2021) –P.3d— 2021 WL 2965438; *Studley v. Alliance Healthcare Svcs., Inc.* (C.D. Cal. 2012) 2012 WL 12286522 * 4; *Ibarra v. Wells Fargo Bank, N.A.* (C.D. Cal. 2018) 2018 WL 2146380 *4-5.

to a staff shortage, Franco and their other non-exempt employees could not be relieved off all duties for 10-minute rest periods. Goodyear Company failed to pay one additional hour of pay for instances when Franco and their other non-exempt employees could not take a 10-minute rest period for each four hours of work or major fraction thereof per shift.

During the relevant class period, the wage statements furnished by Goodyear Company to their non-exempt California employees violated California Labor Code section 226(a) insofar as they failed to accurately show:

- The gross wages earned (because CA Meal and Rest Premiums were not properly paid) in violation of Labor Code section 226(a)(1);
- The net wages earned (because CA Meal and Rest Premiums were not properly paid) in violation of Labor Code section 226(a)(5); and
- All applicable hourly rates in effect during the pay period in violation of section 226(a)(9).

Goodyear Company were, at all times relevant herein, aware of the requirements of California Labor Code section 226.

Plaintiff's employment with Goodyear Company ended on approximately October 2, 2021. At the time Franco's employment ended, Goodyear Company owed him outstanding earned wages including undisputed wages for the last pay period and underpaid meal and rest period premiums. Those wages remain outstanding.

As a result of the failure to properly calculate meal and rest period premiums, Goodyear Company failed to pay Franco and its other current and former employees whose employment has ended all wages due and owing at the time of separation within the time parameters mandated by Labor Code sections 201 and 202.

II. THEORIES OF LABOR CODE VIOLATIONS AND REMEDIES

A. Failure to Pay Proper Premiums For Non-Compliant Meal and Rest Periods

Labor Code Section 226.7 provides "an employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission ("IWC"). Similarly, IWC Wage Order No. 9-2001 prohibits an employer from "employ [ing] any person for a work period of more than five (5) hours without a meal period of not less than 30 minutes. Section 12 of IWC Wage Order No. 9-2001 similarly required an employer to authorize and permit all employees to take rest periods at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof.

IWC Wage Order No. 9-2001 further obligates employers to provide an employee to "pay the employee one (1) hour of pay at the employee's regular *rate of compensation* for each workday that the meal period is not provided. Accordingly, for each day that Plaintiff, the Class Members did not receive compliant meal or rest periods, they were entitled to receive meal period premiums pursuant to Labor Code § 226.7 and Wage Order No. 9-2001.

During the relevant class period, Goodyear Company had a common policy and practice of failing to include compensation associated with non-discretionary bonuses to determine Franco's and Other Aggrieved Employees' regular rate of pay for purposes of paying the California meal and rest break premiums for non-complaint breaks. Instead of paying meal/rest period premiums at employees' regular rates, Goodyear Company improperly paid the California meal and rest break premiums at the employee's hourly base rate instead of at their regular rate. Defendant often referred to such premiums by pay codes, including, but not limited to, "CA Meal Premium" on the itemized wage statements. Goodyear Company's policies and practices as alleged above violated *Labor Code* § 226.7.

B. Failure to Provide Rest Periods or Compensation in Lieu Thereof

California Industrial Welfare Commission Wage Order 9-2001 also provides that every employer shall authorize and permit all employees to take off-duty uninterrupted rest periods, which insofar as practicable shall be in the middle of each work period. The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof.

Labor Code section 226.7 and the applicable Wage Orders of the Industrial Welfare Commission provide that if an employer fails to provide an employee a rest period in accordance with the Order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each work day that the rest period is not provided.

During the relevant class period, Franco's and Other Aggrieved Employees regularly worked for at least four (4) hours per workday.

During the Class Period, Goodyear Company failed to provide Franco's and Other Aggrieved Employees with adequate and compliant rest periods as required by California law and failed to compensate Franco and Other Aggrieved Employees one additional hour of pay and for each workday that adequate and complaint rest periods with one additional hour of pay (rest break premiums). For example, Franco regularly could not take rest periods because he had to serve Goodyear Company's customer and no other service advisor could relieve him so that he could take an off-duty rest period. If there were any rest periods, such rest periods were less than 10 minutes or often interrupted. Franco observed how other employees also could not take rest breaks due to a staff shortage.

By failing to regularly provide timely, uninterrupted, complete, and unrestricted rest periods, during which Franco's and Other Aggrieved Employees were required to be relieved of all duty, Goodyear Company violated California Labor Code sections 226.7 and Wage Order No. 9-2001 or other applicable Wage Orders of the Industrial Welfare Commission.

C. Failure to Provide Accurate Itemized Wage Statements

Labor Code section 226(a) provides that every employer shall furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social

security number, (8) the name and address of the legal entity that is the employer and, (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.

As set forth above, Goodyear Company failed to provide such adequate statements willingly and with full knowledge of their obligations under section 226.

D. Failure to Pay All Wages Due at Separation

Labor Code section 201 provides that an employer is required to provide an employee who is terminated all accrued wages and compensation at the time of termination. Labor Code section 202 similarly requires Goodyear Company to pay their employees all wages due not later than 72 hours after employee's quit notice, unless the employee has given 72 hours previous notice of his intention to quit. Under Labor Code section 203, if an employer willfully fails to pay such wages, for every day that final wages or any part of the final wages remain unpaid, the employer is liable for a penalty equivalent to the employee's daily wage, for a maximum of 30 days.

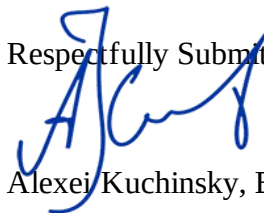
As set forth above, Franco's and Other Aggrieved Employees were not properly paid meal and rest period premium wages at the regular rate of compensation. As a result, Franco's and Other Aggrieved Employees whose employment with Goodyear Company have ended necessarily had outstanding wages due and owing at the time they separated; those wages remain outstanding.

Since the date of Franco's and Other Aggrieved Employees' separation to this date, Franco's and Other Aggrieved Employees have been available and ready to receive the wages due and owing to them. Franco's and Other Aggrieved Employees have not refused to receive any payment from Defendants.

This letter is intended to comply with the requirements of California Labor Code section 2699.3(a). Pursuant to Labor Code section 2699.3(a)(1), as aggrieved employees, the Claimants on behalf of themselves and other current and former employees of Goodyear Company hereby notifies the California Labor and Workforce Development Agency and Goodyear Company of the various Labor Code violations committed by Goodyear Company.

We would appreciate hearing from the LWDA at your earliest convenience.

Respectfully Submitted,



Alexei Kuchinsky, Esq.

VIA CERTIFIED U.S. MAIL TO

Cert. Mail (7018 3090 0000 8319 6913)

The Goodyear Tire and Rubber Company.

C/O Sarah Ross

Littler Mendelson P.C.

2049 Century Park East, 5th Floor,

Los Angeles, CA 90067-3107

Exhibit C

DANIEL RODAS

c/o DIVERSITY LAW GROUP, P.C.
515 S. FIGUEROA STREET, SUITE 1250
LOS ANGELES, CALIFORNIA 90071
TELEPHONE (213) 488-6555
FACSIMILE (213) 488-6554

July 21, 2021

VIA ONLINE FILING

California Labor & Workforce Development Agency
Attn: PAGA Administrator
1515 Clay Street, Suite 801
Oakland, CA 94612

Re: *Rodas v. The Goodyear Tire & Rubber Co.*

To Whom It May Concern:

This correspondence shall constitute written notice under Labor Code § 2699.3 of claims against The Goodyear Tire & Rubber Co. (the “Company”). I allege that the Company:

1. Violated Labor Code §§ 201-204, 510, 558, 1194, 1197, 1197.1 by not paying proper overtime wages to me and other similarly situated aggrieved employees by failing to pay overtime at the correct rate of pay. Throughout our employment with the Company, non-exempt employees and I earned non-discretionary remuneration, including, but not limited to incentives and SPIFFS. As these items are non-discretionary forms of remuneration, they should have been included in the regular rate of pay for purposes of paying me and other employees our overtime wages. However, whenever the Company paid me and other employees our overtime wages during work weeks in which we earned this non-discretionary remuneration, the overtime wages were not paid at 1.5 time the regular rate of pay as such remuneration were not factored into the regular rate of pay. Further as a result of such violations, the Company violated Labor Code §§ 201-203 by not paying employees all of their wages upon separation of employment due to the underpaid wages and Labor Code § 226(a) as the net/gross wages earned and hours worked shown on the wage statements were inaccurate due to the wage violations set forth above.

2. As a separate violation, the Company further violated Labor Code § 226(a) by failing to provide accurate, itemized wage statements to me and other similarly situated aggrieved employees as the wage statements failed to identify the applicable rate of pay and hours worked, as well as the applicable pieces and piece rates of pay for wages earned on a piece rate basis. Specifically, the Company routinely issued wage statements that identified wages being paid as “Details Not Displayed” and thus did not identify the hourly rates of pay and hours worked used to calculate such wages. Rather, it simply displayed the gross amount for such wages. Second, as some of the incentives/SPIFFS were earned on a piece rate basis, when such wages were paid, the wage statements did not reflect the applicable piece rate and pieces used to calculate such wages.

The address for the Company is:

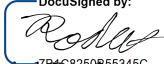
The Goodyear Tire & Rubber Co.
200 Innovation Way
Akron, OH 44316

July 21, 2021

Page 2

Please contact my attorney, Larry W. Lee, if you have any questions regarding this matter.

Sincerely,

DocuSigned by:

7B458250B55345C...
Daniel Rodas

cc: The Goodyear Tire & Rubber Co. (by certified mail)

Exhibit 1



John Young, Esq.
562.590.5550 phone
562.590.8400 facsimile
jyoung@mahoney-law.net

November 18, 2021

VIA ONLINE SUBMISSION

LABOR AND WORKFORCE DEVELOPMENT AGENCY

Attn: PAGA Administrator

<https://dir.tfaforms.net/207>

VIA CERTIFIED MAIL # 7019 0700 0001 7488 9005

Return Receipt Requested

The Goodyear Tire & Rubber Company

200 Innovation Way

Akron, OH 44316

Re: Arin Esraelian v. The Goodyear Tire & Rubber Company

**NOTICE OF LABOR CODE VIOLATIONS PURSUANT TO
LABOR CODE SECTION SECTIONS 2698 *et seq.***

To: California Labor and Workforce Development Agency, The Goodyear Tire & Rubber Company

From: Arin Esraelian on behalf of himself and aggrieved employees who were subject to The Goodyear Tire & Rubber Company's unlawful wage and hour policies as set forth below.

Factual Statement

Please note that this firm, Mahoney Law Group, APC, represents the interests of Mr. Arin Esraelian ("Employee" or "Mr. Esraelian") as a representative for all other aggrieved employees, who intends to file a complaint alleging various Labor Code violations and seeking civil penalties under the Private Attorneys General Act of 2004, Labor Code section 2698, *et seq.* ("PAGA").

Please be advised that this letter constitutes written notice required by Labor Code sections 2699.3, subdivision (a)(1) and 2699.3, subdivision (c)(1) and may lead to action against The Goodyear Tire & Rubber Company ("Employer") in a court of law and/or administrative proceedings, as well as the imposition of substantial penalties and other remedies against Employer, and any and all related, parent, and/or alter ego companies, corporations, partnerships, subsidiaries, and/or business entities, as well as against any and all officers, owners, directors, managers, managing agents, or entities who are or may be liable under law for any of the violations alleged herein.

Theories of Labor Code Violations and Remedies

Employer manufactures and sells tires throughout California. Employee worked for Employer as a non-exempt employee within the past year.

Employee alleges that Employer violated various sections of the Labor Code, including sections 201, 202, 203, 204, 206, 210, 226, 226.3, 226.7, 510, 512, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and 2802, by failing to provide Employee and all other aggrieved employees all wages for all hours worked, including minimum and overtime wages, failed to provide meal and rest periods or compensation in lieu thereof, failing to provide accurate wage statements, failing to maintain accurate records of hours worked, failing to pay all compensation due upon separation of employment, and failing to reimburse Employee and all other aggrieved employees for work related expenses. Employee and similarly aggrieved employees consist of identifiable, current, and/or former similarly situated persons who worked for Employer as non-exempt employees during the PAGA Period defined as one year prior to the submission of this letter to the Labor Workforce and Development Agency ("LWDA") and certified mailing to Employer until resolution of these claims.

Employee and other aggrieved employees were regularly not compensated for all hours worked, including minimum wages as well as overtime wages, which is in violation of Labor Code sections 510, 1194, 1182.12, 1197 and is actionable under Labor Code section 2699.5. Employer's failed to pay Employee and other aggrieved employees the legally mandated wage rates for all hours Employee and other aggrieved employees worked. Employer failed to compensate Employee and other aggrieved employees during time which they were subject to the control of Employer, or suffered or permitted to work for Employer. Specifically, Employer failed to compensate Employee and other aggrieved employees for time spent donning and doffing Employer's required work uniform. Employee and other aggrieved employees were required to be dressed in their uniform prior to clocking in for their shift, and were required to be dressed in their uniform at the time they clocked out for their shift. Further, Employee required Employee and other aggrieved employees were required to paint Employer's facilities while off-the-clock. Accordingly, time spent donning and doffing Employer's uniform and painting Employer's facilities were performed without compensation for their time and in violation of Labor Code sections 510, 1194, 1182.12, 1197 and is actionable under Labor Code section 2699.5

Employee will further allege that Employer failed to include all remuneration when calculating his and other aggrieved employees' regular rate for purposes of compensating Employee and other aggrieved employees for her overtime under Labor Code Labor Code section 510. Specifically, Employer paid hourly non-exempt employees non-discretionary bonuses and incentive compensation and failed to include this compensation when calculating Employee's and other aggrieved employees' regular rate for purposes of overtime rate of pay. Employee will also allege that Employer violated Labor Code section 201 and 202, et seq., due to its uniform policy, practice and procedure of willfully failing to pay the earned and unpaid wages to all such former employees.

Employer also failed to provide Employee and other aggrieved employees with timely uninterrupted meal and rest periods. Employer had a practice of failing to adequately staff employees to allow Employee and other aggrieved employees to be completely relieved of all of their work responsibilities while on their legally mandated meal or rest break. Further, Employer ordered that Employee and other aggrieved employees to attend to customers, amongst other regardless of whether an employee was on their break. Further, Employer failed to provide Employee and other aggrieved employees a second meal period for shifts worked in excess of ten hours. As a result of Employer's policy and practices, Employee and other aggrieved employees did not receive timely uninterrupted meal and rest periods and were not compensated with premium wages for non-compliant meal and/or rest periods. Employer's conduct is in violation of Labor Code sections 226.7 and 512, is also actionable under PAGA.

As a result of Employer's failure to pay all wages owed as described herein, Employer violated Labor Code sections 201, 202, 203, 204, 206, and 210 due to their uniform policy, practice, and procedure of failing to timely pay all of the above-mentioned wages earned during and after Employee and the aggrieved employees' employment with Employer.

Further, Employer required Employee and other aggrieved employees to wash and maintain their work uniforms which contains Employer's logo at their own expense. Employee alleges that he and his coworkers had to wash their uniforms separate from their personal clothing because of their uniforms were heavily soiled as a result of carrying out their job duties. Employer failed to reimburse Employee and other aggrieved employees for the cost of washing and maintaining Employer's uniform which is required as part of their employment. Employer failure to reimburse Employee and other aggrieved employees for the cost of washing and maintaining Employer's uniform is in violation of Labor Code section 2802 and therefore is actionable under PAGA. In addition, Employee and other aggrieved employees were also required to use their personal cellular phones to view their schedules, receive work-related text messages, calls, and/or emails, rely on their phone's GPS system for navigation while driving between Employer's locations for Employer. Employer did not reimburse them for a reasonable percentage of their cellular phone bills, in violation of PAGA. Lastly, Employer required Employee and other aggrieved employees to use their personal vehicle to drive to trainings and between Employer's locations to pick-up and deliver supplies. Employer did not reimburse Employee and other aggrieved employees for the aforementioned use of their personal vehicle, in violation of PAGA.

In addition, Employer failed to maintain accurate payroll records and failed to provide Employee and other aggrieved employees with complete and accurate wage statements showing premium wages earned per pay period, among other things. This conduct is in violation of Labor Code sections 226, 226.3, 1174, and 1174.5 and is actionable under PAGA.

LABOR AND WORKFORCE DEVELOPMENT AGENCY

November 18, 2021

Page 4 of 4

Employee will bring his lawsuit on behalf of himself and all other aggrieved employees who were employed by Employer. Please advise if the LWDA has any objection to my client including PAGA claims in his complaint. We look forward to your response, and please feel free to contact our office if you have any questions, comments or concerns.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Young", is written over the typed name.

John Young, Esq.

MAHONEY LAW GROUP, APC

January 17, 2022

Via e-Filing System (<https://dir.tfaforms.net>) to the LWDA and Via Certified U.S. Mail to
Goodyear Company

Attn. PAGA Administrator
Natalie Palugyai
California Labor and Workforce Development Agency
1515 Clay Street, Suite. 801
Oakland, CA 94612

NOTICE OF LABOR CODE VIOLATIONS
PURSUANT TO LABOR CODE SECTION 2699.3

TO: The California Labor and Workforce Development Agency, The Goodyear
Tire and Rubber Company.

FROM: Luis Franco

Dear Ms. Palugyai,

This office represents Luis Franco (“Franco” or “Claimant”) regarding his wage-and-hour claims related to his employment with The Goodyear Tire and Rubber Company (“Goodyear Company”):

- Goodyear Company failed to pay Mr. Franco and Other Aggrieved Employees one hour of pay at the employees’ *regular rate of compensation* for each workday that the meal period was not provided. Specifically, Goodyear Company failed to include into meal break premium payments the hourly value of any nondiscretionary earnings (such as nondiscretionary bonuses). Meal break premiums cannot be paid at an employee’s base hourly rate. Goodyear Company have had a consistent policy of paying meal period premiums at the base rate and not the blended rate in violation of Labor Code §§ 226.7 and 512.
- Goodyear Company failed to pay Mr. Franco and Other Aggrieved Employees one hour of pay at the employees’ *regular rate of compensation* for each workday that the rest period was not provided. Specifically, Goodyear Company failed to include into rest break premium payments the hourly value of any nondiscretionary earnings (such as nondiscretionary bonuses). Rest break premiums cannot be paid at an employee’s base hourly rate. Goodyear Company have had a consistent policy of paying rest period premiums at the base rate and not the blended rate in Violation of Labor Code §§ 226.7 and 512.

- Goodyear Company failed to apprise Mr. Franco and Other Aggrieved Employees of their rights associated with rest periods and failed to provide compliant rest periods. Goodyear Company maintained a consistent policy of failing to provide Mr. Franco and Other Aggrieved Employees rest periods of at least ten (10) minutes per four (4) hours worked or major fraction thereof. Mr. Franco and Other Aggrieved Employees were required to work four hours or more without being provided all legally required ten (10) minute rest periods.
- Goodyear Company failed to comply with Industrial Welfare Commission (“IWC”) Wage Order 9-2001 and Labor Code § 226(a) by failing to issue Mr. Franco and Other Aggrieved Employees accurate itemized wage statements that show all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. Mr. Franco and Other Aggrieved Employees are issued wage statements that do not include meal and rest premiums as a result of the claims alleged above and when they do include the premiums, they are not at the applicable rate.
- Goodyear Company has failed to pay all wages due at the time of termination or resignation to Mr. Franco and Other Aggrieved Employees.

Pursuant to California Labor Code Section 2698. *et. seq.*, Mr. Franco, as an aggrieved employee, intends to bring on behalf of himself and other current or former employees of Goodyear Company a representative action to recover all available civil penalties as provided by California Labor Code sections 558 and 2699 for violations committed during the employment period commencing one year prior to filing of this notice to the present.

I. FACTUAL STATEMENT

Goodyear Company is in business of providing automotive and tire services to the general public in California. It operates a network of service centers in California. Goodyear Company employed Franco Franco as a service advisor from 2009 through October 2, 2021 at two service centers located at 486 N Winchester Blvd, San Jose, California and 3146 Stevens Creek Blvd, San Jose, California. For services provided, Goodyear Company paid Franco hourly compensation ranging from \$16 to \$19 plus nondiscretionary bonus, known as SPIFF.

At all relevant times, as hourly non-exempt employees, Franco and Other Aggrieved Employees were entitled to the benefits and protections of California Labor Code and California Industrial Welfare Commission Occupational Wage Order No. 9-2001 (Title 8 California Code of Regulations §11090 or other applicable Wage Order(s)). As such, they were entitled to meal and rest periods as required by California law, as well as to meal/rest period premiums at their “*regular rate of compensation*” when the opportunity for meal and rest periods was not provided.

During the relevant class period, Franco and Other Aggrieved Employees were eligible for and at times received non-discretionary bonuses, commissions, variable rates, and other items of compensation. For example, Franco and Other Aggrieved Employees were eligible for and received a nondiscretionary bonus SPIFF.

During the relevant class period, Franco and Other Aggrieved Employees were also frequently denied the opportunity to take off-duty, timely, and uninterrupted meal and rest periods in accordance with, and as required by, California law.

During the relevant class period, on many occasions when Franco and Other Aggrieved Employees were denied such opportunities, Goodyear Company paid Franco and Other Aggrieved Employees an amount designated as “CA Meal Premium” on their wage statements. The rate paid for “CA Meal Premium” was always a base hourly rate and not their “regular rate of pay” or “regular rate of compensation.” The table below shows some instances when Goodyear Company failed to include the non-discretionary SPIFF pay into Franco’s regular rate of compensation for non-complaint meal periods:

Pay Period	# of Non-Compliant Meal Periods	Base Hourly Rate	Regular Rate of Pay	Meal Break Premiums Owed
8/02/2019 - 8/08/2019	1	\$19	\$19.38	\$0.38
8/23/2019 - 8/29/2019	2	\$19	\$21.04	\$4.08
10/04/2019-10/10/2019	1	\$19	\$20.62	\$1.62
11/08/2019-11/14/2019	1	\$19	\$20.04	\$1.04
12/27/2019-01/02/2020	1	\$19	\$21.84	\$2.84
1/24/2020-01/30/2020	1	\$19	\$23.82	\$4.82
2/28/2020-03/05/2020	1	\$19	\$20.88	\$1.88

On the occasions when Goodyear Company denied Franco and their other non-exempt employees the opportunity for meal and rest periods, and thus paid them CA Meal or Rest Premium amounts, they did so only at the employees’ base hourly rate as opposed to the “regular rate of compensation” as required by Labor Code section 226.7.¹

During the relevant class period, as a matter of policy and practice, due to a staff shortage, Goodyear Company failed to provide Franco and their other non-exempt employees with an opportunity to take a 10-minute off-duty rest period for each four hours of work or major fraction thereof. As a matter of policy and practice, Goodyear Company neither permitted nor authorized Franco and their other non-exempt employees to take a full off-duty rest period due

¹ *Ferra v. Loews Hollywood Hotel, LLC* (2021) –P.3d— 2021 WL 2965438; *Studley v. Alliance Healthcare Svcs., Inc.* (C.D. Cal. 2012) 2012 WL 12286522 * 4; *Ibarra v. Wells Fargo Bank, N.A.* (C.D. Cal. 2018) 2018 WL 2146380 *4-5.

to a staff shortage, Franco and their other non-exempt employees could not be relieved off all duties for 10-minute rest periods. Goodyear Company failed to pay one additional hour of pay for instances when Franco and their other non-exempt employees could not take a 10-minute rest period for each four hours of work or major fraction thereof per shift.

During the relevant class period, the wage statements furnished by Goodyear Company to their non-exempt California employees violated California Labor Code section 226(a) insofar as they failed to accurately show:

- The gross wages earned (because CA Meal and Rest Premiums were not properly paid) in violation of Labor Code section 226(a)(1);
- The net wages earned (because CA Meal and Rest Premiums were not properly paid) in violation of Labor Code section 226(a)(5); and
- All applicable hourly rates in effect during the pay period in violation of section 226(a)(9).

Goodyear Company were, at all times relevant herein, aware of the requirements of California Labor Code section 226.

Plaintiff's employment with Goodyear Company ended on approximately October 2, 2021. At the time Franco's employment ended, Goodyear Company owed him outstanding earned wages including undisputed wages for the last pay period and underpaid meal and rest period premiums. Those wages remain outstanding.

As a result of the failure to properly calculate meal and rest period premiums, Goodyear Company failed to pay Franco and its other current and former employees whose employment has ended all wages due and owing at the time of separation within the time parameters mandated by Labor Code sections 201 and 202.

II. THEORIES OF LABOR CODE VIOLATIONS AND REMEDIES

A. Failure to Pay Proper Premiums For Non-Compliant Meal and Rest Periods

Labor Code Section 226.7 provides "an employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission ("IWC"). Similarly, IWC Wage Order No. 9-2001 prohibits an employer from "employ [ing] any person for a work period of more than five (5) hours without a meal period of not less than 30 minutes. Section 12 of IWC Wage Order No. 9-2001 similarly required an employer to authorize and permit all employees to take rest periods at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof.

IWC Wage Order No. 9-2001 further obligates employers to provide an employee to "pay the employee one (1) hour of pay at the employee's regular *rate of compensation* for each workday that the meal period is not provided. Accordingly, for each day that Plaintiff, the Class Members did not receive compliant meal or rest periods, they were entitled to receive meal period premiums pursuant to Labor Code § 226.7 and Wage Order No. 9-2001.

During the relevant class period, Goodyear Company had a common policy and practice of failing to include compensation associated with non-discretionary bonuses to determine Franco's and Other Aggrieved Employees' regular rate of pay for purposes of paying the California meal and rest break premiums for non-complaint breaks. Instead of paying meal/rest period premiums at employees' regular rates, Goodyear Company improperly paid the California meal and rest break premiums at the employee's hourly base rate instead of at their regular rate. Defendant often referred to such premiums by pay codes, including, but not limited to, "CA Meal Premium" on the itemized wage statements. Goodyear Company's policies and practices as alleged above violated *Labor Code* § 226.7.

B. Failure to Provide Rest Periods or Compensation in Lieu Thereof

California Industrial Welfare Commission Wage Order 9-2001 also provides that every employer shall authorize and permit all employees to take off-duty uninterrupted rest periods, which insofar as practicable shall be in the middle of each work period. The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof.

Labor Code section 226.7 and the applicable Wage Orders of the Industrial Welfare Commission provide that if an employer fails to provide an employee a rest period in accordance with the Order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each work day that the rest period is not provided.

During the relevant class period, Franco's and Other Aggrieved Employees regularly worked for at least four (4) hours per workday.

During the Class Period, Goodyear Company failed to provide Franco's and Other Aggrieved Employees with adequate and compliant rest periods as required by California law and failed to compensate Franco and Other Aggrieved Employees one additional hour of pay and for each workday that adequate and complaint rest periods with one additional hour of pay (rest break premiums). For example, Franco regularly could not take rest periods because he had to serve Goodyear Company's customer and no other service advisor could relieve him so that he could take an off-duty rest period. If there were any rest periods, such rest periods were less than 10 minutes or often interrupted. Franco observed how other employees also could not take rest breaks due to a staff shortage.

By failing to regularly provide timely, uninterrupted, complete, and unrestricted rest periods, during which Franco's and Other Aggrieved Employees were required to be relieved of all duty, Goodyear Company violated California Labor Code sections 226.7 and Wage Order No. 9-2001 or other applicable Wage Orders of the Industrial Welfare Commission.

C. Failure to Provide Accurate Itemized Wage Statements

Labor Code section 226(a) provides that every employer shall furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social

security number, (8) the name and address of the legal entity that is the employer and, (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.

As set forth above, Goodyear Company failed to provide such adequate statements willingly and with full knowledge of their obligations under section 226.

D. Failure to Pay All Wages Due at Separation

Labor Code section 201 provides that an employer is required to provide an employee who is terminated all accrued wages and compensation at the time of termination. Labor Code section 202 similarly requires Goodyear Company to pay their employees all wages due not later than 72 hours after employee's quit notice, unless the employee has given 72 hours previous notice of his intention to quit. Under Labor Code section 203, if an employer willfully fails to pay such wages, for every day that final wages or any part of the final wages remain unpaid, the employer is liable for a penalty equivalent to the employee's daily wage, for a maximum of 30 days.

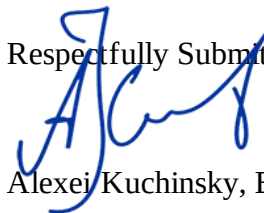
As set forth above, Franco's and Other Aggrieved Employees were not properly paid meal and rest period premium wages at the regular rate of compensation. As a result, Franco's and Other Aggrieved Employees whose employment with Goodyear Company have ended necessarily had outstanding wages due and owing at the time they separated; those wages remain outstanding.

Since the date of Franco's and Other Aggrieved Employees' separation to this date, Franco's and Other Aggrieved Employees have been available and ready to receive the wages due and owing to them. Franco's and Other Aggrieved Employees have not refused to receive any payment from Defendants.

This letter is intended to comply with the requirements of California Labor Code section 2699.3(a). Pursuant to Labor Code section 2699.3(a)(1), as aggrieved employees, the Claimants on behalf of themselves and other current and former employees of Goodyear Company hereby notifies the California Labor and Workforce Development Agency and Goodyear Company of the various Labor Code violations committed by Goodyear Company.

We would appreciate hearing from the LWDA at your earliest convenience.

Respectfully Submitted,



Alexei Kuchinsky, Esq.

VIA CERTIFIED U.S. MAIL TO

Cert. Mail (7018 3090 0000 8319 6913)

The Goodyear Tire and Rubber Company.

C/O Sarah Ross

Littler Mendelson P.C.

2049 Century Park East, 5th Floor,

Los Angeles, CA 90067-3107

DANIEL RODAS

c/o DIVERSITY LAW GROUP, P.C.
515 S. FIGUEROA STREET, SUITE 1250
LOS ANGELES, CALIFORNIA 90071
TELEPHONE (213) 488-6555
FACSIMILE (213) 488-6554

July 21, 2021

VIA ONLINE FILING

California Labor & Workforce Development Agency
Attn: PAGA Administrator
1515 Clay Street, Suite 801
Oakland, CA 94612

Re: *Rodas v. The Goodyear Tire & Rubber Co.*

To Whom It May Concern:

This correspondence shall constitute written notice under Labor Code § 2699.3 of claims against The Goodyear Tire & Rubber Co. (the “Company”). I allege that the Company:

1. Violated Labor Code §§ 201-204, 510, 558, 1194, 1197, 1197.1 by not paying proper overtime wages to me and other similarly situated aggrieved employees by failing to pay overtime at the correct rate of pay. Throughout our employment with the Company, non-exempt employees and I earned non-discretionary remuneration, including, but not limited to incentives and SPIFFS. As these items are non-discretionary forms of remuneration, they should have been included in the regular rate of pay for purposes of paying me and other employees our overtime wages. However, whenever the Company paid me and other employees our overtime wages during work weeks in which we earned this non-discretionary remuneration, the overtime wages were not paid at 1.5 time the regular rate of pay as such remuneration were not factored into the regular rate of pay. Further as a result of such violations, the Company violated Labor Code §§ 201-203 by not paying employees all of their wages upon separation of employment due to the underpaid wages and Labor Code § 226(a) as the net/gross wages earned and hours worked shown on the wage statements were inaccurate due to the wage violations set forth above.

2. As a separate violation, the Company further violated Labor Code § 226(a) by failing to provide accurate, itemized wage statements to me and other similarly situated aggrieved employees as the wage statements failed to identify the applicable rate of pay and hours worked, as well as the applicable pieces and piece rates of pay for wages earned on a piece rate basis. Specifically, the Company routinely issued wage statements that identified wages being paid as “Details Not Displayed” and thus did not identify the hourly rates of pay and hours worked used to calculate such wages. Rather, it simply displayed the gross amount for such wages. Second, as some of the incentives/SPIFFS were earned on a piece rate basis, when such wages were paid, the wage statements did not reflect the applicable piece rate and pieces used to calculate such wages.

The address for the Company is:

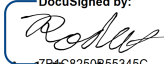
The Goodyear Tire & Rubber Co.
200 Innovation Way
Akron, OH 44316

July 21, 2021

Page 2

Please contact my attorney, Larry W. Lee, if you have any questions regarding this matter.

Sincerely,

DocuSigned by:

7B458250B55345C...
Daniel Rodas

cc: The Goodyear Tire & Rubber Co. (by certified mail)

Exhibit B

Alexei Kuchinsky State Bar No. 279405
KUCHINSKY LAW OFFICE, P.C.
220 Montgomery Street, Suite 2100
San Francisco, CA 94104
Tel.: (628) 200-0902/ Fax.: (628) 200-0907
Email: ak@kuchinskylawoffice.com

Attorney for Plaintiff Luis Franco and the Proposed Class

Janelle Carney (201570)
Janelle@JanelleCarneyLaw.com
JANELLE CARNEY – ATTORNEY AT LAW, APC
14758 Pipeline Ave., Suite E
Chino Hills, CA 91709
Telephone: (909) 521-9609/ Fax: (909) 393-0471

Attorneys for Plaintiff ARIN ESRAELIAN, as an individual, and on behalf of all employees similarly situated (*Additional Plaintiff's Counsel listed on next page*)

Larry W. Lee (State Bar No. 228175)
Max W. Gavron (State Bar No. 291697)
DIVERSITY LAW GROUP, P.C.
515 S. Figueroa Street, Suite 1250
Los Angeles, CA 90071
Tel. (213) 488-6555/ Fax (213) 488-6554

Attorneys for Plaintiff Daniel Rodas

SUPERIOR COURT OF CALIFORNIA

COUNTY OF SANTA CLARA

Luis Franco, individually, on behalf of himself
and all other similarly situated employees,

Plaintiff,

vs.

The Goodyear Tire and Rubber Company, an
Ohio corporation, and Does 1-5

Defendants.

CASE NO.: 22CV393403

Consolidated with:

Esraelian Case No.: 21STCV44620 and

Rodas Case No.: 21STCV28702

**NOTICE OF PROPOSED CLASS
ACTION SETTLEMENT**

1 ARIN ESRAELIAN, as an individual, and on
2 behalf of all similarly situated employees,

3 Plaintiff,

4 v.

5 THE GOODYEAR TIRE & RUBBER
6 COMPANY, and DOES 1-50, inclusive,

7 Defendants.

8 DANIEL RODAS, as an individual and on
9 behalf of all others similarly situated,

10 Plaintiffs,

11
12 vs.

13 THE GOODYEAR TIRE & RUBBER
14 COMPANY, an Ohio corporation; and DOES 1
15 through 50, inclusive,

16 Defendants

17
18 Kevin Mahoney, Esq. (SBN: 235367)

19 kmahoney@mahoney-law.net

20 John A. Young, Esq. (SBN: 299809)

21 jyoung@mahoney-law.net

22 **MAHONEY LAW GROUP, APC**

23 249 E. Ocean Boulevard, Suite 814

24 Long Beach, California 90802

25 Telephone: (562) 590-5550

26 Facsimile: (562) 590-8400

27 Attorney for Plaintiff Arin Esraelian
28

1 **PLEASE READ THIS NOTICE CAREFULLY.**

2 **You have received this Notice because Defendant's records indicate that you may be**
3 **eligible to take part in the class action settlement reached in the above-referenced matters.**

4 **You do not need to take any action to receive a settlement payment.**

5 **This Notice is designed to advise you of your rights and options with respect to the**
6 **settlement, and how you can request to be excluded from the Class Settlement,**
7 **object to the Class settlement, and/or dispute the number of Workweeks that you**
8 **are credited with, if you so choose.**

9 **TO:** All current and former non-exempt hourly individuals employed by The Goodyear Tire &
10 Rubber Company ("Goodyear") in California at any time from August 4, 2017 until July
11 30, 2022.

12 By order of the Superior Court of California for the County of Santa Clara (the "Court") or
13 "Santa Clara Superior Court") you are notified that: A class and representative action settlement
14 has been reached between Luis Franco, Arin Esraelian, Daniel Rodas (collectively, "Plaintiffs")
15 and Defendant The Goodyear Tire & Rubber Company ("Goodyear" or "Defendant") (together,
16 Plaintiffs and Defendant are referred to as the "Parties") in the cases entitled *Luis Franco v. The*
17 *Goodyear Tire & Rubber Company*, Case No. _____, *Arin Esraelian v. The Goodyear*
18 *Tire & Rubber Company*, Case No. _____, *Arin Esraelian v. The Goodyear Tire &*
19 *Rubber Company*, Case No. _____, *Daniel Rodas v. The Goodyear Tire & Rubber*
20 *Company*, Case No. _____, *Daniel Rodas v. The Goodyear Tire & Rubber Company*,
21 Case No. _____ currently pending in the Superior Court of California for the County of
22 Santa Clara. (collectively, "Actions"), which may affect your legal rights. On [date of
23 Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a
24 hearing on [hearing date] at [hearing time] before the Honorable _____ Superior Court Judge
25 of the State of California, County of Santa Clara ("Final Approval Hearing") to determine
26 whether or not the Court should grant final approval of the settlement. You may verify the
27 hearing date on the Court's website at www.sccscourt.org.
28

20 **I. BACKGROUND OF THE ACTION**

21 On or about July 21, 2021, Plaintiff Daniel Rodas submitted a written notice by certified
22 mail to the Labor and Workforce Development Agency ("LWDA") and Defendant of the
23 specific provisions of the California Labor Code that Defendant is alleged to have violated and
24 of Daniel Rodas' intent to pursue civil penalties under PAGA, for alleged violations of the
25 California Labor Code, including California Labor Code sections 201-204, 226(a), 510, 558,
26 1194, 1197, and 1197.1 ("Rodas PAGA Letter").

26 On or about August 4, 2021, Plaintiff Rodas commenced a putative class action lawsuit
27 by filing a Complaint ("Rodas Complaint") in the Superior Court of California, County of Los
28 Angeles designated as Case No. 21STCV28702 on behalf of three subclasses ("Rodas Action"):

- All current and former non-exempt employees of Defendant in the State of California, who [sic] earned overtime wages and non-discretionary remuneration during the same workweek, at any time from August 4, 2017, through the present;
- All current and former non-exempt employees of Defendant in the State of California, who were paid any wages on a piece-rate basis at any time from August 4, 2020, through the present;
- All current and former non-exempt employees of Defendant[sic] in the State of California, who were paid any wages identified as “Details Not Displayed” at any time from August 4, 2020, through the present.

On September 20, 2021, The Goodyear Tire & Rubber Company removed the *Rodas* Action to the United States District Court – Central District of California, resulting in Case No. 2:21-cv-07526 -VAP-KES. The *Rodas* Action alleges three causes of action: (1) violation of Labor Code §§ 510, 558, and 1194, (2) violation of Labor Code § 226(a), and (3) violation of Business & Professions Code § 17200, et seq.

On or about September 24, 2021, Plaintiff Rodas filed a Complaint in the Superior Court of California, County of Los Angeles, resulting in Case No. 21STCV35255 with a single cause of action for violation of California’s Private Attorneys General Act of 2004 (Cal. Lab. Code §2698, et seq. or “PAGA”) pertaining to the claims found in the *Rodas* PAGA letter (“*Rodas* PAGA Action”).

On or about November 18, 2021, Plaintiff Esraelian sent a written notice by certified mail to the Labor and Workforce Development Agency (“LWDA”) and Defendant of the specific provisions of the California Labor Code that Defendant is alleged to have violated and of his intent to pursue civil penalties under PAGA, against The Goodyear Tire & Rubber Company on behalf of aggrieved employees in California, for alleged violations of the California Labor Code including California Labor Code sections 201-204, 206, 210, 226, 226.3, 226.7, 510, 512, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and 2802 (“*Esraelian* PAGA letter”).

On or about December 8, 2021, Plaintiff Esraelian filed a Complaint in the Superior Court of California for the County of Los Angeles, Case No. 21STCV44620, on behalf of all non-exempt, hourly-paid employees currently and/or formerly employed by The Goodyear Tire & Rubber Company in California. (“*Esraelian* Action”) On January 20, 2022, The Goodyear Tire & Rubber Company removed the *Esraelian* Action to the United States District Court – Central District of California, resulting in Case No. 2:22-cv-00413-JFW-JPR. The *Esraelian* Action alleges a cause of action for violations of the California Labor Code under California Business & Professions Code § 17200, et seq., for failure to pay all wages, including minimum and overtime wages (Cal. Lab. Code §§ 510 and 1194), failure to provide meal periods (Cal. Lab. Code §§ 226.7 and 512), failure to provide rest periods (Cal. Lab. Code §§ 226.7 and 512) failure to keep accurate payroll records (Cal. Lab. Code §§ 1174, 226(a), (e)), failure to timely pay wages at separation (Cal. Lab. Code §§ 201-203), and failure to reimburse employees for necessary business expenditures (Cal. Lab. Code § 2802(a)).

On or about January 17, 2022, Plaintiff Franco sent a written notice by certified mail to

1 the Labor and Workforce Development Agency (“LWDA”) and Defendant of the specific
2 provisions of the California Labor Code that Defendant is alleged to have violated and of his
3 intent to pursue civil penalties under PAGA, against The Goodyear Tire & Rubber Company on
4 behalf of aggrieved employees in California, for alleged violations of the California Labor Code
5 and Industrial Welfare Commission Wage Orders, including California Labor Code sections 201,
6 202, 203, 226(a), 226.7, 512, and Industrial Welfare Commission Wage Orders 9-2001 (“*Franco*
7 PAGA letter”).

8 On or about January 18, 2022, Plaintiff Franco filed a Complaint in the Superior Court of
9 California, County of Santa Clara designated as Case No. 22CV393403 on behalf of a class (and
10 five sub-classes) of current and former hourly non-exempt employees of Defendant who were
11 employed by Defendant in California from January 18, 2018 through the present (“*Franco*
12 Action”). On March 2, 2022 The Goodyear Tire & Rubber Company removed the *Franco* Action
13 to the United States District Court – Northern District of California, resulting in Case No. 5:22-
14 cv-01320 -CRB. The *Franco* Action alleges six causes of action: (1) Failure to Pay Proper
15 Premiums for Non-Compliant Meal and Rest Periods in Violation of California Labor Code §§
16 512 and 226.7 and IWC Wage Order; (2) Failure to Provide Rest Periods in Violation of
17 California Labor Code § 226.7 and IWC Wage Order; (3) Failure to Provide Accurate Itemized
18 Wage Statements in Violation of California Labor Code § 226 and IWC Wage Order; (4) Failure
19 to Pay Earned Wages Upon Separation in Violation of California Labor Code §§ 201-203; (5)
20 Unlawful, Unfair and Fraudulent Business Practices (Cal. Bus. & Prof. Code §§ 17200 et. seq.);
21 and (6) Civil Penalties Pursuant to Labor Code Private Attorneys General Act of 2004 (Cal. Lab.
22 Code §§2698 et seq or “PAGA”).

23 On or about January 28, 2022, Plaintiff Esraelian filed a Complaint in the Superior Court
24 of California for the County of Los Angeles, Case No. 22STCV03534 alleging a single cause of
25 action for a violation of PAGA pertaining to the claims found in the *Esraelian* PAGA letter
26 (“*Esraelian PAGA* Action”).

27 All actions have been consolidated in the Franco matter with the filing of the
28 Consolidated Complaint on or about , 2022.

Defendant denies any liability or wrongdoing of any kind whatsoever associated with the
claims in the Actions, and further denies that, for any purpose other than settling the Actions, the
Actions are appropriate for class action or representative treatment.

On [Preliminary Approval Date], the Court entered an order preliminarily approving
the Settlement. The Court has appointed Rust Consulting as the administrator of the Settlement
(“Settlement Administrator”), Plaintiffs Luis Franco, Arin Esraelian, and Daniel Rodas as
representatives of the Class (“Class Representatives”), and the following Plaintiffs’ attorneys as
counsel for the Class (“Class Counsel”)

Janelle Carney of Janelle Carney – Attorney at Law, APC, Kevin Mahoney and John
Young of Mahoney Law Group, Alexei Kuchinsky of Kuchinsky Law Office, P.C. and
Larry W. Lee and Max Gavron of Diversity Law Group.

1 A tentative settlement of the case has been reached with Defendant. The settlement
2 applies to the following settlement and PAGA classes:

3 **Class: All current and former non-exempt hourly individuals employed by**
4 **Goodyear in California at any time from August 4, 2017 through July 30, 2022.**

5 **PAGA: All current and former non-exempt hourly individuals employed by**
6 **Goodyear in California at any time from July 21, 2020 through July 30, 2022.**

7 If you are a Class Member, you do not need to take any action to receive an Individual
8 Settlement Payment. If you are a Class Member, you have the opportunity to request exclusion
9 from the Class Settlement (in which case you will not receive an Individual Settlement
10 Payment), object to the Class Settlement, and/or dispute the Workweeks credited to you, if you
11 so choose, as explained more fully in below. If you are an Aggrieved Employee, you will
12 automatically receive an Individual PAGA Payment; you will not have the opportunity to object
13 to or seek exclusion from the PAGA Settlement; all PAGA Employees will be bound to the
14 PAGA Settlement if the Court grants final approval of the Settlement.

15 The Settlement represents a compromise and Settlement of highly disputed claims.
16 Nothing in the Settlement is intended or will be construed as an admission by Defendant that the
17 claims in the Actions have merit or that Defendant has any liability to Plaintiffs, Class Members,
18 the State of California, and/or Aggrieved Employees. Plaintiffs and Defendant, and their
19 respective counsel, have concluded and agree that, in light of the risks and uncertainties to each
20 side of continued litigation, the Settlement is fair, reasonable, and adequate, and that the
21 Settlement is in the best interests of the Class Members, the State of California, and Aggrieved
22 Employees. The Court has made no ruling on the merits of the claims in the Actions and has
23 determined only that certification of the Class for settlement purposes is appropriate under
24 California law.

25 **II. THE REASON YOU HAVE RECEIVED THIS NOTICE**

26 You are a Class Member for purposes of the settlement of this case. Your rights will be
27 affected because the current class representatives, Arin Esraelian, Daniel Rodas, and Luis
28 Franco, and The Goodyear Tire & Rubber Company (“the Parties”) have tentatively settled the
lawsuit. Pursuant to that tentative settlement, the Court is considering the entry and final
approval of the settlement. On [REDACTED], 2022, the Court preliminarily determined
that this lawsuit could be settled against The Goodyear Tire & Rubber Company.

You are hereby notified that:

1. A settlement of the claims on behalf of Class Members has been proposed by class
representatives Arin Esraelian, Daniel Rodas, and Luis Franco, on the one hand, and The
Goodyear Tire & Rubber Company on the other.

2. The proposed Settlement has been submitted to the Court and has received preliminary approval.
3. You and any Class Members have the right to object to the proposed settlement by following the procedures in Part V of this notice or to opt out of the proposed settlement by following the procedures set forth in Part VI of this notice.
4. A hearing to finally approve the settlement is scheduled for [REDACTED], 2023 in Courtroom ____ at the Santa Clara Superior Court, located at 191 North First Street San Jose, CA 95113, before the Honorable _____. This date and time may be subject to change without notice to you. You may verify the hearing date on the court's website at www.sccscourt.org. The hearing may be continued without further notice to the Class Members. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

At the Final Approval hearing, any Class Member who did not opt out may appear and object to the proposed settlement if you mailed a timely objection as set forth in Part V, below. You should read that part carefully. Class Members who do not make objections in the manner provided in Part V of this Notice shall be deemed to have waived such objections.

This notice is not to be understood as an expression of any opinion by the Court as to the merits of any claims or defenses asserted by any party in this lawsuit. This notice is sent for the sole purpose of informing you of the pendency of this lawsuit and the terms of the proposed settlement so that you may make appropriate decisions. In the event of any conflicts between this notice and the Settlement Agreement, the terms of the Settlement Agreement shall govern. You may obtain a copy of the Settlement Agreement by contacting Class Counsel, who are identified in Part VII below.

III. NATURE OF THE LAWSUIT

In this case, Plaintiffs sued Goodyear for alleged violations of California's wage and hour laws with respect to Plaintiffs, Class Members, and PAGA Representative Action Members. Plaintiffs' operative consolidated complaint alleges Defendant failed to properly pay all wages owed for time worked, failed to provide legally compliant meal periods and rest breaks or pay a premium in lieu thereof, including at the correct rate of pay, failed to timely pay wages at termination, failed to provide compliant wage statements, failure to reimburse for work-related expenses including costs associated with prepaid bank cards, and thereby also violated California Business & Professions Code section 17200, et seq. The complaint also seeks penalties under the PAGA, as well as fees and costs. Goodyear denies all of the allegations made by Plaintiff.

Plaintiff and Goodyear have tentatively settled this lawsuit. The Settlement has received preliminary approval of the Court and is subject to final approval by the Court after a public hearing. This proposed settlement is described in the next section.

1
2 **IV. SUMMARY OF THE RELIEF GRANTED BY THE PROPOSED SETTLEMENT**
3 **AGREEMENT**

4 For purposes of settlement, and without admitting any liability, Goodyear has agreed to
5 provide certain relief to Class Members and PAGA Representative Action Members. The
6 following is only a summary of the relief contained in the proposed Settlement. The relief
7 granted by the proposed Settlement Agreement is summarized as follows:

- 8 1. Goodyear will pay the total sum of Three Million Five Hundred Thousand dollars
9 (\$3,500,000.00), less attorneys' fees and costs awarded to Class Counsel, any
10 enhancement awarded to the class representative, the costs of the appointed Settlement
11 Administrator, payment of \$200,000.00 as PAGA penalties with 75% going to the
12 LWDA and 25% to PAGA Representative Action Members), and taxes on the portion of
13 the settlement treated as wages (employee side only).
- 14 2. Out of the settlement funds, Goodyear will pay reasonable attorneys' fees in a maximum
15 amount not to exceed One Million One Hundred Sixty-Six Thousand Six Hundred and
16 Sixty Six Dollars and Sixty Seven Cents (\$1,166,666.67) or 33.33% of the Gross
17 Settlement Amount, and actual costs incurred by Class Counsel (not to exceed \$35,000).
18 All payments for attorneys' fees and costs will be paid from the settlement, which will
19 reduce any payments made to the Participating Class Members. Class Counsel will apply
20 to the court for approval of their attorneys' fees and costs at the hearing scheduled for
21 [REDACTED], 2023 at [REDACTED].
- 22 3. Class representatives Plaintiff Esraelian, Plaintiff Rodas, and Plaintiff Franco will apply
23 for an enhancement payment in the amount of \$10,000.00 each, totaling \$30,000. The
24 enhancement payment is in recognition of the time and efforts they expended in this case
25 on behalf of the Class Members.
- 26 4. The Settlement provides monetary compensation to Class Members for alleged unpaid
27 compensation, unpaid premiums, interest thereon, as well as PAGA penalties and other
28 penalties.
- 29 5. Any Participating Class Member has the right to object to the proposed settlement by
30 following the procedures set forth in Part V below or to opt out as set forth in Part VI
31 below.
- 32 6. In exchange for the payments set for above, the Participating Class Member will provide
33 Goodyear with the releases set forth in Section VIII below.

34 Based upon the equitable formula that has been devised, there will be substantial
35 differences among Class Members as to the amount each individual Participating Class Member
36 will receive in settlement. Monies paid pursuant to the Settlement are taxable; 1/3 of each
37 Individual Settlement Share shall be allocated as wages and 2/3 of each Individual Settlement
38

Share shall be allocated as penalties and interest. Individual Settlement Shares will be paid out to Participating Class Members subject to reduction for the employee's share of withholdings and taxes associated with the wage-portion of the Individual Settlement Shares. The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to penalties and interest will be reported on an IRS Form-1099 by the Settlement Administrator.

The Settlement Administrator will determine the number of weeks each Aggrieved Employee was employed by Defendant during the period from July 21, 2020 until July 30, 2022, by counting the number of days of employment between the start and end date and dividing by seven (7) and rounding up ("PAGA Workweeks"). Individual PAGA Settlement Shares will be calculated by dividing 25 percent of the PAGA Payment (\$50,000.00) by the total PAGA Workweeks of all Aggrieved Employees to yield the "PAGA Workweek Value" and the Settlement Administrator will multiply each Aggrieved Employee's individual PAGA Workweeks by the PAGA Workweek Value to yield his or her Individual PAGA Payment. PAGA Settlement Shares shall be allocated 100 percent (100%) as 1099 payments for penalties.

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members and Individual PAGA Payments will be mailed to Aggrieved Employees at the address that is on file with the Settlement Administrator by way of check following the deposit of the full Gross Settlement Amount by Defendant. **If the address to which this Notice was mailed is not correct, or if you move after you receive this Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure your receipt of payment that you may be entitled to.**

If you wish to dispute the number of Workweeks and/or PAGA Workweeks credited to you (as reflected in Exhibit A), you must submit a written letter to the Settlement Administrator. The written dispute must: (a) contain the case name and number of the *Franco* Action (*Luis Franco v. The Goodyear Tire & Rubber Company*, Case No. [REDACTED]); (b) be signed by you; (c) contain your full name, address, telephone number, and the last four digits of your Social Security Number or Employee Identification Number; (d) clearly state that you dispute the number of Workweeks and/or PAGA Workweeks credited to you and what you contend is the correct number(s) to be credited to you; (e) include information and/or attach documentation demonstrating that the number of Workweeks and/or PAGA Workweeks that you contend should be credited to you is correct; and (f) be mailed to the Settlement Administrator at the address listed in Part V. C below, postmarked **on or before [Response Deadline]**.

V. PROCEDURE FOR OBJECTING TO THE SETTLEMENT AGREEMENT

If you want to receive money from the Class Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement. In addition, upon cashing your Settlement Check, you will be deemed to have opted in to the settlement of the FLSA claims alleged in the Lawsuit, which include all claims, charges, complaints, liens, demands, causes of action, obligations, damages and liabilities arising under the Fair Labor Standards Act ("FLSA") that were pled in the Complaint and that are part of the

1 Released Class Claims. Unless you elect to exclude yourself from the Class Settlement, you will
2 be bound by the terms of the Class Settlement and any judgment that may be entered by the
3 Court based thereon, and you will be deemed to have released the Released Parties for the
Released Class Claims, as described in Part VIII.

4 If you are an Aggrieved Employee, you will automatically be bound to the PAGA
5 Settlement and issued your Individual PAGA Payment.

6 As a Class Member or Aggrieved Employee, you will not be separately responsible for
7 the payment of attorney's fees or litigation costs and expenses, unless you retain your own
counsel, in which event you will be responsible for your own attorney's fees and expenses.

8 If you are satisfied with the proposed Settlement Agreement, you do not need to appear at
9 the hearing at which the Court will consider final approval of the Settlement Agreement. You
10 can object to the terms of the Class Settlement as long as you have not submitted a Request for
Exclusion from the Class Settlement, by submitting a written objection ("Objection") to the
11 Settlement Administrator or presenting your objection at the Final Approval Hearing.

12 An Objection must: (1) contain the case name and case number of *Franco* Action (*Luis*
13 *Franco, v. The Goodyear Tire & Rubber Company.*, Case No. _____); (2) state your
14 full name, address, telephone number, last four digits of your Social Security Number or
Employee Identification Number; (3) include a written statement of all grounds for the objection
15 accompanied by any legal support for the objection; (4) attach copies of any papers, briefs, or
other documents upon which the objection is based; (5) be signed by you; and (6) be filed or
16 postmarked by first class postage to the Settlement Administrator at [list address] on or before
[Response Deadline].

17 You can ask the Court to deny final approval by filing an objection. You cannot ask the
18 Court to order a larger settlement; the Court can only approve or deny the settlement. If the Court
19 denies approval, no settlement payments will be sent out and the lawsuit will continue. You may
20 object to the proposed settlement in writing. You may also appear at the Final Approval Hearing,
either in person or through your own attorney. If you appear through your own attorney, you are
21 responsible for paying that attorney.

22 VI. OPT-OUT PROCEDURE FOR CLASS MEMBERS

23 If you do not wish to participate in the Class Settlement, you may seek exclusion from (or
24 "opt out" of) the Class Settlement by submitting a timely, written request for exclusion from the
Class Settlement ("Request for Exclusion") to the Settlement Administrator at the following
25 address:

26 [Settlement Administrator]
27 [Address]

28 You may exclude yourself from the class action portion of the Settlement only by

submitting an opt-out notice to the Settlement Administrator at [list address] not later than forty-five (45) calendar days after the date that the Settlement Administrator first mails the Class Notice – that means that it must be post-marked by [redacted], 2022. To be valid, the opt-out notice: (1) must contain the case name and number of the Franco Action (*Luis Franco v. The Goodyear Tire & Rubber Company*, Case No. [redacted]); (2) must contain your full name, address, telephone number, and last four digits of your Social Security Number or Employee identification Number; (3) must be signed by you; and (4) the opt-out notice should also state in substance: “*I wish to opt-out of the class action portion of the Settlement of the lawsuit [redacted]. I understand that by requesting exclusion, I will not be eligible to receive any payment or other benefit for Class Members from the class action portion of the Settlement involving Goodyear except that I cannot opt out of the PAGA portion of the settlement.*”

If the Request for Exclusion does not contain the information listed in (1)-(4) or is not postmarked by the date stated above and returned to the Settlement Administrator at the specified address, it will not be deemed a timely and valid request to opt-out of the Settlement. The date of the postmark on the return mailing envelope shall be the exclusive means used to determine whether the opt-out form has been timely submitted.

If the Court grants final approval of the Settlement, any Class Members who submitted a timely and valid opt-out notice from the Settlement will not be entitled to any recovery under the class action portions of the Settlement and will not be bound by the class action terms of the Settlement or have any right to object, appeal, or comment thereon. Class Members who fail to submit a timely and valid opt-out request on or before the Response Deadline shall be Participating Class Members bound by all terms of the Settlement and the Final Approval Order entered in this Action if the Settlement is approved by the Court. Each PAGA Representative Action Member, regardless of whether he or she timely requests to opt-out of the class action portion of the Settlement, will receive a portion of the PAGA Settlement Share allocated as discussed in Part IV.

If you opt out of the Class, you will no longer be a member of the Class and you will be barred from participating in the class action portion of the Settlement and will not receive the Class Settlement Payment. By opting out of the Class, you will retain whatever individual rights or claims you may have, if any, against Defendant, and you will be free to pursue them on an individual basis, if you choose to do so. **Regardless of whether you opt out of the Settlement, you will still receive a PAGA Settlement Payment and you will still be bound by the PAGA portion of the Settlement.**

VII. CLASS COUNSEL

If you have any questions concerning the proposed Settlement Agreement, or this Notice, you may contact any of the following Class Counsel:

JANELLE CARNEY (SBN 201570) JANELLE CARNEY – ATTORNEY AT	Kevin Mahoney, Esq. (SBN: 235367) kmahoney@mahoney-law.net John A. Young, Esq. (SBN: 299809)
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LAW, APC 14758 Pipeline Ave., Suite E, 2nd Floor Chino Hills, CA 91709 Telephone (909) 521-9609 Email: Janelle@JanelleCarneyLaw.com	jyoung@mahoney-law.net MAHONEY LAW GROUP, APC 249 E. Ocean Boulevard, Suite 814 Long Beach, California 90802 Telephone: (562) 590-5550 Facsimile: (562) 590-8400
Alexei Kuchinsky State Bar No. 279405 KUCHINSKY LAW OFFICE, P.C. 220 Montgomery Street, Suite 2100 San Francisco, CA 94104 Tel.: (628) 200-0902/ Fax.: (628) 200-0907 Email: ak@kuchinskylawoffice.com	Larry W. Lee (State Bar No. 228175) Max W. Gavron (State Bar No. 291697) DIVERSITY LAW GROUP, P.C. 515 S. Figueroa Street, Suite 1250 Los Angeles, CA 90071 Tel. (213) 488-6555/ Fax (213) 488-6554

VIII RELEASE OF CLAIMS

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs and Settlement Class Members will be deemed to have fully, finally, and forever released, settled compromised, relinquished, and discharged the Released Parties of all Released Class Claims.

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs and the Aggrieved Employees will be deemed to have fully, finally, and forever released, settled compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims. The Aggrieved Employees will be issued a check for their share of the Employee PAGA Amount and will not have the opportunity to opt out of, or object to, the PAGA Settlement. The Aggrieved Employees are bound by the PAGA Settlement regardless of whether they cash or deposit their Individual PAGA Payment check, and even if they object to or opt out of the Class Settlement.

If you do not opt out of the class action portion of the settlement you will agree to provide the following release of claims against Goodyear:

“Released Class Claims” means all claims contained in the Actions and Consolidated First Amended Complaint and/or any of Plaintiffs’ letters to the LWDA including (including any subsequently amended complaints or letters), for work performed during the Class Period, including any claims for failure to pay wages or benefits (including minimum, regular and overtime wages, and/or meal or rest period premiums, compensation for off-the-clock work and regular rate of pay for meal and rest period premium payments and bonus/incentive pay payments), unreimbursed business expenses, pay card costs, untimely wage payments both during and at the end of employment, failure to keep requisite payroll records, non-compliant meal periods, non-compliant rest periods, non-compliant wage statements, and claims for interest, penalties (including but not limited to wait time penalties), or premiums in connection therewith, as well as any claims under the California Labor Code, California Wage Orders, or the Fair Labor Standards Act (“FLSA”), alleged or which could have been alleged under the facts pleaded in the Actions and Consolidated First Amended Complaint, any claims for injunctive relief, declaratory relief, restitution, and unfair competition and fraudulent business practices

1 alleged or which could have been alleged under the facts pleaded in the Actions and
2 Consolidated First Amended Complaint, and any and all other claims under California common
3 law, the California Labor Code, California Wage Orders, and the California Business and
4 Professions Code alleged in or that could have been alleged under the facts pleaded in the
5 Actions and Consolidated First Amended Complaint. This release includes any and all claims
6 pursuant to: California Labor Code sections §§ 200, et seq., 226, 226.7, 510, 512, 1194, 1194.2,
7 1197, 1198, and 2802; the Fair Labor Standards Act; the California Business & Professions Code
8 § 17200; and the California Industrial Welfare Commission Wage Orders 7-01.

9 “Released PAGA Claims” means all claims for civil penalties under the Private Attorneys
10 General Act, California Labor Code section 2698, et. Seq., contained in the Actions and
11 Consolidated First Amended Complaint and/or any of Plaintiffs’ letters to the LWDA including
12 (including any subsequently amended complaints or letters), for work performed during the
13 PAGA Period, including for failure to pay wages or benefits (including minimum, regular and
14 overtime wages, and/or meal or rest period premiums, compensation for off-the-clock work and
15 regular rate of pay for meal and rest period premium payments and bonus/incentive pay
16 payments), unreimbursed business expenses, pay card costs, untimely wage payments both
17 during and at the end of employment, failure to keep requisite payroll records, non-compliant
18 meal periods, non-compliant rest periods, non-compliant wage statements, failure to pay
19 premiums in connection therewith, in violation of the California Labor Code and/or California
20 Wage Orders, alleged or which could have been alleged under the facts pleaded in the Actions
21 and Consolidated First Amended Complaint. This release includes, but is not limited to, claims
22 for PAGA civil penalties premised on: California Labor Code sections 201, 202, 203, 204, 210,
23 218.5, 218.6, 226, subdivision (a), 226.3, 226.7, 510, 512, 1174, 1174.5, 1194, 1194.2, 1197,
24 1197.1, 1198, and 2802.

25 “Released Parties” means The Goodyear Tire & Rubber Company and any of its
26 present, former, and future direct or indirect parent companies, present owners, former owners,
27 future owners, subsidiaries, predecessors, successors, as well as each of its past, present and
28 future shareholders, officers, directors, employees, partners, members, agents, attorneys,
insurers, reinsurers, and any individual or entity which could be jointly liable with Defendant.

**PLEASE DO NOT TELEPHONE OR CONTACT THE COURT OR
THE OFFICE OF THE CLERK FOR INFORMATION REGARDING
THIS SETTLEMENT OR THE CLAIM PROCESS.**

23 This notice summarizes the proposed settlement. For the precise terms and conditions of
24 the settlement, please see the settlement agreement by accessing the Court docket in this case
25 through the court’s website at www.scscourt.org, or by visiting the office of the Clerk of the
26 Court located at 191 North First Street San Jose, CA 95113, Monday through Friday, excluding
27 Court holidays.
28

1 EXHIBIT A

2 [name/ID#]

3 The Goodyear Tire & Rubber Company's records indicate that during the applicable time
4 period, you worked as a non-exempt, hourly employee for [redacted] **Qualifying Workweeks**. If you
5 disagree with the workweeks figure as set forth above, you must notify the Settlement
6 Administrator in writing by the deadline of [redacted], 2022 and attach
7 documentation supporting your dispute. Failure to provide this information and satisfactory
8 supporting documentation of the workweeks you believe you worked for Goodyear during the
9 applicable time period will result in any claim you submit being based solely on Goodyear's
10 records.

11 **ESTIMATED CLASS ACTION INDIVIDUAL SETTLEMENT PAYMENT AMOUNT**

12 **Based on the above your estimated payment is \$ [redacted] ("Individual Settlement
13 Payment")**. This estimated amount is only an estimate. The actual amount of your Individual
14 Settlement Payment may increase or decrease based on several factors, including the final amounts
15 approved by the Court and disputes raised by other Class Members. As a result, you may receive
16 a smaller, or larger, payment.

17 **ESTIMATED PAGA SETTLEMENT SHARE AMOUNT**

18 **Your estimated PAGA payment is \$ [redacted] ("PAGA Settlement Share")**. This
19 estimated amount is only an estimate. The actual amount of your PAGA Settlement Share may
20 increase or decrease based on several factors, including the final amounts approved by the Court.
21 As a result, you may receive a smaller, or larger, payment.

22 **QUESTIONS**

23 If you have questions, please call or write to [redacted] at the telephone number and address
24 shown on page 1 above.