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13	SUPERIOR COURT OF T	HE STATE OF CALIFORNIA			
14	FOR THE COUNTY OF ALAMEDA				
15 16	MAGGIE CHONG, an individual, individually, on behalf of the general public, and all others similarly situated,	Case No. RG21100705 Assigned to the Hon. Michael Markman			
17		RESERVATION NO. A-21100705-001			
18	Plaintiff,	NOTICE OF MOTION AND MOTION FOR			
19	VS.	FINAL APPROVAL OF CLASS ACTION SETTLEMENT; MEMORANDUM OF			
20	JINGLEBELLS LLC, a California company; JINGLE BELLS ENTERPRISES, LLC, a	POINTS AND AUTHORITIES			
21	California company; JINGLEBELLS HOLDING LLC, a California company; and	Date: June 26, 2025 Time: 10:00 a.m.			
22	DOES 1 through 100, inclusive,	Place: Department 23			
23	Defendants.	Complaint Filed: June 2, 2021 Trial Date: None Set			
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MOTION FOR FINAL APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT

TO THE COURT, ALL PARTIES, AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that on June 26, 2025, at 10:00 a.m., or as soon thereafter as counsel may be heard, in Department 23 of the above-captioned court, located at 1221 Oak St., Oakland, California 94612, the Honorable Michael Markman presiding, Plaintiff Maggie Chong will, and hereby does, move this Court for entry of an order and judgment granting final approval of the settlement and all agreed-upon terms therein. This Motion, unopposed by Defendants Jinglebells LLC and Jinglebells Holding LLC, seeks final approval of: (1) the Class Action and PAGA Settlement Agreement and Amendment, (2) settlement payments to Participating Class Members, Aggrieved Employees, and the LWDA, and (3) costs/expenses to the settlement administrator, CPT Group, Inc.

This Motion is based upon: (1) this Notice of Motion and Motion; (2) the Memorandum of Points and Authorities in support of Motion for Final Approval of Class Action and PAGA Settlement; (3) the concurrently filed Motion for Attorneys' Fees, Costs, and a Class Representative Enhancement Payment; (4) the Declaration of Raul Perez; (5) the Declaration of Kyle Todd; (6) the Declaration of Maggie Chong; (7) the Declaration of Kaylie O'Connor on behalf of CPT Group, Inc., the settlement administrator; (8) the [Proposed] Order and Judgment; (9) the records, pleadings, and papers filed in this action; and (10) upon such other documentary and/or oral evidence as may be presented to the Court at the hearing.

As this Motion is unopposed, the Parties respectfully request relief from the page limit requirement set by California Rules of Court, Rule 3.1113(d).

Dated: June 2, 2025

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Respectfully submitted,

By:

Raul Perez Bevin Allen Pike Daniel Jonathan Trisha K. Monesi

CAPSTONE LAW APC

Attorney for Plaintiff Maggie Chong

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MOTION FOR FINAL APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

2.1

On March 11, 2025, this Court granted preliminary approval of the Class Action and PAGA

Settlement Agreement and Amendment¹ and approved distribution of the Notice of Class Action

Settlement to all Class Members. Class Members were given 45 days to opt out or object to the

Settlement ("Response Deadline"). Now that the Response Deadline has passed, Plaintiff Maggie Chong is pleased to report that: (1) no Class Members opted out; (2) no Class Members objected² to the

Settlement; (3) the entire Net Settlement Amount will be disbursed to all Participating Class

Members; (4) the average payment to Participating Class Members from the Net Settlement Amount is

\$367.84, and the highest is \$2,843.44. (Declaration of Kaylie O'Connor ["O'Connor Decl."] ¶ 6-8.)

Plaintiff now moves for final approval of the class action settlement. This motion is unopposed

Plaintiff now moves for final approval of the class action settlement. This motion is unopposed by Defendants Jinglebells LLC and Jinglebells Holding LLC (collectively with Plaintiff, the "Parties"). The principal terms of the Settlement provide for the following:

- (1) Conditional certification of a Settlement Class defined as: All persons employed by Defendants in California and classified as non-exempt employees during the period from June 2, 2017, through April 28, 2024 ("Class Members").
- (2) A **non-reversionary** Gross Settlement Amount of \$987,500. The Gross Settlement Amount includes:
 - (a) A Net Settlement Amount (the Gross Settlement Amount minus the requested attorneys' fees and litigation costs, settlement administration costs, the PAGA settlement, and the Class Representative Service Payment), which will be allocated to all Class Members on a pro-rata basis according to the number of weeks each Class Member worked during the Class Period. The entire Net Settlement Amount will be paid to all Participating Class Members.
 - (b) Attorneys' fees in the amount of one-third of the Gross Settlement Amount (or

¹ Hereinafter collectively the "Settlement" or "Settlement Agreement." Unless indicated otherwise, capitalized terms used herein have the same meaning as those defined by the Settlement.

² The Class Notice also advised Class Members that in lieu of submitting written objections, they could instead appear at the Final Fairness Hearing to object to the Settlement.

II. FACTS AND PROCEDURE

A. Brief Overview of the Litigation and Settlement Negotiations

Defendants operate multiple Taco Bell restaurants throughout California. During the Class Period, Ms. Chong worked at Defendants' Taco Bell restaurant in Pleasanton, California, Store #31451 as a cashier and Shift Manager.

Ms. Chong filed this wage and hour action against Defendants on June 2, 2021. (Declaration of Raul Perez ["Perez Decl."] ¶ 2.) Her Complaint alleges that Defendants violated the following sections of the California Labor Code³ and Business and Professions Code: (i) Sections 226.7 and 512 (failure to pay meal and rest period compensation); (ii) Sections 1194, 1194.2, 1197 (failure to pay compensation for all hours worked and minimum wage violations); (iii) Sections 510 and 1194 (failure to pay overtime compensation); (iv) Section 203 (waiting time penalties); (v) Section 226 (failure to provide accurate wage statements); (vi) Section 233 (failure to pay all accrued sick days); (vii) California Business and Professions Code sections 17200, *et seq.* (unfair business practices); and (viii) Section 2699, *et seq.* (PAGA). (*Id.*) Defendants maintain their general denial of liability as to each cause of action raised by Plaintiff in the operative complaint.

On September 22, 2022, the Parties participated in an all-day mediation presided over by Steven J. Rottman, Esq. (Id. at \P 3.) Prior to mediation and subsequent negotiation of the Settlement, Plaintiff obtained, through formal discovery, written responses to form interrogatories, special interrogatories, requests for admission, and documents through requests for production. (Id.) Plaintiff also obtained through informal discovery prior to mediation a sampling of employee time and payroll information. (Id.)

Although the Parties did not settle at mediation, Mr. Rottman helped to manage the Parties' expectations and provided a useful, neutral analysis of the issues and risks to both sides, which ultimately helped to narrow the gap between the Parties' respective positions. (Id. at \P 4.) Following protracted negotiations after the mediation, the Parties agreed on the principal terms of a class action and PAGA settlement. (Id.) That settlement is now memorialized in the Class Action and PAGA Settlement

³ Unless indicated otherwise, further statutory references are to the California Labor Code.

Agreement. (*Id.*, Ex. 1.)

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B. The Proposed Settlement Fully Resolves Plaintiff's Claims

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1. **Composition of the Settlement Class**

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The proposed Settlement Class consists of all persons employed by Defendants in California and classified as non-exempt employees during the period from June 2, 2017, through April 28, 2024.

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(Settlement Agreement ¶ 1.5.)

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2. **Settlement Consideration**

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Plaintiff and Defendants have agreed to settle the underlying class claims in exchange for the Gross Settlement Amount of \$987,500. The Gross Settlement Amount includes: (1) automatic payments to all Participating Class Members—meaning, all Class Members except those who submit timely and valid Requests for Exclusion—from the Net Settlement Amount; (2) \$329,167 in attorneys' fees (i.e., one-third of the common fund) and \$15,481.38 in litigation costs to Plaintiff's Counsel; (3) Settlement Administration Costs of \$14,000; (4) a \$11,250 payment to the LWDA and a \$3,750 payment to Aggrieved Employees; and (5) a Class Representative Service Payment of \$10,000 for Plaintiff's service on behalf of the Settlement Class, the risks she took in bringing her representative claims, and for a general release of all claims arising out of her employment with Defendants. (Settlement Agreement ¶¶ 3.1-3.2.5.)

Payments to Participating Class Members will be made from the Net Settlement Amount. (Settlement Agreement ¶ 1.22.) The individual allocations will be calculated on a pro-rata basis using the number of weeks worked by each Class Member during the Class Period. (Id.) This is a fair and equitable means of apportioning the Net Settlement Amount to Class Members. Class Members who worked for a longer duration during the Class Period will receive proportionally larger payments than those employees who worked for shorter durations.

Payments to Aggrieved Employees will be made from the PAGA Fund. (Settlement Agreement ¶ 1.34.) The individual allocations will be calculated on a pro-rata basis using the number of pay periods by each Aggrieved Employee during the PAGA Period. (Id.) This is a fair and equitable means of apportioning the PAGA Fund to Aggrieved Employees. Aggrieved Employees who worked for a longer duration during the PAGA Period will receive proportionally larger payments than those employees who

Releases by the Settlement Class and the LWDA

In exchange for the Gross Settlement Amount, Plaintiff and Participating Class Members will

Any and all claims, damages, or causes of action alleged in, or arising out of, the allegations in the Action that arose during the Class Period and which were alleged, or could have been alleged, by Plaintiff based on any of the factual allegations contained in the Complaint in the Action, including, but not limited to, claims under state, federal or local law including, but not limited to claims for unpaid minimum and overtime wages (including, inter alia, in connection with offthe-clock work and improper rounding of time), claims related to non-compliant meal and rest breaks or periods and nonpayment of premium pay for such, failure to comply with itemized employee wage statement provisions, failure to pay wages due at separation and associated waiting time penalties, failure to timely pay wages during employment, failure to maintain compliant time and payroll records, the failure to pay all accrued sick days, and unfair or unlawful business practices pursuant to California Business and Professions Code § 17200, et seq. based on the aforementioned. The Released Class Claims specifically include, but are not limited to, all claims arising under California Labor Code sections 201, 202, 203, 226, 226.3, 226.7, 233, 246, 246.5, 248.5, 510, 512, 1194, 1194.2, 1197, 1197.1, 1198, and the corresponding sections of the applicable California Industrial Welfare Commission Wage Orders, including Wage Order 5, and California Business and Profession Code sections 17200, et seq., based on the preceding claims, and California common law of contract, interest, and claims for attorneys' fees relating in any way to those claims alleged in the Action.

In exchange for the PAGA settlement, Plaintiff and the LWDA will agree to release the

Any and all claims for civil penalties under PAGA held by the LWDA that were alleged in Plaintiff's PAGA Notice, or which could have been alleged, based upon the facts and theories stated in Plaintiff's PAGA Notice, and that arose during the PAGA Period, including, but not limited to, violations of California Labor Code sections 201, 202, 203, 204, 210, 216, 226, 226.3, 226.7, 227.3, 246, 510, 512, 515, 558, 558.1, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, and 2698, et seq., Business and Professions Code 17200, and the corresponding sections of the applicable California Industrial Welfare Commission Wage Orders, including Wage Order 5.

(Settlement Agreement ¶¶ 1.40, 5.3.)

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C. The Notice and Settlement Administration Processes Were Completed Pursuant to the Court's Order

As authorized by the Court's Order preliminarily approving the Settlement Agreement, the Parties engaged CPT to provide settlement administration services. (O'Connor Decl. ¶ 2.) CPT's duties

have, and if the Court enters the final approval order, will include: (1) printing and mailing the Notice of Class Action Settlement ("Notice"); (2) receiving and processing undeliverable Notices and locating updated addresses for Class Members; (3) receiving and validating Requests for Exclusion; (4) calculating and distributing the Class Settlement Amount; (5) tax reporting; (6) providing necessary reports and declarations; and (7) performing such other tasks as set forth in the Settlement Agreement or as the Parties mutually agree or that the Court orders. (*Id.*)

On March 3, 2025, CPT received the Class Notice prepared jointly by Plaintiff's Counsel and counsel for Defendants and approved by the Court. (O'Connor Decl. ¶ 3.) The Class Notice summarized the Settlement's principal terms, provided Class Members with an estimate of how much they would be paid if the Settlement received final approval, and advised Class Members about how to opt out of the Settlement and how to object. (*Id.*)

Separately, counsel for Defendants provided CPT with a mailing list (the "Class List"), which included each Class Member's full name, last known address, Social Security Numbers, and information necessary to calculate payments. (*Id.*) The mailing addresses contained in the Class List were processed and updated using the National Change of Address Database maintained by the U.S. Postal Service. (*Id.* at ¶ 4.) On April 8, 2025, CPT mailed Class Notices to Class Members via First-Class U.S. mail. (*Id.*) Class Members were given 45 days to opt out or object to the Settlement. Plaintiff is pleased to report that no Class Members opted out, and no Class Members have objected to the Settlement. (*Id.* at ¶ 6-7.)

III. ARGUMENT

- A. The Court Should Grant Final Approval of the Proposed Class Action Settlement.
 - Courts Review Class Action Settlements to Ensure that the Terms Are Fair, Adequate, and Reasonable

"Public policy generally favors the compromise of complex class action litigation." *Cellphone Termination Fee Cases*, 180 Cal. App. 4th 1110, 1118 (2009), *see also 7-Eleven Owners for Fair Franchising v. Southland Corp.*, 85 Cal. App. 4th 1135, 1151 (2000) ("voluntary conciliation and settlement are the preferred means of dispute resolution . . . [t]his is especially true in complex class action litigation").

Class action settlement approval occurs in two steps: (1) an early (preliminary) review by the

trial court, and (2) a subsequent (final) review after notice has been distributed to Class Members for their comments and/or objections. Cal. R. Ct. 3.769. The Court granted preliminary approval on March 11, 2025. Plaintiff now seeks final approval.

"[T]he trial court has broad powers to determine whether a proposed settlement in a class action is fair." *Mallick v. Super. Ct.*, 89 Cal. App. 3d 434, 438 (1979). Fairness is presumed when: (1) the settlement is reached through arm's-length bargaining, (2) investigation and discovery are sufficient to allow counsel and the court to act intelligently, (3) counsel is experienced in similar litigation, and (4) the percentage of objectors is low. *Dunk v. Ford Motor Co.*, 48 Cal. App. 4th 1794, 1802 (1996); *see also Nordstrom Com. Cases*, 186 Cal. App. 4th 576, 581 (2010). "Where the settlement terms are fair and reasonable, the settlement is presumptively valid, subject only to objections that may be raised at a final hearing." Conte & Newberg, *Newberg on Class Actions* § 11.26 (4th ed. 2002) ("Newberg").

By granting preliminary approval, this Court has already determined that the Settlement Agreement is fair and reasonable, subject to objections. With no objections to the Settlement, the Court's preliminary assessment has been separately endorsed by the Settlement Class. Accordingly, this Court should grant final approval.

2. Plaintiff's Counsel Conducted a Thorough Investigation of the Factual and Legal Issues and Were Thus Able to Objectively Assess the Settlement's Reasonableness

Based on their analysis of documents and class data produced by Defendants, including a sample of time records and wage statements, Plaintiff's Counsel were able to realistically assess the value of Plaintiff's claims and intelligently engage defense counsel in settlement discussions that culminated in the proposed settlement now before the Court. (Perez Decl.¶¶ 3-4.)

By engaging in a thorough investigation and evaluation of Plaintiff's claims, Plaintiff's Counsel can opine that the Settlement, for the consideration and on the terms set forth in the Settlement Agreement, is fair, reasonable, and adequate, and is in the best interests of Class Members in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation, and various defenses asserted by Defendants. (*Id.* at ¶ 5.)

3. The Settlement Was Reached Through Arm's-Length Bargaining in Which All Parties Were Represented by Experienced Counsel

"[W]hat transpires in settlement negotiations is highly relevant to the assessment of a proposed settlement's fairness." *State v. Levi Strauss & Co.*, 41 Cal. 3d 460, 482 (1986). Courts presume the absence of fraud or collusion in the negotiation of a settlement, unless evidence to the contrary is offered; thus, there is a presumption that settlement negotiations are conducted in good faith. Newberg, § 11.51.

As explained above, the Parties participated in a mediation with Mr. Rottman, an experienced mediator of wage and hour class actions. Mr. Rottman helped manage the Parties' expectations and provided a useful, neutral analysis of the issues and risks to both sides. *See In re Bluetooth Headset Prod. Liab. Litig.*, 654 F.3d 935, 948 (9th Cir. 2011) (the presence of a neutral mediator is a factor weighing in favor of finding of no collusion); *In re Apple Computer, Inc. Derivative Litig.*, No. C 06-4128 JF (HRL), 2008 WL 4820784, at *3 (N.D. Cal. Nov. 5, 2008) (mediator's participation weighs considerably against any inference of a collusive settlement); *D'Amato v. Deutsche Bank*, 236 F.3d 78, 85 (2d Cir. 2001) (a "mediator's involvement in pre-certification settlement negotiations helps to ensure that the proceedings were free of collusion and undue pressure."); *Villegas v. J.P. Morgan Chase & Co.*, No. 09–00261, 2012 WL 5878390, at *6 (N.D. Cal. Nov. 21, 2012) (participation in mediation "tends to support the conclusion that the settlement process was not collusive"); *Ogbuehi v. Comcast of California/Colorado/Fla./Oregon, Inc.*, 303 F.R.D. 337, 350 (E.D. Cal. 2014) (accord). At all times, the Parties' negotiations were adversarial and non-collusive.

The Parties were represented by experienced class action counsel throughout the negotiations resulting in this Settlement. Plaintiff is represented by Capstone Law APC and Kyle Todd, P.C. Plaintiff's Counsel employ seasoned class action attorneys who regularly litigate wage and hour claims through certification and on the merits, and have considerable experience settling wage and hour class actions. (Perez Decl. ¶¶ 39-47, Ex. 1; Declaration of Kyle Todd ["Todd Decl."] ¶¶ 2-11.) Defendants are represented by Atkinson, Andelson, Loya, Ruud & Romo, a respected defense firm that specializes in the litigation of labor and employment disputes.

4. The Proposed Settlement Is Reasonable Given the Strengths of Plaintiff's Claims and the Risks and Expense of Continued Litigation

Based on their analysis of documents and data produced by Defendants, Plaintiff's Counsel were able to estimate the value Plaintiff's claims for settlement purposes (discussed in more detail in Plaintiff's Memorandum of Points and Authorities in support of Motion for Preliminary Approval of Class Action Settlement, pp. 16-18; filed on October 7, 2025). That estimate, however, assumed that each and every one of Plaintiff's claims would have been certified for class-wide resolution, that Plaintiff would have prevailed at trial, and that the jury's verdict would have been affirmed on appeal. Understandably, for purposes of evaluating the settlement's reasonableness, this estimate must be "tempered by factors such as the risk of losing at trial, the expense of litigating the case, and the expected delay in recovery (often measured in years)." *In re Toys R Us-Delaware, Inc.-- Fair & Accurate Credit Transactions Act* (FACTA) Litig., 295 F.R.D. 438, 453 (C.D. Cal. 2014).

Ultimately, Plaintiff determined that it would be reasonable to settle for approximately 50% of Defendant's estimated exposure for settlement purposes (PAGA discussed in the following section). Such a discount is inherently reasonable given that Plaintiff would have had to overcome multiple, dependent contingencies to prevail on her claims. If anything, the projected odds for each of the above contingencies is generous to the class's position, since plaintiffs in employment cases rarely prevail on all of the claims at any of these dispositive stages. Courts routinely approve settlements that provide a similar discounted range of the maximum potential recovery. *See, e.g., In re Warfarin Sodium Antitrust Litig.*, 212 F.R.D. 231, 256-58 (D. Del. 2002) (recognizing that a reasonable settlement amount can be 1.6% to 14% of the total estimated damages); *In re Armored Car Antitrust Litig.*, 472 F. Supp. 1357, 1373 (N.D. Ga. 1979) (settlements with a value of 1% to 8% of the estimated total damages were approved); *In re Four Seasons Secs. Laws Litig.*, 58 F.R.D. 19, 37 (W.D. Okla.1972) (approving 8% of damages); *Balderas v. Massage Envy Franchising, LLP*, 2014 WL 3610945, at *5 (N.D. Cal. July 21, 2014) (finding that settlement which amounted to 8% of maximum recovery "[fell] within the range of possible initial approval based on the strength of plaintiff's case and the risk and expense of continued litigation."); *In re Omnivision Techs., Inc.*, 559 F. Supp. 2d 1036, 1042 (N.D. Cal. 2008) (approving

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5. The Settlement Class Has Responded Positively to the Settlement

In evaluating the fairness of a Settlement, the "absence of a large number of objections to a proposed class action settlement raises a strong presumption that the terms of a proposed class settlement action are favorable to the class members." *Nat'l Rural Telecomm. Coop. v. Directv, Inc.*, 221 F.R.D. 523, 529 (C.D. Cal. 2004). Here, no Class Members opted out, and no Class Members have objected to the Settlement. (O'Connor Decl. ¶ 6-7.) The Class's response is "overwhelmingly positive," supporting approval of the Settlement. *See 7-Eleven Owners for Fair Franchising*, 85 Cal. App. 4th at 1152-53 (finding support for the settlement where 80 out of 5,454 class members elected to opt out and nine class members objected); *Chun-Hoon v. McKee Foods Corp.*, 716 F. Supp. 2d 848, 852 (N.D. Cal. 2010) (finding 0 objections and 16 opt-outs out of 329 class members [4.86%] "strongly support[] settlement"); *Garner v. State Farm Mut. Auto. Ins. Co.*, No. CV 08 1365 CW EMC, 2010 WL 1687832, at *15 (N.D. Cal. Apr. 22, 2010) (finding an opt-out rate of 0.4% supported settlement). In other words, "[t]he fact that the overwhelming majority of the class willingly approved the offer and stayed in the class presents at least some objective positive commentary as to its fairness." *Hanlon v. Chrysler Corp.*, 150 F.3d 1011, 1027 (9th Cir. 1998).

The average settlement payment from the Net Settlement Amount is \$367.84 and the highest is \$2,843.44. (O'Connor Decl. ¶ 8.) This average net recovery is significantly higher than many wage and

⁴ See also In re Uber FCRA Litig., No. 14-CV-05200-EMC, 2017 WL 2806698, at *7 (N.D. Cal. June 29, 2017) (granting preliminary approval to class action settlement where gross settlement fund, prior to deducting attorneys' fees and services awards, was valued at 7.5% or less of total possible verdict); Viceral v. Mistras Grp., Inc., No. 15-CV-02198-EMC, 2016 WL 5907869, at *7 (N.D. Cal. Oct. 11, 2016) (granting preliminary approval to class action settlement representing "8.1% of the full verdict value" with net settlement amount representing approximately 5.3% of full verdict value); Stovall-Gusman v. W.W. Granger, Inc., No. 13-cv-02540-HSG, 2015 WL 3776765, at *4 (N.D. Cal. June 17, 2015) (granting final approval to settlement with net recovery to Plaintiffs valued at 7.3% of potential maximum recovery); Cruz v. Sky Chefs, Inc., No. 12-cv-02705-DMR, 2014 WL 7247065, at *5 (N.D. Cal. Dec. 19, 2014) (granting final approval where gross settlement amount represented 8.6% of the maximum potential recovery from the class claims and estimated amount distributable to class after accounting for attorneys' fees and other deductions represented approximately 6.1% of maximum potential recovery); In re LDK Solar Sec. Litig., No. 07-cv-05182-WHA, 2010 WL 3001384, at *2 (N.D. Cal. July 29, 2010) (granting final approving where "[t]he proposed settlement amount is [...] only about five percent of the estimated damages before fee and costs—even before any reduction thereof for attorney's fees and costs.").

B. The Court Should Approve the PAGA Settlement

Pursuant to the Settlement Agreement, \$15,000 from the Gross Settlement Amount shall be allocated to the resolution of the PAGA claim, of which 75% (i.e., \$11,250) will be paid directly to the LWDA, and the remaining 25% (i.e., \$3,750) will be paid to Aggrieved Employees. (Settlement Agreement ¶ 3.2.5.)

This result was reached after good-faith negotiation between the parties. The amount was valued as follows: Based on information and evidence produced by Defendants during discovery, Plaintiff's Counsel determined that aggrieved employees worked a combined total of approximately 21,318 pay periods during the PAGA statute of limitations period ("PAGA Period"). Statutory penalties would be calculated according to Labor Code 2699(f)(2): If, at the time of the alleged violation, the person employs one or more employees, the civil penalty is one hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation.

However, a number of courts have found that the "subsequent" penalty under PAGA applies only after a <u>court</u> or the <u>Labor Commissioner</u> determines that the employer has violated the Labor Code. *See Gunther v. Alaska Airlines, Inc.*, 72 Cal. App. 5th 334, 356 (2021) ("the increased \$200 civil penalty for 'subsequent violation[s]' does not apply unless [Plaintiff] presents evidence that the Labor Commission or a court notified [Defendant] that it was in violation of the Labor Code."); *Bernstein v.*

⁵ See, e.g., Sandoval v. Nissho of Cal., Inc., Case No. 37-2009-00091861 (San Diego County Super. Ct. Dec. 7, 2010) (average net recovery of approximately \$145); Fukuchi v. Pizza Hut, Case No. BC302589 (L.A. County Super. Ct. Sept. 29, 2006) (average net recovery of approximately \$120); Contreras v. United Food Group, LLC, Case No. BC389253 (L.A. County Super. Ct. Sept. 10, 2009) (average net recovery of approximately \$120); Ressler v. Federated Department Stores, Inc., Case No. BC335018 (L.A. County Super. Ct. Jan. 27, 2009) (average net recovery of approximately \$90); Doty v. Costco Wholesale Corp., Case No. CV05-3241 FMC-JWJx (C.D. Cal. May 14, 2007) (average net recovery of approximately \$65); Sorenson v. PetSmart, Inc., Case No. 2:06-CV-02674-JAM-DAD (E.D. Cal. Dec. 17, 2008) (average net recovery of approximately \$60); Lim v. Victoria's Secret Stores, Inc., Case No. 04CC00213 (Orange County Super. Ct. Jan. 20, 2006) (average net recovery of approximately \$35); Gomez v. Amadeus Salon, Inc., Case No. BC392297 (L.A. Super. Ct. July 23, 2010) (average net recovery of approximately \$20); Jones v. Bath & Body Works, Inc., No. 2:13-cv-05206-FMO-AJW (C.D. Cal. July 11, 2016) (average net recovery of approximately \$50); and Palencia v. 99 Cents Only Stores, No. 34-2010-00079619 (Sacramento County Super. Ct. Oct. 11, 2012) (average net recovery of approximately \$80).

Virgin Am., Inc., 990 F.3d 1157, 1173 (9th Cir. 2021) (reversing judgment as to "heightened civil penalties" because the defendant was not given notice by the Labor Commissioner when the "subsequent" violations occurred). Under this line of cases, Defendants' exposure would be approximately \$2,131,800 = 21,318 violative pay periods \times \$100.

It should be noted that PAGA gives the Court wide latitude to reduce the amount of civil penalties "based on the facts and circumstances of a particular case" when "to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory." Cal. Lab. Code § 2699(h). In reducing PAGA penalties, courts have considered issues including whether the employees suffered actual injury from the violations, whether the defendant was aware of the violations, and the employer's willingness to fix the violation. Carrington v. Starbucks Corp., 30 Cal. App. 5th 504, 528 (2018) (awarding PAGA penalties of only 0.2% of the maximum); see also Cotter v. Lyft, Inc., 193 F. Supp. 3d 1030, 1037 (N.D. Cal. 2016); Fleming v. Covidien Inc., No. ED CV 10-01487 RGK (OPX), 2011 WL 7563047, at *4 (C.D. Cal. Aug. 12, 2011).

For example, during the penalty phase of trial in *Carrington*, the plaintiff requested PAGA penalties in the amount of approximately \$70 million. The trial court instead awarded only \$150,000 or 0.21% of the maximum—and stated that this reduction was warranted because (a) the Court did not believe it was appropriate to impose multiple penalties per pay period in which a violation occurred and (b) imposing the maximum penalty would be "unjust, arbitrary, and oppressive" based on Starbucks's "good faith attempts" to comply with meal period obligations and because the court found the violations were minimal. Carrington, 30 Cal. App. 5th at 517-18. The Court of Appeal affirmed the lower court's reduced award of a \$150,000 penalty under PAGA. Id. at 529. If a similar reduction had been applied

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⁶ See also Vieyara-Flores v. Sika Corp., No. EDCV19606JVSKKX, 2019 WL 2436998, at *5 (C.D. Cal. June 10, 2019) ("employers are not subject to heightened penalties . . . until a court or commissioner notifies the employer that it is in violation of the Labor Code . . . [Plaintiff] has not offered evidence that the Labor Commission or a court has notified them of PAGA violations [thus] PAGA's heightened penalty of \$200 for subsequent violations will not be calculated to determine the amount in controversy"); Chen v. Morgan Stanley Smith Barney, LLC, No. 8:14-CV-01077 ODW (FFMx), 2014 WL 4961182 (C.D. Cal., October 2, 2014) ("Under the Labor Code, if an employer does not have notice that they are committing a violation, they are not subject to the heightened penalties."); *Trang v. Turbine* Engine Components Technologies Corp., No. CV 12–07658 DDP (RZx), 2012 WL 6618854 (C.D. Cal. Dec. 19, 2012) ("courts have held that employers are not subject to heightened penalties for subsequent violations unless and until a court or commissioner notifies the employer that it is in violation of the Labor Code"), citing Amaral v. Cintas Corp. No. 2, 163 Cal. App. 4th 1157 (2008).

here, Plaintiff would have recovered only approximately \$4,476.78 (\$2,131,800 × 0.0021 reduction).

Likewise, in *Covidien*, the Court reduced the potential penalties by over 82%, awarding \$500,000 instead of maximum penalties of \$2.8 million. Covidien, 2011 WL 7563047 at *4; see also Thurman v. Bayshore Transit Mgmt., 203 Cal. App. 4th 1112, 1135-36 (2012) (affirming 30% reduction under specified PAGA claim where the employer produced evidence that it took its obligations seriously); Elder v. Schwan Food Co., No. B223911, 2011 WL 1797254, at *5-*7 (Cal. Ct. App. May 12, 2011) (reversing trial court decision denying any civil penalties where violations had been proven, remanding for the trial court to exercise discretion to reduce, but not wholly deny, civil penalties); Li v. A Perfect Day Franchise, Inc., No. 5:10-CV-01189-LHK, 2012 WL 2236752, at *17 (N.D. Cal. June 15, 2012) (denying PAGA penalties for violation of California Labor Code section 226 as redundant with recovery on a class basis pursuant to California Labor Code section 226, directly); Aguirre v. Genesis Logistics, No. SACV 12-00687 JVS (ANx), 2013 WL 10936035 at *2-*3 (C.D. Cal. Dec. 30, 2013) (reducing penalty for past PAGA violations from \$1.8 million to \$500,000, after rejecting numerous other PAGA claims).

Plaintiff therefore determined an appropriate range of settlement for PAGA penalties as a percentage of the settlement range that was consistent with other hybrid class/PAGA settlements approved by California courts. Where PAGA penalties are negotiated in good faith and "there is no

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⁷ Dearaujo v. Regis Corp., No. 2:14-cv-01408-KJM-AC, 2016 WL 3549473 at *3 (E.D. Cal. June 29, 2016) (preliminarily approving \$1.95 million settlement containing \$10,000 PAGA penalties with \$7,500 paid to LWDA); Garcia v. Gordon Trucking, Inc., No. 1:10–CV–0324 AWI SKO, 2012 WL 5364575 at *7 (E.D. Cal. Oct. 31, 2012) (approving \$3.7 million settlement containing \$10,000 PAGA penalties with \$7,500 paid to LWDA); Chu v. Wells Fargo Invst., LLC, No. C 05–4526 MHP, 2011 WL 672645 at *1 (N.D. Cal Feb. 16, 2011) (approving \$6.9 million settlement containing \$10,000 PAGA penalties with \$7,500 paid to LWDA); Guerrero v. R.R. Donnelley & Sons Co., Case No. RIC 10005196 (Riverside County Super. Ct. July 16, 2013; Judge Matthew C. Perantoni) (gross settlement fund of \$1,100,000, of which \$3,000 (or 0.3%) was allocated to the settlement of PAGA penalties); Parra v. Aero Port Services, Inc., No. BC483451 (L.A. County Super. Ct. April 20, 2015; Judge Jane Johnson) (gross settlement fund of approximately \$1,458,900, of which \$5,000 (or 0.3%) was allocated to the settlement of PAGA penalties); Thompson v. Smart & Final, Inc., No. BC497198 (L.A. County Super. Ct. Nov. 18, 2014; Judge William F. Highberger) (gross settlement fund of \$3,095,000, of which approximately \$13,333 (or 0.4%) was allocated to the settlement of PAGA penalties); Chavez v. Vallarta Food Enterprises, Inc., No. BC490630 (L.A. County Super. Ct. Nov. 10, 2014; Judge William F. Highberger) (gross settlement fund of \$1,545,900, of which \$10,000 (or 0.6%) was allocated to the settlement of PAGA penalties); Coleman v. Estes Express Lines, Inc., No. BC429042 (L.A. County Super. Ct. Oct. 3, 2013; Judge Kenneth R. Freeman) (gross settlement fund of \$1,535,000, of which \$1,000 (or 0.1%) was allocated to the settlement of PAGA penalties).

1	indication that [the] amount was the result of self-interest at the expense of other Class Members," such					
2	amounts are generally considered reasonable. <i>Hopson v. Hanesbrands Inc.</i> , No. CV-08-0844 EDL, 2009					
3	WL 928133, at *9 (N.D. Cal. Apr. 3, 2009); see, e.g., Nordstrom Com. Cases, 186 Cal. App. 4th 576,					
4	579 (2010) ("[T]rial court did not abuse its discretion in approving a settlement which does not allocate					
5	any damages to the PAGA claims.").					
6	C. The Requested Payment to the Settlement Administrator Is Reasonable and					
7	Should Receive Final Approval					
8	Plaintiff requests final approval of settlement administration costs in the amount of \$14,000.					
9	(O'Connor Decl. ¶ 10.) CPT has promptly and properly distributed the Class Notice to all Class					
10	Members and completed its duties in accordance with the settlement terms and the Court's preliminary					
11	approval Order. (See generally O'Connor Decl.) Accordingly, the \$14,000 payment is fair and					
12	reasonable and should be accorded final approval along with the rest of the Settlement terms.					
13	IV. CONCLUSION					
14	The Parties have negotiated a fair Settlement of the wage and hour claims that likely would not					
15	have been brought, let alone successfully resolved, but for the effort and resolve of the Plaintiff and her					
16	counsel. The Class Members' positive response indicates that the Settlement is fair and reasonable.					
17	Accordingly, Plaintiff respectfully requests that this Court grant final approval of the Settlement					
18	Agreement and enter judgment.					
19						
20	Dated: June 2, 2025 Respectfully submitted,					
21	By: David Tuis					
22	Raul Perez Bevin Allen Pike					
23	Daniel Jonathan Trisha K. Monesi CARSTONE LAW ARC					
24	CAPSTONE LAW APC					
25	Attorney for Plaintiff Maggie Chong					
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11	Facsimile: (323) 693-0822	
12	Attorneys for Plaintiff Maggie Chong	
13	SUPERIOR COURT OF T	HE STATE OF CALIFORNIA
14	FOR THE COUN	VTY OF ALAMEDA
15	MAGGIE CHONG, an individual, individually, on behalf of the general public, and all others	Case No. RG21100705
16	similarly situated,	Assigned to the Hon. Michael Markman
17	Plaintiff,	RESERVATION NO. A-21100705-002
18	VS.	NOTICE OF MOTION AND MOTION FOR ATTORNEYS' FEES, COSTS, AND A CLASS
19	JINGLEBELLS LLC, a California company;	REPRESENTATIVE SERVICE PAYMENT; MEMORANDUM OF POINTS AND
20	JINGLE BELLS ENTERPRISES, LLC, a	AUTHORITIES
21	California company; JINGLEBELLS HOLDING LLC, a California company; and	Date: June 26, 2025 Time: 10:00 a.m.
22	DOES 1 through 100, inclusive,	Place: Department 23
23	Defendants.	Complaint Filed: June 2, 2021 Trial Date: None Set
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 $Motion \ For \ Attorneys' \ Fees, Costs, and \ a \ Class \ Representative \ Service \ Payment$

TO THE COURT, ALL PARTIES, AND THEIR ATTORNEYS OF RECORD:

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PLEASE TAKE NOTICE that on June 26, 2025, at 10:00 a.m., or as soon thereafter as counsel may be heard, in Department 23 of the above-captioned court, located at 1221 Oak St., Oakland, California 94612, the Honorable Michael Markman presiding, Plaintiff Maggie Chong will, and hereby does, move this Court to award \$329,167 in attorneys' fees and \$15,481.38 in litigation costs. Plaintiff also moves for a Class Representative Service Payment for her services on behalf of the Settlement Class, and for a general release of all claims she may have against Defendants Jinglebells LLC and Jinglebells Holding LLC, arising out of her employment.

This Motion should be granted because: (1) no action would likely have been taken by Class Members individually, and no compensation would have been recovered for them, but for Plaintiff's service on their behalf; (2) the requested attorneys' fees and costs are fair and reasonable under California law based on the work performed and the results obtained for the class; (3) California public policy recognizes that attracting competent counsel to litigate cases on behalf of clients unable to pay hourly fees requires attorney fee awards commensurate with such risks; and (4) the Class's response confirms that the requested attorneys' fees and costs/expenses and Class Representative Service Payment should be approved.

This Motion is based upon: (1) this Notice of Motion and Motion; (2) the Memorandum of Points and Authorities in Support of the Motion for Attorneys' Fees, Costs, and a Class Representative Service Payment; (3) the concurrently filed Motion for Final Approval of Class Action and PAGA Settlement; (4) the Declaration of Raul Perez; (5) the Declaration of Kyle Todd; (6) the Declaration of Maggie Chong; (7) the Declaration of Kaylie O'Connor on behalf of CPT Group, Inc., the settlement administrator; (8) the [Proposed] Order and Judgment; (9) the records, pleadings, and papers filed in this action; and (10) upon such other documentary and/or oral evidence as may be presented to the Court at the hearing.

1	Dated: June 2, 2025		Respectfully submitted,
2		By:	
3			Raul Perez Bevin Allen Pike Daniel Jonathan
4			Trisha K. Monesi CAPSTONE LAW APC
5			Attorney for Plaintiff Maggie Chong
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 $Motion \ For \ Attorneys' \ Fees, Costs, and a \ Class \ Representative \ Service \ Payment$

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

2.1

Plaintiff Maggie Chong moves for attorneys' fees in the amount of one-third of the \$987,500 non-reversionary settlement fund, or \$329,167, and litigation costs of \$15,481.38. The requested award of attorneys' fees is reasonable and consistent with the prevailing California practice of awarding attorneys' fees in the amount of one-third of the settlement fund. California policy strongly favors use of the percentage method of calculating fees for class action settlements, as it "distributes the cost of hiring an attorney among all the parties benefited," namely, Class Members. *Laffitte v. Robert Half Internat. Inc.*, 1 Cal. 5th 480, 489 (2016) ("*Laffitte II*").

The percentage method also incentivizes competent counsel to achieve the best results as efficiently as possible by giving them a stake in the outcome, rather than incentivizing counsel to drive up hours through protracted litigation. Furthermore, because none of the Class Members have paid fees to Plaintiff's Counsel for their effort during the litigation, equity dictates that they pay a fair and reasonable fee for the valuable benefits obtained—not less than if they had hired private counsel to litigate their cases individually.

Plaintiff also moves for a Class Representative Service Payment of \$10,000 for her service on behalf of the Settlement Class, and for agreeing to a broader release than those required of other Class Members.

Accordingly, this Motion and the concurrently filed Motion for Final Approval of Class Action and PAGA Settlement¹ should be granted in their entirety.

II. ARGUMENT

- A. The Court Should Award the Requested Attorneys' Fees in the Amount of One-Third of the Class Settlement Amount
 - The Requested Attorneys' Fees Are Reasonable Under the Common-Fund
 Doctrine

Plaintiff moves for an award of attorneys' fees in the amount of \$329,167, or one-third of the

¹ Plaintiff separately addresses the Settlement's terms generally in the concurrently filed Memorandum of Points and Authorities in Support of Final Approval.

gross settlement fund. This request for attorneys' fees is supported by California law under the common fund doctrine. The common fund doctrine is applicable where, as here, attorneys have been instrumental in creating a settlement fund that benefits all class members. *See Laffitte II*, 1 Cal. 5th at 503 ("We join the overwhelming majority of . . . courts in holding that when class action litigation establishes a monetary fund for the benefit of the class members . . . the court may determine the amount of a reasonable fee by choosing an appropriate percentage of the fund created.").

In *Laffitte II*, a unanimous California Supreme Court encouraged California courts to exercise their discretion to use the common fund—or "percentage method"—to calculate fees when a discrete fund is created for the benefit of a large group of beneficiaries. *Laffitte II*, 1 Cal. 5th at 503. *Laffitte II* explained that the percentage method has "recognized advantages" over the lodestar-multiplier method, "including relative ease of calculation, alignment of incentives between counsel and the class, a better approximation of market conditions in a contingency case, and the encouragement it provides counsel to seek an early settlement and avoid unnecessarily prolonging the litigation." *Id*.

By awarding counsel a percentage of the total recovery, rather than fees based on hours worked, the common fund method encourages attorneys to efficiently litigate to achieve the best results possible for the class. *See id.* at 492-494. Indeed, "the percentage method is generally favored in common fund cases because it allows courts to award fees from the fund in a manner that rewards counsel for success and penalizes it for failure." *Id.* at 493 (quoting *In re Rite Aid Corp. Securities Litig.*, 396 F.3d 294, 300 (3d Cir. 2005) (internal quotations omitted)).

Moreover, the percentage method fairly "distributes the cost of hiring an attorney among all the parties benefited[.]" *Laffitte II*, 1 Cal. 5th at 489. The common fund doctrine "rests squarely on the principle of avoiding unjust enrichment . . . attorney fees awarded under this doctrine are not assessed directly against the losing party (fee shifting), but come out of the fund established by the litigation, so that the beneficiaries of the litigation . . . bear this cost (fee spreading)." *Lealao v. Beneficial Cal. Inc.*, 82 Cal. App. 4th 19, 27 (2000). Thus, the common fund method is considered more equitable because it focuses on the total benefit conferred on the class resulting from the efforts of counsel. *Id.* at 48.

In light of the advantages of the common fund method, the California Supreme Court in *Laffitte*II conclusively held that, when the Settlement Agreement creates a non-reversionary fund, the trial court

may calculate attorneys' fees as a percentage of the common fund.

2. California State and Federal Courts Routinely Award Attorneys' Fees in the Amount of One-Third of the Common Fund

As a California appellate court very recently confirmed, "fee awards in class actions average around one-third of the recovery' regardless of 'whether the percentage method or the lodestar method is used." Amaro v. Anaheim Arena Mgmt., LLC, 69 Cal. App. 5th 521, 545 (2021) (quoting Chavez v. Netflix, Inc., 162 Cal. App. 4th 43, 66, fn. 11 (2008)). Consistent with that observation, California state and federal courts routinely award attorneys' fees equaling one-third of the common fund. See, e.g. Laffitte v. Robert Half Internat. Inc., 231 Cal. App. 4th 860, 871 (2016) ("Laffitte I") ("33 1/3 percent of the common fund is consistent with, and in the range of, awards in other class action lawsuits"); Chavez, 162 Cal. App. 4th at 66 n.11 ("Empirical studies show that, regardless whether the percentage method or the lodestar method is used, fee awards in class actions average around one-third of the recovery."); Eisenberg & Miller, Attorney Fees in Class Action Settlements: An Empirical Study, J. of Empirical Legal Studies, Vol. 1, Issue 1, 27-78, March 2004, at 35 (independent studies of class action litigation nationwide conclude that fees representing one-third of the total recovery is consistent with market rates). Notably, the California Supreme Court in Laffitte II affirmed a fee award representing one-third of the fund. Laffitte II, 231 Cal. App. 4th at 506.

A fee award in the amount of one-third of the common fund is also reasonable because it best reflects the market rate for contingency fees. *See Lealao*, 82 Cal. App. 4th at 47 ("attorneys providing the essential enforcement services must be provided incentives roughly comparable to those negotiated in the private bargaining that takes place in the legal marketplace. . . ."). Fees representing one-third of the recovery reflect the rate negotiated in "typical contingency fee agreements [which] provide that class counsel will recover 33% if the case is resolved before trial and 40% if the case is tried." *Fernandez v. Victoria Secret Stores, LLC*, No. CV 06-04149 MMM SHX, 2008 WL 8150856, at *16 (C.D. Cal. July 21, 2008) (citing an academic study collecting contingency fee agreements and finding that a fee award constituting 34% of the fund is reasonable on that basis). Because the negotiated fee structure mimics the marketplace, it is reasonable and should be approved.

Furthermore, courts have recognized that the negotiated fee is the best indication of the market

price for fees. In a common fund case, the object "is to give the lawyer what he would have gotten in the way of a fee in an arm's-length negotiation, had one been feasible." *Matter of Cont'l Illinois Sec. Litig.*, 962 F.2d 566, 572 (7th Cir. 1992), as amended on denial of reh'g (May 22, 1992). In *Matter of Cont'l Illinois Sec. Litig.*, Judge Posner reasoned that the negotiated fee reflects a market-based price because it encompasses both parties' best estimate and view as to the value of the legal services and what the court might have awarded if the matter had been litigated. *Id.* For this reason, courts generally defer to the parties regarding the reasonableness of the negotiated attorneys' fees. Indeed, because "the parties are compromising to avoid litigation," the court "need not inquire into the reasonableness of the fees at even the high end with precisely the same level of scrutiny as when the fee amount is litigated." *Laguna v. Coverall No. Am.*, 753 F.3d 918, 922 (9th Cir. 2014) (internal quotations omitted; emphasis added). Stated differently, while the Court must conduct an independent inquiry into the reasonableness of a fee request, it should give substantial weight to the Parties' agreement on fees, which is the product of negotiations in the legal marketplace.

For the foregoing reasons, the amount of negotiated fees here—one-third of the overall settlement value—is reasonable.

B. The Reasonableness of the Percentage-Based Fee Award Is Supported by Other Factors

In considering the reasonableness of the fees requested under the percentage method, California courts may also consider the following factors: (1) the results achieved on behalf of the Class; (2) the response of the Class to the settlement, including a lack of objections to the settlement terms, and particularly to the fee award; (3) counsel's preclusion from taking other work and the contingent nature of the fee award; and (4) counsel's experience, reputation, and ability. *See Laffitte II*, 1 Cal. 5th at 504-05 (holding that the court may consider various factors in determining the reasonableness of the fees); *see also, Ketchum v. Moses*, 24 Cal. 4th 1122, 1132 (2001) (applying these factors in considering a fee award under the lodestar-multiplier method).

The Requested Attorneys' Fees Are Supported by the Results Achieved on Behalf of the Settlement Class

Courts may assess the reasonableness of the percentage-based award by examining the results

Super. Ct. July 23, 2010) (average net recovery of approximately \$20).

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recovery of approximately \$35); and Gomez v. Amadeus Salon, Inc., Case No. BC392297 (L.A. County

3. The Requested Attorneys' Fees Are Supported by the Contingent Risk Assumed by Plaintiff's Counsel

The contingent risk that Plaintiff's Counsel assumed in prosecuting the action supports the requested attorneys' fees and costs. Plaintiff's Counsel took this case on a pure contingency basis, and had no guarantee that they would receive any remuneration for the many hours they spent litigating the Class's claims, or for the out-of-pocket costs they reasonably incurred to date.

By undertaking representation of a large number of affected employees in wage and hour actions, attorneys like Plaintiff's Counsel inevitably must be prepared to make a significant investment of time, energy, and resources. Courts have thus explained that a multiplier is needed because these kinds of high-stakes, publicly-beneficial litigation are "fraught with uncertainty and even the most scrupulous attorney will 'win some and lose some." *Horsford v. Bd. of Trustees of California State Univ.*, 132 Cal. App. 4th 359, 400 n. 11 (2005). Thus, "attorneys whose compensation depends on their winning the case must make up in compensation in the cases they win for the lack of compensation in the cases they lose." *Vizcaino v. Microsoft Corp.*, 290 F.3d 1043, 1051 (9th Cir. 2002). Although they achieved a significant victory here, compensation is necessary to make up for cases where Plaintiff's Counsel took on a meritorious case, litigated the case expertly, but did not recover attorneys' fees, either because the defendant was insolvent or due to the pitfalls of litigation.

California courts and the Ninth Circuit recognize a need to reward plaintiffs' counsel who accept cases on a pure contingency basis. In *Ketchum v. Moses*, 24 Cal. 4th 1122 (2001), the California Supreme Court instructed courts to upwardly adjust fee compensation to ensure that the fees account for contingency risk:

A lawyer who both bears the risk of not being paid and provides legal services is not receiving the fair market value of his work if he is paid only for the second of these functions. If he is paid no more, competent counsel will be reluctant to accept fee award cases.

Ketchum, 24 Cal. 4th at 1133.

Similarly, in *In re Washington Pub. Power Supply*, the Ninth Circuit underscored the importance of rewarding attorneys who take cases on a contingency basis:

It is an established practice in the private legal market to reward attorneys for

taking the risk of non-payment by paying them a premium over their normal hourly rates for winning contingency cases. See Richard Posner, Economic Analysis of Law § 21.9, at 534-35 (3d ed. 1986). Contingent fees that may far exceed the market value of the services if rendered on a non-contingent basis are accepted in the legal profession as a legitimate way of assuring competent representation for plaintiffs who could not afford to pay on an hourly basis regardless whether they win or lose.

In re Washington Pub. Power Supply Sys. Sec. Litig., 19 F.3d 1291, 1299 (9th Cir. 1994) ("in the common fund *context*, attorneys whose compensation depends on their winning the case, must make up in compensation in the cases they win for the lack of compensation in the cases they lose.").

As reflected in *Ketchum* and *In re Washington*, attorneys accepting contingent fee cases should be compensated in amounts greater than those earned by attorneys who bill and receive payment by the hour. If a contingent-fee attorney were awarded fees at the same level as an hourly-fee attorney, it would be economically irrational for any attorney to accept the risks of contingent-fee case.³ Without the application of a multiplier in cases where they prevail, Plaintiff's Counsel would be barred by financial realities from representing employees and consumers on contingency, which the firm does exclusively. This would undermine California's strong policy of encouraging attorneys to represent low-income individuals seeking unpaid back wages and other employment-related redress.

In summary, because attorneys pursuing claims on contingency will sometimes lose after expending hundreds of hours, and often advancing thousands of dollars in expenses, an enhancement ensures that the risks do not outstrip the incentives to pursue claims on behalf of employees. The high contingent risk borne by Plaintiff's Counsel thus supports the fee request.

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³ See Richard A. Posner, Economic Analysis of Law (4th ed. 1992) pp. 534, 567 ("A contingent fee must be higher than a fee for the same legal services paid as they are performed. The contingent fee compensates the lawyer not only for the legal services he renders but for the loan of those services. The implicit interest rate on such a loan is higher because the risk of default (the loss of the case, which cancels the debt of the client to the lawyer) is much higher than that of conventional loans."); John Leubsdorf, The Contingency Factor in Attorney Fee Awards, 90 Yale L.J. 473, 480 (1981) ("A lawyer who both bears the risk of not being paid and provides legal services is not receiving the fair market value of his work if he is paid only for the second of these functions. If he is paid no more, competent counsel will be reluctant to accept fee award cases."); ABA Model Code Prof. Responsibility, DR 2-106(B)(8) (recognizing the contingent nature of attorney representation as an appropriate component in considering whether a fee is reasonable).

4. The Requested Attorneys' Fees Are Supported by Counsel's Experience, Reputation, and Skill

The "skill and experience of the attorneys and nature of work performed" are also evaluated under California law in connection with a fee motion. *Northwest Energetic Services, LLC v. Cal. Franchise Tax Bd.*, 159 Cal. App. 4th 841, 880 (2008). Plaintiff's Counsel, Capstone Law APC and Kyle Todd, P.C., employs seasoned class action attorneys who regularly litigate wage and hour claims through certification and on the merits, and have considerable experience settling wage and hour class actions. (Perez Decl. ¶¶ 39-47, Ex. 1; Todd Decl. ¶¶ 2-11.)

C. A Lodestar Cross-Check Confirms that the Requested Attorneys' Fees Are Fair and Reasonable

The trial court may use an abbreviated lodestar "cross-check" for common fund awards if the court considers it useful. *Laffitte II*, 1 Cal. 5th at 504-05. However, under *Laffitte II*, this is not meant to displace the percentage analysis, but rather to act as a backstop. Indeed, the Supreme Court expressly instructed that "the lodestar calculation, when used in this manner, does not override the trial court's primary determination of the fee as a percentage of the common fund and thus does not impose an absolute maximum or minimum on the fee award." *Laffitte II*, 1 Cal. 5th at 505. Critically, the Court in *Laffitte II* emphasized that only where the "multiplier calculated by means of a lodestar cross-check is extraordinarily high or low" should the court "consider whether the percentage should be adjusted so as to bring the imputed multiplier within a justifiable range." *Id.* (emphasis added). Accordingly, when the cross-check multiplier is within a normal range, the lodestar-cross check does not provide a basis for a court to reduce the fee award. Furthermore, in conducting a lodestar cross-check, the court is not "required to closely scrutinize each claimed attorney-hour." *Laffitte II*, 1 Cal. 5th at 505. An evaluation may be done by reviewing "counsel declarations summarizing overall time spent." *Id.*

In conducting a lodestar cross-check, the Court first determines a lodestar value for the fees by multiplying the time reasonably spent by plaintiffs' counsel on the case by a reasonable hourly rate. *In re Consumer Privacy Cases*, 175 Cal. App. 4th 545, 556-57 (2009). To determine whether the requested rate is reasonable, courts look to the prevailing rate for similar work in the pertinent geographic region. *PLCM Group v. Drexler*, 22 Cal. 4th 1084, 1096-97 (2000) (using prevailing hourly rate in community

for comparable legal services even though party used in-house counsel). Here, Plaintiff's Counsel's hourly rates are comparable to, or less than, those charged by other class action plaintiffs' counsel and the firms defending class actions, and have been approved by numerous federal and state courts. (Perez Decl. ¶¶ 48-51, Ex. 2; Todd Decl. ¶ 8-14.)

Likewise, the total attorney hours expended on this action are reasonable and in line with comparable cases. In determining the reasonableness of the hours expended, "the court should defer to the winning lawyer's professional judgment as to how much time he was required to spend on the case; after all, he won, and might not have, had he been more of a slacker." *Kerkeles v. City of San Jose*, 243 Cal. App. 4th 88, 104 (2015) (quoting *Moreno v. City of Sacramento*, 534 F.3d 1106, 1112 (9th Cir. 2008)). Plaintiff's Counsel billed a total of 338.2 hours. (Perez Decl. ¶ 48; Todd Decl. ¶ 14.)

Multiplying the total hours billed by Plaintiff's Counsel to the litigation by their reasonable hourly rates yields a lodestar of \$235,293.80. (Perez Decl. ¶ 14; Todd Decl. ¶ 14.) Applying a 1.4 multiplier to that lodestar yields the requested fees. A 1.4 multiplier is not "extraordinarily high"—to the contrary, the normal range for a multiplier on a lodestar cross-check "can range from 2 to 4 or even higher." Wershba v. Apple Computer, Inc., 91 Cal. App. 4th 224, 255 (2001); see also Vizcaino v. Microsoft Corp., 290 F.3d 1043, 1047 (9th Cir. 2002) (multipliers "ranging from one to four are frequently awarded ... when the lodestar method is applied"; affirming fees where the cross-check multiplier is 3.65).

Courts routinely accept multipliers ranging from 2 to 4 on a lodestar cross-check. *See*, *e.g.*, *Sutter Health Uninsured Pricing Cases*, 171 Cal. App. 4th 495, 512 (2009) (applying a 2.52 multiplier on a lodestar cross-check); *Chavez*, 162 Cal. App. 4th at 66 (applying a 2.5 multiplier in a consumer class action); *Willner v. Manpower Inc.*, No. 11-CV-02846-JST, 2015 WL 3863625, at *7 (N.D. Cal. June 22, 2015) (approving a 2.10 multiplier on settlement of California Labor Code violations); *Dyer v. Wells Fargo Bank*, *N.A.*, 303 F.R.D. 326, 334 (N.D. Cal. 2014) (approving attorneys' fees that resulted in lodestar multiplier of 2.83); *Hopkins v. Stryker Sales Corp.*, No. 11-CV-02786-LHK, 2013 WL 496358, at *5 (N.D. Cal. Feb. 6, 2013) (approving a multiplier of 2.76 in settlement of Labor Code violations).

Indeed, courts following *Laffitte II* have reaffirmed that a multiplier between 2 and 4 to be reasonable and not so "extraordinarily high" as to require greater judicial scrutiny. *See Spann v. J.C.*

Penney Corp., 211 F. Supp. 3d 1244, 1265 (C.D. Cal. Sept. 30, 2016) (finding that a 3.07 multiplier is "well within the range for reasonable multipliers" under *Laffitte II*); *Beaver v. Tarsadia Hotels*, No. 11-CV-01842-GPC-KSC, 2017 WL 4310707, at *13 (S.D. Cal. Sept. 28, 2017) ("The one-third fee Class Counsel seeks reflects a multiplier of 2.89 on the lodestar which is reasonable for a complex class action case.").

A multiplier is needed primarily because Plaintiff settled prior to filing a time-consuming certification motion. As explained above, the decision to settle early is to be lauded, since Class Members will now avoid the risks of additional litigation and are assured of substantial and immediate monetary recovery. Indeed, under California law, "the promptness of settlement cannot be used to justify the refusal to apply a multiplier to reflect the size of the class recovery without exacerbating the disincentive to settle promptly inherent in the lodestar methodology." *Lealao*, 82 Cal. App. 4th at 52. According to *Lealao*, to not apply a multiplier under these circumstances would undermine California policy, as "awards that are too small [will] chill the private enforcement essential to the vindication of many legal rights and obstruct the representative actions that often relieve the courts of the need to separately adjudicate numerous claims." *Id.* at 53.

The lodestar cross-check confirms that Plaintiff's fee request is fair and reasonable and should be approved.

D. The Requested Litigation Expense Recovery Is Reasonable and Should Receive Final Approval

Plaintiff's Counsel are also entitled to reimbursement of their litigation costs. Cal. Lab. Code §§ 1194(a), 2699(g)(1). Plaintiff's Counsel seek an award of \$15,481.38 for reasonably incurred costs, including court fees, courier fees, legal research databases, and mediation fees. (Perez Decl. ¶ 52; Todd Decl. ¶ 19.) These are costs of precisely the sort that are reimbursable because they are reasonable and

⁴ Many district courts in California have declined to apply a lodestar cross-check when parties settle early in the case. *See*, *e.g.*, *Glass v. UBS Financial Services*, *Inc.*, No. 06-4066-MMC, 2007 WL 221862, at *16 (N.D. Cal. Jan. 26, 2007) (finding "no need to conduct a lodestar cross-check [as] [c]lass counsel's prompt action in negotiating a settlement while the state of the law remained uncertain should be fully rewarded"); *Lopez v. Youngblood*, No. 07-0474-DLB, 2011 WL 10483569, at *14 (E.D. Cal. Sep. 2, 2011) ("A lodestar cross-check is not required in this circuit, and in a case such as this, is not a useful reference point").

were necessarily incurred during the case's pendency. Final approval of the cost reimbursement of \$49,549 is thus warranted.

E. The Class Representative Service Payment is Fair and Reasonable

Service payments "are fairly typical in class action cases." *Cellphone Termination Fee Cases*, 186 Cal. App. 4th 1380, 1393 (2010) (affirming enhancement payments of \$10,000); *Rodriguez v. West Publishing Corp.*, 563 F.3d 948, 958 (9th Cir. 2009), citing 4 Newberg on Class Actions (4th ed. 2002) § 11:38, and Eisenberg & Miller, *Incentive Awards to Class Action Plaintiffs: An Empirical Study*, 53 UCLA L. Rev. 1303 (2006).⁵

The Class Representative Service Payment is reasonable in light of Plaintiff's service as a class representative. Indeed, but for Plaintiff's service, Class Members would have recovered nothing for their claims, and with the passage of time, the claims in controversy would have been barred. The requested \$10,000 Class Representative Service Payment is thus fair and reasonable compensation for Plaintiff's effort in prosecuting the action on behalf of the class, regularly conferring with counsel on the status of the case and the strategies for prosecuting the claims, and reviewing the proposed settlement to ensure that its terms are fair and provide adequate relief for the Class.

Plaintiff deserves the requested Class Representative Service Payment because she "remained fully involved and expended considerable time and energy during the course of the litigation." *See Schaffer v. Litton Loan Servicing, LP*, No. CV 05-07673 MMM JCX, 2012 WL 10274679, at *19 (C.D. Cal. Nov. 13, 2012) (citation omitted). The amount of the requested Class Representative Service Payment is also reasonable by reference to the amounts the California Superior Court has awarded for similar wage and hour settlements.⁶

⁵ Enhancement payments "are intended to compensate class representatives for work done on behalf of the class, to make up for financial or reputational risk undertaken in bringing the action, and, sometimes, to recognize their willingness to act as a private attorney general." *Rodriguez*, 563 F.3d at 958–59. "[T]he rationale for making enhancement or incentive awards to named plaintiffs is that they should be compensated for the expense or risk they have incurred in conferring a benefit on other members of the class." *Clark v. American Residential Services LLC*, 175 Cal. App. 4th 785 (2009).

⁶ See Carter v. GMRI Inc., No. RIC 1506085 (Riverside County Super. Ct. Jan. 10, 2017) (awarding \$10,000 enhancement payments to the named plaintiffs); Crook v. Barton Healthcare System, No. SC20150146 (El Dorado County Super. Ct. Dec. 9, 2016) (awarding \$10,000 enhancement payment to the named plaintiff); Singh v. American Building Supply, Inc., No. 34-2015-00179889-CU-OE-GDS (Sacramento County Super. Ct. Oct. 3, 2016) (awarding \$10,000 enhancement payment to the named

The Class Representative Service Payment is also appropriate because Plaintiff would otherwise "not gain any benefit beyond that [she] would receive as an ordinary class member." *In re Toys R Us-Delaware, Inc.—Fair & Accurate Credit Transactions Act (FACTA) Litig.*, 295 F.R.D. 438, 472 (C.D. Cal. 2014); *Van Vranken v. Atlantic Richfield Co.*, 901 F. Supp. 294, 299 (N.D. Cal. 1995) (holding that a substantial award is appropriate where a class representative's claim made up "only a tiny fraction of the common fund."). Absent the Class Representative Service Payment, Plaintiff will recover no more than other Class Members, despite undergoing personal sacrifice and reputational risk in pursuing this litigation on behalf of the Class.

The Class Representative Service Payment is also justified in light of the Civil Code section 1542 waiver and general release that Plaintiff is required to provide Defendants as a condition of settlement. Under the Civil Code section 1542 release, Plaintiff will release any and all known and unknown claims she may have against Defendants arising out of her employment. This general release is considerably broader than the separate, narrower release required of the Class. *See Billinghausen v. Tractor Supply Co.*, 306 F.R.D. 245, 267-68 (N.D. Cal. 2015) (awarding the plaintiff \$5,000 for the general release along with \$10,000 enhancement payment for services as a class representative); *La Fleur v. Medical Management Intern, Inc.*, No. 13-00398-VAP, 2014 WL 2967475, *8 (C.D. Cal. June 25, 2014) (finding that the \$15,000 enhancement payment is warranted in part because "the named plaintiffs have released all claims against [defendant], unlike the remainder of the Class").

Separately, the Class Representative Service Payment is justified in light of the reputational risk that Plaintiff has assumed in bringing an action against a former employer. *See Billinghausen v. Tractor Supply Co.*, 306 F.R.D. 245, 267-68 (N.D. Cal. 2015) (finding "personal detriment" upon testimony that

plaintiff); *Alvarez v. MAC Cosmetics Inc.*, No. CIVDS1513177 (San Bernardino County Super. Ct. July 29, 2016) (awarding \$10,000 enhancement payments to the named plaintiffs); *Coffey v. Beverages & More, Inc.*, No. BC477269 (L.A. County Super. Ct. July 26, 2016) (awarding \$10,000 enhancement payment to the named plaintiff); *Restoration Hardware Wage and Hour Cases*, No. JCCP4794 (L.A. County Super. Ct. April 28, 2016) (awarding \$10,000 enhancement payments to the named plaintiffs); *Cook v. United Insurance Co. of Amer.*, No. CIVMSC10-00425 (Contra Costs County Super. Ct. April 15, 2016) (awarding \$10,000 enhancement payments to the named plaintiffs); *Quintana v. Claire's Boutiques, Inc.*, No. 5:13-cv-00368-PSG (N.D. Cal. Dec. 1, 2015) (awarding \$10,000 enhancement payments to the named plaintiffs); *Paredes v. American Family Care, Inc.*, No. 34-2014-00167060-CU-OE-GDS (Sacramento County Super. Ct. Nov. 17, 2015) (awarding \$10,000 enhancement payment to the named plaintiff); *Hoagland v. Brooks Brothers Group, Inc.*, No. BC511534 (L.A. County Super. Ct. July 16, 2015) (awarding \$10,000 enhancement payment to the named plaintiff).

1 future employers can easily learn that a prospective employee served as a plaintiff through the internet). 2 By bringing this action, Plaintiff has assumed reputational risk that may impact her ability to find 3 employment in the future. Long after this action is forgotten by Class Members, Plaintiff will have to 4 endure the risk of possibly being branded "litigious" by prospective employers, and may have 5 employment applications rejected on that basis alone. 6 In conclusion, the requested Class Representative Service Payment is fair, adequate, and 7 reasonable compensation for Plaintiff's services on behalf of the Class and for the risks and personal 8 sacrifice she assumed, and for her general release of claims and waiver of Section 1542. 9 III. **CONCLUSION** 10 For the foregoing reasons, Plaintiff respectfully requests that this Court grant the Motion for 11 Attorneys' Fees, Costs, and a Class Representative Service Payment. 12 13 Dated: June 2, 2025 Respectfully submitted, 14 By: Raul Perez 15 Bevin Allen Pike Daniel Jonathan 16 Trisha K. Monesi CAPSTONE LAW APC 17 Attorney for Plaintiff Maggie Chong 18 19 20 21 22 23 24 25 26 27 28

1	PROOF OF SERVICE
2 3	I am employed in the State of California, County of Los Angeles. I am over the age of 18 and not a party to the within suit; my business address is 1875 Century Park East, Suite 1000 Los Angeles, California 90067.
3 4 5 6 7 8 9 10 11 12	On June 3, 2025, I served the document described as: NOTICE OF MOTION AND MOTION FOR ATTORNEYS' FEES, COSTS, AND A CLASS REPRESENTATIVE SERVICE PAYMENT; MEMORANDUM OF POINTS AND AUTHORITIES on the interested parties in this action by sending [] the original [or] [✓] a true copy thereof [✓] to interested parties as follows [or] [] as stated on the attached service list: Brian D. Martin, Esq. Brian.Martin@aalrr.com Geoffrey La Val, Esq. Geoffrey.LaVal@aalrr.com Hillary E. Chaffin, Esq. Hillary.Chaffin@aalrr.com Atkinson, Andelson, Loya, Ruud & Romo 4275 Executive Square, Suite 700
12 13 14 15 16 17	La Jolla, CA 92037 Kyle Todd (SBN: 286370) kyle@kyletodd.com KYLE TODD, P.C. 611 Wilshire Blvd., Suite 315 Los Angeles, California 90017 Tel.: (323) 208-9171 Fax: (323) 693-0822
18 19 20 21	[] BY MAIL (ENCLOSED IN A SEALED ENVELOPE): I deposited the envelope(s) for mailing in the ordinary course of business at Los Angeles, California. I am "readily familiar" with this firm's practice of collection and processing correspondence for mailing. Under that practice, sealed envelopes are deposited with the U.S. Postal Service that same day in the ordinary course of business with postage thereon fully prepaid at Los Angeles, California. [X] BY ELECTRONIC SERVICE: I caused the document(s) to be transmitted
22 23	electronically via One Legal eService to the individuals listed above, as they exist on that database. This will constitute service of the document(s). I declare under penalty of perjury under the laws of the State of California that the
24	foregoing is true and correct.
25	Executed on June 3, 2025, at Los Angeles, California.
26	Xochitl Tapia Type/Print Name Signature
27 28	Type/Print Name Signature
20	
	Page 2

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12	Attorneys for Plaintiff Maggie Chong		
13	SUPERIOR COURT OF THE STATE OF CALIFORNIA		
14	FOR THE COUN	NTY OF ALAMEDA	
15	MAGGIE CHONG, an individual, individually,	Case No. RG21100705	
16	on behalf of the general public, and all others similarly situated,	Assigned to the Hon. Michael Markman	
17	Plaintiff,	RESERVATION NO. A-21100705-001	
18	VG.	DECLARATION OF RAUL PEREZ IN	
19	VS.	SUPPORT OF MOTION FOR FINAL APPROVAL OF CLASS ACTION AND	
20	JINGLEBELLS LLC, a California company; JINGLE BELLS ENTERPRISES, LLC, a	PAGA SETTLEMENT AND MOTION FOR ATTORNEYS' FEES, COSTS, AND A CLASS REPRESENTATIVE SERVICE PAYMENT	
21	California company; JINGLEBELLS HOLDING LLC, a California company; and		
22	DOES 1 through 100, inclusive,	Date: June 26, 2025 Time: 10:00 a.m.	
23	Defendants.	Place: Department 23	
24		Complaint Filed: June 2, 2021 Trial Date: None Set	
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DECLARATION OF RAUL PEREZ

- I, Raul Perez, hereby declare as follows:
- 1. I am an attorney licensed to practice before all courts of the State of California. I am a Partner at Capstone Law APC ("Capstone"), counsel for Plaintiff Maggie Chong ("Plaintiff") in the above-captioned action. Unless indicated otherwise, I have personal knowledge of the following facts, and if called as a witness, I could and would testify competently to them. I make this declaration in support of the Motion for Final Approval of Class Action and PAGA Settlement and Motion for Attorneys' Fees, Costs, and a Class Representative Service Payment.

BRIEF OVERVIEW OF THE LITIGATION AND SETTLEMENT NEGOTIATIONS

- 2. Ms. Chong filed this wage and hour action against Defendants Jinglebells LLC and Jinglebells Holding LLC ("Defendants") (collectively with Plaintiff, the "Parties") on June 2, 2021. Her Complaint alleges that Defendants violated the following sections of the California Labor Code¹ and Business and Professions Code: (i) Sections 226.7 and 512 (failure to pay meal and rest period compensation); (ii) Sections 1194, 1194.2, 1197 (failure to pay compensation for all hours worked and minimum wage violations); (iii) Sections 510 and 1194 (failure to pay overtime compensation); (iv) Section 203 (waiting time penalties); (v) Section 226 (failure to provide accurate wage statements); (vi) Section 233 (failure to pay all accrued sick days); (vii) California Business and Professions Code sections 17200, et seq. (unfair business practices); and (viii) Section 2699, et seq. (PAGA). Defendants maintain their general denial of liability as to each cause of action raised by Plaintiff in the operative complaint.
- 3. On September 22, 2022, the Parties participated in an all-day mediation presided over by Steven J. Rottman, Esq. Prior to mediation and subsequent negotiation of the Settlement, Plaintiff obtained, through formal discovery, written responses to form interrogatories, special interrogatories, requests for admission, and documents through requests for production. Plaintiff also obtained through informal discovery prior to mediation a sampling of employee time and payroll information.
 - 4. Although the Parties did not settle at mediation, Mr. Rottman helped to manage the

¹ Unless indicated otherwise, further statutory references are to the California Labor Code. Page 2

Parties' expectations and provided a useful, neutral analysis of the issues and risks to both sides, which ultimately helped to narrow the gap between the Parties' respective positions. Following protracted negotiations after the mediation, the Parties agreed on the principal terms of a class action and PAGA settlement. That settlement is now memorialized in the Class Action and PAGA Settlement Agreement and Amendment (collectively, "Settlement Agreement").

5. It is my opinion that the Settlement constitutes a fair, adequate, and reasonable compromise of the claims at issue. This opinion is informed by my experience litigating and settling wage and hour actions, and Plaintiff's counsel's thorough investigation into the factual and legal issues implicated by Plaintiff's claims and Defendants' defenses.

THE CONSIDERATION PROVIDED FOR THE CLASS CLAIMS IS FAIR AND REASONABLE IN LIGHT OF THE AMOUNT IN CONTROVERSY DISCOUNTED BY THE RISKS OF CONTINUED LITIGATION

- 6. As explained in detail below, the Gross Settlement Amount is within the range of reasonableness in light of the nature and magnitude of the claims being settled and the various potential impediments to recovery.
- 7. **Off-the-Clock Claim**—California law defines "hours worked" as "the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so." *Morillion v. Royal Packing Co.*, 22 Cal. 4th 575, 578 (2000). Thus, "an employee who is subject to an employer's control does not have to be working during that time to be compensated[.]" *Id.* at 582. Requiring employees to work without compensation violates California's minimum wage and overtime laws. *See* Cal. Lab. Code §§ 510, 1194, 1197, 1197.1 and 1198. An employer is liable for off-the-clock "hours worked" if it "knew or should have known off-the-clock work was occurring." *Brinker Rest. Corp. v. Superior Ct.*, 53 Cal. 4th 1004, 1051-52 (2012).
- 8. Plaintiff alleges that Defendants understaffed their restaurants to keep their labor costs to a minimum. This in turn created a working environment where Class Members felt pressure to work off-the-clock—such as before and after their shifts and during their meal periods—to complete the duties and tasks more suitable for a larger on-duty workforce.
 - 9. In their defense, Defendants would have argued that their labor policies prohibit off-the-

clock work, that employees were properly compensated for all time worked, and that the employees' time records do not reflect that any time was worked off-the-clock, making it practically impossible to determine whether any Class Member worked off-the-clock without engaging in thousands of individualized inquiries that would preclude class certification. *See Brinker*, 53 Cal. 4th at 1051-52 (holding that in the absence of a uniform, companywide policy, proof of liability is individual); *Amey v. Cinemark USA Inc.*, No. 13-CV-05669-WHO, 2015 WL 2251504, at *12 (N.D. Cal. May 13, 2015) (denying certification of off-the-clock claim because plaintiffs' work requirements depended on the manager); *Brewer v. Gen. Nutrition Corp.*, No. 11-CV-3587 YGR, 2014 WL 5877695, at *12 (N.D. Cal. Nov. 12, 2014) (denying certification based on policy requiring employees to finish closing duties within 30 minutes, because the court would still be left with numerous individual issues); *Pryor v. Aerotek Scientific, LLC*, 278 F.R.D. 516, 532-33 (C.D. Cal. 2011) (denying certification of off-the-clock claim).

- 10. Even if the Court had certified the off-the-clock claim, Defendants would have argued that for Plaintiff to establish that they failed to pay Class Members for all hours worked, Plaintiff would have had to prove that they were aware that they were working hours for which they were not compensated. For example, in *Forrester v. Roth's I.G.A. Foodliner, Inc.*, 646 F.2d 413 (9th Cir. 1981), the Ninth Circuit held that "where an employer has no knowledge that an employee is engaging in overtime work and that employee fails to notify the employer or deliberately prevents the employer from acquiring knowledge of the overtime work, the employer's failure to pay for the overtime hours is not a violation [of overtime requirements]." *Id.* at 414.
- Plaintiff estimated Defendants' exposure for these off-the-clock violations for settlement purposes as follows: 71,738 total class workweeks \times at least one hour of off-the-clock per week \times \$15.13 average hourly wage \times 25% chance of recovering maximum damages at trial = \$271,348.99.
- 12. **Meal Period Claim** Due to Defendants' alleged practice of understaffing its California restaurants, Plaintiff alleges that Class Members were regularly forced to work off-the-clock during their meal periods, or to take them late, to complete all of their assigned duties (e.g. work through a "lunch rush"). "An employer shall not employ an employee for a work period of more than five hours per day without providing the employee with a meal period of not less than 30 minutes[.]" Cal. Lab.

Code § 512(a). Additionally, an employee may not work more than 10 hours without being provided a second meal period. *Id.* Where an employee does not receive a timely meal period of at least 30 minutes, the employer is required to pay the employee one additional hour of pay at the employee's regular rate of compensation. Cal. Lab. Code § 226.7(c).

- 13. In their defense, Defendants would have argued that they maintain compliant meal period policies and procedures, that—even if employees were in fact working during meal periods—Defendants' policies expressly encouraged employees to submit a California Meal Period Premium Request Form to their manager, and that Defendants are not obligated to "guarantee" or "ensure" that meal periods are taken by all employees at all times. *Brinker*, 53 Cal. 4th at 1040 (employers are "not obligated to police meal breaks and ensure no work thereafter is performed"). Rather, an employer satisfies (as Defendants would argue) its obligation to provide meal periods if "it relieves its employees of all duty, relinquishes control over their activities and permits them a reasonable opportunity to take an uninterrupted 30-minute break, and does not impede or discourage them from doing so." *Id*. Defendants argued that there is no "basis in the wage order or statute" for the notion "that an employer must ensure that no work is done i.e., prohibit work" during a meal period. *Id*. at 1038; *see also Murphy*, 40 Cal. 4th at 1104 (finding a violation occurs only if the employee is "forced to forgo his or her meal period").
- 14. Defendants would have argued at trial that "to assert a meal break claim, the employee must show that he was **forced to forego** his meal breaks as opposed to merely showing that he did not take them." *Nguyen v. Baxter Healthcare Corp.*, No. 8:10-CV-01436-CJC, 2011 WL 6018284, at *5 (C.D. Cal. Nov. 28, 2011) (emphasis in original); *see also Brinker*, 53 Cal. 4th at 1034; *Dailey v. Sears, Roebuck &Co.*, 214 Cal. App. 4th 974, 1000-02 (2013); *Gonzalez v. Officemax N. Am.*, No. CV 07-04839 JVS MLGX, 2012 WL 5473764, at *5 (C.D. Cal. Nov. 5, 2012). Thus, Defendants would have argued that courts reject certifying meal break claims where no common policy denies breaks on a classwide basis. *See, e.g., Purnell v. Sunrise Senior Living Mgmt., Inc.*, No. SA CV10-00897 JAK, 2012 WL 1951487, at *8 (C.D. Cal. Feb. 27, 2012); *Washington v. Joe's Crab Shack*, 271 F.R.D. 629, 641 (N.D. Cal. 2010) (denying certification because "an individualized inquiry will be required to determine whether any employee failed to take a meal break because he/she was too busy"); *Salazar v. Avis Budget Grp., Inc.*, 251 F.R.D. 529, 533 (S.D. Cal. 2008); *Ordonez v. Radio Shack, Inc.*, No. CV 10-7060-CAS

JCGX, 2013 WL 210223, at *8 (C.D. Cal. Jan. 17, 2013); *Gonzalez*, 2012WL 5473764, at *5 (holding that "[why] any particular employee missed any particular break requires, ineluctably, individualized fact finding"). And Defendants would further argue that employees entered into valid written waivers of meal periods for shifts under six hours, which covers the vast majority of meal period violations that Plaintiff could identify in the timekeeping data.

- 15. Plaintiff estimated the value of her meal period claim for settlement purposes as follows: 71,738 total class workweeks \times at least two meal period violations per week \times \$15.13 average hourly wage \times 30% chance of recovering maximum damages at trial = \$651,237.56.
- 16. **Rest Period Claim** Like her meal period claim, Plaintiff alleges that Defendants' rest period policies and practices—and specifically their practice of understaffing their California restaurants—discouraged Class Members from taking lawful rest periods by pressuring them to regularly work during their rest periods, or to forgo them entirely. The applicable IWC Wage Order provides that "[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period" and that the "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" unless the total daily work time is less than three and one-half (3½) hours.
- 17. California Labor Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the California IWC. To comply with its obligation to provide rest periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an employer must "relinquish any control over how employees spend their break time, and relieve their employees of all duties including the obligation that an employee remain on call. A rest period, in short, must be a period of rest." *Augustus v. ABM Security Services, Inc.*, 2 Cal. 5th 257, 273 (2016).
- 18. In their defense, Defendants would have argued that while California law does not require employees to record rest periods, Defendants did track rest periods and its records show that over 80% of shifts have compliant rest periods. And for those shifts that do not have compliant rest breaks recorded, Defendants argued that the time records are insufficient to prove liability. For each instance where an employee did not take a 10-minute rest period by the end of the fourth hour of work, the trier of

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- 19. Defendants would have argued that the lack of any actual policy or systematic practice of discouraging Class Members from taking their rest periods would have made it virtually impossible to certify the claim. *See Clemens v. Hair Club for Men, LLC*, No. C 15-01431 WHA, 2016 WL 1461944, at **5–6 (N.D. Cal. Apr. 14, 2016) (denying class certification where "plaintiffs have presented no direct evidence of a uniform policy or practice that led to missed meal periods or rest breaks" meaning that "proof of the alleged uniform practice will turn on individual inquiries into the reason for each missed meal period"); *Sultan v. Medtronic, Inc.*, 2012 U.S. Dist. LEXIS 107046 (C.D. Cal. July 23, 2012) ("reasons that employees fail to take breaks can be manifold: the employee could have forgotten, wanted to finish assignments, were not hungry, did not want to leave the premises, wanted to leave early or, possibly, were manipulating their timecards"); *Jimenez v. Allstate Ins. Co.*, 2012 U.S. Dist. LEXIS 65328, 47 (C.D. Cal. Apr. 18, 2012) ("[I]n the absence of a common practice or policy or some other 'glue' to bind this class, commonality cannot be shown.").
 - 20. Plaintiff estimated the value of her rest period claim for settlement purposes as follows:

71,738 total class workweeks \times at least two rest period violations per week \times \$15.13 average hourly wage \times 25% chance of recovering maximum damages at trial = \$542,697.97.

- 21. Sick Pay Claim—Because Defendants allegedly failed to pay Class Members for all hours worked, including regular and overtime hours, Plaintiff also alleges that Defendants failed to appropriately pay Class Members for all sick days earned during the relevant period, as required by California Labor Code section 246. Specifically, California Labor Code section 246 requires employers to provide employees who work for the same employer for 30 or more days within a year from the commencement of employment with paid sick days. Under this section, an employee shall accrue paid sick days at the rate of not less than one hour per every 30 hours worked, beginning at the commencement of employment.
- 22. In their defense, Defendants would have argued that there was no specific policy that Plaintiff could cite wherein sick pay was incorrectly calculated. Defendants would have also argued that to the extent a trier of fact could find that sick pay not properly calculated, it would have occurred only a few times during the Class Period, a result of situation-specific errors rather than any policy for calculating pay incorrectly. Plaintiff estimated the value of her sick pay claim for settlement purposes as follows: 71,738 total class workweeks × at least one hour of off-the-clock work per week ÷ 30 hours × \$15.13 average hourly wage × 25% chance of recovering maximum damages at trial = \$9,044.97.
- 23. Wage Statement Claim—Labor Code section 226(a) provides, in pertinent part, that an employer must provide an "accurate itemized" wage statement showing net and gross wages earned.

 Cal. Lab. Code § 226(a). "[A]n employee has a statutory right to an accurate pay stub." Based on the preceding allegations, Plaintiff alleges that Defendants issued Class Members incorrectly itemized wage statements. Although wage statement claims are readily certifiable, they are vulnerable to an unfavorable disposition on summary judgment as defendants commonly argue that, without more, wage statement claims are nothing but technical violations for which Class Members suffer no injury. Specifically, Labor

² Jaimez v. Daiohs USA, Inc., 181 Cal. App. 4th 1286, 1306 (2010) ("Jaimez"); see also Kisliuk v. ADT Sec. Servs., 263 F.R.D. 544, 548 (C.D. Cal. 2008). "The purpose of the wage statement requirement is to provide transparency as to the calculation of wages. A complying wage statement accurately reports most of the information necessary for an employee to verify if he or she is being properly paid in accordance with the law and that deductions from wages are proper." DLSE Opinion Letter 2006.07.06 at 2.

Code section 226 claim imposes penalties only for "knowing and intentional" failures to comply with the statute's itemization requirements. In *Naranjo v. Spectrum Sec. Servs., Inc.*, 88 Cal. App. 5th 937 (2023), the California court of appeal found that if a "good faith dispute" exists as to whether wages are due to an employee, then the employer is not liable for wage statement penalties.

- 24. Moreover, Labor Code section 226 requires the employee to prove not only that the violation was "knowing and intentional," but that the violation resulted in an "injury." Defendants would have argued that the "deprivation of [the] information [required by 226(a)]," by itself, is not a cognizable injury. *Price v. Starbucks Corp.*, 192 Cal. App. 4th 1136, 1142-1143 (2011) (internal citations omitted); see also Maldonado v. Epsilon Plastics, Inc., 22 Cal. App. 5th 1308, 1334 (2018) ("But inaccurate wage statements alone do not justify penalties; the plaintiffs must establish injury flowing from the inaccuracy").
- 25. Given the difficulty of proving that Defendants had no tenable good faith defenses, but rather knowingly and intentionally violated Section 226, Plaintiff estimated the value of the wage statement claim as follows: 21,318 wage statements issued during the 1-year statute of limitations period × \$50 penalty per violation × 10% chance of recovering maximum penalties at trial = \$106,590.00.
- 26. **Final Pay Claim**—Based on the forgoing allegations, Plaintiff alleges that Defendants are liable for statutory penalties under Labor Code section 203. Section 203 provides that "the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced; but the wages shall not continue for more than 30 days."
- 27. Although Section 203 penalties are relatively straightforward to calculate, the analysis becomes more difficult for settlement purposes as derivative waiting-time penalties are only as strong as the underlying predicate claims and are subject to good faith defenses. For example, defendants commonly argue that no waiting-time penalties can be awarded unless the failure to pay wages is "willful," an element that Plaintiff acknowledges would have been difficult to prove. The California Code of Regulations specifically provides:

A willful failure to pay wages within the meaning of Labor Code Section 203 occurs when an employer intentionally fails to pay wages to an employee when those wages are due. However, a good faith dispute that any wages are due will preclude imposition of waiting time penalties under Section 203...

A "good faith dispute" that any wages are due occurs when an employer presents a defense, based in law or fact which, if successful, would preclude any recover[y] on the part of the employee. The fact that a defense is ultimately unsuccessful will not preclude a finding that a good faith dispute did exist. Defenses presented which, under all the circumstances, are unsupported by any evidence, are unreasonable, or are presented in bad faith, will preclude a finding of a "good faith dispute."

Cal. Code Regs. tit. 8, § 13520.

- 28. Subsequent California cases have held that a good faith dispute as to whether wages were owed (including a good faith belief in a legal defense) precludes an award of waiting time penalties under Section 203. *Nordstrom Comm'n Cases*, 186 Cal. App. 4th 576, 584 (2010) ("There is no willful failure to pay wages [under Section 203] if the employer and employee have a good faith dispute as to whether and when the wages were due"); *see also Armenta v. Osmose, Inc.*, 135 Cal. App. 4th 314, 325 (2005) ("A good faith belief in a legal defense will preclude a finding of willfulness").
- 29. And case law interpreting "willful" holds that even unsuccessful good faith defenses will be sufficient to preclude recovery so long as an employer's "position is not so untenable as to constitute bad faith" or is not supported by any evidence. *See Estrada v. Royalty Carpet Mills, Inc.*, 76 Cal. App. 5th 685, 708, 729 (2022) (finding no liability under Section 203 when the company had a good faith dispute that meal period premiums were owed due to an on-duty meal period policy that restricted employee freedom during meal periods while paying regular wages, even though the policy was found to be unlawful); *see also Woods v. Vector Mktg. Corp.*, No. C-14-0264 EMC, 2015 WL 2453202, at *4 (N.D. Cal. May 22, 2015) (holding that the employer's defense that the plaintiff was properly classified, even if ultimately unsuccessful at trial, was insufficient to amount to a "willful" violation of 203 and granting summary judgment on those claims because the plaintiff could point to no evidence that the defense was raised in bad faith or was unsupported by the evidence).
- 30. Given the inherent difficulty of proving that Defendants had no tenable good faith defenses—i.e., that Defendants knowingly violated the Labor Code—Plaintiff estimated the value of her claim for waiting-time penalties follows: \approx 1,000 former employees \times \$15.13 average hourly wage \times 8 hours/day \times 30 days \times 10% chance of recovering maximum penalties at trial = \$363,120.00.
- 31. **The Gross Settlement Amount is Fair, Adequate, and Reasonable**: Plaintiff determined that it would be reasonable to settle for approximately 50% of Defendant's estimated

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exposure for settlement purposes. Such a discount is inherently reasonable given that Plaintiff would have had to overcome multiple, dependent contingencies to prevail on her claims. If anything, the projected odds for each of the above contingencies is generous to the class's position, since plaintiffs in employment cases rarely prevail on all of the claims at any of these dispositive stages. Courts routinely approve settlements that provide a similar discounted range of the maximum potential recovery. *See, e.g., In re Warfarin Sodium Antitrust Litig.*, 212 F.R.D. 231, 256-58 (D. Del. 2002) (recognizing that a reasonable settlement amount can be 1.6% to 14% of the total estimated damages); *In re Armored Car Antitrust Litig.*, 472 F. Supp. 1357, 1373 (N.D. Ga. 1979) (settlements with a value of 1% to 8% of the estimated total damages were approved); *In re Four Seasons Secs. Laws Litig.*, 58 F.R.D. 19, 37 (W.D. Okla.1972) (approving 8% of damages); *Balderas v. Massage Envy Franchising, LLP*, 2014 WL 3610945, at *5 (N.D. Cal. July 21, 2014) (finding that settlement which amounted to 8% of maximum recovery "[fell] within the range of possible initial approval based on the strength of plaintiff's case and the risk and expense of continued litigation."); *In re Omnivision Techs., Inc.*, 559 F. Supp. 2d 1036, 1042 (N.D. Cal. 2008) (approving settlement of 6% to 8% of estimated damages).³

THE CONSIDERATION PROVIDED FOR THE PAGA CLAIM IS FAIR AND REASONABLE IN LIGHT OF THE AMOUNT IN CONTROVERSY DISCOUNTED BY THE RISKS OF CONTINUED LITIGATION

32. Pursuant to the Settlement Agreement, \$15,000 from the Gross Settlement Amount shall be allocated to the resolution of the PAGA claim, of which 75% (i.e., \$11,250) will be paid directly to the LWDA, and the remaining 25% (i.e., \$3,750) will be paid to Aggrieved Employees. (Settlement

³ See also In re Uber FCRA Litig., No. 14-CV-05200-EMC, 2017 WL 2806698, at *7 (N.D. Cal. June 29, 2017) (granting preliminary approval to class action settlement where gross settlement fund, prior to deducting attorneys' fees and services awards, was valued at 7.5% or less of total possible verdict); Viceral v. Mistras Grp., Inc., No. 15-CV-02198-EMC, 2016 WL 5907869, at *7 (N.D. Cal. Oct. 11, 2016) (granting preliminary approval to class action settlement representing "8.1% of the full verdict value" with net settlement amount representing approximately 5.3% of full verdict value); Stovall-Gusman v. W.W. Granger, Inc., No. 13-cv-02540-HSG, 2015 WL 3776765, at *4 (N.D. Cal. June 17, 2015) (granting final approval to settlement with net recovery to Plaintiffs valued at 7.3% of potential maximum recovery); Cruz v. Sky Chefs, Inc., No. 12-cv-02705-DMR, 2014 WL 7247065, at *5 (N.D. Cal. Dec. 19, 2014) (granting final approval where gross settlement amount represented 8.6% of the maximum potential recovery from the class claims and estimated amount distributable to class after accounting for attorneys' fees and other deductions represented approximately 6.1% of maximum potential recovery); In re LDK Solar Sec. Litig., No. 07-cv-05182-WHA, 2010 WL 3001384, at *2 (N.D. Cal. July 29, 2010) (granting final approving where "[t]he proposed settlement amount is [...] only about five percent of the estimated damages before fee and costs—even before any reduction thereof for attorney's fees and costs.").

Agreement \P 3.2.5.)

33. This result was reached after good-faith negotiation between the parties. The amount was valued as follows: Based on information and evidence produced by Defendants during discovery, Plaintiff's Counsel determined that aggrieved employees worked a combined total of approximately 21,318 pay periods during the PAGA statute of limitations period ("PAGA Period"). Statutory penalties would be calculated according to Labor Code 2699(f)(2): If, at the time of the alleged violation, the person employs one or more employees, the civil penalty is one hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation.

- 34. However, a number of courts have found that the "subsequent" penalty under PAGA applies only after a <u>court</u> or the <u>Labor Commissioner</u> determines that the employer has violated the Labor Code. *See Gunther v. Alaska Airlines, Inc.*, 72 Cal. App. 5th 334, 356 (2021) ("the increased \$200 civil penalty for 'subsequent violation[s]' does not apply unless [Plaintiff] presents evidence that the Labor Commission or a court notified [Defendant] that it was in violation of the Labor Code."); *Bernstein v. Virgin Am., Inc.*, 990 F.3d 1157, 1173 (9th Cir. 2021) (reversing judgment as to "heightened civil penalties" because the defendant was not given notice by the Labor Commissioner when the "subsequent" violations occurred). Under this line of cases, Defendants' exposure would be approximately \$2,131,800 = 21,318 violative pay periods × \$100.
- 35. It should be noted that PAGA gives the Court wide latitude to reduce the amount of civil penalties "based on the facts and circumstances of a particular case" when "to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory." Cal. Lab. Code § 2699(h). In

⁴ See also Vieyara-Flores v. Sika Corp., No. EDCV19606JVSKKX, 2019 WL 2436998, at *5 (C.D. Cal. June 10, 2019) ("employers are not subject to heightened penalties . . . until a court or commissioner notifies the employer that it is in violation of the Labor Code . . . [Plaintiff] has not offered evidence that the Labor Commission or a court has notified them of PAGA violations [thus] PAGA's heightened penalty of \$200 for subsequent violations will not be calculated to determine the amount in controversy"); Chen v. Morgan Stanley Smith Barney, LLC, No. 8:14-CV-01077 ODW (FFMx), 2014 WL 4961182 (C.D. Cal., October 2, 2014) ("Under the Labor Code, if an employer does not have notice that they are committing a violation, they are not subject to the heightened penalties."); Trang v. Turbine Engine Components Technologies Corp., No. CV 12–07658 DDP (RZx), 2012 WL 6618854 (C.D. Cal. Dec. 19, 2012) ("courts have held that employers are not subject to heightened penalties for subsequent violations unless and until a court or commissioner notifies the employer that it is in violation of the Labor Code"), citing Amaral v. Cintas Corp. No. 2, 163 Cal. App. 4th 1157 (2008).

reducing PAGA penalties, courts have considered issues including whether the employees suffered actual injury from the violations, whether the defendant was aware of the violations, and the employer's willingness to fix the violation. *Carrington v. Starbucks Corp.*, 30 Cal. App. 5th 504, 528 (2018) (awarding PAGA penalties of only 0.2% of the maximum); *see also Cotter v. Lyft, Inc.*, 193 F. Supp. 3d 1030, 1037 (N.D. Cal. 2016); *Fleming v. Covidien Inc.*, No. ED CV 10-01487 RGK (OPX), 2011 WL 7563047, at *4 (C.D. Cal. Aug. 12, 2011).

- 36. For example, during the penalty phase of trial in *Carrington*, the plaintiff requested PAGA penalties in the amount of approximately \$70 million. The trial court instead awarded only \$150,000—or 0.21% of the maximum—and stated that this reduction was warranted because (a) the Court did not believe it was appropriate to impose multiple penalties per pay period in which a violation occurred and (b) imposing the maximum penalty would be "unjust, arbitrary, and oppressive" based on Starbucks's "good faith attempts" to comply with meal period obligations and because the court found the violations were minimal. *Carrington*, 30 Cal. App. 5th at 517-18. The Court of Appeal affirmed the lower court's reduced award of a \$150,000 penalty under PAGA. *Id.* at 529. If a similar reduction had been applied here, Plaintiff would have recovered only approximately \$4,476.78 (\$2,131,800 × 0.0021 reduction).
- \$500,000 instead of maximum penalties of \$2.8 million. *Covidien*, 2011 WL 7563047 at *4; *see also Thurman v. Bayshore Transit Mgmt.*, 203 Cal. App. 4th 1112, 1135-36 (2012) (affirming 30% reduction under specified PAGA claim where the employer produced evidence that it took its obligations seriously); *Elder v. Schwan Food Co.*, No. B223911, 2011 WL 1797254, at *5-*7 (Cal. Ct. App. May 12, 2011) (reversing trial court decision denying any civil penalties where violations had been proven, remanding for the trial court to exercise discretion to reduce, but not wholly deny, civil penalties); *Li v. A Perfect Day Franchise, Inc.*, No. 5:10-CV-01189-LHK, 2012 WL 2236752, at *17 (N.D. Cal. June 15, 2012) (denying PAGA penalties for violation of California Labor Code section 226 as redundant with recovery on a class basis pursuant to California Labor Code section 226, directly); *Aguirre v. Genesis Logistics*, No. SACV 12-00687 JVS (ANx), 2013 WL 10936035 at *2-*3 (C.D. Cal. Dec. 30, 2013) (reducing penalty for past PAGA violations from \$1.8 million to \$500,000, after rejecting numerous

other PAGA claims).

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38. Plaintiff therefore determined an appropriate range of settlement for PAGA penalties as a percentage of the settlement range that was consistent with other hybrid class/PAGA settlements approved by California courts. 5 Where PAGA penalties are negotiated in good faith and "there is no indication that [the] amount was the result of self-interest at the expense of other Class Members," such amounts are generally considered reasonable. Hopson v. Hanesbrands Inc., No. CV-08-0844 EDL, 2009 WL 928133, at *9 (N.D. Cal. Apr. 3, 2009); see, e.g., Nordstrom Com. Cases, 186 Cal. App. 4th 576, 579 (2010) ("[T]rial court did not abuse its discretion in approving a settlement which does not allocate any damages to the PAGA claims.").

CAPSTONE LAW APC FIRM PROFILE

- 39. Since its founding in 2012, Capstone has emerged as a major force in aggregate litigation, making law on cutting-edge issues.
- 40. In February, 2015, Ryan H. Wu and I were honored with the California Lawyer Attorney of the Year (CLAY) award in labor and employment for our work in the landmark case Iskanian v. CLS Transportation Los Angeles, 59 Cal.4th 348 (2014), which preserved the right of California workers to bring representative actions under the Labor Code Private Attorneys General Act ("PAGA") notwithstanding a representative action waiver in an arbitration agreement.

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⁵ Dearaujo v. Regis Corp., No. 2:14-cv-01408-KJM-AC, 2016 WL 3549473 at *3 (E.D. Cal. June 29, 2016) (preliminarily approving \$1.95 million settlement containing \$10,000 PAGA penalties with \$7,500 paid to LWDA); Garcia v. Gordon Trucking, Inc., No. 1:10–CV–0324 AWI SKO, 2012 WL 5364575 at *7 (E.D. Cal. Oct. 31, 2012) (approving \$3.7 million settlement containing \$10,000 PAGA penalties with \$7,500 paid to LWDA); Chu v. Wells Fargo Invst., LLC, No. C 05–4526 MHP, 2011 WL 672645 at *1 (N.D. Cal Feb. 16, 2011) (approving \$6.9 million settlement containing \$10,000 PAGA penalties with \$7,500 paid to LWDA); Guerrero v. R.R. Donnelley & Sons Co., Case No. RIC 10005196 (Riverside County Super. Ct. July 16, 2013; Judge Matthew C. Perantoni) (gross settlement fund of \$1,100,000, of which \$3,000 (or 0.3%) was allocated to the settlement of PAGA penalties); Parra v. Aero Port Services, Inc., No. BC483451 (L.A. County Super. Ct. April 20, 2015; Judge Jane Johnson) (gross settlement fund of approximately \$1,458,900, of which \$5,000 (or 0.3%) was allocated to the settlement of PAGA penalties); Thompson v. Smart & Final, Inc., No. BC497198 (L.A. County Super. Ct. Nov. 18, 2014; Judge William F. Highberger) (gross settlement fund of \$3,095,000, of which approximately \$13,333 (or 0.4%) was allocated to the settlement of PAGA penalties); Chavez v. Vallarta Food Enterprises, Inc., No. BC490630 (L.A. County Super. Ct. Nov. 10, 2014; Judge William F. Highberger) (gross settlement fund of \$1,545,900, of which \$10,000 (or 0.6%) was allocated to the settlement of PAGA penalties); Coleman v. Estes Express Lines, Inc., No. BC429042 (L.A. County Super. Ct. Oct. 3, 2013; Judge Kenneth R. Freeman) (gross settlement fund of \$1,535,000, of which \$1,000 (or 0.1%) was allocated to the settlement of PAGA penalties).

- 41. Recognized as a leading firm in the prosecution of PAGA enforcement actions,
 Capstone is responsible for some of the most important decisions in this area. In *Williams v. Superior*Court (Marshalls of Calif.), 3 Cal.5th 531 (2017), Capstone attorneys achieved a watershed decision
 before the California Supreme Court as to the broad scope of discovery in PAGA actions. In *Baumann v.*Chase Inv. Servs. Corp, 747 F.3d 1117 (9th Cir. 2014), a case of first impression, Capstone successfully argued that PAGA actions are state enforcement actions not covered by the Class Action Fairness Act.
- 42. Capstone has made important contributions to consumer protection law. In *McGill v*. *Citibank N.A.*, 2 Cal. 5th 945 (2017), Capstone represented plaintiffs in a major decision holding that the right to seek public injunctive relief under the state's consumer protection laws cannot be waived and that consumers need not satisfy class certification requirements to enjoin unfair business practices on behalf of the public. In *Nguyen v. Nissan N.A.*, 726 F.3d 811 (9th Cir. 2019), Capstone attorneys reversed a denial of class certification, making law that clarified the use of "benefit of the bargain" damages models in consumer class actions.
- 43. Capstone served as class counsel in a number of significant wage and hour settlements, including \$12 million on behalf of a nationwide class of in *Hightower v. JPMorgan Chase Bank*, Case No. 11-01802 (C.D. Cal.), over \$10 million on behalf of non-exempt hourly workers in *Zamora v. Balboa Life & Casualty LLC*, Case No. BC360026 (L.A. Super. Ct.); and \$9 million on behalf of pharmacists in *Dittmar v. Costco Wholesale Corp.*, No. 14-1156 (S.D. Cal.). In *Vorise v. 24 Hour Fitness USA, Inc.*, No. C 15-02051 (Contra Costa Super. Ct.), Capstone and co-counsel negotiated an \$11 million PAGA settlement on behalf of over 36,000 employees for Labor Code violations.
- 44. Capstone has an established practice in automotive defect class actions and is currently appointed sole class counsel, following contested class certification, in *Victorino v. FCA US, LLC*, No. 16-1617-GPC, 2019 WL 5268670 (S.D. Cal. Oct. 17, 2019) and *Salas v. Toyota Motor Sales, U.S.A., Inc.*, No. 15-8629-FMO, 2019 WL 1940619 (C.D. Cal. Mar. 27, 2019).
- 45. Capstone has settled over 100 high-stakes class and representative actions. Capstone's settlements have directly compensated hundreds of thousands of California workers and consumers. Capstone's actions have also forced employers to modify their policies for the benefit of employees, including changing the compensation structure for commissioned employees and changing practices to

1	ensure that w	orkers will be able	e to take timely rest and meal breaks. A leader in prosecuting PAGA
2	enforcement a	actions, Capstone	has secured millions of dollars in civil penalties for the State of
3	California.		
4	46.	The following	is a representative sample of Capstone's settlements:
5		a.	Navarro v. United Parcel Service, Inc., No. BC592098 (LA County
6			Superior Court): gross settlement of \$16.5 million on behalf of
7			approximately 180,000 non-exempt employees for wage and hour
8			violations;
9		b.	Hightower et al v. Washington Mutual Bank, No. 2:11-cv-01802-PSG-
10			PLA (N.D. Cal.): gross settlement of \$12 million on behalf of
11			approximately 150,000 personal bankers, tellers, sales associates, and
12			assistant branch manager trainees for wage and hour violations;
13		c.	Vargas v. Ford Motor Co., 12-08388-AB (C.D. Cal.): providing cash
14			payments and unique buyback program for nearly 2 million consumers;
15		d.	Moore v. Petsmart, Inc., No. 5:12-cv-03577-EJD (N.D. Cal.): gross
16			settlement of \$10 million on behalf of over 19,000 non-exempt
17			PetSmart employees for wage and hour violations;
18		e.	Dittmar v. Costco Wholesale Corp., No. 14-1156 (S.D. Cal.): gross
19			settlement of \$9 million on behalf of approximately 1,200 pharmacists
20			for wage and hour violations;
21		f.	Perrin v. Nabors Well Services Co., No. 56-2007-00288718 (Ventura
22			Super. Ct.): gross settlement of over \$6.5 million on behalf of oil rig
23			workers for sleep time and other wage violations;
24		g.	Cook v. United Insurance Co., No. C 10-00425 (Contra Costa Super.
25			Ct.): gross settlement of \$5.7 million on behalf of approximately 650
26			sales representatives;
27		h.	Alvarez v. MAC Cosmetics, Inc., No. CIVDS1513177 (San Bernardino
28			Super. Ct.): gross settlement of \$5.5 million for approximately 5,500 Page 16

1		non-exempt employees.
2	i.	Aceves v. AutoZone, Inc., No. 14-2032 (C.D. Cal.): gross settlement of
3		\$5.4 million in a case alleging FCRA violations;
4	j.	Berry v. Urban Outfitters Wholesale, Inc., No. 13-02628 (N.D. Cal.):
5		gross settlement of \$5 million on behalf of over 12,000 nonexempt
6		employees;
7	k.	The Children's Place Retail Stores Wage & Hour Cases, No. JCCP
8		4790: gross settlement of \$5 million on behalf of 15,000 non-exempt
9		employees;
10	1.	York v. Starbucks Corp., Case No. 08-07919 (C.D. Cal.): gross
11		settlement of nearly \$5 million on behalf of over 100,000 non-exempt
12		workers for meal break and wage statement claims;
13	m.	Rodriguez v. Swissport USA, No. BC 441173 (Los Angeles Super. Ct.):
14		gross settlement of nearly \$5 million on behalf of 2,700 non-exempt
15		employees following contested certification;
16	n.	Asghari v. Volkswagen Group of North America, Case No. 13-02529
17		(C.D. Cal.): Settlement providing complementary repairs of oil
18		consumption defect, reimbursement for repairs, and extended warranty
19		coverage of certain Audi vehicles valued at over \$20 million;
20	0.	Klee v. Nissan of North America, Case No. 12-08238 (C.D. Cal.):
21		Settlement providing complimentary electric vehicle charging cards and
22		extending warranty coverage for the electric battery on the Nissan Leaf
23		valued at over \$10 million.
24	47. Attached as 1	Exhibit 1 is a true and correct copy of Capstone's firm resume.
25		ATTORNEYS' FEES AND COSTS
26	48. I have review	ved a summary of the billing records for this action, which are maintained
27	during the regular course of b	business and billed contemporaneously. The bill for attorneys' fees is
28	summarized in the chart belo	w:
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Attorney	Title	CA Bar Yr.	Rate	Hours	Fees
Raul Perez	Partner	1994	\$950	7	\$6,650.00
Bevin Allen Pike	Partner	2002	\$750	13.7	\$10,275.00
Eduardo Santos	Senior Counsel	2007	\$650	18.6	\$12,090.00
Jamie Greene	Partner	2007	\$650	11.8	\$7,670.00
Daniel Jonathan	Senior Counsel	2009	\$625	49.1	\$30,687.50
Total				100.2	\$67,372.50

49. While adjusting our rates to track market increases, Capstone's rates have steadily remained reasonable and competitive, and have been consistently approved by many federal and state courts over the past several years. See, e.g., Ayala v. RHR California Services, LLC, No. (San Mateo Superior Court April 25, 2025) (approving Capstone's rates for Associates (\$425-\$475) and Senior Counsel/Partners (\$625-\$950)); Manriquez v. Sonic, No. STK-CV-UOE-2021-0006622 (San Joaquin County Superior Court April 17, 2025) (approving Capstone's rates for Associates (\$450-\$525) and Senior Counsel/Partners (\$625-\$950)); Torres v. Hard Rock International, Inc., No. 23STCV11468 (Los Angeles Superior Court Jan. 21, 2025) (approving Capstone's rates for Associates (\$425-\$475) and Senior Counsel/Partners (\$625-\$950)); Quintero v. JC Resorts LLC, No. CIVSB2115731 (San Bernardino County Superior Court Dec. 9, 2024) (approving Capstone's rates for Senior Counsel/Partners (\$600-\$950)); Simmons v. Gary & Becky Vick, Inc., No. 23CV000951 (Monterey County Superior Court Nov. 18, 2024) (approving Capstone's rates for Associates (\$425-\$550) and Senior Counsel/Partners (\$625-\$950)); Bainbridge v. Avanti Install California, LLC, No. 34-2022-00331897-CU-OE-GDS (Sacramento County Superior Court Nov. 18, 2024) (approving Capstone's rates for Senior Counsel/Partners (\$475-\$950)); Le v. Independent Options, Inc., No. 37-2022-00046457-CU-OE-CTL (San Diego County Superior Court Aug. 30, 2024) (approving Capstone's rates for Associates (\$425-\$475) and Senior Counsel/Partners (\$625-\$950)); Jones v. LA Live Theatre LLC, No. BC687908 (Los Angeles County Superior Court Aug. 22, 2024) (approving Capstone's rates for Associates (\$475-\$550) and Senior Counsel/Partners (\$600-\$950)); *Qadree v. ADT LLC*, No. STK-CV-UOE-20203022 (San Joaquin County Superior Court Aug. 20, 2024) (approving Capstone's rates for an Associate (\$500) and Senior Counsel/Partners (\$625-\$950)); Moreno v. Farooqi Food Management, Inc., No. 37-2022-00033791-CU-OE-CTL (San Diego County Superior Court July 31, 2024) (approving Capstone's rates for an Associate (\$475) and Senior Counsel/Partners (\$625-\$950)); Hussain v. Wilshire

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HM, LLC, No. 20STCV37515 (Los Angeles County Superior Court July 2, 2024) (approving Capstone's rates for Associates (both \$475) and Senior Counsel/Partners (\$600-\$950)); Miller v. Rack Room Shoes, Inc., No. BCV-22-101870 (Kern County Superior Court May 23, 2024) (approving Capstone's rates for an Associate (\$425) and Senior Counsel/Partners (\$625-\$950)); Kelly v. Arizona Pipeline Company, No. CIVDS1812287 (San Bernardino County Superior Court March 4, 2024) (approving Capstone's rates for Associates (\$475-\$600) and Senior Counsel/Partners (\$625-\$950)).

50. Other courts have approved hourly rates in this range for plaintiff's side law firms. See Marshall v. Northrup Grumman Corp., No. 16-cv-06794, 2020 WL 5668935, at *7 (C.D. Cal. Sept. 18, 2020) (approving attorney rates between \$490 and \$1,060 per hour); Edwards v. First Am. Corp., No. 07-cv-03796, 2016 WL 8999934, at *5 (C.D. Cal. Oct. 4, 2016) (rates of up to \$990 found reasonable); *Urakhchin v. Allianz Asset Mgmt. of Am., L.P.*, No. 15-cv-01614, 2018 WL 8334858, at *6 (C.D. Cal. July 30, 2018) (approving billing rates between \$600 and \$825 per hour for attorneys with more than ten years of experience, \$325 to \$575 per hour for attorneys with 10 or fewer years of experience, and \$250 per hours for paralegals and clerks); Gutierrez v. Wells Fargo Bank, N.A., No. 07-cv-05923, 2015 WL 2438274, at *5 (N.D. Cal. May 21, 2015) (rates ranging \$475-\$975 for partners, \$300-\$490 for associates); In re Toyota Motor Corp. Unint. Accel. Mktg., Sales Pracs., & Prods. Liab. Litig., No. 10ml-02151, 2013 WL 12327929, at *33 n.13 (C.D. Cal. July 24, 2013) (rates ranging from \$150-\$950); Hashemi v. Bosley, Inc., No. CV 21-946 PSG (RAOX), 2022 WL 18278431, at *10 (C.D. Cal. Nov. 21, 2022) (finding that, in Los Angeles, partners litigating class action matters have hourly rates ranging from \$304 to \$965, and associates have hourly rates ranging from \$287 to \$719); Alvarez v. Sirius XM Radio Inc., No. CV 18-8605 JVS(SSX), 2021 WL 1234878, at *11 (C.D. Cal. Feb. 8, 2021) (finding hourly rates ranging from \$450 for an associate to \$950 for a partner "are reasonable given prevailing rates in the Los Angeles region"); In re MacBook Keyboard Litig., No. 5:18-CV-02813-EJD, 2023 WL 3688452, at *15 (N.D. Cal. May 25, 2023) (approving rates in a class action of \$875–\$1,195 per hour for partners; \$385–\$850 per hour for associates).

- 51. Finally, Capstone's rates are in line with the adjusted Laffey Matrix, which is a fee scale that courts often consult in determining the reasonableness of hourly rates. *See* **Exhibit 2**.
 - 52. As summarized in the table below, counsel has incurred a total of \$941.58 in costs and Page 19

1 expenses to date.

Cost & Expense Categories	Amount
Copying, Printing & Scanning and Facsimiles	\$41.00
Court Fees, Courier Fees, Filings & Service of Process	\$841.90
Research Services (PACER, Westlaw, etc.)	\$58.68
Total	\$941.58

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 2nd day of June, 2025, at Los Angeles, California.

Raul Perez

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Exhibit 1



FIRM PROFILE

Capstone Law APC is one of California's largest plaintiff-only labor and consumer law firms. Since its founding in 2012, Capstone has emerged as a major force in aggregate litigation, making law on cutting-edge issues and obtaining over five hundred million dollars in recovery for employees and consumers:

- In February, 2015, Capstone attorneys Raul Perez and Ryan H. Wu were honored with the *California Lanyer* Attorney of the Year (CLAY) award in labor and employment for their work in the landmark case *Iskanian v. CLS Transportation Los Angeles*, 59 Cal.4th 348 (2014), which preserved the right of California workers to bring representative actions under the Labor Code Private Attorneys General Act ("PAGA") notwithstanding a representative action waiver in an arbitration agreement.
- Recognized as a leading firm in the prosecution of PAGA enforcement actions, Capstone is responsible for some of the most important decisions in this area. In Williams v. Superior Court (Marshalls of Calif.), 3 Cal.5th 531 (2017), Capstone attorneys achieved a watershed decision before the California Supreme Court as to the broad scope of discovery in PAGA actions. In Baumann v. Chase Inv. Servs. Corp, 747 F.3d 1117 (9th Cir. 2014), a case of first impression, Capstone successfully argued that PAGA actions are state enforcement actions not covered by the Class Action Fairness Act.
- Capstone has made important contributions to consumer protection law. In McGill v. Citibank N.A., 2 Cal. 5th 945 (2017), Capstone represented plaintiffs in a major decision holding that the right to seek public injunctive relief under the state's consumer protection laws cannot be waived and that consumers need not satisfy class certification requirements to enjoin unfair business practices on behalf of the public. In Nguyen v. Nissan N.A., 726 F.3d 811 (9th Cir. 2019), Capstone attorneys reversed a denial of class certification, making law that clarified the use of "benefit of the bargain" damages models in consumer class actions.
- Capstone served as class counsel in a number of significant wage and hour settlements, including \$16.5 million on behalf of a California class in Navarro v. United Parcel Service, Inc., BC592098 (Los Angeles Super. Ct.), \$12 million on behalf of a nationwide class of in Hightower v. JPMorgan Chase Bank, Case No. 11-01802 (C.D. Cal.), over \$10 million on behalf of non-exempt hourly workers in Zamora v. Balboa Life & Casualty LLC, Case No. BC360026 (L.A. Super. Ct.); and \$9 million on behalf of pharmacists in Dittmar v. Costco Wholesale Corp., No. 14-1156 (S.D. Cal.). In Vorise v. 24 Hour Fitness USA, Inc., No. C 15-02051 (Contra Costsa Super. Ct.), Capstone and co-counsel negotiated an \$11 million PAGA settlement on behalf of over 36,000 employees for Labor Code violations.
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SUMMARY OF SIGNIFICANT SETTLEMENTS

Since its founding, Capstone has settled over 500 high-stakes class and representative actions totaling well over \$500 million dollars. Capstone's settlements have directly compensated hundreds of thousands of California workers and consumers. Capstone's actions have also forced employers to modify their policies for the benefit of employees, including changing the compensation structure for commissioned employees and changing practices to ensure that workers will be able to take timely rest and meal breaks. A leader in prosecuting PAGA enforcement actions, Capstone has secured millions of dollars in civil penalties for the State of California.

The following is a representative sample of Capstone's settlements:

- *Vargas v. Ford Motor Co.*, 12-08388-AB (C.D. Cal.): providing cash payments and unique buyback program that will pay out more than \$100 million to class members;
- Navarro et al v. United Parcel Service, Inc., No. BC592098 (Los Angeles Super. Ct.): gross settlement of \$16.5 million on behalf of approximately 180,000 non-exempt employees;
- Hightower et al v. Washington Mutual Bank, No. 2:11-cv-01802-PSG-PLA (N.D. Cal.): gross settlement of \$12 million on behalf of approximately 150,000 personal bankers, tellers, sales associates, and assistant branch manager trainees for wage and hour violations;
- Moore v. Petsmart, Inc., No. 5:12-cv-03577-EJD (N.D. Cal.): gross settlement of \$10 million on behalf
 of over 19,000 non-exempt PetSmart employees for wage and hour violations;
- *Dittmar v. Costco Wholesale Corp.*, No. 14-1156 (S.D. Cal.): gross settlement of \$9 million on behalf of approximately 1,200 pharmacists for wage and hour violations;
- *Perrin v. Nabors Well Services Co.*, No. 56-2007-00288718 (Ventura Super. Ct.): gross settlement of over \$6.5 million on behalf of oil rig workers for sleep time and other wage violations;
- Cook v. United Insurance Co., No. C 10-00425 (Contra Costa Super. Ct.): gross settlement of \$5.7 million on behalf of approximately 650 sales representatives;
- Alvarez v. MAC Cosmetics, Inc., No. CIVDS1513177 (San Bernardino Super. Ct.): gross settlement of \$5.5 million for approximately 5,500 non-exempt employees.
- Aceves v. AutoZone, Inc., No. 14-2032 (C.D. Cal.): gross settlement of \$5.4 million in a case alleging FCRA violations;
- Berry v. Urban Outfitters Wholesale, Inc., No. 13-02628 (N.D. Cal.): gross settlement of \$5 million on behalf of over 12,000 nonexempt employees;
- The Children's Place Retail Stores Wage & Hour Cases, No. JCCP 4790: gross settlement of \$5 million on behalf of 15,000 nonexempt employees;
- York v. Starbucks Corp., Case No. 08-07919 (C.D. Cal.): gross settlement of nearly \$5 million on behalf of over 100,000 non-exempt workers for meal break and wage statement claims;
- Rodriguez v. Swissport USA, No. BC 441173 (Los Angeles Super. Ct.): gross settlement of nearly \$5 million on behalf of 2,700 non-exempt employees following contested certification;
- Asghari v. Volkswagen Group of North America, Case No. 13-02529 (C.D. Cal.): Settlement providing complementary repairs of oil consumption defect, reimbursement for repairs, and extended warranty coverage of certain Audi vehicles valued at over \$20 million.



PROFESSIONAL BIOGRAPHIES

Partners

Rebecca Labat. Rebecca Labat is co-managing partner of Capstone Law APC, supervising the litigation for all of the firm's cases. She also manages the firm's co-counsel relationships and assists the firm's other partners and senior counsel with case management and litigation strategy. Under Ms. Labat's leadership, Capstone has successfully settled over 100 cases, delivering hundreds millions of dollars to California employees and consumers while earning statewide recognition for its cutting-edge work in developing new law.

Ms. Labat's career accomplishments representing consumers and employees in class actions include the certification of a class of approximately 3,200 current and former automobile technicians and shop employees for the miscalculation of the regular rate for purposes of paying premiums for missed meal and rest breaks.

Before her work representing plaintiffs in class and representative actions, Ms. Labat was an attorney with Wilson Elser and represented life, health, and disability insurers in litigation throughout California in both state and federal courts. She graduated from the University of California, Hastings College of the Law in 2002, where she was a member of the Hastings Civil Justice Clinic, served as a mediator in Small Claims Court for the City and County of San Francisco, and received the CALI Award for Excellence in Alternative Dispute Resolution. She received her undergraduate degree from the University of California, Los Angeles. Ms. Labat is a member of the National Employment Lawyers Association (NELA), the Consumer Attorneys Association of Los Angeles (CAALA), and the Beverly Hills Bar Association.

Raul Perez. Raul Perez is co-managing partner at Capstone, and has focused exclusively on wage and hour and consumer class litigation since 2011. Mr. Perez is the lead negotiator on numerous large settlements that have resulted in hundreds of millions to low-wage workers across California, including many of the most valuable settlements reached by Capstone.

During his career, Mr. Perez has successfully certified by way of contested motion and/or been appointed Lead Counsel or Interim Lead Counsel in several cases, including: Lopes v. Kohl's Department Stores, Inc., Case No. RG08380189 (Alameda Super. Ct.); Hightower v. JPMorgan Chase Bank, Case No. 11-01802 (C.D. Cal.); Tameifuna v. Sunrise Senior Living Managements, Inc., Case No. 13-02171 (C.D. Cal.) (certified class of over 10,000 hourly-paid employees); and Berry v. Urban Outfitters Wholesale, Inc., Case No. 13-02628 (N.D. Cal.) (appointed lead counsel in a class action involving over 10,000 non-exempt employees). As the lead trial attorney in Iskanian v. CLS Transportation Los Angeles, 59 Cal. 4th 348 (2014), Mr. Perez, along with Mr. Wu, received the 2015 CLAY Award in labor and employment.

Mr. Perez received both his undergraduate degree and his law degree from Harvard University and was admitted to the California Bar in December 1994. Earlier in his career, Mr. Perez handled a variety of complex litigation matters, including wrongful termination and other employment related actions, for corporate clients while employed by some of the more established law firms in the State of California, including Morgan, Lewis & Bockius; Manatt Phelps & Phillips; and Akin Gump Strauss Hauer & Feld. Before Capstone, Mr. Perez was a partner at another large plaintiff's firm, helping to deliver millions of dollars in relief to California workers.

<u>Melissa Grant</u>. Melissa Grant is a partner and lead trial attorney at Capstone. Ms. Grant is responsible for litigating many of the firm's most contentious and high-stakes class actions and PAGA cases. The author of



numerous successful motions for class certification, Ms. Grant is the lead or co-lead attorney on numerous certified class actions currently on track for trial, representing over hundreds of thousands of California employees in pursuit of their wage and hour claims. She is also at the forefront in developing the law on the California Labor Code's Private Attorneys General Act (PAGA), including administrative exhaustion, the scope of discovery, manageability, and PAGA trial plans. Recently, Ms. Grant has taken two PAGA cases to trial and worked on several key PAGA appellate decisions, including *Williams v. Superior Court (Marshalls of CA LLC)*, 3 Cal.5th 531 (2017). Ms. Grant also represented the plaintiff in *Davidson v. Seterus, Inc.*, 21 Cal. App. 5th 283 (2018), which, in a case of first impression, found that the Defendant, a mortgage servicer, was a debt collector under California's Rosenthal Fair Debt Collection Practices Act. The case led to enactment of legislation that expressly includes "mortgage debt" within the Rosenthal Act's definition of "consumer credit" and amends the Rosenthal Act to expressly apply to debt collection activities involving residential mortgage loans.

Ms. Grant began her legal career as a law clerk for the Honorable Harry Pregerson, Justice, Ninth Circuit Court of Appeals. Thereafter, she was an associate with Sidley Austin LLP, where she represented Fortune 500 companies in commercial litigation and consumer class actions. Before joining Capstone, Ms. Grant was a Senior Associate with Quinn Emanuel Trial Attorneys, where she was on the trial team that prosecuted Mattel v. Bratz (I), and a staff attorney in the Enforcement Division of the Securities and Exchange Commission, investigating ongoing violations of federal securities regulations and statutes. Ms. Grant graduated summa cum laude and first in her class from Southwestern Law School in 1999, where she served as editor-in-chief of the Law Review. She earned her undergraduate degree from Cornell University's College of Arts & Sciences, where she received the JFK Public Service Award and the Outstanding Senior Award (graduating class of 4,000 students). Ms. Grant has been a panelist and speaker on PAGA actions and wage-and-hour class actions at various annual and biannual California Bar Association, California Law Association, and Bridgeport Continuing Education conferences. Her published articles include: Los Angeles Lawyer: A PAGA Rollercoaster (September 2023), Battling for ERISA Benefits in the Ninth Circuit: Overcoming Abuse of Discretion Review, 28 Sw. U. L. Rev. 93 (1998), and CLE Class Actions Conference (SF) CAFA: Early Decisions on Commencement and Removal of Actions (2006).

Ms. Grant is a member of the Los Angeles County Women Lawyers Association of Los Angeles, the Consumer Attorneys Association of Los Angeles (CAALA), and the Consumer Attorneys of California. She was recently named a 2024 Worker Health & Safety Hero by Worksafe for her work in advancing workplace safety and justice. She also currently serves on the Los Angeles County Bar Association's President's Commission on Women in the Legal Profession, the Subcommittee on Gender Bias and Civility, and the Amicus Subcommittee, and is a member of the Executive Board of Los Angeles Lawyer magazine. Ms. Grant was recognized by the Daily Journal as a Top Employment & Labor Attorney in 2023 and has been selected as one of Southern California's "Super Lawyers" in 2022, 2023, and 2024.

Ryan H. Wu. Ryan H. Wu is a partner at Capstone and is primarily responsible for complex motion work and supervising court approval of class action settlements. Mr. Wu handles many of the most challenging legal issues facing Capstone's clients, including the scope and operation of PAGA, contested attorneys' fees motions, responding to objectors, and high-impact appeals. Mr. Wu is responsible for the merits briefing in *McGill v. Citibank*, N.A., 2 Cal. 5th 945 (2017), where the California Supreme Court unanimously held that consumers' right to pursue public injunctive relief cannot be impeded by a contractual waiver or class certification requirements. He briefed the closely-watched *Williams v. Superior Court (Marshalls of CA LLC)*, 3 Cal.5th 531(2017), an important pro-employee ruling that broadened the scope of discovery in PAGA actions



and resolved a longstanding conflict regarding third-party constitutional privacy rights. He also authored the briefs in *Baumann v. Chase Inv. Servs. Corp*, 747 F.3d 1117 (9th Cir. 2014), where, on an issue of first impression, the Ninth Circuit sided with Plaintiffs in holding that PAGA actions are state enforcement actions not covered by the CAFA. In February 2015, Mr. Wu, along with Mr. Perez, received the prestigious CLAY award for his successful appellate work, including briefing to the California Supreme Court, in *Iskanian*. Mr. Wu recently achieved an important consumer victory in *Nguyen v. Nissan N.A.*, 932 F.3d 811 (9th Cir. 2019), which clarified the use of "benefit of the bargain" damages models in consumer class actions. He also oversees the firm's high-stakes fee disputes and settlement approval, with a highlight being his central role in achieving the highly publicized Ford transmission settlement, valued at over \$100 million.

Mr. Wu graduated from the University of Michigan Law School in 2001, where he was an associate editor of the *Michigan Journal of Law Reform* and contributor to the law school newspaper. He received his undergraduate degree in political science with honors from the University of California, Berkeley. He is a State Bar-certified Specialist in Appellate Law, and currently serves on the Committee for Appellate Courts for the California Lawyers Association (CLA) and the Los Angeles County Bar's State Appellate Judicial Evaluation Committee. He is an editor of CLA's monthly Litigation Update, and his work has been published by the California Litigation Review, California Labor & Employment Review, Daily Journal, and the Los Angeles Lawyer. He is a contributor to Continuing Education of the Bar (CEB) and is regularly invited to speak at professional conferences. He was named a Southern California Super Lawyer for 2023, 2024, 2025 and the 2024 Worker Health & Safety Hero by Worksafe for his work in advancing workplace safety and justice.

Robert Drexler. Robert Drexler is a partner with Capstone Law where he leads one of the firm's litigation teams prosecuting wage-and-hour class actions. He has more than 25 years of experience representing clients in wage-and-hour and consumer rights class actions and other complex litigation in state and federal courts. Over the course of his career, Mr. Drexler has successfully certified dozens of employee classes for claims such as misclassification, meal and rest breaks, and off-the-clock work, ultimately resulting in multi-million dollar settlements. He has also arbitrated and tried wage-and-hour and complex insurance cases. Mr. Drexler has been selected as one of Southern California's "Super Lawyers" in 2009 and every year from 2001 through 2024.

Before joining Capstone, Mr. Drexler was head of the Class Action Work Group at Khorrami Boucher, LLP and led the class action team at The Quisenberry Law Firm. Mr. Drexler graduated from Case Western Reserve University School of Law, where he served as Managing Editor of the Case Western Reserve Law Review and authored Defective Prosthetic Devices: Strict Tort Liability for the Hospital? 32 CASE W. RES. L. REV. 929 (1982). He received his undergraduate degree in Finance at The Ohio State University where he graduated *cum laude*. Mr. Drexler has been a member of Consumer Attorneys of California (CAOC) and Consumer Attorneys of Los Angeles (CAALA). He has been a featured speaker at class action and employment litigation seminars, and has published articles in CAOC's Forum Magazine and The Daily Journal.

Jamie Greene. Jamie Greene is a partner with Capstone Law, where she leads the firm's business development and case generation team. Ms. Greene is responsible for evaluating all potential new cases and referrals, developing new claims, and managing the firm's client and cocounseling relationships. She also supervises the pre-litigation phase for all cases, including investigation, analysis, and client consultation.

Before joining Capstone, Ms. Greene began her legal career at Makarem & Associates representing clients in a wide array of cases ranging from wrongful death, insurance bad faith, employment, personal injury,



construction defect, consumer protection, and privacy law. Ms. Greene is a graduate of the University of Southern California Gould School of Law and earned her bachelor's degree from Scripps College in Claremont, California.

Bevin Allen Pike. Bevin Allen Pike is a partner with Capstone Law, where she focuses primarily on wage-and-hour class actions. Ms. Pike has spent her entire legal career representing employees and consumers in wage-and-hour and consumer rights class actions. Over the course of her career, Ms. Pike has successfully certified dozens of employee and consumer classes for claims such as meal and rest breaks, unpaid overtime, off-the-clock work, and false advertising.

Before joining Capstone, Ms. Pike's experience included class and representative action work on behalf of employees and consumers at some of the leading plaintiffs' firms in California. Ms. Pike graduated from Loyola Law School, Los Angeles, where she was an Editor for the International and Comparative Law Review. She received her undergraduate degree from the University of Southern California. Ms. Pike has been selected as one of Southern California's "Super Lawyers – Rising Stars" every year from 2012 through 2015.

Senior Counsel

<u>Theresa Carroll</u>. Theresa Carroll is a senior counsel at Capstone Law. Her practice is devoted to the Appeals & Complex Motions team, working on various settlement and approval projects.

Prior to joining Capstone, Ms. Carroll was an associate with Parker Stanbury, LLP, advising small business owners on various employment matters and worked as an associate attorney for O'Donnell & Mandell litigating employment discrimination and sexual harassment cases. In 1995, she graduated from Southwestern University School of Law where she was on the trial advocacy team and was awarded the prestigious Trial Advocate of the Year award sponsored by the American Board of Trial Advocates (ABOTA) for Southwestern University School of Law. Ms. Carroll received her Bachelor of Science degree in speech with an emphasis in theatre from Iowa State University.

Liana Carter. Liana Carter is a senior counsel with Capstone Law APC, specializing in complex motions, writs, and appeals. Her work on recent appeals has included reversing a denial of class certification decision in *Brown v. Cinemark USA*, *Inc.*, No. 16-15377, 2017 WL 6047613 (9th Cir. Dec. 7, 2017), affirming a denial of a motion to compel arbitration in *Jacoby v. Islands Rests.*, L.P., 2014 Cal. App. Unpub. LEXIS 4366 (2014) and reversal of a dismissal of class claims in *Rivers v. Cedars-Sinai Med. Care Found.*, 2015 Cal. App. Unpub. LEXIS 287 (Jan. 13, 2015). Ms. Carter was responsible for drafting the successful petition for review in *McGill v. Citibank N.A.*, as well as the petition for review and briefing on the merits in *Williams v. Superior Court*, 2017 WL 2980258. Ms. Carter also has extensive prior experience in overseeing settlement negotiations and obtaining court approval of class action settlements.

Ms. Carter was admitted to the California bar in 1999 after graduating from the University of Southern California Gould School of Law, where she was an Articles Editor on the board of the *Southern California Law Review*. She received her undergraduate degree with honors from the University of California, Irvine.

Anthony Castillo. Anthony Castillo is a senior counsel with Capstone Law. His practice focuses on analyzing and developing pre-litigation wage-and-hour and consumer claims, including PAGA representative actions and class actions for failure to pay overtime and minimum wages, meal and rest period violations, and claims under the Fair Labor Standards Act and the Investigative Consumer Reporting Agency Act. Prior to joining Capstone, he was an associate at a California bankruptcy practice, where he represented individual and



business debtors in liquidations and re-organizations as well as various debt and foreclosure defense-related issues.

Mr. Castillo graduated from Loyola Law School, Los Angeles in 2009, where he volunteered with the Disability Rights Legal Center. He attended Stanford University for his undergraduate degree, majoring in Political Science and minoring in History. Anthony is admitted to practice law in California and Washington and before the United States District Court for the Central and Southern Districts of California.

Abigail Gertner. Abigail Gertner is a senior counsel with Capstone Law. Ms. Gertner pursues automotive defect and other consumer class action litigation, with a focus on defective products. Her efforts have contributed to the successful resolution of numerous cases, including Weckwerth v. Nissan North America, Inc., No. 18-00588 (M.D. Tenn.) (providing a \$407 to \$547 million-dollar benefit to a class of nearly 3 million consumers); Hickman v. Subaru of America, Inc., No. 21-02100 (D.N.J.) (providing reimbursements transmission repairs and warranty extensions to approximately 160,000 consumers); Rieger v. Volkswagen Group of America, Inc., No. 21-10546 (D.N.J.) (providing reimbursements for engine repairs and warranty extensions to over 300,000 consumers); and Gioffe v. Volkswagen Group of America, Inc., No. 22-00193 (D.N.J.) (providing 100% reimbursement for repairs or replacement of gateway control modules damaged by water intrusion).

Prior to joining Capstone Law, Ms. Gertner accumulated over two decades of litigation experience as a class action attorney, working in consumer protection, ERISA, healthcare, securities, and antitrust litigation at several nationally recognized law firms. During her time at Santa Clara University School of Law, she interned at the Santa Clara County District Attorney's Office in the Child and Elder Abuse unit. Prior to that, she graduated from Tulane University with a Bachelor of Science in Psychology and a Bachelor of Arts in Classical Studies.

<u>Helga Hakimi</u>. Helga Hakimi is a senior counsel at Capstone Law. Her practice primarily involves employment law class action litigation, namely wage-and-hour class actions and PAGA litigation on behalf of employees for failure to pay overtime and minimum wages, provide meal and rest breaks, and provide compensation for off-the-clock work, and related employer violations under the Fair Labor Standards Act and California Labor Code.

Prior to joining Capstone, Ms. Hakimi was a partner at a civil litigation firm in West Los Angeles, where she handled mainly real estate litigation, business litigation, and defense of some employment law matters; prior to that, she worked as a civil litigation attorney handling complex personal injury litigation. Ms. Hakimi's interest in advocating for employee rights began in law school, where she volunteered for the Workers' Rights Clinic and assisted low-income community members in Northern California's greater Bay Area region with employment-related legal issues. Upon graduating from law school, Ms. Hakimi worked as an associate for a municipal law firm, and thereafter at the local City Attorney's Office, where she advised municipalities and cities in civil matters involving land use, environmental law, development issues, Constitutional law, and First Amendment rights. Ms. Hakimi graduated from Berkeley Law (Boalt Hall School of Law), where she earned her Juris Doctorate and was awarded the Prosser Award in Remedies. Ms. Hakimi received her Bachelor of Arts degree in Political Science with a minor in Education Studies from the University of California, Los Angeles, and graduated summa cum laude and with Departmental Highest Honors.

<u>Majdi Hijazin</u>. Majdi Hijazin is a senior counsel at Capstone Law. His practice primarily focuses on representing consumers in complex litigation matters. Currently, Mr. Hijazin prosecutes automotive defect and other consumer class action lawsuits throughout the United States. Prior to joining Capstone, Mr. Hijazin



led a national team of six attorneys in bringing claims under the Illinois Biometric Information Privacy Act (BIPA), where he and his team routinely obtained high-value settlements for their clients.

Mr. Hijazin has prosecuted many individual and class action lawsuits under the Fair Credit Reporting Act (FCRA), the Fair Debt Collection Practices Act (FDCPA), the Telephone Consumer Protection Act (TCPA), and the Illinois Consumer Fraud Act (ICFA). On behalf of aggrieved homeowners, Mr. Hijazin was part of a trial team where his efforts were instrumental in securing two multi-million-dollar jury verdicts. See *Hammer v. Residential Credit Solutions, Inc.*, No. 13 C 6397 (N.D. Ill. Dec. 3, 2015), and *Saccameno v. Ocwen Loan Servicing, LLC*, 372 F. Supp. 3d 609 (N.D. Ill. 2019). Most recently, in late 2023, Mr. Hijazin's work was vital in securing a seven-digit settlement on the third day of trial. Mr. Hijazin graduated from the University of Illinois Chicago School of Law.

<u>Daniel Jonathan</u>. Daniel Jonathan is a senior counsel at Capstone Law. His practice primarily involves wage-and-hour class actions and PAGA litigation on behalf of employees for the failure to pay overtime and minimum wages, failure to provide meal and rest breaks, claims under the Fair Labor Standards Act, and other California Labor Code violations.

Prior to joining Capstone, Mr. Jonathan began his career as an associate at Kirkland & Ellis representing Fortune 500 clients in high-stakes litigation in various matters, including class action defense and plaintiff's actions for accounting fraud. Following that, he was a senior counsel at a boutique litigation firm where he successfully first-chaired several trials. Mr. Jonathan graduated from the Northwestern University School of Law. He received his undergraduate degree in Accounting from the University of Southern California, where he graduated cum laude. He has passed the CPA examination and worked as an auditor at Deloitte before attending law school.

Jonathan Lee. A senior counsel with Capstone, Jonathan Lee primarily litigates employment class actions. At Capstone, Mr. Lee has worked on several major successful class certification motions, and his work has contributed to multi-million dollar class settlements against various employers, including restaurant chains, retail stores, airport staffing companies, and hospitals. Prior to joining Capstone, Mr. Lee defended employers and insurance companies in workers' compensation actions throughout California.

Mr. Lee graduated in 2009 from Pepperdine University School of Law, where he served as an editor for the Journal of Business, Entrepreneurship and the Law; he received his undergraduate degree from UCLA.

<u>Shealene Mancuso</u>. Shealene Mancuso is a senior counsel with Capstone, specializing in employment class action litigation. Her practice is devoted to wage-and-hour class actions and Private Attorneys General Act litigation on behalf of employees for the failure to pay overtime and minimum wages, failure to provide meal and rest breaks, failure to provide compensation for off-the-clock work, claims under the Fair Labor Standards Act, and other California Labor Code violations.

Prior to joining Capstone Law, Ms. Mancuso was a Partner at a California maritime law firm, representing employers in federal claims brought by domestic and foreign civilian employees for benefits for injuries sustained while working on U.S. military bases for government contractors. She also has extensive litigation experience representing individuals in federal vaccine injury, personal injury, and family law matters. She served on the Board of Directors of a Philadelphia domestic violence organization and as a pro bono attorney assisting low-income families with custody and grandparent's rights matters. In 2020, she was recognized as a Rising Star by Super Lawyers.



Ms. Mancuso graduated from Temple University, Beasley School of Law in 2014, where she was a Fellow in the Rubin Public Interest Law Honor Society, served as the Volunteer Chair of the Women's Law Caucus, Women's Rights Chair of the National Lawyers Guild, Membership Coordinator of the American Constitution Society, and board member of the School to Prison Pipeline, and volunteered with the Domestic Violence Assistant Project. She began to develop her litigation skills through the Integrated Trial Advocacy Program at Temple Law, as a certified law clerk with the Ventura County District Attorney's Office, and through internships with non-profit organizations. She received her undergraduate degree from the University of California, Riverside, where she majored in Sociology: Law and Society.

Robert Myong. Robert Myong is a senior counsel at Capstone Law. His practice focuses on helping employees recover their unpaid wages, overtime, and penalties in class actions and PAGA representative actions in state and federal court.

Prior to joining Capstone, Mr. Myong managed a team of attorneys that recovered millions of dollars on behalf of employees for their unpaid wages, discrimination, harassment, retaliation, and wrongful termination claims. Robert is a graduate of Whittier Law School and earned his bachelor's degree in economics from the University of Southern California.

Cody Padgett. Cody Padgett is a senior counsel with Capstone Law. Mr. Padgett prosecutes automotive defect and other consumer class action lawsuits during all stages of litigation. His work has been integral to achieving contested class certification in several automotive defect cases, including Falco v. Nissan N. Am. Inc., No. 13-00686 (C.D. Cal.) (certifying a class of owners/lessees of Nissan vehicles), Salas v. Toyota Motor Sales, U.S.A., Inc., No. 15-08629 (C.D. Cal.) (certifying a class of owners/lessees of Toyota vehicles), and Victorino v. FCA US, LLC, No. 16-01617 (S.D. Cal.) (certifying a class of owners/lessees of Dodge Dart vehicles). Mr. Padgett's efforts have also contributed to major settlements of automotive defect and consumer cases, providing substantial monetary relief to millions of class members, valued in the hundreds of millions of dollars. See, e.g., Weckwerth v. Nissan North America, Inc., No. 18-00588 (M.D. Tenn.) (providing a \$407 to \$547 million-dollar benefit to a class of nearly 3 million consumers).

Prior to joining Capstone Law, Mr. Padgett assisted with the defense of major felony cases at the San Diego County Public Defender's Office. During law school, Mr. Padgett served as a judicial extern to the Honorable C. Leroy Hansen, United States District Court for the District of New Mexico. He graduated from California Western School of Law in the top 10% of his class and received his undergraduate degree from the University of Southern California, where he graduated *cum laude*. Mr. Padgett is admitted to practice in California, before the Ninth Circuit Court of Appeals, and before United States District Court for the Northern, Eastern, Central, and Southern Districts of California.

Shahin Rezvani. Shahin Rezvani is a senior counsel with Capstone Law. His practice involves litigating consumer class action lawsuits. Mr. Rezvani has significant experience in high-stakes trials. He played a pivotal role in the *Freedom Wireless v. Boston Communications* five-month patent infringement jury trial, securing a then-monumental \$128 million verdict. Equally significant was his role in the *Rambus v. Micron* antitrust jury trial, defeating a \$4 billion claim, and the *Micron v. Rambus* spoliation trial resulting in Rambus's SDRAM and DDR SDRAM patents being rendered unenforceable. Mr. Rezvani's impact extends beyond big cases as well, including securing a favorable verdict for an executive in the entertainment industry and successfully defending against claims for breach of contract and fraud in the electronics sector. He has also obtained judgments as a matter of law on post-trial motions and secured summary judgments, such as a victory in an early cybersquatting suit for the Academy of Motion Picture Arts and Sciences.



Prior to Capstone, Mr. Rezvani was a senior attorney at a plaintiff's class action firm, where he handled wage & hour, consumer fraud, data breach, and other class actions. While there, he helped achieve the second largest settlement in the nation for an ADA class action case against Hyatt Corporation. With over two decades of legal expertise in antitrust, class action, consumer fraud, copyright, employment, patent, securities, and trademark disputes, his skills and accomplishments span a wide range of practice areas. Mr. Rezvani has previously represented both plaintiffs and defendants in antitrust, ERISA, employment and other matters. Mr. Rezvani graduated from UC Berkeley School of Law, and earned his Bachelor of Arts from University of California, Los Angeles.

Eduardo Santos. Eduardo Santos is a senior counsel at Capstone Law, and concentrates his practice on managing and obtaining court approval of many of Capstone's wage-and-hour, consumer, and PAGA settlements, from the initial contract drafting phase to motion practice, including contested motion practice on attorneys' fees. Over the course of his career, Mr. Santos has helped to secure court approval of over one hundred high-stakes class and representative action settlements totaling over \$100 million.

Before joining Capstone, Mr. Santos began his career at a prominent plaintiff's firm in Los Angeles specializing in mass torts litigation, with a focus on complex pharmaceutical cases. Most notably, he was involved in the national Vioxx settlement, which secured a total of \$4.85 billion for thousands of individuals with claims of injuries caused by taking Vioxx. Mr. Santos graduated from Loyola Law School, Los Angeles, where he was a recipient of a full-tuition scholarship awarded in recognition of academic excellence. While in law school, Mr. Santos served as an extern for the Honorable Thomas L. Willhite, Jr. of the California Court of Appeal. He graduated magna cum laude from UCLA and was a recipient of the Ralph J. Bunche Scholarship for academic achievement.

<u>Mao Shiokura</u>. Mao Shiokura is a senior counsel with Capstone. Her practice focuses on identifying, evaluating, and developing new claims, including PAGA representative actions and class actions for wage-and-hour violations and consumer actions under the Consumers Legal Remedies Act, False Advertising Law, Unfair Competition Law, and other consumer protection statutes. Prior to joining Capstone, Ms. Shiokura was an associate at a California lemon law firm, where she represented consumers in Song-Beverly, Magnuson-Moss, and fraud actions against automobile manufacturers and dealerships.

Ms. Shiokura graduated from Loyola Law School, Los Angeles in 2009, where she served as a staff member of Loyola of Los Angeles Law Review. She earned her undergraduate degree from the University of Southern California, where she was a Presidential Scholar and majored in Business Administration, with an emphasis in Cinema-Television and Finance.

John Stobart. John Stobart is a senior counsel with Capstone Law. He focuses on appellate issues in state and federal courts and contributes to the firm's amicus curiae efforts to protect and expand the legal rights of California employees and consumers. Mr. Stobart has significant appellate experience having drafted over two dozen writs, appeals and petitions, and having argued before the Second, Fourth, and Fifth Districts of the California Court of Appeal.

Prior to joining Capstone, Mr. Stobart was a law and motion attorney who defended against civil liability in catastrophic injury and wrongful death cases brought against his clients, which included the railroad, public schools, small businesses, and commercial and residential landowners. He has drafted and argued scores of dispositive motions at the trial court level and had success in upholding judgments and verdicts on appeal. He



graduated cum laude from Thomas Jefferson School of Law where he was on the mock trial competition team and earned his undergraduate degree from the Ohio State University.

Roxanna Tabatabaeepour. Roxanna Tabatabaeepouris a senior counsel with Capstone Law. Her practice primarily involves representing employees in class actions and representative actions for various violations of the California Labor Code.

Before joining Capstone, Ms. Tabatabaeepour's experience included representing workers in single-plaintiff and class/representative action lawsuits regarding wage-and-hour violations, as well as individual claims for discrimination, retaliation, failure to accommodate, harassment, and wrongful termination, under both California and federal laws. Ms. Tabatabaeepour received her undergraduate degrees from the University of California San Diego. She subsequently graduated from the American University, Washington College of Law, where she was a Marshall-Brennan Constitutional Literacy Fellow and taught Constitutional Literacy to teens in marginalized communities.

Ryan Tish. Ryan Tish is a senior counsel at Capstone Law. His practice primarily involves wage-and-hour class actions and Private Attorneys General Act ("PAGA") representative actions on behalf of employees for the failure to pay overtime and minimum wages, failure to provide meal and rest breaks, failure to reimburse necessary business expenses, and other claims under the Fair Labor Standards Act and California Labor Code.

Before joining Capstone, Mr. Tish was an associate at a civil litigation firm in Los Angeles, handling a variety of matters, including commercial contracts, real estate, and employment law. Mr. Tish has represented both employers and employees in actions ranging from individual claims of discrimination, harassment, retaliation, and wrongful termination, to class and representative actions for wage-and-hour and privacy law violations. Mr. Tish is a graduate of the University of Southern California Gould School of Law and earned his bachelor's degree in civil and environmental engineering from the University of California, Los Angeles. Mr. Tish is admitted to practice law in California and before the United States District Court for the Northern, Eastern, Central, and Southern Districts of California.

<u>Orlando Villalba</u>. Orlando Villalba is a senior counsel at Capstone Law. His practice primarily involves wage-and-hour class actions and PAGA litigation on behalf of employees for the failure to pay overtime and minimum wages, failure to provide meal and rest breaks, claims under the Fair Labor Standards Act, and other California Labor Code violations.

Mr. Villalba began his career at Kirkland & Ellis where he handled a wide range of business litigation matters, including transnational contract disputes, insurance-related tort claims, developer litigation, and civil rights actions. He also has extensive plaintiff-side experience representing government agencies and note-holders in the pursuit of mortgage and other fraud losses. Mr. Villalba graduated from Stanford Law School, where he served as an articles editor on the Stanford Journal of Law, Business & Finance. After law school, he clerked for the Honorable Warren Matthews of the Alaska Supreme Court. Orlando received his bachelor's degree in International Business from the University of Southern California.

Associates

<u>Tyler Anderson</u>. Tyler Anderson is an associate with Capstone Law. His practice focuses on complex motions, writs, and appeals. Before joining Capstone, Mr. Anderson was Co-Director of the Los Angeles Center for Community Law and Action ("LACCLA"), a nonprofit law firm that represents tenant unions and



union organizers. While there, Mr. Anderson tried a disparate impact federal Fair Housing Act case that resulted in a jury verdict of over \$1,000,000. He also frequently used California Anti-SLAPP laws to block attempts to silence tenant union organizers. Prior to working at LACCLA, Mr. Anderson clerked for the Honorable Martha Vazquez, a federal district court judge for the District of New Mexico who, at the time, sat on the Executive Committee of the Federal Judiciary. Before that, Mr. Anderson was a litigation associate at the international law firm Jenner & Block LLP. Mr. Anderson graduated from Harvard Law School, where he was the Executive Articles Editor of the Harvard Journal on Legislation as well as President of one of the largest student-run pro bono organizations at Harvard University, Project No One Leaves. He graduated with several "Dean's Scholar" prizes for receiving top grades in his constitutional law courses.

<u>Sairah Budhwani</u>. Sairah Budhwani is an associate with Capstone Law. Her practice focuses on evaluating and analyzing pre-litigation wage-and-hour claims, including claims for violations of overtime and minimum wage law, meal and rest period requirements, and off-the-clock work violations. Previously, Ms. Budhwani litigated employment discrimination, harassment, and retaliation claims, and also represented incarcerated individuals contesting the conditions of their confinement. Ms. Budhwani graduated from UCLA School of Law in 2019 and received an undergraduate degree in Urban Studies from University of California, Irvine in 2012. Ms. Budhwani is admitted to practice law in California. She is fluent in Urdu.

Jaime "Jimmy" Castañeda. Jaime Castañeda is an associate with Capstone Law. His practice focuses on prosecuting wage-and-hour class actions and Private Attorneys General Act ("PAGA") representative actions on behalf of employees. Mr. Castañeda has experience representing both plaintiffs and defendants in employment law matters. Before joining Capstone, Mr. Castañeda was an associate at a California civil litigation firm where he represented employees in cases involving whistleblower retaliation, disability discrimination, racial discrimination, wrongful termination, and other forms of discrimination in the workplace. Mr. Castañeda graduated from Boston University School of Law in 2021. Prior to attending law school, Mr. Castañeda worked in the non-profit sector, providing free legal immigration services to the undocumented community in Los Angeles County. He received his undergraduate degree from the University of California, Los Angeles, where he double majored in Political Science and History.

Olivia Green. Olivia Green is an associate with Capstone Law. Her practice focuses on analyzing and evaluating pre-litigation wage-and-hour claims, including potential violations of overtime and minimum wage law, meal and rest period requirements, and off-the-clock work violations. Previously, Ms. Green litigated wage-and-hour class and PAGA actions as well as employment discrimination, harassment, and wrongful termination claims. As a result of her advocacy, she was named a Southern California Rising Star by Super Lawyers in 2023 and 2024. Ms. Green graduated from Loyola Law School, Los Angeles, in 2020 where she served as President of the Black Law Student Association and was a member of the Entertainment Moot Court. She received her undergraduate degree from California State University, Fullerton where she majored in Political Science.

Nate Kiyam. Nate Kiyam is an associate with Capstone. His practice focuses on prosecuting automotive defect and other consumer class action cases in state and federal court. Prior to joining Capstone Law, Mr. Kiyam was an associate with the Auto Fraud Legal Center representing individuals who have been defrauded by dealers into purchasing a defective vehicle. Previous to that, Mr. Kiyam was an associate with DLA Piper, Allen Matkins, and Buchalter on various corporate and employment matters. Throughout his career, Mr. Kiyam has helped many organizations and individuals on various pro bono matters including winning an



administrative trial for a young refugee in his asylum hearing. Mr. Kiyam is admitted to practice law in California and the District of Columbia.

Ninel Kocharyan. Ninel Kocharyan is an associate with Capstone. Her practice focuses on evaluating and analyzing pre-litigation wage-and-hour claims, including claims for violation of overtime and minimum wage law, meal and rest period requirements, and off-the-clock work violations. Ms. Kocharyan began her career in entertainment law reviewing, drafting, and negotiating contracts for talent and ensuring FTC compliance. She immigrated to the United States from Russia at the age of 15 with a passion to pursue a career in law. Ms. Kocharyan graduated from Thomas Jefferson School of Law in 2014 and received her undergraduate degree from University of California, Los Angeles where she majored in Political Science. Ms. Kocharyan is admitted to practice law in California.

Alexander Lima. Alexander Lima is an associate with Capstone Law. His practice focuses on evaluating prelitigation wage-and-hour claims, including potential violations of overtime and minimum wage law, meal and rest period requirements, and off-the-clock work issues, as well as consumer protection claims. Previously, Mr. Lima was an associate at a California civil litigation practice representing individuals and entities in real estate disputes. Mr. Lima graduated from Santa Clara University, School of Law in 2018, where he served as an Executive Board Member of the Honors Moot Court and was selected as a regional finalist for the American Bar Association Negotiation Competition. He received his undergraduate degree from the University of California, Riverside in 2014.

<u>Trisha Monesi</u>. Trisha Monesi is an associate with Capstone. Her practice focuses on prosecuting consumer class actions in state and federal court. Ms. Monesi graduated from Loyola Law School, Los Angeles in 2014, where she served as an editor of the Loyola of Los Angeles Entertainment Law Review and was a certified law clerk at the Center for Juvenile Law and Policy. She earned her undergraduate degree from Boston University in 2011, where she majored in Political Science and International Relations. She is an active member of the Women Lawyers Association of Los Angeles, and the Los Angeles County and Beverly Hills Bar Associations.

Alexander Wallin. Alexander Wallin is an associate at Capstone Law. He is a passionate litigator who has successfully represented employees against corporate injustice. Mr. Wallin has recovered millions of dollars in numerous wage-and-hour class actions, PAGA actions, and individual discrimination lawsuits. He has a particular interest in representing economically disadvantaged employees who cannot afford legal representation on a retainer-fee basis. Mr. Wallin is a member of the Los Angeles County Bar Association's Employment Law Section and stays up-to-date with the rapidly evolving areas of wage-and-hour protections. He graduated from Loyola Law School in 2017 and is admitted to practice law in California, as well as before the United States District Court for Central and Northern Districts of California. He has been selected as a Southern California "Super Lawyers – Rising Star" in 2022 and 2023.

Exhibit 2

LAFFEY MATRIX

History

Case Law

See the Matrix

Contact us

Home

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			Years Out of Law School *				
Year	Adjustmt Factor**	Paralegal/ Law Clerk	1-3	4-7	8-10	11-19	20 +
6/01/24- 5/31/25	1.080182	\$258	\$473	\$581	\$839	\$948	\$1141
6/01/23- 5/31/24	1.059295	\$239	\$437	\$538	\$777	\$878	\$1057
6/01/22- 5/31/23	1.085091	\$225	\$413	\$508	\$733	\$829	\$997
6/01/21- 5/31/22	1.006053	\$208	\$381	\$468	\$676	\$764	\$919
6/01/20- 5/31/21	1.015894	\$206	\$378	\$465	\$672	\$759	\$914
6/01/19- 5/31/20	1.0049	\$203	\$372	\$458	\$661	\$747	\$899
6/01/18- 5/31/19	1.0350	\$202	\$371	\$455	\$658	\$742	\$894
6/01/17- 5/31/18	1.0463	\$196	\$359	\$440	\$636	\$717	\$864
6/01/16- 5/31/17	1.0369	\$187	\$343	\$421	\$608	\$685	\$826
6/01/15- 5/31/16	1.0089	\$180	\$331	\$406	\$586	\$661	\$796
6/01/14- 5/31/15	1.0235	\$179	\$328	\$402	\$581	\$655	\$789
6/01/13- 5/31/14	1.0244	\$175	\$320	\$393	\$567	\$640	\$771
6/01/12- 5/31/13	1.0258	\$170	\$312	\$383	\$554	\$625	\$753
6/01/11- 5/31/12	1.0352	\$166	\$305	\$374	\$540	\$609	\$734
6/01/10- 5/31/11	1.0337	\$161	\$294	\$361	\$522	\$589	\$709
6/01/09- 5/31/10	1.0220	\$155	\$285	\$349	\$505	\$569	\$686
6/01/08- 5/31/09	1.0399	\$152	\$279	\$342	\$494	\$557	\$671
6/01/07-5/31/08	1.0516	\$146	\$268	\$329	\$475	\$536	\$645
6/01/06-5/31/07	1.0256	\$139	\$255	\$313	\$452	\$509	\$614
6/1/05-5/31/06	1.0427	\$136	\$249	\$305	\$441	\$497	\$598
6/1/04-5/31/05	1.0455	\$130	\$239	\$293	\$423	\$476	\$574
6/1/03-6/1/04	1.0507	\$124	\$228	\$280	\$405	\$456	\$549
6/1/02-5/31/03	1.0727	\$118	\$217	\$267	\$385	\$434	\$522
6/1/01-5/31/02	1.0407	\$110	\$203	\$249	\$359	\$404	\$487
6/1/00-5/31/01	1.0529	\$106	\$195	\$239	\$345	\$388	\$468
6/1/99-5/31/00	1.0491	\$101	\$185	\$227	\$328	\$369	\$444
6/1/98-5/31/99	1.0439	\$96	\$176	\$216	\$312	\$352	\$424
6/1/97-5/31/98	1.0419	\$92	\$169	\$207	\$299	\$337	\$406
6/1/96-5/31/97	1.0396	\$88	\$162	\$198	\$287	\$323	\$389

6/1/95-5/31/96	1.032	\$85	\$155	\$191	\$276	\$311	\$375
6/1/94-5/31/95	1.0237	\$82	\$151	\$185	\$267	\$301	\$363

The methodology of calculation and benchmarking for this Updated Laffey Matrix has been approved in a number of cases. See, e.g., DL v. District of Columbia, 267 F.Supp.3d 55, 69 (D.D.C. 2017)

^{*} $\ddot{\imath}_{\xi}$ ½Years Out of Law School $\ddot{\imath}_{\xi}$ ½ is calculated from June 1 of each year, when most law students graduate. $\ddot{\imath}_{\xi}$ ½1-3" includes an attorney in his 1st, 2nd and 3rd years of practice, measured from date of graduation (June 1). $\ddot{\imath}_{\xi}$ ½4-7" applies to attorneys in their 4th, 5th, 6th and 7th years of practice. An attorney who graduated in May 1996 would be in tier $\ddot{\imath}_{\xi}$ ½1-3" from June 1, 1996 until May 31, 1999, would move into tier $\ddot{\imath}_{\xi}$ ½4-7" on June 1, 1999, and tier $\ddot{\imath}_{\xi}$ ½8-10" on June 1, 2003.

^{**} The Adjustment Factor refers to the nation-wide Legal Services Component of the Consumer Price Index produced by the Bureau of Labor Statistics of the United States Department of Labor.

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2	Raul.Perez@capstonelawyers.com Bevin Allen Pike (SBN 221936)			
3	Bevin.Pike@capstonelawyers.com Daniel Jonathan (SBN 262209)			
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12	Attorneys for Plaintiff Maggie Chong			
13	SUPERIOR COURT OF THE STATE OF CALIFORNIA			
14	FOR THE COUN	NTY OF ALAMEDA		
15	MAGGIE CHONG, an individual, individually,	Case No. RG21100705		
16	on behalf of the general public, and all others similarly situated,	Assigned to the Hon. Michael Markman		
17	Plaintiff,	RESERVATION NO. A-21100705-001		
18	VS.	DECLARATION OF KYLE TODD IN SUPPORT OF MOTION FOR FINAL		
19		APPROVAL OF CLASS ACTION SETTLEMENT AND MOTION FOR		
20	JINGLEBELLS LLC, a California company; JINGLE BELLS ENTERPRISES, LLC, a	ATTORNEYS' FEES, COSTS, AND A CLASS REPRESENTATIVE ENHANCEMENT		
21	California company; JINGLEBELLS HOLDING LLC, a California company; and	PAYMENT		
22	DOES 1 through 100, inclusive,	Date: June 26, 2025 Time: 10:00 a.m.		
23	Defendants.	Place: Department 23		
24		Complaint Filed: June 2, 2021 Trial Date: None Set		
25		That Date. Notic Set		
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DECLARATION OF KYLE TODD

I, Kyle Todd, hereby declare as follows:

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I am over eighteen years old and unless the context indicates otherwise, I have personal

- knowledge of the following facts, and if called as a witness, I could and would testify competently to them. I am the named plaintiff in the above-captioned action, and a representative for the Settlement Class. I make this declaration in support of the Motion for Preliminary Approval of Class Action and PAGA Settlement.
- 2. Since 2009, I have been a member of California Employment Lawyers Association. Since 2011, I have been a member of the plaintiffs' bar of the Consumer Attorneys Association of Los Angeles. I received my law degree from the UCLA School of Law in May of 2012. I took the Bar Exam in July of 2012, passed the Bar, and was subsequently admitted to the practice of law in December, 2012.
- 3. Since February of 2013, I have been the principal of my law firm, devoting my time almost exclusively to representing plaintiffs in employment litigation. I have been the lead or sole counsel on most of the firm's cases in state and federal courts in California, totaling dozens of cases since my practice was opened. I have litigated several cases to trial and obtained several judgments by way of trial, including the following cases: Floodman v. Duffy's Napa Valley Rehab, LLC, etc. (JW Arbitration Case No. A284434; judgment for Plaintiff for \$636,428.52 Scudder v. Caltrans (L.A. Sup. Ct. Case No. BC590282; judgment for Plaintiff for \$1,654,523.72); Ulloa v. Ortega, et al. (L.A. Sup. Ct. Case No. BC557618; judgment for Plaintiff for \$66,434.10); Lopez-Orosco v. Verdin, et al. (L.A. Sup. Ct. Case No. BC564461; judgment for Plaintiff for \$203,875.50); and Contreras v. Green Thumb Produce, Inc. (Riverside Sup. Ct. Case No. CVRI2101337) (judgment for Plaintiff of \$205,113.21).
- 4. I have successfully prevailed on appeal in several cases, overturning orders in several cases, including the published case of *Patterson v. Sup. Ct.* (2021) 70 Cal.App.5th 473 (finding unenforceable under Armendariz a fee-shifting clause, which required an employee opposing arbitration to pay, if unsuccessful in that challenge, the attorneys' fees, costs, and expenses of the employer).
- 5. I have been the recipient of the International Advisory Experts Awards award for Employment Lawyer of the Year, California; and every year since 2018 I have been selected as a Super

Lawyer-Rising Star.

- 6. I constantly attend trainings, workshops, and seminars to hone my employment litigation trial skills. I have logged an average of 100 hours of CLE training per year since I have been a licensed attorney. I have attended trial skills trainings put on by, among other groups, the Los Angeles County Bar Association, California Employment Lawyers Association, Consumer Attorneys Association of Los Angeles, and the National Institute for Trial Advocacy.
- 7. I currently volunteer as a trial attorney for the Eviction Defense Network in Los Angeles, with whom I have conducted five trials, including four jury trials. In this capacity, I continually practice my trial skills something many litigators do not have the opportunity to do. All the while, my work with the organization helps to prevent Los Angeles-area tenants from being evicted in what is now a historic housing crisis in the city.
- 8. I have been class counsel on the following class actions and representative PAGA cases, all of which obtained class certification and/or court-approved settlement:
 - A. Guillen v. Grasshopper House LLC (L.A. Sup. Ct., Case No. BC685116) (approval of \$1,350,000 class action settlement on behalf of employees of addiction recovery centers).
 - B. Carbajal v. Tom's Famous Family Restaurants (San Bernardino Sup. Ct., Case No. CIVDS1601821) (served as counsel and obtained approval of a \$1,025,000 settlement on behalf of restaurant workers alleging wage and hour violations)
 - C. Eddings v. DS Waters of America, Inc. (N.D. Cal., Case No. 3:15-cv-2576VC) (served as counsel and obtained approval of a \$1,000,000 settlement on behalf of water sales employees alleging wage and hour violations and misclassification);
 - D. Melara v. Noble Interstate Management Group-California, LLC. (L.A. Sup. Ct., Case No. BC591782) (approval of a \$500,000 settlement on behalf of hotel workers alleging wage and hour violations);

being litigated or pending settlement approval. My more-than eleven years of experience vigorously litigating these kind of cases makes me more than adequate to serve as counsel in this case.

- 10. I am a seasoned class action attorneys who regularly litigates wage and hour claims through certification and on the merits, and have considerable experience settling wage and hour class actions.
- 11. In addition, I serve as counsel on several more class actions either currently being litigated or pending settlement approval. My more-than twelve years of experience vigorously litigating these kind of cases makes me more than adequate to serve as counsel in this case.
- 12. I am familiar with the rates charged by attorneys of comparable skill, expertise, and experience throughout Los Angeles. I have worked with dozens of Southern California attorneys and I have reviewed the market studies prepared by Richard Pearl (author of the CEB Manual on "California Attorney Fee Awards").
- 13. I have also reviewed the *Laffey Matrix*, found at <u>www.laffeymatrix.com/see.html</u>, a fairly conservative table of proposed attorney fee rates which are based solely on years out of law school, and take no consideration of other factors, such as the skills and credentials of the attorney, or the region in which the fees are requested. In fact, the *Laffey Matrix* was originally designed to give suggested attorney rates in the Washington, DC metropolitan area, where no doubt attorney fees, and costs for services in general, are not as high as in Los Angeles County. With all that in mind, the *Laffey Matrix* suggests different rates based on years out of law school. Since I have been out of law school for twelve years, the conservative and non-Los Angeles-based *Laffey Matrix* suggest an hourly rate of \$948 per hour.
- 14. Based on my experience and familiarity with the rates charges by other lawyers in Los Angeles, as well as the *Laffey Matrix*, it is my opinion that in the Los Angeles-area, for a firm owner/partner, \$950 is a reasonable rate for my level of services, as well as the similarly-credentialed attorneys at my firm who worked on this case. This is the rate that I would hold out my services, furthermore, given my credentials, reputation, and skill in litigating, negotiating, and trying employment class actions. Based on this rate, my firm sets the rates of associate attorneys, taking into account their level of experience and skill. Additionally, the *Laffey Matrix* suggests a rate of \$258/hour for paralegals,

and my firm sets the rate similarly, at \$250/hour. I have reviewed a summary of my firm's billing records, which are maintained during the regular course of business and billed contemporaneously. The following chart sets forth the billable hourly rate and the hours billed by each attorney and paralegal to the litigation.

Name	Title	CA Bar	Rate	Hours	Fees
		Adm.			
Kyle Todd,	Partner/Owner	2012	\$950	80.5	\$76,475
Esq.					
Alfredo	Associate	2012	\$950	40.2	\$38,190
Nava, Esq.					
Samantha	Associate	2019	\$581	72.3	\$42,006.30
Johnson					
Matthew	Paralegal		\$250	45.0	\$11,250
Mocciarro	_				
				Total	\$167,921.30
				Lodestar	

15. My firm's work on this case included, *inter alia*, interviewing the Plaintiff and numerous Class members, researching and analyzing the claims in the lawsuit as well as staying up to date on caselaw regarding unpaid wages, meal and rest break claims, and wage statements claims. It also included drafting the complaints, negotiating regarding the parameters of a mediation and documents to be produced, reviewing and analyzing numerous pages of documents, working to determine key facts regarding Defendants' pay practices, creating an extensive damages model, preparing for and attending the mediation, doing follow-up discovery and motion work, helping negotiate the Stipulation of Class Action Settlement, conferring with settlement administrators, assisting with preparing the Motion for Preliminary Approval and supporting declarations, and preparing the this declaration for final approval. What follows is a breakdown of the hours expended in this case:

- 16. I took this case on at the exclusion of other employment. As a small law firm that during this case had only 1-3 attorneys total, and as a firm devoted to the high quality of our work, there are only so many cases we can take on at a given time. As a result, my firm was forced to turn down other cases in order to focus on this and a handful of other cases we felt strongly about pursuing.
 - 17. This case was taken on a pure contingency basis. This came with the real possibility,

which plays out in many cases, that my firm will not be paid for our work. Without the expectation of a fair and fully compensatory statutory fee award, there is absolutely no way I would have been able to take on this case on a contingency basis. I have turned down lucrative offers early work for large defense firms, but I instead lend my skills employees who would never be able to afford the rates charged by those firms. Since becoming a plaintiffs' employment lawyer, I have worked thousands of hours on cases in which I did not make a dime, either because: 1) the proof was insufficient to prove plaintiffs' claims; 2) the plaintiffs' claims were not suitable for class treatment; 3) the defendant had solvency issues or entered a bankruptcy; or 4) the case was negatively disposed of after trial. In other cases, payment for my firm and our clients was delayed through lengthy bankruptcy processes, the COVID-19 court lockdowns, and other events which is unaccounted-for by a 1:1 hourly payment for my firm's time.

- 18. In every case, there is a significant chance, approaching 50% in the long run, that my firm will not be paid for our work, nor be reimbursed for our costs. Only by taking into account the contingent risk of these cases can Courts attract diligent work and talent to advocate on behalf of class action members, and to compete with large defense firms who are paying a premium to attract just that kind of talent.
- 19. My firm has expended \$14,539.80 in costs in this case. This includes: \$10,000.00 for plaintiff's share of mediation fees; \$2,886.80 in expert fees; \$1,032.65 for filings and e-service providers; \$21.58 for mailings; \$1,770.25 for depositions; and \$598.77 for physical service of process.
- 20. Each of these costs were reasonably expended for the prosecution of the case, and thought and care were given before each significant cost was expended. Particularly because, as stated, there was a significant risk that my firm would never recoup these costs, none of them were expended needlessly, and indeed, if I were an hourly-paid attorney having costs paid continually by the client, I have no doubt these costs would be quite a bit higher. What follows is a breakdown of each of these costs:

1	I declare under penalty of perjury under the laws of the State of California that the foregoing is true and
2	correct. Executed on June 1, 2025 at Glendale, California.
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1 2 3 4 5 6 7 8 9 10 11	Raul Perez (SBN 174687) Raul.Perez@capstonelawyers.com Bevin Allen Pike (SBN 221936) Bevin.Pike@capstonelawyers.com Daniel Jonathan (SBN 262209) Daniel.Jonathan@capstonelawyers.com Trisha K. Monesi (SBN 303512) Trisha.Monesi@capstonelawyers.com CAPSTONE LAW APC 1875 Century Park East, Suite 1000 Los Angeles, California 90067 Telephone: (310) 556-4811 Facsimile: (310) 943-0396 Kyle Todd (SBN 286370) kyle@kyletodd.com KYLE TODD, P.C. 171 North Altadena Drive, Suite 270 Pasadena, California 91107 Telephone: (323) 208-9171 Facsimile: (323) 693-0822				
12	Attorneys for Plaintiff Maggie Chong				
13	SUPERIOR COURT OF THE STATE OF CALIFORNIA				
14	FOR THE COUN	VTY OF ALAMEDA			
15	MAGGIE CHONG, an individual, individually, on behalf of the general public, and all others	Case No. RG21100705			
16	similarly situated,	Assigned to the Hon. Michael Markman			
17	Plaintiff,	RESERVATION NO. A-21100705-001			
18	VS.	DECLARATION OF MAGGIE CHONG IN SUPPORT OF MOTION FOR FINAL			
19	UNICLEDELLS LLC a California company	APPROVAL OF CLASS ACTION SETTLEMENT AND MOTION FOR			
20	JINGLEBELLS LLC, a California company; JINGLE BELLS ENTERPRISES, LLC, a	ATTORNEYS' FEES, COSTS, AND A CLASS REPRESENTATIVE ENHANCEMENT			
21	California company; JINGLEBELLS HOLDING LLC, a California company; and	PAYMENT			
22	DOES 1 through 100, inclusive,	Date: June 26, 2025 Time: 10:00 a.m.			
23	Defendants.	Place: Department 23			
24 25		Complaint Filed: June 2, 2021 Trial Date: None Set			
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DECLARATION OF MAGGIE CHONG

I, Maggie Chong, hereby declare as follows:

- 1. I am over eighteen years old. Unless the context indicates otherwise, I have personal knowledge of the following facts, and if called as a witness, I could and would testify competently to them. I am the named plaintiff in the above-captioned action, and a representative for the Settlement Class. I make this declaration in support of the Motion for Final Approval of Class Action and PAGA Settlement and Motion for Attorneys' Fees, Costs, and a Class Representative Enhancement Payment.
- 2. I was employed by Defendants Jinglebells LLC and Jinglebells Holding LLC ("Defendants") during the Class Period in a non-exempt, hourly position at their Taco Bell restaurant in Pleasanton, California, Store #31451. I was initially hired as a cashier, and shortly thereafter, Defendants promoted me to Shift Manager.
- 3. I decided to file this lawsuit because I had a number of grievances against Defendants stemming from their labor policies. These grievances are set forth in detail in the operative Complaint and my letter to California Labor and Workforce Development Agency ("LWDA").
- 4. Prior to filing the action, my attorneys and I had multiple conferences about the factual bases for the claims that I wanted to pursue against Defendants. During those conferences, my attorneys provided me with an overview of how those claims would be litigated and generally educated me about the nature of complex/representative litigation and my role as the representative Plaintiff.
- 5. After retaining my attorneys, I spent considerable time on the phone discussing the facts of my case with my attorneys. I discussed the facts related to my employment with Defendants, including discussing my job duties and responsibilities, my job position, the hours and days I worked, and how I was compensated.
- 6. My attorneys provided me with a draft of the Complaint for my review and approval. I closely reviewed the Complaint to ensure accuracy and completeness. Following the filing of the Complaint, I collaborated with my attorneys on the prosecution of my claims, and I regularly contacted

Page 2

DECLARATION OF MAGGIE CHONG IN SUPPORT OF MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT AND MOTION FOR ATTORNEYS' FEES, COSTS, AND A CLASS REPRESENTATIVE ENHANCEMENT PAYMENT

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¹ Although the preservation of my attorney-client privilege requires that I refrain from revealing the specifics of my communications with my attorneys, I understand that the privilege is not waived by stating generally the matters that I have discussed with my attorneys.

my attorneys to stay current on the status of the litigation, and to discuss my attorneys' progress in prosecuting the claims.

- 7. I have worked to the best of my ability to prosecute this action on behalf of the entire class, always considering the interests of the class members just as I would consider my own interests. I believe class actions are an important tool to assure compliance with the law even where an individual's losses may be relatively small. I have no interests which are inconsistent with the interests of the class.
- 8. When I agreed to represent other non-exempt employees performing duties for Defendants in the State of California, I understood it was my duty to be readily available and to participate actively in this case. I knew that I would be required to review documents, search for documents and produce them to my attorneys, answer written questions, potentially answer oral questions and testify truthfully under oath, and be available to appear in court, if necessary.
- 9. I understood that I needed to maintain awareness of the status and progress of the lawsuit.
- 10. Since initiating this lawsuit until now, I have kept aware of the status of the lawsuit and provided my attorneys with information used by them in the litigation. I have spent large amounts of time and effort pursuing my claims and the claims of the other employees from the time I retained my attorneys to the present date.
- 11. I have carefully reviewed the terms of the proposed settlement. My attorneys explained the specifics of how the settlement would work and I accepted the settlement only after I had spent time evaluating the proposed outcome to assure that it was fair. Based on my attorneys' evaluation and recommendation, and my own review, I believe the settlement is fair and reasonable and adequately compensates Class Members.
- 12. In summary, over the course of this litigation I have spent a significant amount of time conferring and working with my attorneys on the prosecution of my claims and evaluating the settlement and related documents. I estimate that I have spent between 25 and 35 hours assisting my attorneys in the prosecution of this lawsuit.
- 13. Throughout this case, I have not sought individual benefits from the lawsuit. Rather, I maintained this lawsuit because I wanted to hold Defendants accountable for their unlawful conduct. I

1	believe that I have fulfilled my responsibilities, and I will continue to fulfill those responsibilities, to the
2	best of my ability, until the conclusion of the case.
3	14. I believe my negotiated Enhancement Payment is reasonable compensation for my
4	services on behalf of Class Members and the State of California, and for the general release that I am
5	required to provide Defendants as a condition of settlement, which has independent value and which I
6	believe makes up a major fraction of the value of the Enhancement Payment. This general release
7	requires me to waive all claims that I may have arising out of my employment, and is considerably
8	broader than the claims Class Members will release under the settlement.
9	15. I am committed to this case and will continue to make myself available as needed in the
10	settlement process.
11	I declare under penalty of perjury under the laws of the State of California that the foregoing is
12	true and correct. Executed on [Date] 06 / 01 / 2025, at [City] Castro valley, California.
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14	Maggie Chong
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Title Settlement Approval Declaration

File name 2025_05-28_PLD-DE...Jinglebells_.docx

Document ID 26aa1bac045b3b200a28b85b6d44a8754c569190

Audit trail date format MM / DD / YYYY

Status • Signed

Document History

O6 / 01 / 2025 Sent for signature to Maggie Chong

SENT 17:37:29 UTC (maggie.chong.95@gmail.com) from kyle@kyletodd.com

IP: 24.205.49.138

O6 / 01 / 2025 Viewed by Maggie Chong (maggie.chong.95@gmail.com)

VIEWED 18:31:28 UTC IP: 174.194.131.38

SIGNED 18:32:33 UTC IP: 174.194.131.38

7 06 / 01 / 2025 The document has been completed.

18:32:33 UTC

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8	Kyle Todd (SBN 286370)	
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10	171 North Altadena Drive, Suite 270 Pasadena, California 91107	
11	Telephone: (323) 208-9171 Facsimile: (323) 693-0822	
12	Attorneys for Plaintiff Maggie Chong	
13	SUPERIOR COURT OF T	HE STATE OF CALIFORNIA
14	FOR THE COUN	VTY OF ALAMEDA
15	MAGGIE CHONG, an individual, individually, on behalf of the general public, and all others	Case No. RG21100705
16	similarly situated,	Assigned to the Hon. Michael Markman
17	Plaintiff,	RESERVATION NO. A-21100705-001
18	VS.	DECLARATION OF KAYLIE O'CONNOR ON BEHALF OF CPT GROUP, INC., THE
19		SETTLEMENT ADMINISTRATOR
20	JINGLEBELLS LLC, a California company; JINGLE BELLS ENTERPRISES, LLC, a	Date: June 26, 2025
21	California company; JINGLEBELLS HOLDING LLC, a California company; and	Time: 10:00 a.m. Place: Department 23
22	DOES 1 through 100, inclusive,	Complaint Filed: June 2, 2021
23	Defendants.	Trial Date: None Set
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DECLARATION OF KAYLIE O'CONNOR

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I, Kaylie O'Connor, hereby declare:

- 1. I am employed as a case manager by CPT Group, Inc. ("CPT"), the Court-appointed settlement administrator. I am authorized to make this declaration on behalf of CPT. As the case manager for this settlement, I have personal knowledge of the information provided herein, and if called as a witness, I could and would accurately testify thereto.
- 2. CPT was engaged by Plaintiff Maggie Chong ("Plaintiff") and Defendants Jinglebells LLC and Jinglebells Holding LLC ("Defendants") (collectively, the "Parties") to provide settlement administration services. CPT has been, and if the Court grants final approval of the Settlement, will be responsible for: (a) printing and mailing the Notice of Class Action Settlement ("Class Notice") to all Class Members; (b) calculating and distributing the Individual Settlement Payments; (c) tax reporting; (d) providing necessary reports and declarations; and (e) performing such other tasks as set forth in the Settlement Agreement or as the Parties mutually agree or that the Court orders.
- 3. On March 3, 2025, CPT received from Class Counsel the Class Notice prepared by the Parties and approved by the Court. On March 25, 2025, counsel for Defendants provided CPT with a complete mailing list ("Class List") which included each Class Member's full name, most recent mailing addresses, Social Security Numbers, and other relevant information needed to calculate settlement payments.
- 4. The mailing addresses contained in the Class List were processed and updated utilizing the National Change of Address Database ("NCOA") maintained by the U.S. Postal Service. On April 8, 2025, Class Notices were mailed to the 1,549 Class Members identified in the Class List by First Class mail.
- 5. As of this date, 164 Class Notices have been returned by the post office. For those without forwarding addresses, CPT performed skip traces to locate new mailing addresses. A total of 105 Class Notices were re-mailed because a better mailing address was found. In addition, 2 Class Notices were forwarded by the post office. Altogether, 63 Class Notices were unable to be delivered because a better mailing address could not be found.
 - CPT has received no valid Requests for Exclusion.

EXHIBIT A

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

Maggie Chong v. Jinglebells LLC, et al., Case No. RG21100705

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

You may be eligible to receive money from an employee class action lawsuit ("Action") against Jinglebells LLC and Jinglebells Holding LLC (collectively "Jinglebells") for alleged wage and hour violations. The Action was filed by a former Jinglebells LLC employee Maggie Chong ("Plaintiff") and seeks payment of (1) back wages and statutory damages for a class of non-exempt employees ("Class Members") who worked for Jinglebells during the Class Period of June 2, 2017, through April 28, 2024; and (2) penalties under the California Private Attorney General Act ("PAGA") for all non-exempt employees who worked for Jinglebells during the PAGA Period of April 22, 2020, to April 28, 2024 ("Aggrieved Employees").

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

Based on Jinglebells's records, and the Parties' current assumptions, your Individual Class Payment is estimated to be \$«SubClass1_Amt» (less withholding) and your Individual PAGA Payment is estimated to be \$«PAGAClass_Amt». The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Jinglebells's records you are not eligible for an Individual PAGA Payment under the Settlement because you didn't work during the PAGA Period.)

The above estimates are based on Jinglebells's records showing that **you worked «SubClass1_Weight» workweeks** as a Jinglebells LLC employee during the Class Period and **you worked «PAGAClass_Weight» pay periods** as a Jinglebells LLC employee during the PAGA Period. If you believe that you worked more workweeks or pay periods during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

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

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

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

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Jinglebells that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice.
The Opt-out Deadline is May 23, 2025	You cannot opt-out of the PAGA portion of the proposed Settlement. Jinglebells must pay Individual PAGA Payments to all Aggrieved Employees and the LWDA will be deemed to have released the claims for civil penalties raised in Plaintiff's PAGA notice (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by May 23, 2025	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the June 26, 2025, Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on June 26, 2025. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person or remotely. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by May 23, 2025	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number Class Period Workweeks and number of PAGA Period Pay Periods you worked according to Jinglebells's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by May 23, 2025. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former Jinglebells LLC employee. The Action accuses Jinglebells of violating California labor laws by failing to pay overtime wages, minimum wages, wages due upon termination, and all accrued sick days and failing to provide meal periods, rest breaks and accurate itemized wage statements. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Lab. Code, § 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys in the Action: Kyle Todd of Kyle Todd, P.C., and Raul Perez, Bevin Pike, Daniel Jonathan, and Trisha Monesi of Capstone Law APC ("Class Counsel.")

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

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

So far, the Court has made no determination whether Jinglebells or Plaintiff is correct on the merits. In the meantime, Plaintiff and Jinglebells hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Jinglebells have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Jinglebells does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Jinglebells has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and

uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

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

- 1. Jinglebells Will Pay \$987,500 as the Gross Settlement Amount (Gross Settlement). Jinglebells have agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorneys' fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, Jinglebells will fund the Gross Settlement not more than 120 days after the Judgment entered by the Court become final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
- 2. <u>Court Approved Deductions from Gross Settlement.</u> At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$329,167.00 [33.33% of the Gross Settlement] to Class Counsel for attorneys' fees and up to \$49,549 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$10,000 as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$14,000 to the Administrator for services administering the Settlement.
 - D. Up to \$15,000 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

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

- 3. <u>Net Settlement Distributed to Class Members</u>. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.
- 4. Taxes Owed on Payments to Class Members. Plaintiff and Jinglebells are asking the Court to approve an allocation of 15% of each Individual Class Payment to taxable wages ("Wage Portion") and 85% to interest and non-wage damages ("Non-Wage Portion"). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Jinglebells will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.
 - Although Plaintiff and Jinglebells have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.
- 5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies be tendered to CALICO, the children's advocacy center for Alameda County, and the money will no longer be available to you.
- 6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than May 23, 2025, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the May 23, 2025, Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her/their representative setting forth a Class Member's name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members

(i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Jinglebells.

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

- 7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Jinglebells have agreed that, in either case, the Settlement will be void: Jinglebells will not pay any money and Class Members will not release any claims against Jinglebells.
- 8. <u>Administrator</u>. The Court has appointed a neutral company, CPT Group Inc. (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over workweeks or pay periods, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.
- 9. Participating Class Members' Release. After the Judgment is final and Jinglebells have fully funded the Gross Settlement and separately paid all employer payroll taxes), Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue or be part of any other lawsuit against Jinglebells or related entities for wages and PAGA penalties based on facts and claims, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from any and all claims, damages, or causes of action alleged in, or arising out of, the allegations in the Action that arose during the Class Period and which were alleged, or could have been alleged, by Plaintiff based on any of the factual allegations contained in the Complaint in the Action, including, but not limited to, claims under state, federal or local law including, but not limited to claims for unpaid minimum and overtime wages (including, inter alia, in connection with off-the-clock work and improper rounding of time), claims related to non-compliant meal and rest breaks or periods and nonpayment of premium pay for such, failure to comply with itemized employee wage statement provisions, failure to pay wages due at separation and associated waiting time penalties, failure to timely pay wages during employment, failure to maintain compliant time and payroll records, the failure to pay all accrued sick days, and unfair or unlawful business practices pursuant to California Business and Professions Code § 17200, et seq, based on the aforementioned. The Released Class Claims specifically include, but are not limited to, all claims arising under California Labor Code sections 201, 202, 203, 226, 226.3, 226.7, 233, 246, 246.5, 248.5, 510, 512, 1194, 1194.2, 1197, 1197.1, 1198, and the corresponding sections of the applicable California Industrial Welfare Commission Wage Orders, including Wage Order 5, and California Business and Profession Code sections 17200, et seq., based on the preceding claims, and California common law of contract, interest, and claims for attorneys' fees relating in any way to those claims alleged in the Action.

10. Release by the LWDA. After the Court's judgment is final, and Jinglebells has paid the Gross Settlement and separately paid the employer-side payroll taxes, the LWDA will be deemed to have released the claims that were raised in Plaintiff's PAGA notice. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue or participate in any other PAGA claim against Jinglebells or its related entities on the claims asserted in Plaintiff's PAGA notice, or that reasonably could have been asserted based upon the facts and theories asserted in Plaintiff's PAGA notice.

The LWDA's release is as follows:

The LWDA is deemed to release, on behalf of itself and its respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from any and all

claims for civil penalties under PAGA held by the LWDA that were alleged in Plaintiff's PAGA Notice, or which could have been alleged, based upon the facts and theories stated in Plaintiff's PAGA Notice, and that arose during the PAGA Period, including, but not limited to, violations of California Labor Code sections 201, 202, 203, 204, 210, 216, 226, 226.3, 226.7, 227.3, 246, 510, 512, 515, 558, 558.1, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, and 2698, et seq., Business and Professions Code 17200, and the corresponding sections of the applicable California Industrial Welfare Commission Wage Orders, including Wage Order 5.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

- 1. <u>Individual Class Payments</u>. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
- 2. <u>Individual PAGA Payments</u>. The Administrator will calculate Individual PAGA Payments by (a) dividing \$3,750 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
- 3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Jinglebells's records, are stated in the first page of this Notice. You have until May 23, 2025, to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

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

5. HOW WILL I GET PAID?

- 1. <u>Participating Class Members</u>. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.
- 2. <u>Non-Participating Class Members</u>. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

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

Submit a written and signed letter with your name, present address, telephone number and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Maggie Chong v. Jinglebells LLC*, *et al.*, Case No. RG21100705, and include your identifying information (full name, address, telephone number, approximate dates of employment and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by May 23, 2025, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Jinglebells are asking the Court to approve. At least 16 Court days before the June 26, 2025, Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. You can view copies of these documents on the

Administrator's Website www.cptgroupcaseinfo.com/JinglebellsSettlement or the Court's website (https://eportal.alameda.courts.ca.gov/).

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is May 23, 2025**. Be sure to tell the Administrator what you object to, why you object and any facts that support your objection. Make sure you identify the Action as *Maggie Chong v. Jinglebells LLC*, et al., Case No. RG21100705 and include your name, current address, telephone number and approximate dates of employment for Jinglebells and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on June 26, 2025, at 10:00 a.m., in Department 23 of the Alameda Superior Court, located at 1221 Oak Street, Oakland, CA 94612. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or remotely. To request a remote appearance, you can contact the Court via email at Dept23@alameda.courts.ca.gov. Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website www.cptgroupcaseinfo.com/JinglebellsSettlement beforehand to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Jinglebells and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to CPT Group, Inc.'s website at www.cptgroupcaseinfo.com/JinglebellsSettlement. You can also telephone or send an email to the Administrator using contact information listed below, or consult the Superior Court website https://eportal.alameda.courts.ca.gov/ and entering the Case Number for the Action, Case No. RG21100705. You can also make an appointment to personally review court documents in the Clerk's Office at the Rene C. Davidson Courthouse, 1225 Fallon Street, Oakland, CA 94612 by calling 510-891-6004.

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

Chong v. Jinglebells LLC c/o CPT Group, Inc. 50 Corporate Park Irvine, CA 92606 Tel: 1-888-502-7705

Email: jinglebellssettlement@cptgroup.com Fax: 949-419-3446

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. Following the void date, the funds will be transmitted to CALICO, the children's advocacy center for Alameda County, and you will have no way to recover the money.

11. WHAT IF I CHANGE MY ADDRESS?

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

AVISO DEL ACUERDO DE LA DEMANDA COLECTIVA Y LA FECHA DE LA AUDIENCIA PARA LA APROBACIÓN FINAL DE LA CORTE

Maggie Chong v. Jinglebells LLC, et al., Número de Caso RG21100705

La Corte Superior para el Estado de California autorizó este Aviso. ¡Léalo cuidadosamente! No es correo basura, spam, publicidad o solicitud de un abogado. Usted no está siendo demandado.

Usted puede ser elegible para recibir dinero de una demanda colectiva de empleados ("Demanda") en contra de Jinglebells LLC y Jinglebells Holding LLC (colectivamente "Jinglebells") por las supuestas violaciones de salarios y horarios. La Demanda fue presentada por una empleada anterior de Jinglebells LLC, Maggie Chong ("Demandante"), y solicita el pago de (1) salarios atrasados y daños estatutarios para una clase de empleados no exentos ("Miembros de la Clase") que trabajaron para Jinglebells durante el Período de la Clase del 2 de junio del 2017 hasta el 28 de abril del 2024; y (2) las sanciones conforme a la Ley General de Abogados Privados de California ("PAGA," por sus siglas en inglés) para todos los empleados no exentos que trabajaron para Jinglebells durante el Período de PAGA del 22 de abril del 2020 hasta el 28 de abril del 2024 ("Empleados Agraviados").

El Acuerdo propuesto tiene dos partes principales: (1) un Acuerdo de la Clase que obligue a Jinglebells financiar los Pagos Individuales de la Clase, y (2) un Acuerdo de PAGA que obligue a Jinglebells financiar los Pagos Individuales de PAGA y pague las sanciones a la Agencia de Trabajo y Desarrollo de la Fuerza Laboral de California ("LWDA," por sus siglas en inglés).

Según los registros de Jinglebells, y las suposiciones actuales de las Partes, su Pago Individual de la Clase se estima ser de \$«SubClass1_Amt» (menos las retenciones) y su Pago Individual de PAGA se estima ser de \$«PAGAClass_Amt». La cantidad real que puede recibir probablemente será diferente y dependerá de una serie de factores. (Si no se indica ninguna cantidad para su Pago Individual de PAGA, entonces según los registros de Jinglebells usted no es elegible para un Pago Individual de PAGA conforme al Acuerdo porque no trabajó durante el Período de PAGA).

Las estimaciones anteriores se basan en los registros de Jinglebells que muestran que **usted trabajó** «**SubClass1_Weight» semanas de trabajo** como un empleado de Jinglebells LLC durante el Período de la Clase y **usted trabajó** «**PAGAClass_Weight» períodos de pago** como un empleado de Jinglebells LLC durante el Período de PAGA. Si usted cree que trabajó más semanas de trabajo o períodos de pago durante cualquiera de los dos períodos, usted puede presentar una disputa antes de la fecha límite. Ver la Sección 4 de este Aviso.

La Corte ya ha aprobado preliminarmente el Acuerdo propuesto y ha aprobado este Aviso. La Corte aún no ha decidido si concederá la aprobación final. Sus derechos legales son afectados tanto si actúa o no actúa. Lea este Aviso cuidadosamente. Se considerará que lo ha leído atentamente y entendido. En la Audiencia de Aprobación Final, la Corte decidirá si aprueba finalmente el Acuerdo y qué parte del Acuerdo se pagará a la Demandante y a los abogados de la Demandante ("Abogados de la Clase"). La Corte también decidirá si dicta una sentencia que obligue a Jinglebells hacer pagos según el Acuerdo y que obligue a los Miembros de la Clase a renunciar a sus derechos de afirmar ciertos reclamos en contra de Jinglebells, y considere que a LWDA libera los reclamos liberados presentados en el aviso de PAGA de la Demandante.

Si usted trabajó para Jinglebells durante el Período de la Clase y/o el Período de PAGA, usted tiene dos opciones básicas conforme al Acuerdo:

- 1. **No Hacer Nada**. Usted no tiene que hacer nada para participar en el Acuerdo propuesto y ser elegible para un Pago Individual de la Clase y/o un Pago Individual de PAGA. Sin embargo, como un Miembro Participante de la Clase, usted renunciará a su derecho de afirmar reclamos salariales del Período de la Clase en contra de Jinglebells, y se considerará que la LWDA ha liberado los reclamos de las sanciones civiles presentadas en el aviso de PAGA de la Demandante si el acuerdo es aprobado.
- 2. Excluirse del Acuerdo de la Clase. Usted puede excluirse del Acuerdo de la Clase ("optar por excluirse") presentando la Solicitud de Exclusión por escrito o de otro modo notificando al Administrador por escrito. Si opta por excluirse del Acuerdo, usted no recibirá un Pago Individual de la Clase. Sin embargo, conservará su derecho a presentar personalmente los reclamos salariales del Período de la Clase en contra de Jinglebells, y, si es un

Empleado Agraviado, seguirá siendo elegible para recibir un Pago Individual de PAGA. Usted no puede optar por excluirse de la porción de PAGA del Acuerdo propuesto.

Jinglebells no tomará represalias en contra de usted por cualquier acción que tome con respecto al Acuerdo propuesto.

RESUMEN DE SUS DERECHOS Y OPCIONES LEGALES EN ESTE ACUERDO

Usted No Tiene Que Hacer Nada Para Participar en el Acuerdo	Si usted no hace nada, usted será un Miembro Participante de la Clase, elegible para un Pago Individual de la Clase y un Pago Individual de PAGA (si lo hay). A cambio, usted renunciará a su derecho de afirmar los reclamos salariales en contra de Jinglebells que están cubiertos por este Acuerdo (Reclamos Liberados).
Usted Puede Optar Por Excluirse del Acuerdo de la Clase, Pero No del Acuerdo de PAGA	Si no desea participar completamente en el Acuerdo propuesto, usted puede optar por excluirse del Acuerdo de la Clase enviando al Administrador una Solicitud de Exclusión por escrito. Una vez excluido, usted será un Miembro de la Clase No Participante y ya no será elegible para un Pago Individual de la Clase. Los Miembros de la Clase No Participantes no pueden objetar a ninguna porción del Acuerdo propuesto. Ver la Sección 6 de este Aviso.
La Fecha Límite de Exclusión es el 23 de mayo del 2025	Usted no puede optar por excluirse de la porción de PAGA del Acuerdo propuesto. Jinglebells debe pagar los Pagos Individuales de PAGA a todos los Empleados Agraviados y se considerará que la LWDA ha liberado los reclamos de las sanciones civiles presentadas en el aviso de PAGA de la Demandante (definidos a continuación).
Los Miembros Participantes de la Clase Pueden Objetar al Acuerdo de la Clase, pero no al Acuerdo de PAGA Las Objeciones Escritas Deben Ser Presentadas antes del 23 de mayo del 2025	Todos los Miembros de la Clase que no opten por la exclusión ("Miembros Participantes de la Clase") pueden objetar a cualquier aspecto del Acuerdo propuesto. La decisión de la Corte sobre la aprobación final del Acuerdo incluirá la determinación de cuánto se pagará a los Abogados de la Clase y a la Demandante que presentó la Demanda en nombre de la Clase. Usted no es personalmente responsable de ningún pago a los Abogados de la Clase o a la Demandante, pero cada dólar pagado a los Abogados de la Clase y a la Demandante reduce la cantidad total pagada a los Miembros Participantes de la Clase. Usted puede objetar a las cantidades solicitadas por los Abogados de la Clase o la Demandante si considera que no son razonables. Ver la Sección 7 de este Aviso.
Usted Puede Participar en la Audiencia de Aprobación Final del 26 de junio del 2025 Usted Puede Disputar El Cálculo De Sus Semanas De Trabajo/Períodos de Pago	La Audiencia de Aprobación Final de la Corte está programada para llevarse a cabo el 26 de junio del 2025. Usted no tiene que asistir, pero tiene derecho a comparecer (o contratar a un abogado para que comparezca en su nombre por su propia cuenta), en persona o de manera remota. Los Miembros Participantes de la Clase pueden objetar verbalmente al Acuerdo en la Audiencia de Aprobación Final. Ver la Sección 8 de este Aviso. Las cantidades de su Pago Individual de la Clase y el Pago de PAGA (si lo hay) dependen de cuántas semanas de trabajo usted trabajó por lo menos un día durante el Período de la Clase y cuántos Períodos de Pago usted trabajó por lo menos un día durante el Período de PAGA, respectivamente. El número de Semanas de Trabajo del Período de la Clase y el número de Períodos de Pago del Período de PAGA que usted trabajó según los registros de Jinglebells se indican en la primera página de este Aviso. Si no está de acuerdo con
Las Disputas Escritas Deben Ser Presentadas antes del 23 de mayo del 2025	alguno de estos números, usted debe disputarla antes del 23 de mayo del 2025. Ver la Sección 4 de este Aviso.

1. ¿DE QUÉ SE TRATA ESTA DEMANDA?

La Demandante es una empleada anterior de Jinglebells LLC. La Demanda acusa a Jinglebells de violar las leyes laborales de California al no pagar los salarios de las horas extras, los salarios mínimos, los salarios adeudados a la terminación, y todos los días de enfermedad acumulados y no proporcionar los períodos de comida, los períodos de descanso y las declaraciones salariales precisas y detalladas. Sobre la base de los mismos reclamos, la Demandante también ha presentado un reclamo por sanciones civiles conforme a la Ley General de Abogados Privados de California (§ 2698, y siguientes del Código Laboral) ("PAGA," por sus siglas en inglés). La Demandante es representada por los abogados en la Demanda: Kyle Todd de Kyle Todd, P.C., y Raul Perez, Bevin Pike, Daniel Jonathan, y Trisha Monesi de Capstone Law APC

("Abogados de la Clase").

Jinglebells niega firmemente haber violado alguna ley ni haber dejado de pagar ningún salario y sostiene que cumplió con todas las leyes aplicables.

2. ¿QUÉ SIGNIFICA QUE LA DEMANDA SE HA RESUELTO?

Hasta el momento, la Corte no ha hecho ninguna determinación sobre si Jinglebells o la Demandante tienen la razón sobre los méritos. Mientras tanto, la Demandante y Jinglebells contrataron a un mediador con experiencia y neutral en un esfuerzo para resolver la Demanda mediante la negociación para poner fin al caso mediante un acuerdo (resolver el caso) en lugar de continuar con el costoso y largo proceso de litigio. Las negociaciones tuvieron éxito. Mediante la firma de una extensa resolución del acuerdo por escrito ("Acuerdo") y acordando solicitar conjuntamente a la Corte que dicte una sentencia que ponga fin a la Demanda y haga cumplir el Acuerdo, la Demandante y Jinglebells han negociado un Acuerdo propuesto que está sujeto a la Aprobación Final de la Corte. Ambas partes están de acuerdo en que el Acuerdo propuesto es un compromiso de los reclamos en disputa. Al aceptar llegar a un acuerdo, Jinglebells no admite ninguna violación ni concede el mérito de ningún reclamo.

La Demandante y los Abogados de la Clase creen firmemente que el Acuerdo es un buen trato para usted porque consideran que: (1) Jinglebells ha acordado pagar una cantidad justa, razonable y adecuada considerando la fuerza de los reclamos y los riesgos e incertidumbres de un litigio continuo; y (2) el Acuerdo es en el mejor interés de los Miembros de la Clase y de los Empleados Agraviados. La Corte aprobó preliminarmente el Acuerdo propuesto como justo, razonable y adecuado, autorizó este Aviso, y programó una audiencia para determinar la Aprobación Final.

3. ¿CUÁLES SON LOS TÉRMINOS IMPORTANTES DEL ACUERDO PROPUESTO?

- 1. Jinglebells Pagará \$987,500 como la Cantidad Bruta del Acuerdo (Acuerdo Bruto). Jinglebells ha acordado depositar el Acuerdo Bruto en una cuenta controlada por el Administrador del Acuerdo. El Administrador utilizará el Acuerdo Bruto para pagar los Pagos Individuales de la Clase, los Pagos Individuales de PAGA, el Pago de Servicio de la Representante de la Clase, los honorarios y gastos de abogados de los Abogados de la Clase, los gastos del Administrador y las sanciones que se pagarán a la Agencia del Trabajo y Desarrollo de la Fuerza Laboral de California ("LWDA," por sus siglas en inglés). Suponiendo que la Corte conceda la Aprobación Final, Jinglebells también financiará el Acuerdo Bruto no más de 120 días después de que la Sentencia dictada por la Corte se finalice. La Sentencia será definitiva en la fecha en que la Corte dicte la Sentencia, o en una fecha posterior si los Miembros Participantes de la Clase objetan al Acuerdo propuesto o si se apela la Sentencia.
- 2. <u>Deducciones Aprobadas por la Corte del Acuerdo Bruto</u>. En la Audiencia de Aprobación Final, la Demandante y/o los Abogados de la Clase le pedirán a la Corte que apruebe las siguientes deducciones del Acuerdo Bruto, cuyas cantidades serán decididas por la Corte en la Audiencia de Aprobación Final:
 - A. Hasta \$329,167.00 [el 33.33% del Acuerdo Bruto] a los Abogados de la Clase para los honorarios de abogados y hasta \$49,549 para sus gastos de litigio. Hasta la fecha, los Abogados de la Clase han trabajado e incurrido en gastos en la Demanda sin recibir ningún pago.
 - B. Hasta \$10,000 como una Adjudicación de la Representante de la Clase por presentar la Demanda, trabajar con los Abogados de la Clase y representar a la Clase. La Adjudicación de Servicio de la Representante de la Clase será el único dinero que la Demandante recibirá aparte del Pago Individual de la Clase y cualquier Pago Individual de PAGA de la Demandante.
 - C. Hasta \$14,000 al Administrador por los servicios de administrar el Acuerdo.
 - D. Hasta \$15,000 para las Sanciones de PAGA, asignadas como el 75% al Pago de PAGA de la LWDA y el 25% a los Pagos Individuales de PAGA a los Empleados Agraviados sobre la base de sus Períodos de Pago del Período de PAGA.

Los Miembros Participantes de la Clase tienen derecho a objetar a cualquiera de estas deducciones. La Corte considerará todas las objeciones.

- 3. Acuerdo Neto Distribuido a los Miembros de la Clase. Después de realizar las deducciones anteriores en las cantidades aprobadas por la Corte, el Administrador distribuirá el resto del Acuerdo Bruto (el "Acuerdo Neto") realizando los Pagos Individuales de la Clase a los Miembros Participantes de la Clase según sus Semanas de Trabajo del Período de la Clase.
- 4. Impuestos Adeudados sobre los Pagos a los Miembros de la Clase. La Demandante y Jinglebells le solicitan a la

Corte que apruebe una asignación del 15% de cada Pago Individual de la Clase a salarios sujetos a impuestos ("Porción Salarial") y el 85% a los intereses y daños no salariales ("Porción No Salarial"). La Porción Salarial está sujeta a retenciones y se declarará en las Formas W-2 del IRS. Jinglebells pagará por separado los impuestos sobre la nómina del empleador que se deben de la Porción Salarial. Los Pagos Individuales de PAGA se contabilizan como sanciones y no como salarios para los propósitos fiscales. El Administrador declarará los Pagos Individuales de PAGA y las Porciones No Salariales de los Pagos Individuales de la Clase en las Formas 1099 del IRS.

Aunque la Demandante y Jinglebells han acordado a estas asignaciones, ninguna de las partes le está asesorando sobre si sus Pagos están sujetos a impuestos o cuánto podría adeudar en impuestos. Usted es responsable de pagar todos los impuestos (incluyendo las sanciones e intereses sobre impuestos atrasados) sobre cualquier Pago recibido del Acuerdo propuesto. Usted debe consultar a un asesor fiscal si tiene alguna pregunta sobre las consecuencias fiscales del Acuerdo propuesto.

- 5. Es Necesario Cobrar Prontamente Los Cheques De Pago. El anverso de cada cheque emitido para los Pagos Individuales de Clase y los Pagos Individuales de PAGA mostrará la fecha en que vence el cheque (la fecha de anulación). Si no lo cobra antes de la fecha de anulación, su cheque se cancelará automáticamente, y el dinero se entregará a CALICO, el centro de defensa de menores del condado de Alameda, y el dinero ya no estará disponible para usted.
- 6. Solicitudes de Exclusión del Acuerdo de la Clase (Optar por la Exclusión). Usted será tratado como un Miembro Participante de la Clase, participando completamente en el Acuerdo de la Clase, a menos de que notifique al Administrador por escrito, a no más tardar el 23 de mayo del 2025, que usted desea excluirse. La manera más fácil de notificar al Administrador es enviar una Solicitud de Exclusión por escrito y firmada antes de la Fecha Límite de Respuesta del 23 de mayo del 2025. La Solicitud de Exclusión debe ser una carta firmada de un Miembro de la Clase o de su representante en la que se indique el nombre del Miembro de la Clase, la dirección actual, el número de teléfono y una declaración simple en la que elija ser excluido del Acuerdo. Los Miembros de la Clase excluidos (es decir, los Miembros de la Clase No Participantes) no recibirán los Pagos Individuales de la Clase, pero conservarán sus derechos a presentar personalmente reclamos de salarios y horarios en contra de Jinglebells.

Usted no puede optar por excluirse de la porción de PAGA del Acuerdo. Los Miembros de la Clase que se excluyan del Acuerdo de la Clase (Miembros de la Clase No Participantes) siguen siendo elegibles para los Pagos Individuales de PAGA y son requeridos a renunciar a su derecho de afirmar reclamos de PAGA en contra de Jinglebells según los hechos de PAGA alegados en la Demanda.

- 7. El Acuerdo Propuesto será Nulo si la Corte Niega la Aprobación Final. Es posible que la Corte se niegue a conceder la Aprobación Final del Acuerdo o se niegue a dictar una Sentencia. También es posible que la Corte dicte una Sentencia que sea revocada en apelación. La Demandante y Jinglebells han acordado que, en cualquier caso, el Acuerdo será nulo: Jinglebells no pagará ningún dinero y los Miembros de la Clase no liberarán ningún reclamo en contra de Jinglebells.
- 8. Administrador. La Corte ha designado a una compañía neutral, CPT Group, Inc. (el "Administrador") para que envíe este Aviso, calcule y realice los pagos, y procese las Solicitudes de Exclusión de los Miembros de la Clase. El Administrador también decidirá las Disputas de los Miembros de la Clase sobre las semanas de trabajo o períodos de pago, enviará y reenviará por correo los cheques del acuerdo y las formas fiscales, y realizará otras tareas necesarias para administrar el Acuerdo. La información de contacto del Administrador se indica en la Sección 9 de este Aviso.
- 9. <u>Liberación de los Miembros Participantes de la Clase</u>. Después de que la Sentencia sea definitiva y Jinglebells haya financiado completamente el Acuerdo Bruto y haya pagado por separado todos los impuestos sobre la nómina del empleador, los Miembros Participantes de la Clase estarán legalmente prohibidos de afirmar cualquiera de los reclamos liberados bajo el Acuerdo. Esto significa que, a menos de que usted haya optado por excluirse de manera válida del Acuerdo de la Clase, no podrá demandar, continuar demandando ni ser parte de ninguna otra demanda en contra de Jinglebells o las entidades relacionadas por salarios y sanciones de PAGA basadas en los hechos y reclamos, según se alega en la Demanda y se resuelve mediante este Acuerdo.

Los Miembros Participantes de la Clase estarán obligados por la siguiente liberación:

Todos los Miembros Participantes de la Clase, en nombre de sí mismos y de sus respectivos anteriores y actuales representantes, agentes, abogados, herederos, administradores, sucesores y cesionarios, liberan a

las Partes Liberadas de cualquiera y todos los reclamos, daños y perjuicios o causas de acción alegadas en, o que surjan de, las alegaciones de la Demanda que surgieron durante el Período de la Clase y que fueron alegadas, o podrían haber sido alegadas, por el Demandante sobre la base de cualquiera de las alegaciones de hecho contenidas en la Queja de la Demanda, incluyendo, pero no limitado a, los reclamos conforme a la ley estatal, federal o local, incluyendo, pero no limitado a, los reclamos por salarios mínimos no pagados y de las horas extras no pagadas (incluyendo, entre otros, en relación con el trabajo fuera de horario y el redondeo inadecuado del tiempo), reclamos relacionados con los períodos de comida y descanso no conformes y la falta de pago de las primas por los mismos, no cumplir con las disposiciones de las declaraciones salariales detalladas de los empleados, no pagar los salarios adeudados en la separación y las sanciones de tiempo de espera asociadas, no pagar oportunamente los salarios durante el empleo, no mantener los registros de tiempo y de nómina conformes, no pagar todos los días de enfermedad acumulados, y las prácticas comerciales desleales o ilegales de conformidad con la § 17200, y siguientes del Código de Negocios y Profesiones de California sobre la base de lo anterior. Los Reclamos Liberados de la Clase incluyen específicamente, pero no son limitados a, todos los reclamos que surgen bajo las secciones 201, 202, 203, 226, 226.3, 226.7, 233, 246, 246.5, 248.5, 510, 512, 1194, 1194.2, 1197, 1197.1, 1198 del Código Laboral de California, y las secciones correspondientes de las Órdenes Salariales aplicables de la Comisión de Bienestar Industrial de California, incluyendo la Orden Salarial 5, y las secciones 17200, y siguientes del Código de Negocios y Profesiones de California, basadas en los reclamos anteriores, y el derecho común de contrato de California, intereses y reclamos por honorarios de abogados relacionados de cualquier manera con esos reclamos alegados en la Demanda.

10. <u>Liberación por la LWDA</u>. Una vez que la sentencia de la Corte sea final, y Jinglebells hayan pagado el Acuerdo Bruto y haya pagado por separado los impuestos sobre la nómina por parte del empleador, se considerará que la LWDA ha liberado los reclamos que fueron presentados en el aviso de PAGA de la Demandante. Esto significa que todos los Empleados Agraviados, incluyendo aquellos que sean Miembros Participantes de la Clase y aquellos que opten por excluirse del Acuerdo de la Clase, no podrán demandar, continuar demandando ni participar en ningún otro reclamo de PAGA en contra de Jinglebells o sus entidades relacionadas sobre los reclamos afirmados en el aviso de PAGA de la Demandante, o que podrán haber sido afirmados sobre la base de los hechos y teorías afirmadas en el aviso de PAGA de la Demandante.

La liberación de la LWDA es como sigue:

Se considera que la LWDA libera, en nombre de sí misma y de sus respectivos anteriores y actuales representantes, agentes, abogados, herederos, administradores, sucesores y cesionarios, las Partes Liberadas de cualquiera y todos los reclamos por sanciones civiles conforme a PAGA que tenga la LWDA que fueron alegados en el Aviso de PAGA de la Demandante, o que podrían haber sido alegados, sobre la base de los hechos y teorías establecidos en el Aviso de PAGA de la Demandante, y que surgieron durante el Período de PAGA, incluyendo, pero no limitado a, las violaciones de las secciones 201, 202, 203, 204, 210, 216, 226, 226.3, 226.7, 227.3, 246, 510, 512, 515, 558, 558.1, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, y 2698, y siguientes del Código Laboral de California, la § 17200 del Código de Negocios y Profesiones, y las secciones correspondientes de las Órdenes Salariales aplicables de la Comisión de Bienestar Industrial de California, incluyendo la Orden Salarial 5.

4. ¿CÓMO CALCULARÁ EL ADMINISTRADOR MI PAGO?

- 1. <u>Pagos Individuales de la Clase</u>. El Administrador calculará los Pagos Individuales de la Clase (a) dividiendo la Cantidad Neta del Acuerdo por el número total de Semanas de Trabajo trabajadas por todos los Miembros Participantes de la Clase, y (b) multiplicando el resultado por el número de Semanas de Trabajo trabajadas por cada Miembro Participante de la Clase individual.
- 2. Pagos Individuales de PAGA. El Administrador calculará los Pagos Individuales de PAGA (a) dividiendo \$3,750 por el número total de Períodos de Pago de PAGA trabajados por todos los Empleados Agraviados y (b) multiplicando el resultado por el número de Períodos de Pago del Período de PAGA trabajados por cada Empleado Agraviado individual.
- 3. <u>Disputas de las Semanas de Trabajo/Períodos de Pago</u>. El número de Semanas de Trabajo de la Clase que usted trabajó durante el Período de la Clase y el número de Períodos de Pago de PAGA que usted trabajó durante el Período de PAGA, según se indica en los registros de Jinglebells, se indican en la primera página de este Aviso. Usted tiene hasta el 23 de mayo del 2025, para disputar el número de Semanas de Trabajo y/o Períodos de Pago

que se le acreditaron. Usted puede presentar su disputa firmando y enviando una carta al Administrador por correo, correo electrónico o fax. En la Sección 9 de este Aviso se encuentra la información de contacto del Administrador.

Usted necesita apoyar su disputa enviando copias de los talones de pago u otros registros. El Administrador aceptará el cálculo de Jinglebells de las Semanas de Trabajo y/o los Períodos de Pago basado en los registros de Jinglebells como precisos a menos de que usted envíe copias de registros que contengan información contraria. Usted debe enviar copias en lugar de originales porque los documentos no serán devueltos a usted. El Administrador resolverá las disputas de las Semanas de Trabajo y/o los Períodos de Pago sobre la base de su presentación y de los aportes de los Abogados de la Clase (que abogarán en nombre de los Miembros Participantes de la Clase) y de los Abogados de Jinglebells. La decisión del Administrador es definitiva. Usted no puede apelar o de otra manera cuestionar su decisión final.

5. ¿CÓMO SE ME PAGARÁ?

- 1. <u>Miembros Participantes de la Clase</u>. El Administrador enviará, por correo de EE. UU., un solo cheque a cada Miembro Participante de la Clase (es decir, a cada Miembro de la Clase que no opte por no participar), incluyendo a aquellos que también califiquen como Empleados Agraviados. El cheque único combinará el Pago Individual de la Clase y el Pago Individual de PAGA.
- 2. <u>Miembros de la Clase No Participantes</u>. El Administrador enviará, por correo de EE. UU., un solo cheque del Pago Individual de PAGA a cada Empleado Agraviado que opte por excluirse del Acuerdo de la Clase (*es decir*, cada Miembro de la Clase No Participante).

Su cheque se enviará a la misma dirección que este Aviso. Si cambia su dirección, asegúrese de notificar al Administrador lo más pronto posible. La Sección 9 de este Aviso contiene la información de contacto del Administrador.

6. ¿CÓMO ME EXCLUYO DEL ACUERDO DE LA CLASE?

Presente una carta escrita y firmada con su nombre, dirección actual, número de teléfono y una declaración simple de que no desea participar en el Acuerdo. El Administrador lo excluirá sobre la base de cualquier escrito que comunique su solicitud de ser excluido. Asegúrese de firmar personalmente su solicitud, identifique la Demanda como *Maggie Chong v. Jinglebells LLC, et al.*, Caso No. RG21100705, e incluir sus datos de identificación, (su nombre completo, dirección, número de teléfono y las fechas aproximadas de empleo, y el número de seguro social para los propósitos de verificación). Usted debe presentar la solicitud por sí mismo. Si otra persona hace la solicitud por usted, no será válida. **Usted debe enviar al Administrador su solicitud para ser excluido antes del 23 de mayo del 2025, o no será válida.** La Sección 9 del Aviso contiene la información de contacto del Administrador.

7. ¿CÓMO OBJETO AL ACUERDO?

Sólo los Miembros Participantes de la Clase tienen derecho a objetar al Acuerdo. Antes de decidir si desea objetar, tal vez desee ver lo que la Demandante y Jinglebells le están pidiendo a la Corte que apruebe. Al menos 16 días hábiles antes de la Audiencia de Aprobación Final del 26 de junio del 2025, los Abogados de la Clase y/o la Demandante presentarán ante la Corte (1) una Petición de Aprobación Final que incluya, entre otras cosas, las razones por las que el Acuerdo propuesto es justo, y (2) una Petición para los Honorarios, Gastos de Litigio y la Adjudicación de Servicio declarando (i) la cantidad que los Abogados de la Clase están solicitando para los honorarios y gastos de litigio de los abogados; y (ii) la cantidad que la Demandante está solicitando como la Adjudicación de Servicio de la Representante de la Clase. Usted también puede ver copias de estos documentos en el sitio web del Administrador en www.cptgroupcaseinfo.com/JinglebellsSettlement o el sitio web de la Corte (https://eportal.alameda.courts.ca.gov/).

Un Miembro Participante de la Clase que no esté de acuerdo con algún aspecto del Acuerdo, la Petición para la Aprobación Final y/o la Petición para los Honorarios, Gastos de Litigio y la Adjudicación de Servicio puede desear objetar, por ejemplo, que el Acuerdo propuesto no es justo, o que las cantidades solicitadas por los Abogados de la Clase o la Demandante son demasiado altas o demasiado bajas. **La fecha límite para enviar objeciones por escrito al Administrador es el 23 de mayo del 2025.** Asegúrese de decirle al Administrador a qué se opone, por qué se opone y cualquier hecho que apoye su objeción. Asegúrese de identificar la Demanda como *Maggie Chong v. Jinglebells LLC*, et al., Caso No. RG21100705, e incluir su nombre, su dirección actual, número de teléfono y las fechas aproximadas de empleo para Jinglebells y firme la objeción. La Sección 9 de este Aviso contiene la información de contacto del Administrador.

Alternativamente, un Miembro Participante de la Clase puede objetar (o contratar personalmente a un abogado para objetar por su propia cuenta) asistiendo a la Audiencia de Aprobación Final. Usted (o su abogado) debe estar preparado para

explicar a la Corte a qué se opone, por qué se opone y cualquier hecho que apoye su objeción. Vea la Sección 8 de este Aviso (inmediatamente a continuación) para más detalles sobre la Audiencia de Aprobación Final.

8. ¿PUEDO ASISTIR A LA AUDIENCIA DE APROBACIÓN FINAL?

Usted puede, pero no tiene que, asistir a la Audiencia de Aprobación Final el 26 de junio del 2025, a las 10:00 a.m. en el Departamento 23 de la Corte Superior de Alameda, ubicada en 1221 Oak Street, Oakland, CA 94612. En la Audiencia, el juez decidirá si concede la Aprobación Final del Acuerdo y qué parte del Acuerdo Bruto se pagará a los Abogados de la Clase, a la Demandante y al Administrador. La Corte invitará a los objetores, a los Abogados de la Clase y a los Abogados de la Defensa a presentar sus comentarios antes de tomar una decisión. Usted puede asistir (o contratar a un abogado para que asista) ya sea personalmente o de manera remota. Para solicitar una comparecencia remota, usted puede comunicarse con la Corte a través del correo electrónico Dept23@alameda.courts.ca.gov. Consulte el sitio web de la Corte para obtener la información más actualizada.

Es posible que la Corte reprograme la Audiencia de Aprobación Final. Usted debe consultar el sitio web del Administrador en www.cptgroupcaseinfo.com/JinglebellsSettlement de antemano o comunicarse con los Abogados de la Clase para verificar la fecha y hora de la Audiencia de Aprobación Final.

9. ¿CÓMO PUEDO OBTENER MÁS INFORMACIÓN?

El Acuerdo establece todo lo que Jinglebells y la Demandante han prometido hacer conforme al Acuerdo propuesto. La forma más fácil de leer el Acuerdo, la Sentencia o cualquier otro documento del Acuerdo es visitar el sitio web de CPT Group, Inc. en www.cptgroupcaseinfo.com/JinglebellsSettlement. Usted también puede llamar por teléfono o enviar un correo electrónico al Administrador utilizando la información de contacto que se indica a continuación, o consultar el sitio web de la Corte Superior visitando https://eportal.alameda.courts.ca.gov/e ingresando el Número de Caso para la Demanda, Número de Caso RG21100705. Usted también puede hacer una cita para revisar personalmente los documentos de la corte en la Oficina del Secretario en Rene C. Davidson Courthouse, 1225 Fallon Street, Oakland, CA 94612 llamando al 510-891-6004.

NO LLAME A LA CORTE SUPERIOR PARA OBTENER INFORMACIÓN SOBRE EL ACUERDO.

Chong v. Jinglebells LLC c/o CPT Group, Inc. 50 Corporate Park Irvine, CA 92606 Tel: 1-888-502-7705

Correo Electrónico: jinglebellssettlement@cptgroup.com

Fax: 949-419-3446

10. ¿QUÉ SUCEDE SI PIERDO MI CHEQUE DEL ACUERDO?

Si usted pierde o extravía su cheque del acuerdo antes de cobrarlo, el Administrador lo reemplazará siempre que usted solicite un reemplazo antes de la fecha de vencimiento que se indica en el anverso del cheque original. Después de la fecha de anulación, los fondos se transmitirán a CALICO, el centro de defensa de menores del condado de Alameda, y usted no tendrá ninguna manera para recuperar el dinero.

11. ¿QUÉ SUCEDE SI CAMBIO MI DIRECCIÓN?

Para recibir su cheque, usted debe notificar inmediatamente al Administrador si se muda o cambia su dirección postal.

EXHIBIT B



COST ESTIMATE

\$300.00 \$930.00

\$1,230.00

PIECES/HOURS

310

Total:

Date: May 30, 2025 INVOICE FOR CHONG v J INGLEBELLS LLC

> **Class Size:** 1,549 Opt-Out Filing Rate: 0% No. of Checks Issued: 1,549

Language Translation Services: Yes Settlement Website: Static Website Undeliverable Mail Rate: 11% Payment Option: Check Unclaimed Funds: Cy Pres **Postage Total:** \$2,763.30

Grand Total: \$24,555.63

Notice Procedures: Mail		BALANCE DUE: \$14,000.00	
CASE SETUP			
ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COSTESTIMATE
Project Manager: Case Intake & Review	\$95.00	7	\$665.00
Programming: Data Base Setup	\$150.00	7	\$1,050.00
Spanish Translation	\$1,200.00	1	\$1,200.00
Static Website	\$500.00	1	\$500.00
Dedicated Case Email Address	\$150.00	2	\$300.00
		Total:	\$3,715.00
DIRECT MAIL NOTIFICATION			
ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Manager: Format Documents	\$95.00	2	\$190.00
National Change of Address Search (NCOA)	\$135.00	1	\$135.00
XMLLex ID Skip Trace	\$0.85	155	\$131.75
Print & Mail Notice Packets	\$1.50	1,549	\$2,323.50
First-Class Postage (up to 2 oz.)	\$0.97	1,549	\$1,502.53
		Total:	\$4,282.78
PROCESS RETURNED UNDELLY	ERABLE MAIL		
ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Clerical Staff	\$60.00	3	\$180.00
Update Undeliverable Mail Database	\$0.50	163	\$81.50
Skip Trace for Best Address	\$1.00	161	\$161.00
Print & Remail Notice Packets	\$1.50	104	\$156.00
First-Class Postage (up to 2 oz.)	\$0.97	104	\$100.88
		Total:	\$679.38
OPT-OUT PROCESSING			
ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: De-duplication/Scrubbing	\$150.00	6	\$900.00
Project Manager: Validate Opt-Outs	\$95.00	0	\$0.00
Clerical Staff	\$60.00	0	\$0.00
Opt-Out Processing	\$2.50	0	\$0.00
Print & Mail Deficiency/Dispute Notices	\$1.50	0	\$0.00
First-Class Postage (up to 1 oz.)	\$0.69	0	\$0.00
Review & Process Deficiency Responses	\$10.00	0	\$0.00
		Total:	\$900.00
CLASS MEMBER SUPPORT			

SSN VERIFICATION

Toll-Free Number Establish/Setup

Live Call Center Support Reps.

ADMINISTRATIVE TASKS

BBIT VERMI TO HIGH			
ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: SSN Selection	\$150.00	1	\$150.00
Department Manager: Analysis & Reporting	\$95.00	3	\$285.00
IRS SSN Verification	\$0.10	1,549	\$154.90
		Total:	\$589.90

UNIT PRICE

\$150.00

\$3.00

DISTRIBUTION SERVICES			
ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATI
Programming: Calculation Totals	\$150.00	3	\$450.00
Project Supervisor: Review of Distribution	\$150.00	6	\$900.00
Project Manager: Correspondence w/Parties	\$95.00	3	\$285.00
Programming: Setup & Printing of Checks	\$150.00	4	\$600.00
Obtain EIN, Setup QSF/Bank Account	\$150.00	3	\$450.00
Print & Mail Notice, Checks & W2/1099	\$2.50	1,549	\$3,872.50
First-Class Postage (up to 1 oz.)	\$0.69	1,549	\$1,068.81
Project Supervisor: Account Reconciliation	\$150.00	12	\$1,800.00
Update Undeliverable Checks Database	\$0.50	77	\$38.73
Skip Trace for Best Address	\$1.00	77	\$77.45
Remail Undeliverable Checks	\$2.50	70	\$175.00
First-Class Postage (up to 1 oz.)	\$0.69	70	\$48.30
Re-Issue Checks as Required	\$5.00	62	\$310.00
First-Class Postage (up to 1 oz.)	\$0.69	62	\$42.78
		Total:	\$10,118.57

TAXREPORTING & SETTLEMENT CONCLUSION			
ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Supervisor: Reconcile Uncashed Chk	\$150.00	1	\$150.00
Programming: Weekly &Final Reports	\$150.00	2	\$300.00
Project Supervisor: Final Declaration	\$150.00	2	\$300.00
Project Manager: Account Files Sent to Atty	\$95.00	2	\$190.00
CATax Preparation*	\$600.00	1	\$600.00
Annual Tax Reporting to IRS*	\$1,000.00	1	\$1,000.00
QSF Annual Tax Reporting	\$500.00	1	\$500.00
Unclaimed Funds Sent to Cy Pres	No Fee	1	No Fee
		Total:	\$3,040.00

*CPT will file Federal and California taxes in accordance with current state and federal regulations.

Total Administration Costs: \$24,555.63

Courtesy Discount: -\$10,555.63

CPT'S DISCOUNTED FLAT FEE: \$14,000.00

1 2 3 4 5 6 7 8 9 10 11	Raul Perez (SBN 174687) Raul.Perez@capstonelawyers.com Bevin Allen Pike (SBN 221936) Bevin.Pike@capstonelawyers.com Daniel Jonathan (SBN 262209) Daniel.Jonathan@capstonelawyers.com Trisha K. Monesi (SBN 303512) Trisha.Monesi@capstonelawyers.com CAPSTONE LAW APC 1875 Century Park East, Suite 1000 Los Angeles, California 90067 Telephone: (310) 556-4811 Facsimile: (310) 943-0396 Kyle Todd (SBN 286370) kyle@kyletodd.com KYLE TODD, P.C. 171 North Altadena Drive, Suite 270 Pasadena, California 91107 Telephone: (323) 208-9171 Facsimile: (323) 693-0822	
12	Attorneys for Plaintiff Maggie Chong	
13	SUPERIOR COURT OF T	HE STATE OF CALIFORNIA
14	FOR THE COUNTY OF ALAMEDA	
1.5	MACCIE CHONC on individual individually	Care No. DC21100705
15 16	MAGGIE CHONG, an individual, individually, on behalf of the general public, and all others	Case No. RG21100705 Assigned to the Hon. Michael Markman
10	similarly situated,	Assigned to the Fion. Whenael Warkman
17	Plaintiff,	RESERVATION NO. A-21100705-001
18	vs.	[PROPOSED] ORDER AND JUDGMENT GRANTING MOTION FOR FINAL
19	JINGLEBELLS LLC, a California company;	APPROVAL OF CLASS ACTION SETTLEMENT AND MOTION FOR
20	JINGLE BELLS ENTERPRISES, LLC, a California company; JINGLEBELLS	ATTORNEYS' FEES, COSTS, AND A CLASS REPRESENTATIVE SERVICE PAYMENT
21 22	HOLDING LLC, a California company; and DOES 1 through 100, inclusive,	Date: June 26, 2025 Time: 10:00 a.m.
		Place: Department 23
23	Defendants.	Complaint Filed: June 2, 2021
24		Trial Date: None Set
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		Page 1

ORDER AND JUDGMENT

This matter came before the Court for a hearing on the Motion for Final Approval of the Class Action and PAGA Settlement and Motion for Attorneys' Fees, Costs, and a Class Representative Service Payment (collectively, the "Motions"). Due and adequate notice having been given to Class Members as required by the Court's Preliminary Approval Order, and the Court having reviewed the Motions, and determining that the settlement is fair, adequate and reasonable, and otherwise being fully informed and GOOD CAUSE appearing therefore, it is hereby ORDERED AS FOLLOWS:

- 1. For the reasons set forth in the Preliminary Approval Order, which are adopted and incorporated herein by reference, this Court finds that the requirements of California Code of Civil Procedure section 382 and rule 3.769 of the California Rules of Court have been satisfied.
- 2. This Order hereby adopts and incorporates by reference the terms and conditions of the Class Action and PAGA Settlement Agreement and Amendment (collectively, "Settlement Agreement" or "Settlement"), together with the definitions and terms used and contained therein.
- 3. The Court finds that it has jurisdiction over the subject matter of the action and over all parties to the action, including all members of the Settlement Class.
- 4. The Class Notice fully and accurately informed Class Members of all material elements of the proposed settlement and of their opportunity to opt out or object; was the best notice practicable under the circumstances; was valid, due, and sufficient notice to all Class Members; and complied fully with the laws of the State of California and due process. The Class Notice fairly and adequately described the settlement and provided Class Members with adequate instructions and a variety of means to obtain additional information.
- 5. Class Members were given a full opportunity to participate in the Final Approval hearing, and all Class Members and other persons wishing to be heard have been heard. Accordingly, the Court determines that all Class Members who did not timely and properly opt out of the settlement are bound by this Order.
- 6. The Court has considered all relevant factors for determining the fairness of the settlement and has concluded that all such factors weigh in favor of granting final approval. In particular, the Court finds that the settlement was reached following meaningful discovery and investigation conducted by

Plaintiff's Counsel; that the settlement is the result of serious, informed, adversarial, and arm's-length negotiations between the Parties; and that the terms of the settlement are in all respects fair, adequate, and reasonable.

- 7. In so finding, the Court has considered all evidence presented, including evidence regarding the strength of Plaintiff's case; the risk, expense, and complexity of the claims presented; the likely duration of further litigation; the amount offered in settlement; the extent of investigation and discovery completed; and the experience and views of counsel. The Parties have provided the Court with sufficient information about the nature and magnitude of the claims being settled, as well as the impediments to recovery, to make an independent assessment of the reasonableness of the terms to which the Parties have agreed.
- 8. Accordingly, the Court hereby approves the settlement as set forth in the Settlement Agreement and expressly finds that the settlement is, in all respects, fair, reasonable, adequate, and in the best interests of the entire Settlement Class and hereby directs implementation of all remaining terms, conditions, and provisions of the Settlement Agreement. The Court also finds that settlement now will avoid additional and potentially substantial litigation costs, as well as delay and risks if the Parties were to continue to litigate the case. Additionally, after considering the monetary recovery provided by the settlement in light of the challenges posed by continued litigation, the Court concludes that the settlement provides Class Members with fair and adequate relief.
- 9. The Settlement Agreement is not an admission by Defendants or by any other Released Party, nor is this Order a finding of the validity of any allegations or of any wrongdoing by Defendants or any other Released Party. Neither this Order, the Settlement Agreement, nor any document referred to herein, nor any action taken to carry out the Settlement Agreement, may be construed as, or may be used as, an admission of any fault, wrongdoing, omission, concession, waiver of defenses, or liability whatsoever by or against Defendants or any of the other Released Parties.
- 10. The Court finds that the instant action presented a good faith dispute of the claims alleged, and the Court finds in favor of settlement approval.
- 11. Final approval shall be with respect to the following Class: All persons employed by Defendants in California and classified as non-exempt employees during the period from June 2, 2017,

through April 28, 2024. As set forth in the Settlement, Aggrieved Employees include all persons employed by Defendants in California and classified as a non-exempt employee during the period of April 22, 2020, to April 28, 2024.

- 12. Plaintiff Maggie Chong is an adequate and suitable representative and is hereby appointed the Class Representative for the Settlement Class. The Court finds that Plaintiff's investment and commitment to the litigation and its outcome ensured adequate and zealous advocacy for the Settlement Class, and that her interests are aligned with those of the Settlement Class.
- 13. The Court hereby awards Plaintiff a Class Representative Service Payment of \$10,000 for her service on behalf of the Settlement Class, and for agreeing to a full general release of all claims arising out of her employment with Defendants, including a Civil Code section 1542 waiver of unknown claims.
- 14. The Court finds that the attorneys at Capstone Law APC and Kyle Todd, P.C. have the requisite qualifications, experience, and skill to protect and advance the interests of the Settlement Class. The Court therefore finds that counsel satisfy the professional and ethical obligations attendant to the position of Class Counsel, and hereby appoints Capstone Law APC and Kyle Todd, P.C. as counsel for the Settlement Class.
- 15. Class Counsel provided notice of the requested approval of the PAGA settlement to the LWDA through the online submission portal on June 3, 2025, and notice of this Order and Judgment shall be given by Plaintiff to the LWDA by submission through the online system established for the filing of notices and documents, in conformity with Labor Code section 2699, subdivision (s)(3).
- 16. The settlement of civil penalties under PAGA in the amount of \$15,000 is hereby approved. Seventy-Five Percent (75%), or \$11,250, shall be paid to the California Labor and Workforce Development Agency. The remaining Twenty-Five Percent (25%), or \$3,750, will be paid to Aggrieved Employees.
- 17. The Court hereby awards \$329,167 in attorneys' fees and \$15,481.38 in costs and expenses to Capstone Law APC and Kyle Todd, P.C. The Court finds that the requested award of attorneys' fees is reasonable for a contingency fee in a class action such as this; i.e., one-third of the common fund created by the settlement. Counsel have also established the reasonableness of the requested award of attorneys' fees via their lodestar crosscheck, and the Court finds that the attorney staffing, hours

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billed, and hourly rates are reasonable. The award of attorneys' fees and costs will be divided as follows:

(a) \$197,500.20 in attorneys' fees and \$941.58 in litigation costs to Capstone Law APC; and (b) \$131,666.80 in attorneys' fees and \$14,539.80 in litigation costs to Kyle Todd, P.C.

- 18. The Parties are to bear their own costs, including attorney fees, except as otherwise provided in the Settlement.
- 19. The Court approves settlement administration costs and expenses in the amount of \$14,000 to CPT Group, Inc.
- 20. All Class Members were given a full and fair opportunity to participate in the Approval Hearing, and all members of the Settlement Class wishing to be heard have been heard. Members of the Settlement Class also have had a full and fair opportunity to exclude themselves from the proposed settlement and the class. There were no requests for exclusion. Accordingly, the terms of the Settlement Agreement and of the Court's Order and Judgment shall be forever binding on all Participating Class Members. These Participating Class Members have released and forever discharged the Released Parties for any and all Released Class Claims during the Class Period:

Any and all claims, damages, or causes of action alleged in, or arising out of, the allegations in the Action that arose during the Class Period and which were alleged, or could have been alleged, by Plaintiff based on any of the factual allegations contained in the Complaint in the Action, including, but not limited to, claims under state, federal or local law including, but not limited to claims for unpaid minimum and overtime wages (including, inter alia, in connection with off-theclock work and improper rounding of time), claims related to non-compliant meal and rest breaks or periods and nonpayment of premium pay for such, failure to comply with itemized employee wage statement provisions, failure to pay wages due at separation and associated waiting time penalties, failure to timely pay wages during employment, failure to maintain compliant time and payroll records, the failure to pay all accrued sick days, and unfair or unlawful business practices pursuant to California Business and Professions Code § 17200, et seq. based on the aforementioned. The Released Class Claims specifically include, but are not limited to, all claims arising under California Labor Code sections 201, 202, 203, 226, 226.3, 226.7, 233, 246, 246.5, 248.5, 510, 512, 1194, 1194.2, 1197, 1197.1, 1198, and the corresponding sections of the applicable California Industrial Welfare Commission Wage Orders, including Wage Order 5, and California Business and Profession Code sections 17200, et seq., based on the preceding claims, and California common law of contract, interest, and claims for attorneys' fees relating in any way to those claims alleged in the Action.

21. Additionally, all Aggrieved Employees and the LWDA have released and forever discharged the Released Parties for any and all Released PAGA Claims during the PAGA Period:

1 2 3	Any and all claims for civil penalties under PAGA held by the LWDA that were alleged in Plaintiff's PAGA Notice, or which could have been alleged, based upon the facts and theories stated in Plaintiff's PAGA Notice, and that arose during the PAGA Period, including, but not limited to, violations of California Labor Code sections 201, 202, 203, 204, 210, 216, 226, 226.3, 226.7, 227.3, 246, 510, 512,		
4 5	515, 558, 558.1, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, and 2698, et seq., Business and Professions Code 17200, and the corresponding sections of the applicable California Industrial Welfare Commission Wage Orders, including Wage Order 5.		
6	22. Judgment in this matter is entered in accordance with the above findings.		
7	23. Without affecting the finality of the Judgment, the Court shall retain exclusive and		
8	continuing jurisdiction over the above-captioned action and the parties under Cal. Civ. Proc. Code § 664.6,		
9	including all Participating Settlement Members and Aggrieved Employees, for purposes of enforcing the		
10	terms of the Judgment entered herein.		
11	24. This document shall constitute a judgment (and separate document constituting said		
12	judgment) for purposes of California Rules of Court, Rule 3.769(h).		
13	25. Plaintiff shall file a declaration from the Settlement Administrator regarding the		
14	completion of settlement administration activities no later than June 26, 2026, as well as an amended		
15	judgment regarding the distribution of unclaimed residuals to CALICO. The Court sets a compliance		
16	hearing for at, at which time the Court will consider evidence that the		
17	distribution process is complete and that a final accounting may be approved.		
18			
19	IT IS SO ORDERED, ADJUDGED, AND DECREED.		
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21	Dated: HON. MICHAEL MARKMAN		
22	Alameda County Superior Court Judge		
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	Page 6		

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement ("Agreement") is made by and between Plaintiff Maggie Chong ("Plaintiff" or "Chong") and Defendants Jinglebells LLC and Jinglebells Holding LLC (collectively, "Defendants" or "Jinglebells"). The Agreement refers to Plaintiff and Defendants collectively as "Parties," or individually as "Party." The Agreement is subject to the terms and conditions set forth below and the Court's (as defined herein) approval. The Agreement completely resolves the Released Class Claims (as defined herein) and Released PAGA Claims (as defined herein) against the Released Parties (as defined herein).

1. <u>DEFINITIONS</u>.

The following definitions are applicable to this Agreement. Definitions contained elsewhere in this Agreement shall also be applicable.

- 1.1 "Action" means the Plaintiff's lawsuit alleging wage and hour violations against Defendants captioned *Maggie Chong v. Jinglebells LLC*, et al., initiated on June 2, 2021, and pending in Superior Court of the State of California, County of Alameda.
- 1.2 "Administrator" means CPT Group Inc. ("CPT"), the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3 "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's bid submitted to the Court in connection with Preliminary Approval of the Settlement. CPT has submitted a bid of \$14,000.
- 1.4 "Aggrieved Employee" means a person employed by Defendants in California and classified as a non-exempt employee during the PAGA Period.
- 1.5 "Class" means all persons employed by Defendants in California and classified as non-exempt employee during the Class Period.
- 1.6 "Class Counsel" means Kyle Todd of Kyle Todd, P.C., and Raul Perez, Bevin Pike, Daniel Jonathan, and Trisha Monesi of Capstone Law APC.
- 1.7 "Class Counsel Fees Payment" and "Class Counsel Litigation Expenses Payment" mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute and settle the Action.
- 1.8 "Class Data" means Class Member identifying information in Defendants' possession including the Class Member's name, last-known mailing address, Social Security number, and number of Workweeks worked in the Class Period and Pay Periods worked in the PAGA period (as applicable).

- 1.9 "Class Member" or "Settlement Class Member" means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10 "Class Member Address Search" means the Administrator's investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.11 "Class Notice" means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English with a Spanish translation in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12 "Class Period" means the period from June 2, 2017, through April 28, 2024.
- 1.13 "Class Representative" means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.
- 1.14 "Class Representative Service Payment" means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.15 "Court" means the Superior Court of California, County of Alameda.
- 1.16 "Defendants" means named Defendants Jinglebells LLC and Jinglebells Holding LLC.
- 1.17 "Defense Counsel" means Brian Martin and Hillary Chaffin of Atkinson, Andelson, Loya, Ruud & Romo.
- 1.18 "Effective Date" means the date by when both of the following have occurred:
 - (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement, and the entered Judgment is served on Defendants; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.19 "Final Approval" means the Court's order granting final approval of the Settlement.
- 1.20 "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval of the Settlement.

- 1.21 "Final Judgment" means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
- 1.22 "Gross Settlement Amount" means nine-hundred eighty-seven thousand five hundred dollars and zero cents (\$987,500) which is the total amount Defendants agree to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment, and the Administrator's Expenses.
- 1.23 "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
- 1.24 "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.
- 1.25 "Judgment" means the judgment entered by the Court based upon the Final Approval.
- 1.26 "LWDA" means the California Labor and Workforce Development Agency, the agency entitled under Labor Code section 2699, subd. (i).
- 1.27 "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.28 "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.29 "Non-Participating Class Member" means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.30 "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.
- 1.31 "PAGA Period" means the period from April 22, 2020, to April 28, 2024.
- 1.32 "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.33 "PAGA Notice" means Plaintiff's April 22, 2021 letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

- 1.34 "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$3,750) and the 75% to LWDA (\$11,250) in settlement of PAGA claims.
- 1.35 "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.36 "Plaintiff" means Maggie Chong, the named plaintiff in the Action.
- 1.37 "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.
- 1.38 "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.39 "Released Class Claims" means any and all claims, damages, or causes of action alleged in, or arising out of, the allegations in the Action that arose during the Class Period and which were alleged, or could have been alleged, by Plaintiff based on any of the factual allegations contained in the Complaint in the Action, including, but not limited to, claims under state, federal or local law including, but not limited to claims for unpaid minimum and overtime wages (including, inter alia, in connection with off-the-clock work and improper rounding of time), claims related to non-compliant meal and rest breaks or periods and nonpayment of premium pay for such, failure to comply with itemized employee wage statement provisions, failure to pay wages due at separation and associated waiting time penalties, failure to timely pay wages during employment, failure to maintain compliant time and payroll records, the failure to pay all accrued sick days, and unfair or unlawful business practices pursuant to California Business and Professions Code § 17200, et seq. based on the aforementioned. The Released Class Claims specifically include, but are not limited to, all claims arising under California Labor Code sections 201, 202, 203, 226, 226.3, 226.7, 233, 246, 246.5, 248.5, 510, 512, 1194, 1194.2, 1197, 1197.1, 1198, and the corresponding sections of the applicable California Industrial Welfare Commission Wage Orders, including Wage Order 5, and California Business and Profession Code sections 17200, et seq., based on the preceding claims, and California common law of contract, interest, and claims for attorneys' fees relating in any way to those claims alleged in the Action.
- 1.40 "Released PAGA Claims" means any and all claims for civil penalties under PAGA that were alleged, or reasonably could have been alleged, based on the allegations in the Complaint in the Action or the PAGA Notice that arose during the PAGA Period, including but not limited to violations of California Labor Code sections 201, 202, 203, 204, 210, 216, 225.5, 226, 226.3, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1199, and 2699, the corresponding sections of the applicable California Industrial Welfare Commission Wage Orders, including Wage Order 5.

- 1.41 "Released Parties" means: Defendants Jinglebells LLC, Jinglebells Holding LLC, and each of their former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.
- 1.42 "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.43 "Response Deadline" means forty-five (45) calendar days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline has expired.
- 1.44 "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.
- 1.45 "Workweek" means any calendar week during which a Class Member worked for Defendants for at least one day, during the Class Period.

2. RECITALS.

- On June 2, 2021, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendants for (1) Failure to Pay Meal and Rest Period Compensation; (2) Failure to Pay Compensation for All Hours Worked and Minimum Wage Violations; (3) Failure to Pay Overtime Compensation; (4) Waiting Time Penalties; (5) Failure to Pay All Accrued Sick Days; (6) Unfair Business Practices; and (7) Civil Penalties Under the Private Attorneys General Act. The Complaint is the operative complaint in the Action (the "Operative Complaint").
- 2.2 Defendants deny the allegations in the Action, deny any failure to comply with the laws identified in the Action, and deny any and all liability for the causes of action alleged therein.
- 2.3 Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendants and the LWDA by sending the PAGA Notice.
- On September 22, 2022, the Parties participated in an all-day mediation presided over by Steven J. Rottman, Esq. While the Parties did not settle at mediation, the Parties continued negotiations after mediation before reaching this Agreement to settle the Action.
- 2.5 Prior to mediation and subsequent negotiation of the Settlement, Plaintiff obtained, through formal discovery, written responses to form interrogatories, special interrogatories, requests for admission, and documents through requests for production. Plaintiff also obtained through informal discovery prior to mediation a sampling of employee time and payroll information. In addition, Defendants

produced to Plaintiff certain financial documents pursuant to a confidentiality agreement and the mediation privilege to assess Defendants' ability to pay a settlement. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("Dunk/Kullar").

- 2.6 The Court has not granted class certification.
- 2.7 The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. **MONETARY TERMS**.

- 3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, Defendants promise to pay nine-hundred eighty-seven thousand five hundred dollars and zero cents (\$987,500) and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendants have no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 6.1 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will be retained by, or revert to, Defendants.
- 3.2 <u>Payments from the Gross Settlement Amount</u>. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
 - 3.2.1 Class Representative Service Payment to the Class To Plaintiff: Representative of not more than ten thousand dollars and zero cents (\$10,000) (in addition to any Individual Class Payment and any Individual PAGA Payment Plaintiff is entitled to receive under this Agreement). Defendants will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payments no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

- To Class Counsel: A Class Counsel Fees Payment of not more than one-third of the Gross Settlement Amount (\$329,167), and a Class Counsel Litigation Expenses Payment of not more than forty-nine thousand five hundred fortynine dollars and zero cents (\$49,549).. Defendants will not oppose requests for these payments provided they do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants from any dispute or controversy regarding any division or sharing of any of these Payments.
- 3.2.3 To the Administrator: An Administrator Expenses Payment estimated to be Fourteen Thousand dollars (\$14,000), subject to Court approval. To the extent the Administration Expenses are less or the Court approves payment less than \$(14,000), the Administrator will allocate the remainder in the Net Settlement Amount.
- 3.2.4 <u>To Each Participating Class Member</u>: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.
 - 3.2.4.1 Tax Allocation of Individual Class Payments. 15% of each Participating Class Member's Individual Class Payment will be allocated to the settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The 85% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and non-wage damages (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.
 - 3.2.4.2 <u>Effect of Non-Participating Class Members on Calculation of Individual Class Payments.</u> Non-Participating Class Members will not receive any Individual Class Payments. The

Administrator will allocate amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

- 3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of fifteen thousand dollars (\$15,000) to be paid from the Gross Settlement Amount, with 75% (\$11,250) allocated to the LWDA PAGA Payment and 25% (\$3,750) allocated to the Individual PAGA Payments.
 - 3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$3,750) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.
 - 3.2.5.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. <u>SETTLEMENT FUNDING AND PAYMENTS</u>.

- 4.1 <u>Class Workweeks and Aggrieved Employee Pay Periods</u>. Based on a review of its records through April 28, 2024, Defendants estimate that, as of April 28, 2024, (1) there are 1,557 Class Members and 71,738 Total Workweeks during the Class period and (2) there are 978 Aggrieved Employees who worked 21,318 Pay Periods during the PAGA Period.
- 4.2 <u>Class Data.</u> Not later than twenty-one (21) days after the Court grants Preliminary Approval of the Settlement, Defendants will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.
- 4.3 <u>Funding of Gross Settlement Amount</u>. Defendants shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendants'

share of payroll taxes. The funds will be transmitted to the Administrator in two installments:

- 4.3.1 Two-thirds of the Gross Settlement Amount will be transmitted 30 days after the Effective Date.
- 4.3.2 The remaining one-third of the Gross Settlement Amount will be transmitted on April 1, 2025, unless April 1, 2025, is less than 120 days after the Effective Date, in which case the payment will be transmitted 120 days after the Effective Date
- Payments from the Gross Settlement Amount. Within fourteen (14) days after Defendants complete the funding of the full Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.
 - 4.4.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 calendar days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
 - 4.4.2 The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are retuned undelivered without USPS forwarding address. Within seven (7) calendar days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

- 4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).
- 4.4.4 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.
- **RELEASES OF CLAIMS**. Effective on the date when Defendants fully fund the entire Gross Settlement Amount and fund all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:
 - 5.1 Plaintiff's Release. Plaintiff and her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred at any time, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Action and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Action, Plaintiff's PAGA Notice, or ascertained during the Action and released under Paragraph 6.2, below. ("Plaintiff's Release.") Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.
 - 5.1.1 <u>Plaintiff's Waiver of Rights Under California Civil Code Section 1542</u>. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:
 - A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.
 - 5.2 <u>Release by Participating Class Members</u>: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties

from the Released Class Claims, as defined in Paragraph 1.39. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

- Release by Aggrieved Employees: All Aggrieved Employees (whether they are Participating Class Members or Non-Participating Class Members) are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from the Released PAGA Claims, as defined in Paragraph 1.40.
- **MOTION FOR PRELIMINARY APPROVAL**. The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.
 - 6.1 <u>Defendants' Declaration in Support of Preliminary Approval</u>. Within <u>fourteen (14)</u> <u>calendar</u> days of the full execution of this Agreement, Defendants will prepare and deliver to Class Counsel a signed Declaration from Defendants and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In their Declarations, Defense Counsel and Defendants shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.
 - 6.2 <u>Plaintiff's Responsibilities</u>. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under Dunk/Kullar and a request for approval of the PAGA Settlement under Labor Code section 2699, subd. (f)(2)); and (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
 - Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than thirty (30) calendar days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.
 - 6.4 <u>Duty to Cooperate</u>. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting

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

7. <u>SETTLEMENT ADMINISTRATION</u>.

- 7.1 <u>Selection of Administrator</u>. The Parties have jointly selected CPT to serve as the Administrator and verified that, as a condition of appointment, CPT agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2 <u>Employer Identification Number</u>. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.
- 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 7.4 Notice to Class Members.
 - 7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, total Workweeks, and total Pay Periods in the Class Data.
 - 7.4.2 Using best efforts to perform as soon as possible, and in no event later than fourteen (14) calendar days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice, with Spanish translation, substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
 - 7.4.3 Not later than three (3) business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall remail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

- 7.4.4 The deadlines for Class Members' written objections, challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional fourteen (14) calendar days beyond the forty-five (45) calendar days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- 7.4.5 If the Administrator, Defendants, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than fourteen (14) calendar days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5 Requests for Exclusion (Opt-Outs).

- 7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than forty-five (45) calendar days after the Administrator mails the Class Notice (plus an additional fourteen (14) calendar days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address, and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.
- 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.
- 7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the release of the Released Class Claims, regardless

- whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.
- 7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.
- 7.6 <u>Challenges to Calculation of Workweeks</u>. Each Class Member shall have forty-five (45) calendar days after the Administrator mails the Class Notice (plus an additional fourteen (14) calendar days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email, or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

7.7 Objections to Settlement.

- 7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.
- 7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than forty-five (45) calendar days after the Administrator's mailing of the Class Notice (plus an additional fourteen (14) calendar days for Class Members whose Class Notice was re-mailed).
- 7.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

- 7.8 <u>Administrator Duties</u>. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.
 - 7.8.1 Website, Email Address, and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time, and location for the Final Approval Hearing and copies of the Settlement Agreement, the Order Granting the Motion for Preliminary Approval of the Settlement, the Order Granting the Motion for Final Approval of the Settlement, and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes, and emails.
 - 7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than five (5) calendar days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).
 - 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.
 - 7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.
 - 7.8.5 Administrator's Declaration. Not later than three (3) business days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices

returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

- 7.8.6 Final Report by Settlement Administrator. Within ten (10) calendar days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements, by employee identification number only, of all payments made under this Agreement. At least fifteen (15) calendar days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.
- **8.** CLASS SIZE ESTIMATES. Based on its records, Defendants estimate that, as of April 28, 2024, (1) there are 1,557 Class Members and 71,738 Total Workweeks during the Class period and (2) there are 978 Aggrieved Employees who worked 21,318 Pay Periods during the PAGA Period.
- 9. <u>DEFENDANTS' RIGHT TO WITHDRAW</u>. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 40 class members, Defendants may, but are not obligated, elect to withdraw from the Settlement. The Parties agree that, if Defendants withdraw, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendants will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendants must notify Class Counsel and the Court of its election to withdraw not later than fourteen (14) calendar days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.
- 10. MOTION FOR FINAL APPROVAL. Not later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (1), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than seven (7) calendar days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.
 - 10.1 <u>Response to Objections</u>. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

- 10.2 <u>Duty to Cooperate</u>. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a basis to void or withdraw from the Agreement.
- 10.3 <u>Continuing Jurisdiction of the Court</u>. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.
- Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the requested amounts for the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs, or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.
- 10.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not shall not constitute a basis to void or withdraw from the Agreement, as long as the Gross Settlement Amount remains unchanged.
- 11. <u>AMENDED JUDGMENT</u>. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

12. ADDITIONAL PROVISIONS.

- 12.1 No Admission of Liability, Class Certification, or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval, or enter Judgment, Defendants reserve the right to contest certification of any class for any reasons, and Defendants reserve all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendants' defenses. The Settlement, this Agreement, and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).
- 2.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendants, and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate, and/or publicize, or cause or permit another person to disclose, disseminate, or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency.

Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendants, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

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

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

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

To Plaintiff:

Bevin Pike Daniel Jonathan Trisha Monesi Capstone Law APC 1875 Century Park East, Suite 1000 Los Angeles, CA 90067

Kyle Todd Kyle Todd, P.C. 611 Wilshire Boulevard, Suite 315 Los Angeles, CA 90017 To Defendants:

Brian D. Martin Hillary E. Chaffin Atkinson, Andelson, Loya, Ruud & Romo 4225 Executive Square, 7th Floor La Jolla, CA 92037-1477

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

Dated: 8/28/24	JINGLEBELLS, LLC By: Title:
Dated: 9/26/2024	JINGLEBELLS HOLDINGS, LLC By: sandy singh (Sep 26, 2024 20:05 MDT) Title: Ceo
Dated:	MAGGIE CHONG
	By:
	Maggie Chong
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To Defendants:

Brian D. Martin Hillary E. Chaffin Atkinson, Andelson, Loya, Ruud & Romo 4225 Executive Square, 7th Floor La Jolla, CA 92037-1477

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Dated:	JINGLEBELLS, LLC
	By:
	Title:
Dated:	JINGLEBELLS HOLDINGS, LLC
	By:
	Title:
Dated:	MAGGIE CHONG
09 / 04 / 2024	Ву:
	Maggie Chong

APPROVED AS TO FORM AND ATTORNEY OBLIGATIONS

THI THE VED TIE TO TOTAL THIS TH	TIOTH LI OBLIGITIONS
Dated: September 25, 2024	ATKINSON, ANDELSON, LOYA, RUUD & ROMO
	By: Dw A. Martin Brian D. Martin Hillary E. Chaffin
	Attorneys for Defendants Jinglebells LLC, et al.
Dated: September 25, 2024	CAPSTONE LAW APC
	By: Benderlike Bevin Pike Daniel Jonathan Trisha Monesi
	Attorneys for Plaintiff Maggie Chong
Dated:	KYLE TODD, P.C.
09 / 02 / 2024	By: Kyle Todd
	Attorneys for Plaintiff Maggie Chong

Exhibit A

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

Maggie Chong v. Jinglebells LLC, et al., Case No. RG21100705

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

You may be eligible to receive money from an employee class action lawsuit ("Action") against Jinglebells LLC and Jinglebells Holding LLC (collectively "Jinglebells") for alleged wage and hour violations. The Action was filed by a former Jinglebells LLC employee Maggie Chong ("Plaintiff") and seeks payment of (1) back wages and statutory damages for a class of non-exempt employees ("Class Members") who worked for Jinglebells during the Class Period of June 2, 2017, through April 28, 2024; and (2) penalties under the California Private Attorney General Act ("PAGA") for all non-exempt employees who worked for Jinglebells during the PAGA Period of April 22, 2020, to April 28, 2024 ("Aggrieved Employees").

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

Based on Jinglebells's records, and the Parties' current assumptions, your Individual Class Payment is estimated to be \$ [TBD] (less withholding) and your Individual PAGA Payment is estimated to be \$ [TBD]. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Jinglebells's records you are not eligible for an Individual PAGA Payment under the Settlement because you didn't work during the PAGA Period.)

The above estimates are based on Jinglebells's records showing that **you worked [TBD] workweeks** as a Jinglebells LLC employee during the Class Period and **you worked [TBD] pay periods** as a Jinglebells LLC employee during the PAGA Period. If you believe that you worked more workweeks or pay periods during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

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

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

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

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do	If you do nothing, you will be a Participating Class Member,
Anything to	eligible for an Individual Class Payment and an Individual PAGA
Participate in the	Payment (if any). In exchange, you will give up your right to assert
Settlement	the wage claims against Jinglebells that are covered by this
Settlement	
W. G. O. I. I. G.	Settlement (Released Claims).
You Can Opt-out of	If you don't want to fully participate in the proposed Settlement,
the Class Settlement	you can opt-out of the Class Settlement by sending the
but not the PAGA	Administrator a written Request for Exclusion. Once excluded,
Settlement	you will be a Non-Participating Class Member and no longer
	eligible for an Individual Class Payment. Non-Participating Class
	Members cannot object to any portion of the proposed Settlement.
The Opt-out Deadline	See Section 6 of this Notice.
is [45 after mailing of	
notice]	You cannot opt-out of the PAGA portion of the proposed
	Settlement. Jinglebells must pay Individual PAGA Payments to all
	Aggrieved Employees and the Aggrieved Employees must give up
	their rights to pursue Released Claims (defined below).
Participating Class	All Class Members who do not opt-out ("Participating Class
Members Can Object	Members") can object to any aspect of the proposed Settlement.
to the Class Settlement	The Court's decision whether to finally approve the Settlement will
but not the PAGA	include a determination of how much will be paid to Class Counsel
Settlement	and Plaintiff who pursued the Action on behalf of the Class. You
	are not personally responsible for any payments to Class Counsel
Written Objections	or Plaintiff, but every dollar paid to Class Counsel and Plaintiff
Must be Submitted by	reduces the overall amount paid to Participating Class Members.
45 after mailing of	You can object to the amounts requested by Class Counsel or
notice]	1 ou can object to the amounts requested by Class Counsel of
noncej	

	Plaintiff if you think they are unreasonable. See Section 7 of this
	Notice.
You Can Participate in	The Court's Final Approval Hearing is scheduled to take place on
the [TBD] Final	[TBD]. You don't have to attend but you do have the right to
Approval Hearing	appear (or hire an attorney to appear on your behalf at your own
	cost), in person or remotely. Participating Class Members can
	verbally object to the Settlement at the Final Approval Hearing.
	See Section 8 of this Notice.
You Can Challenge the	The amount of your Individual Class Payment and PAGA Payment
Calculation of Your	(if any) depend on how many workweeks you worked at least one
Workweeks/Pay	day during the Class Period and how many Pay Periods you worked
Periods	at least one day during the PAGA Period, respectively. The
	number Class Period Workweeks and number of PAGA Period Pay
Written Challenges	Periods you worked according to Jinglebells's records is stated on
Must be Submitted by	the first page of this Notice. If you disagree with either of these
[45 after mailing of	numbers, you must challenge it by [45 after mailing of notice]. See
notice]	Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former Jinglebells LLC employee. The Action accuses Jinglebells of violating California labor laws by failing to pay overtime wages, minimum wages, wages due upon termination, and all accrued sick days and failing to provide meal periods, rest breaks and accurate itemized wage statements. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Lab. Code, § 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys in the Action: Kyle Todd of Kyle Todd, P.C., and Raul Perez, Bevin Pike, Daniel Jonathan, and Trisha Monesi of Capstone Law APC ("Class Counsel.")

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

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

So far, the Court has made no determination whether Jinglebells or Plaintiff is correct on the merits. In the meantime, Plaintiff and Jinglebells hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Jinglebells have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Jinglebells does not admit any violations or concede the merit of any claims.

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

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

- 1. <u>Jinglebells Will Pay \$987,500</u> as the Gross Settlement Amount (Gross Settlement). Jinglebells have agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorneys' fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, Jinglebells will fund the Gross Settlement not more than 120 days after the Judgment entered by the Court become final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
- 2. <u>Court Approved Deductions from Gross Settlement.</u> At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$329,167.00 [33.33% of the Gross Settlement] to Class Counsel for attorneys' fees and up to \$49,549 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$10,000 as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$14,000 to the Administrator for services administering the Settlement.
 - D. Up to \$15,000 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.
 - Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.
- 3. <u>Net Settlement Distributed to Class Members</u>. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.

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4. Taxes Owed on Payments to Class Members. Plaintiff and Jinglebells are asking the Court to approve an allocation of 15% of each Individual Class Payment to taxable wages ("Wage Portion") and 85% to interest and non-wage damages ("Non-Wage Portion"). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Jinglebells will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

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

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

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

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [45 after mailing of notice], that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the [45 after mailing of notice] Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her/their representative setting forth a Class Member's name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Jinglebells.

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

- 7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Jinglebells have agreed that, in either case, the Settlement will be void: Jinglebells will not pay any money and Class Members will not release any claims against Jinglebells.
- 8. Administrator. The Court has appointed a neutral company, CPT Group Inc. (the

- "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over workweeks or pay periods, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.
- 9. Participating Class Members' Release. After the Judgment is final and Jinglebells have fully funded the Gross Settlement and separately paid all employer payroll taxes), Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue or be part of any other lawsuit against Jinglebells or related entities for wages and PAGA penalties based on facts and claims, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from any and all claims, damages, or causes of action alleged in, or arising out of, the allegations in the Action that arose during the Class Period and which were alleged, or could have been alleged, by Plaintiff based on any of the factual allegations contained in the Complaint in the Action, including, but not limited to, claims under state, federal or local law including, but not limited to claims for unpaid minimum and overtime wages (including, inter alia, in connection with off-the-clock work and improper rounding of time), claims related to non-compliant meal and rest breaks or periods and nonpayment of premium pay for such, failure to comply with itemized employee wage statement provisions, failure to pay wages due at separation and associated waiting time penalties, failure to timely pay wages during employment, failure to maintain compliant time and payroll records, the failure to pay all accrued sick days, and unfair or unlawful business practices pursuant to California Business and Professions Code § 17200, et seq. based on the aforementioned. The Released Class Claims specifically include, but are not limited to, all claims arising under California Labor Code sections 201, 202, 203, 226, 226.3, 226.7, 233, 246, 246.5, 248.5, 510, 512, 1194, 1194.2, 1197, 1197.1, 1198, and the corresponding sections of the applicable California Industrial Welfare Commission Wage Orders, including Wage Order 5, and California Business and Profession Code sections 17200, et seq., based on the preceding claims, and California common law of contract, interest, and claims for attorneys' fees relating in any way to those claims alleged in the Action.

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

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

All Aggrieved Employees (whether they are Participating Class Members or Non-Participating Class Members) are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from any and all claims for civil penalties under PAGA that were alleged, or reasonably could have been alleged, based on the allegations in the Complaint in the Action or the PAGA Notice that arose during the PAGA Period, including but not limited to violations of California Labor Code sections 201, 202, 203, 204, 210, 216, 225.5, 226, 226.3, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1199, and 2699, the corresponding sections of the applicable California Industrial Welfare Commission Wage Orders, including Wage Order 5.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

- 1. <u>Individual Class Payments</u>. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
- 2. <u>Individual PAGA Payments</u>. The Administrator will calculate Individual PAGA Payments by (a) dividing \$3,750 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
- 3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Jinglebells's records, are stated in the first page of this Notice. You have until [45 after mailing of notice] to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

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

5. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to

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every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.

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

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

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

Submit a written and signed letter with your name, present address, telephone number and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Maggie Chong v. Jinglebells LLC*, et al., Case No. RG21100705, and include your identifying information (full name, address, telephone number, approximate dates of employment and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. The Administrator must be sent your request to be excluded by [45 after mailing of notice], or it will be invalid. Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Jinglebells are asking the Court to approve. At least 16 Court days before the [TBD] Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. You can view copies of these documents on the Administrator's Website [TBD] or the Court's website (https://eportal.alameda.courts.ca.gov/).

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is [45 after mailing of notice]**. Be sure to tell the Administrator what you object to, why you object and any facts that support your objection. Make sure you identify the Action as *Maggie Chong v. Jinglebells LLC*, et al., Case No. RG21100705 and include your name, current address, telephone number and approximate dates of employment for Jinglebells and sign the objection. Section 9 of this Notice has the Administrator's contact information.

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

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

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on [TBD] at [TBD], in Department 23 of the Alameda Superior Court, located at 1221 Oak Street, Oakland, CA 94612. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or remotely. To request a remote appearance, you can contact the Court via email at Dept23@alameda.courts.ca.gov. Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website [TBD] beforehand to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Jinglebells and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to [TBD]'s website at [TBD]. You can also telephone or send an email to the Administrator using the contact information listed below, or consult the Superior Court website by going to https://eportal.alameda.courts.ca.gov/ and entering the Case Number for the Action, Case No. RG21100705. You can also make an appointment to personally review court documents in the Clerk's Office at the Rene C. Davidson Courthouse, 1225 Fallon Street, Oakland, CA 94612 by calling 510-891-6004.

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

CPT Group, Class Action Administrators Email Address:
50 Corporate Park, Irvine CA 92606
(800) 542-0900
Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

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

AMENDMENT NO. 1 TO CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Amendment No. 1 to Class Action and PAGA Settlement Agreement and Class Notice ("Amendment No. 1") is made by and between Plaintiff Maggie Chong ("Plaintiff" or "Chong") and Defendants Jinglebells LLC and Jinglebells Holding LLC (collectively, "Defendants" or "Jinglebells"). This Amendment No. 1 refers to Plaintiff and Defendants collectively as "Parties," or individually as "Party."

1. <u>AMENDMENT TO CLASS ACTION AND PAGA SETTLEMENT AGREEMENT</u> AND CLASS NOTICE

This Amendment incorporates by reference all terms and conditions of the Class Action and PAGA Settlement Agreement and Class Notice, fully executed by the Parties as of September 26, 2024 ("Agreement"). Pursuant to Section 12.9 of the Agreement, the Parties amend the Agreement as follows:

- 1.1 <u>Paragraph 5</u>. The prefatory language of Paragraph 5 of the Agreement is revised to state as follows:
 - **RELEASES OF CLAIMS.** Effective on the date when Defendants fully fund the entire Gross Settlement Amount and fund all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, the LWDA, and Class Counsel will release claims against all Released Parties as follows:
- 1.2 <u>Paragraph 5.3</u>. Paragraph 5.3 of the Agreement is deleted in its entirety and replaced with the following:
 - 5.3. Release by the LWDA: The LWDA is deemed to release, on behalf of itself and its respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from the Released PAGA Claims, as defined in Paragraph 1.40.
- 1.3 <u>Paragraph 1.40</u>. Paragraph 1.40 of the Agreement is deleted in its entirety and replaced with the following:
 - 1.40. "Released PAGA Claims" mean any and all claims for civil penalties under PAGA held by the LWDA that were alleged in Plaintiff's PAGA Notice, or which could have been alleged, based upon the facts and theories stated in Plaintiff's PAGA Notice, and that arose during the PAGA Period, including, but not limited to, violations of California Labor Code sections 201, 202, 203, 204, 210, 216, 226, 226.3, 226.7, 227.3, 246, 510, 512, 515, 558, 558.1, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, and 2698, *et seq.*, Business and Professions Code 17200, and the corresponding sections of the applicable California Industrial Welfare Commission Wage Orders, including Wage Order 5.

- 1.4 Paragraph 4.4.3. Paragraph 4.3.3 is deleted in its entirety and replaced with the following:
 - For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to CALICO, the children's advocacy center for Alameda County, or such other foundation agreed upon by Plaintiff and Defendants and approved by the Court ("Cy Pres Recipient"), consistent with California Code of Civil Procedure Section 384, subd. (b). The Parties, Class Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the Cy Pres Recipient.
- 1.5 Exhibit A to Agreement. Exhibit A to the Agreement is deleted in its entirety and

able.

replaced with Exhibit A	to this Amendment No. 1.	
The remaining provisions of the Agreement shall remain effective and enforce		
Dated: 01/13/2025	JINGLEBELLS, LLC	
	By: sandy singh (Sun 13, 2025 11:42 PST)	
	Title: CEO	
Dated: 01/13/2025	JINGLEBELLS HOLDINGS, LLC	
	By: sandy singh (Jan 13, 2025 11:42 PST)	
	Title: Manager	
Dated:	MAGGIE CHONG	
	By:	
	Maggie Chong	

- 1.4 <u>Paragraph 4.4.3</u>. Paragraph 4.3.3 is deleted in its entirety and replaced with the following:
 - 4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to CALICO, the children's advocacy center for Alameda County, or such other foundation agreed upon by Plaintiff and Defendants and approved by the Court ("Cy Pres Recipient"), consistent with California Code of Civil Procedure Section 384, subd. (b). The Parties, Class Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the Cy Pres Recipient.
- 1.5 <u>Exhibit A to Agreement</u>. Exhibit A to the Agreement is deleted in its entirety and replaced with Exhibit A to this Amendment No. 1.

The remaining provisions of the Agreement shall remain effective and enforceable.

Dated:	JINGLEBELLS, LLC
	By: Title:
Dated:	JINGLEBELLS HOLDINGS, LLC
	By: Title:
Dated: 01 / 30 / 2025	MAGGIE CHONG
	By:

APPROVED AS TO FORM AND ATTORNEY OBLIGATIONS

Dated: January 13, 2025	ATKINSON, ANDELSON, LOYA, RUUD & ROMO
	By: Bu Martin Hillary E. Chaffin
	Attorneys for Defendants Jinglebells LLC, et al.
Dated:	CAPSTONE LAW APC
	By:Bevin Pike Daniel Jonathan Trisha Monesi
	Attorneys for Plaintiff Maggie Chong
Dated:	KYLE TODD, P.C.
	By: Kyle Todd
	Attorneys for Plaintiff Maggie Chong

APPROVED AS TO FORM AND ATTORNEY OBLIGATIONS

Dated:	ATKINSON, ANDELSON, LOYA, RUUD & ROMO
	By: Brian D. Martin Hillary E. Chaffin Attorneys for Defendants Jinglebells LLC, et al.
Dated: 2/11/2025	CAPSTONE LAW APC
	By: Bow Mile Bevin Pike Daniel Jonathan Trisha Monesi
	Attorneys for Plaintiff Maggie Chong
Dated: 1/26/2025	KYLE TODD, P.C. By: Kyle Todd Attorneys for Plaintiff Maggie Chong