

## AMENDED STIPULATION OF SETTLEMENT

This Amended Stipulation of Settlement (“Settlement Agreement”) is reached by and between Plaintiffs Lucia Alvarez (“Alvarez”) and Alexandra M. Delgadillo (“Delgadillo”) (Alvarez and Delgadillo collectively referred to herein as “Plaintiffs”), individually and on behalf of all members of the Settlement Class (defined below), on one hand, and Defendant Social Vocational Services, Inc. (“Defendant”), on the other hand. Plaintiffs and Defendant are referred to herein collectively as the “Parties.” Plaintiffs and the Settlement Class are represented by Paul K. Haines of Haines Law Group, APC and Scott M. Lidman, Elizabeth Nguyen, and Milan Moore of Lidman Law, APC, and Martin Sullivan of Melmed Law Group P.C. (collectively, “Class Counsel”). Defendant is represented by Michael B. Adreani and Marina N. Vitek of Roxborough Pomerance Nye & Adreani, LLP.

On May 23, 2019, Delgadillo submitted to the California Labor Workforce & Development Agency (“LWDA”) a notice pursuant to the California Private Attorneys General Act (“PAGA”) asserting against Defendants for violations of Labor Code §§ 201, 202, 203, 204, 226, 226.3, 226.7, 510, 512, 558, 1194, 1194.2, 1197, 1197.1, 1198, 1199, and the applicable Wage Order. Thereafter, On August 27, 2019, Delgadillo filed a lawsuit against Defendant in Fresno County Superior Court, Case No. 19CEGC03108 (the “Delgadillo Action”), alleging a single cause of action for violations of the PAGA.

On December 30, 2019, Alvarez filed a class action complaint against Defendant in Los Angeles County Superior Court, Case No. 19STCV46789 (the “Lawsuit”) alleging causes of action for: (1) failure to pay all minimum wages owed; (2) failure to pay all overtime wages owed; (3) failure to provide all meal periods; (4) failure to authorize and permit all rest periods; (5) failure to issue accurate, itemized wage statements; and (6) engagement in unfair competition. On March 23, 2020, Alvarez filed a First Amended Complaint adding a cause of action under the PAGA. Subsequently, pursuant to the Court’s permission, on August 25, 2020, Alvarez filed a Second Amended Class and Representative Action Complaint which limited the statute of limitations as to certain claims, and also excluded from the class claims any current or former employee of Defendant who had executed an arbitration agreement with Defendant. As a result of the scope of the First Amended Complaint, there are PAGA Employees (defined below) who are not members of any of the Settlement Classes (defined below).

On February 1, 2021, pursuant to a stipulation among the Parties and Court approval, Alvarez filed a Third Amended Complaint in the Lawsuit which added Delgadillo and her claims.

On February 10, 2021, Delgadillo dismissed the Delgadillo Action without prejudice.

Given the uncertainty of litigation, Plaintiffs and Defendant wish to settle the claims in the Lawsuit both individually and on behalf of the Settlement Class, aggrieved employees and the State of California. Accordingly, Plaintiff and Defendant agree as follows:

1. **Settlement Classes.** For the purposes of this Settlement Agreement only, Plaintiff and Defendant stipulate to the certification of the following Settlement Classes:

- A. Minimum Wage and Overtime Class: All current and former non-exempt, hourly employees of Defendant Social Vocational Services, Inc. who did not execute an arbitration agreement and worked in California at any time from December 30, 2015 through the date of preliminary approval of the Settlement Agreement.
- B. Meal and Rest Period Class: All current and former non-exempt, hourly employees of Defendant Social Vocational Services, Inc. who did not execute an arbitration agreement and worked in California at any time from April 12, 2017 through the date of preliminary approval of the Settlement Agreement;
- C. Wage Statement Class: All current and former non-exempt, hourly employees of Defendant Social Vocational Services, Inc. who did not execute an arbitration agreement and worked in California at any time from December 30, 2018 through the date of preliminary approval of the Settlement Agreement; and
- D. Waiting Time Penalties Class: All former non-exempt, hourly employees of Defendant Social Vocational Services, Inc. who did not execute an arbitration agreement and worked in California and who separated their employment at any time from December 30, 2016 through the date of preliminary approval of the Settlement Agreement.

For purposes of this Settlement Agreement, the “Class Periods” shall mean for the various claims, as follows:

- (i) Minimum Wage/Overtime Class Period shall mean the time period of December 30, 2015 through the date of preliminary approval of this Settlement Agreement;
- (ii) Meal and Rest Period Class Period shall mean the time period of April 12, 2017 through the date of preliminary approval of the Settlement Agreement;
- (iii) Wage Statement Class Period shall mean the time period of December 30, 2018 through the date of preliminary approval of the Settlement Agreement; and
- (iv) Waiting Time Penalties Class Period shall mean the time period of December 30, 2016 through the date of preliminary approval of the Settlement Agreement.

The Parties agree that certification for purposes of this Settlement Agreement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure. If for any reason this Settlement Agreement is not approved or is terminated, in whole or in part, this conditional agreement to class certification will be inadmissible and will have no effect in this matter or in any claims brought on the same or similar allegations, and the Parties shall revert to the respective positions they held prior to entering into the Settlement Agreement.

2. **PAGA Employees.** For the purposes of this Settlement Agreement only, Plaintiffs and Defendant stipulate to the following definition of PAGA Employees:

All current and former non-exempt, hourly employees of Defendant Social Vocational Services, Inc. who worked for Defendant in California at any time

from May 23, 2018 through date of preliminary approval of the Settlement Agreement.

For purposes of this Settlement Agreement, the “PAGA Period” and release under the PAGA shall mean the time period between May 23, 2018 through the date of preliminary approval of the Settlement Agreement.

3. **Amendment to Complaint.** In connection with the mediation, Defendant provided Plaintiff with time punch and pay data and other information relating to the members of the Settlement Class, including the number of separated employees. That information was analyzed by Plaintiff, and the Parties negotiated this Settlement with the intention of resolving not only the claims asserted in the Operative Complaint, but also a claim for failure to pay all wages upon separation of employment in violation of Labor Code section 203. Therefore, as a material term and condition of this Settlement, the Parties agree to stipulate, for settlement purposes only, that Plaintiffs be granted leave to file a Fourth Amended Complaint to add a cause of action for failure to pay all wages upon separation of employment in violation of Labor Code section 203. Defendant shall cooperate, as necessary, to stipulate to and/or otherwise effectuate the filing of the Fourth Amended Complaint. Defendant shall cooperate, as necessary, to with respect to Plaintiffs supplementing their letter(s) to the LWDA to assert a PAGA violation for failure to pay all wages upon termination of employment. This Settlement is expressly conditioned upon the Court granting leave to file the Fourth Amended Complaint. If the Court denies preliminary or final approval of this settlement for any reason, then the Fourth Amended Complaint shall be stricken and the pleadings in this Lawsuit shall be restored as if no settlement was reached by the Parties. The Proposed Fourth Amended Complaint is attached to this Settlement Agreement as **Exhibit A**. If the Court grants preliminary approval and leave for Plaintiffs to file the Fourth Amended Complaint, Plaintiffs shall file the Fourth Amended Complaint within ten court days, and Defendant is not required to file an answer to the Fourth Amended Complaint.

4. **Release by Settlement Class Members and Plaintiffs.** Plaintiffs and every member of the Settlement Class (except those who timely and properly submit a Request for Exclusion as set forth below) will fully and forever completely release and discharge Defendant, and all of its past and present officers, directors, shareholders, managers, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, and its respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys, (collectively the “Released Parties”), as follows:

- A. Settlement Class Members’ Release: Settlement Class members and Plaintiff Alvarez will release all claims, demands, rights, liabilities and causes of action that were pled in the operative Complaint in the Action (which is the proposed Fourth Amended Complaint attached hereto as Exhibit A), or which could have been pled in the operative Complaint in the Action (which is the proposed Fourth Amended Complaint attached hereto as Exhibit A) based on the factual allegations therein, that arose during the Class Periods described in paragraph 1 above, including but not limited to the following claims: a) failure to pay all overtime wages owed; (b) failure to pay all minimum wages owed; (c) failure to provide meal periods, or premium pay for non-compliant meal periods; (d) failure to authorize and permit rest periods, or premium pay for non-compliant rest periods; (e) failure to issue

accurate, itemized wage statements; (f) failure to pay all wages upon termination; and (g) all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories described above (collectively, the “Released Claims”).

- B. The time period for the release of the various Released Claims shall be the same time periods as the applicable Class Periods described in paragraph 1 above.
- C. PAGA Release: PAGA Employees, including Plaintiffs, will release and forever discharge all claims, demands, rights, liabilities and causes of action for penalties under California Labor Code Private Attorneys General Act of 2004 against the Released Parties based on (as alleged in the letter to the Labor & Workforce Development Agency (“LWDA”) May 23, 2019 and any supplement(s) thereto) and the operative Complaint (which is the proposed Fourth Amended Complaint attached hereto as Exhibit A) for: (a) failure to pay all overtime wages owed; (b) failure to pay all minimum wages owed; (c) failure to pay all overtime wages owed ; (c) failure to provide meal periods, or premium pay for non-compliant meal periods; (d) failure to authorize and permit rest periods, or premium pay for non-complaint rest periods; (e) failure to provide accurate, itemized wage statements; and (f) failure to timely pay wages upon separation of employment (collectively, “PAGA Released Claims”). The PAGA Period and the time period of the PAGA Released Claims is defined as the time period of May 23, 2018 through date of preliminary approval of the Settlement (“PAGA Period”).
- D. In light of the Class/PAGA Representative Service Awards (set forth in paragraphs 5.c(3) and 8, *infra*), Plaintiffs agree to release, in addition to the Released Claims described above, all claims, whether known or unknown, under federal law or state law against the Released Parties. Notwithstanding the foregoing, Plaintiffs understand that this release includes unknown claims, which includes waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

**A general release does not extend to claims which 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.**

- E. Notwithstanding the above, nor anything else in this Settlement Agreement, the waiver and release in this Settlement Agreement does not apply to (i) those rights that as a matter of law cannot be waived, including, but not limited to, workers’ compensation claims, pending or otherwise and/or benefits to be received by Plaintiffs in workers’ compensation pursuant to the jurisdiction of workers’ compensation; and (ii) rights or claims arising out of this Settlement Agreement.
- F. The releases identified herein will only be effective on the date that Defendant fully funds the Gross Settlement Amount.

5. **Gross Settlement Amount.** As consideration, Defendant agrees to pay a “Gross Settlement Amount” of One Million Dollars and Zero Cents (\$1,000,000.00) (unless such Gross Settlement Amount is increased pursuant to Paragraph 5.E. below) in full and complete settlement of the Action, as follows:

- A. The Parties have agreed to engage ILYM Group, Inc. (or other mutually agreeable alternative Settlement Administrator) as the “Settlement Administrator” to administer this Settlement. All administrative costs shall be paid from the Gross Settlement Amount.
- B. With the exception of the Settlement Administrator’s fees, if required by the Settlement Administrator, the Gross Settlement Amount shall be deposited by Defendant into a qualified settlement fund set up by the Settlement Administrator for the benefit of participating Settlement Class members. Defendant agrees to deposit the Gross Settlement Amount with the Settlement Administrator within thirty (30) calendar days after the “Effective Date” which is defined as the latter of: (a) the Court’s final approval of the settlement if no objections by or on behalf of Settlement Class members have been filed; (b) the time for appeal has expired if an objection has been filed and no appeal has been filed or withdrawn; or (c) the final resolution of any appeal that has been filed.
- C. This is a non-reversionary settlement. The Gross Settlement Amount includes:
  - (1) All payments (including interest) to the Settlement Class members;
  - (2) All costs of the Settlement Administrator and settlement administration, which are anticipated to be no greater than Twenty-Eight Thousand Dollars and Zero Cents (\$28,000.00);
  - (3) Up to Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) each for Plaintiffs’ Class/PAGA Representative Service Awards, in recognition of their contributions to the Lawsuit, their service to the Settlement Class and PAGA Employees, and their general release of all of their individual claims. Even in the event that the Court reduces or does not approve the requested Class/PAGA Representative Service Awards, Plaintiffs shall not have the right to revoke this Settlement Agreement, and this Settlement Agreement shall remain binding. Plaintiffs’ Class/PAGA Representative Service Awards awarded by the Court shall be paid by the Settlement Administrator to Plaintiffs from the Gross Settlement Amount only after Settlement Class member’s Settlement Awards have been mailed to Settlement Class members and the Settlement Administrator has been paid all costs and fees awarded by the Court;
  - (4) Up to one-third of the Gross Settlement Amount in Class Counsel’s attorneys’ fees [estimated to be Three Hundred Thirty Three Thousand Three Hundred Thirty-Three Dollars and Thirty-Three Cents (\$333,333.33), unless the Gross Settlement Amount is increased pursuant

to Paragraph 5.E. below], plus actual costs and expenses incurred by Class Counsel related to the Lawsuit as supported by declaration, which are currently estimated to be no greater than Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00). In the event that the Court reduces or does not approve the requested Class Counsel attorneys' fees and/or costs, Class Counsel shall not have the right to revoke this Settlement Agreement, and it will remain binding. Class Counsel's fees and costs awarded by the Court shall be paid by the Settlement Administrator to Class Counsel from the Gross Settlement Amount only after Settlement Class member's Settlement Awards have been mailed to Settlement Class members and the Settlement Administrator has been paid all costs and fees awarded by the Court; and

- (5) Three Hundred Thousand Dollars and Zero Cents (\$300,000.00) of the Gross Settlement Amount has been set aside by the Parties as PAGA civil penalties ("PAGA Penalties"). Per Labor Code § 2699(i), seventy-five percent (75%) of the PAGA Penalties, or Two Hundred Twenty-Five Thousand Dollars and Zero Cents (\$225,000.00) will be payable to the Labor & Workforce Development Agency ("LWDA"), and the remaining twenty-five percent (25%) of the PAGA Penalties, or Seventy-Five Thousand Dollars and Zero Cents (\$75,000.00), will be payable to the PAGA Employees as the "PAGA Amount," as described below. Civil penalties payable to the LWDA shall be paid by the Settlement Administrator to the LWDA from the Gross Settlement Amount only after Settlement Class member's Settlement Awards have been mailed to Settlement Class members and the Settlement Administrator has been paid all costs and fees awarded by the Court.

D. Defendant's share of payroll taxes shall be paid by Defendant separately from, and in addition to, the Gross Settlement Amount.

E. **Unexpected Workweeks/Escalator Clause.** Defendant represents that there are an estimated 413,810.7 workweeks worked by the PAGA Employees and Members of the Settlement Classes (combined) during the period of December 20, 2015 through the date of preliminary approval of the Settlement. If the number of workweeks during the period of December 20, 2015 through the date of preliminary approval of the Settlement worked by the PAGA Employees and Members of the Settlement Classes (combined) is more than 10% greater than this figure (*i.e.*, if there are more than 455,191.8 workweeks worked by the PAGA Employees and Members of the Settlement Classes (combined) during the period of December 20, 2015 through the date of preliminary approval of the Settlement), Defendant shall have the sole option to either: (i) agree that the Gross Settlement Amount will be increased proportionately for the additional workweeks exceeding the 10% threshold; for example, if the number of workweeks increases by 13%, the Gross Settlement Amount would be increased by three percent (3%); or (ii) elect to cut-off the end of the Class Periods and PAGA Period as of the date that the increase in workweeks reaches 455,191.8.

6. **Payments to the Settlement Class.** Members of the Settlement Classes are not required to submit a claim form to receive a payment (“Settlement Award”) from the Settlement. Settlement Awards will be determined and paid as follows:

- A. The Settlement Administrator shall first deduct from the Gross Settlement Amount the amounts approved by the Court for Class Counsel’s attorneys’ fees, Class Counsel’s costs and expenses, Plaintiffs’ Class/PAGA Representative Service Awards, the Settlement Administrator’s fees and expenses for administration, and the PAGA Penalties. The remaining amount shall be known as the “Net Settlement Amount.”
- B. From the Net Settlement Amount, the Settlement Administrator will calculate each Settlement Class member’s Settlement Award based on the following formula:
  - i. Fifty Percent (50%) of the Net Settlement Amount shall be designated as the “Minimum Wage/Overtime Amount.” Each participating Settlement Class member who was employed by Defendant at any time during the Minimum Wage/Overtime Class Period, shall receive a portion of the Minimum Wage/Overtime Amount proportionate to the number of workweeks worked during the Minimum Wage/Overtime Class Period, the numerator of which is the Settlement Class member’s gross number of workweeks worked during this period, and the denominator of which is the total number of Workweeks worked by all participating Settlement Class members during this period.
  - ii. Thirty Percent (30%) of the Net Settlement Amount shall be designated as the “Meal and Rest Period Amount.” Each participating Settlement Class member who was employed by Defendant at any time during the Meal and Rest Period Class Period, shall receive a portion of the Meal and Rest Period Amount proportionate to the number of workweeks worked during the Meal and Rest Period Class Period, the numerator of which is the Settlement Class member’s gross number of workweeks worked during this period, and the denominator of which is the total number of Workweeks worked by all participating Settlement Class members during this period.
  - iii. Ten Percent (10%) of the Net Settlement Amount shall be designated as the “Wage Statement Amount.” Each participating Settlement Class member who was employed by Defendant at any time during the Wage Statement Class Period, shall receive a portion of the Wage Statement Amount proportionate to the number of Workweeks worked during the Wage Statement Class Period, the numerator of which is the Settlement Class member’s gross number of workweeks worked during this period, and the denominator of which is the total number of workweeks worked by all participating Settlement Class members during this period.
  - iv. Ten Percent (10%) of the Net Settlement Amount shall be designated as the “Waiting Time Amount.” Each participating Settlement Class member who

separated their employment from Defendant during the Waiting Time Class Period shall receive an equal, pro-rata share of the Waiting Time Amount. The total amount designated as “Waiting Time Amount” shall be divided equally among each Settlement Class member who separated their employment during the Waiting Time Class Period.

- C. PAGA Amount: Seventy-Five Thousand Dollars and Zero Cents (\$75,000.00) of the PAGA Penalties has been designated as the “PAGA Amount” as described above. Each PAGA Employee shall receive a portion of the PAGA Amount proportionate to the number of pay periods that he or she worked during this PAGA Period which will be calculated by multiplying the PAGA Amount by a fraction, the numerator of which is the PAGA Employee’s number of pay periods worked as a non-exempt employee during this time period, and the denominator of which is the total number of pay periods worked by all PAGA Employees.
- D. Within ten (10) calendar days following Defendant’s deposit of the Gross Settlement Amount with the Settlement Administrator, the Settlement Administrator will calculate Settlement Award amounts and provide the same to counsel for the Parties for review and approval. Within seven (7) calendar days of approval by counsel for the Parties, the Settlement Administrator will prepare and mail Settlement Awards, less applicable taxes and withholdings, to participating Settlement Class members. The Settlement Administrator shall simultaneously pay the withholdings to the applicable authorities with the necessary reports, submitting copies to Defendant’s counsel.
- E. For purposes of calculating applicable taxes and withholdings for payments made to members of the Settlement Classes, each Settlement Award shall be allocated as follows: Sixty-Seven percent (67%) as penalties and interest; and Thirty-Three percent (33%) as wages. The Settlement Administrator will be responsible for issuing to participating Settlement Class members IRS Forms W-2 for amounts deemed “wages” and IRS Forms 1099 for the amounts allocated as penalties and interest. Each Settlement Class member who receives a Settlement Award will be responsible for correctly characterizing the payment for tax purposes and for payment of any taxes owing on said amount. Notwithstanding the treatment of the payments to each Settlement Class member above, none of the payments called for by this Settlement Agreement, including the wage portion, are to be treated as earnings, wages, pay or compensation for any purpose of any applicable benefit or retirement plan, unless required by such plans.
- F. Individual PAGA Payments made under this Settlement will be attributed 100% as penalties and interest and paid via IRS Form 1099 issued to each PAGA Employee. Neither Plaintiff nor Defendant, nor counsel for either of the Parties, makes any representations or warranties with respect to tax consequences of any payment under this Settlement.
- G. Each member of the Settlement Class and/or each PAGA Employee who receives a Settlement Award must cash the check(s) within 180 days from the date the



Settlement Administrator mails it/them. Any funds payable to Settlement Class members and/or PAGA Employees whose checks were not cashed within 180 days after mailing will escheat to the California Secretary of State- Unclaimed Property Fund under the unclaimed property laws in the name of the Settlement Class member and/or PAGA Employee.

7. **Attorneys' Fees and Costs.** Defendant will not object to Class Counsel's request for a total award of attorneys' fees of one-third of the Gross Settlement Amount, which is currently estimated to be Three Hundred Thirty-Three Thousand Three Hundred Thirty-Three Dollars and Thirty-Three Cents (\$333,333.33) (unless the Gross Settlement Amount is increased pursuant to Paragraph 5.E. above, in which case the attorneys' fees shall increase accordingly). Additionally, Class Counsel will request an award of actual costs and expenses as supported by declaration, in an amount not to exceed Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) from the Gross Settlement Amount. These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation: all work performed and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator when the Settlement Administrator pays the fee award allowed by the Court.

8. **Class/PAGA Representative Service Awards.** Defendant will not object to a request for Class/PAGA Representative Service Awards of up to Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) to each Plaintiff for their time and risk in prosecuting the Action, and their service to the Settlement Class and PAGA Employees. These awards will be in addition to Plaintiffs' Settlement Awards as a Settlement Class member and shall be reported on an IRS Form 1099 issued by the Settlement Administrator. Even in the event that the Court reduces or does not approve the requested Service Awards, Plaintiffs shall not have the right to revoke this Settlement, and it will remain binding.

9. **Settlement Administrator.** Defendant will not object the appointment of ILYM Group, Inc. as Settlement Administrator. Defendant will not object to Plaintiff's seeking permission to pay up to Twenty-Eight Thousand Dollars and Zero Cents (\$28,000.00) for its services from the Gross Settlement Amount. The Settlement Administrator shall be responsible for sending notices and for calculating Settlement Awards and preparing all checks and mailings, calculating Defendant's share of taxes payable on the wages, which shall be paid by Defendant separate and apart from the Gross Settlement Amount, transmitting payment of and reporting Class Members' and Defendant's share of taxes to the appropriate taxing authorities, transmitting payment of the PAGA penalties payable to the LWDA, and other duties as described in this Settlement Agreement. The Settlement Administrator shall be authorized to pay itself from the Gross Settlement Amount by Class Counsel only after Settlement Awards have been mailed to all participating Settlement Class members and/or PAGA Employees.

10. **Preliminary Approval.** Within a reasonable time after execution of this Settlement Agreement by the Parties, Plaintiff shall apply to the Court for the entry of an Order:

- A. Conditionally certifying the Settlement Classes for purposes of this Settlement Agreement;
- B. Appointing Paul K. Haines of Haines Law Group, APC, Scott M. Lidman, Milan Moore and Elizabeth Nguyen of Lidman Law, APC, and Martin Sullivan of Melmed Law Group P.C. as Class Counsel;
- C. Appointing Lucia Alvarez as Class Representative for the Settlement Class, and Plaintiffs as representatives of the PAGA Employees and LWDA;
- D. Approving ILYM Group, Inc. as Settlement Administrator;
- E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;
- F. Approving the form and content of the Notice Packet (which is comprised of the Notice of Pendency of Class Action and Settlement and Notice of Settlement Award, drafts of which are attached collectively hereto as **Exhibit B**), and directing the mailing of same to the members of the Settlement Classes but not to any individual who solely qualifies as a PAGA Employee and not a member of any of the Settlement Classes; and
- G. Scheduling a Final Approval hearing.

11. **Notice to Members of the Settlement Classes.** Following preliminary approval, the members of the Settlement Classes (and not those who solely qualify as PAGA Employees) shall be notified as follows:

- A. Within fifteen (15) calendar days after entry of an order preliminarily approving this Agreement, Defendant will provide the Settlement Administrator with the names, last known addresses, phone numbers, social security numbers, and the number of workweeks (or information allowing the Settlement Administrator to calculate same) as a non-exempt employee by each Settlement Class member and PAGA Employee while employed during the various Class Periods described in paragraph 1 above and PAGA Period (the “Class Data”). The Class Data shall be provided to the Settlement Administrator in an electronic format satisfactory to the Settlement Administrator.
- B. Within ten (10) business days from receipt of this information, the Settlement Administrator shall (i) run the names of all Settlement Class members and/or PAGA Employees through the National Change of Address (“NCOA”) database to determine any updated addresses for Settlement Class members and/or PAGA Employees; (ii) update the address of any Settlement Class member for whom an updated address was found through the NCOA search; (iii) calculate the estimated Settlement Award for each Settlement Class member and PAGA Employee; and (iv) mail a Notice Packet to each Settlement Class member (and not those who solely qualify as PAGA Employees) at his or her last known address or at the updated address found through the NCOA search, and retain proof of mailing.

- C. Requests for Exclusion. Any Settlement Class member who wishes to opt-out of the Settlement must complete and mail a Request for Exclusion (defined below) to the Settlement Administrator within sixty (60) calendar days of the date of the initial mailing of the Notice Packets (the "Response Deadline").
- i. The Notice Packet shall state that Settlement Class members who wish to exclude themselves from the Settlement must submit a Request for Exclusion by the Response Deadline. The Request for Exclusion must: (1) contain the name, address, telephone number and the last four digits of the Social Security number of the Settlement Class member; (2) contain a statement that the Settlement Class member wishes to be excluded from the Settlement; (3) be signed by the Settlement Class member; and (4) be postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion does not contain the information listed in (1)-(3), it will not be deemed valid for exclusion from the Settlement, except a Request for Exclusion not containing a Class Member's telephone number and/or last four digits of the Social Security number will be deemed valid. The date of the postmark on the Request for Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Settlement Class member who requests to be excluded from the Settlement Class will not be entitled to any recovery under this Settlement Agreement and will not be bound by the terms of the Settlement or have any right to object, appeal or comment thereon.
  - ii. The Parties agree there is no statutory or other right for any Settlement Class member to opt out or otherwise exclude himself or herself from the PAGA portion of the Settlement. A Settlement Class member who submits a valid and timely Request for Exclusion shall still receive his or her proportionate share of the PAGA Amount.
- D. Objections. Members of the Settlement Class who do not request exclusion may object to this Settlement Agreement as explained in the Class Notice by mailing a written objection to the Settlement Administrator (who shall serve all objections as received on Class Counsel and Defendant's counsel). Class Counsel shall file any objections with the Court. Defendant's counsel and Class Counsel shall file any responses to objections no later than the deadline to file the Motion for Final Approval. To be valid, any written objection must: (1) contain the objecting Settlement Class member's full name and current address, as well as contact information for any attorney representing the objecting Settlement Class member for purposes of the objection; (2) include all objections and the factual and legal bases for same; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence, if any; and (4) be postmarked no later than the Response Deadline. Members of the Settlement Class who do not request exclusion may also object to the Settlement by appearing at the Final Approval Hearing in person or virtually irrespective of whether they submitted any written objections.

- E. Notice of Settlement Award / Disputes. Each Notice Packet mailed to a Settlement Class member shall disclose the amount of the Settlement Class member's estimated Settlement Award as well the Settlement Class member's number of pay periods worked as a non-exempt employee during the Class Period. Settlement Class members will have the opportunity, should they disagree with Defendant's records regarding the information stated in the Notice of Settlement Award, to provide documentation and/or an explanation to show contrary information. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Settlement Awards under the terms of this Settlement Agreement. If a resolution cannot be reached by and among the Parties and the Settlement Administrator, the Court will render all final decisions on disputes.
- F. Any Notice Packets mailed to members of the Settlement Classes returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a "skip trace," to obtain an updated mailing address within three (3) business days of receiving the returned Notice Packet. If an updated mailing address is identified before the Response Deadline, the Settlement Administrator shall resend the Notice Packet to the Settlement Class member immediately, and in any event within three (3) business days of obtaining the updated address. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Settlement Class member. Settlement Class members to whom Notice Packets are re-mailed after having been returned as undeliverable to the Settlement Administrator shall have fourteen (14) calendar days from the date of re-mailing, or until the Response Deadline has expired, whichever is later, to submit a Request for Exclusion, Objection, or dispute. Notice Packets that are re-mailed shall inform the recipient of this adjusted deadline. If a Settlement Class member's Notice Packet is returned to the Settlement Administrator more than once before the Response Deadline, the Settlement Administrator shall continue to make reasonable efforts to obtain an updated mailing address. Nothing else shall be required of, or done by, the Parties, Class Counsel, or Defendant's Counsel to provide notice of the proposed settlement.

12. **Final Approval.** Following preliminary approval and the close of the period for filing requests for exclusion, objections, or disputes under this Settlement Agreement, Plaintiff shall apply to the Court for entry of an Order:

- A. Granting final approval to the Settlement Agreement and adjudging its terms to be fair, reasonable, and adequate;

- B. Approving Plaintiffs' and Class Counsel's application for attorneys' fees and costs, Class/PAGA Representative Service Awards, and settlement administration costs;
- C. Approving explanatory letter to PAGA Employees which will accompany their PAGA payments, which has been mutually approved by the Parties, and is attached hereto as **Exhibit C**; and
- D. Entering judgment pursuant to California Rule of Court 3.769 and posting notice of the judgment on a static website created and maintained by the Settlement Administrator.

13. **Payments to the PAGA Employees.** Within ten (10) calendar days following Defendant's deposit of the Gross Settlement Amount with the Settlement Administrator, the Settlement Administrator will calculate the amounts to be paid to those solely qualifying as PAGA Employees (and not members of any of the Settlement Classes) and provide the same to counsel for the Parties for review and approval. Within seven (7) calendar days of approval by counsel for the Parties, the Settlement Administrator will prepare and mail the PAGA payments to the PAGA Employees along with the explanatory letter attached hereto as **Exhibit C** (as approved by the Court).

Any Notice Packets mailed to PAGA Employees returned to the Settlement Administrator as non-delivered on or before the check cashing deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a "skip trace," to obtain an updated mailing address within three (3) business days of receiving the returned explanatory letter and PAGA payment. If an updated mailing address is identified before the check cashing deadline, the Settlement Administrator shall resend the explanatory letter and PAGA payment to the PAGA Employee immediately, and in any event within three (3) business days of obtaining the updated address. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each PAGA Employee. If a PAGA Employee's PAGA payment is returned to the Settlement Administrator more than once before the check cashing deadline, the Settlement Administrator shall continue to make reasonable efforts to obtain an updated mailing address.

14. **Non-Admission of Liability.** Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this Settlement. In particular, but without limiting the generality of the foregoing, nothing about this Settlement Agreement shall be offered or construed as an admission of liability, wrongdoing, impropriety, responsibility, or fault whatsoever on the part of Defendant and/or the Released Parties, and it shall not be construed as or deemed to be evidence of, or an admission or concession that the any Settlement Class member has suffered any damage. Each of the Parties has entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by California Evidence Code Section 1152.

15. **Non-Disclosure and Non-Publication.** Prior to the filing of the Motion for Preliminary Approval, Plaintiffs and Class Counsel agree not to disclose or publicize the Settlement Agreement contemplated herein, the fact of the Settlement Agreement, its terms or contents, or the negotiations underlying the Settlement Agreement, in any manner or form, directly or indirectly, to any person or entity, except to Settlement Class members and as shall be contractually and/or legally required to effectuate the terms of the Settlement Agreement as set forth herein. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions, Class Counsel may disclose the names of the Parties in this Lawsuit, the venue/case number of this Lawsuit, and a general description of the Lawsuit, to a court in a declaration by Class Counsel. Class Counsel may also include a general description of the Settlement on their respective websites but may not include the name(s) of any of the Parties, or the case name or case number of the Lawsuit.

16. **Legal Developments.** The Parties agree that Plaintiffs will submit to the Court a motion for preliminary approval of this Settlement containing all of the terms and conditions contained herein notwithstanding any new legal developments regarding the Released Claims.

17. **Waiver and Amendment.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by all of the Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

18. **Attorneys' Fees:** In the event of any dispute arising out of the interpretation, performance, or breach of any provision of this Settlement Agreement, the prevailing party in such dispute(s) shall be entitled to recover her and/or its reasonable attorneys' fees and costs incurred arising from such dispute.

19. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery and by e-mail at the addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

if to Defendant: Michael B. Adreani and Marina N. Vitek of Roxborough Pomerance Nye & Adreani, LLP, 5820 Canoga Ave., Suite 250, Woodland Hills, California 91367; [mba@rpnalaw.com](mailto:mba@rpnalaw.com) and [mnv@rpnalaw.com](mailto:mnv@rpnalaw.com)

if to Plaintiff: Scott M. Lidman, Elizabeth Nguyen, and Milan Moore of Lidman Law, APC, 2155 Campus Drive, Suite 150 El Segundo, California 90245; [slidman@lidmanlaw.com](mailto:slidman@lidmanlaw.com) and [enguyen@lidmanlaw.com](mailto:enguyen@lidmanlaw.com)

Paul K. Haines, Haines Law Group, APC, 2155 Campus Drive, Suite 180, El Segundo, California 90245; [phaines@haineslawgroup.com](mailto:phaines@haineslawgroup.com)

Martin Sullivan of Melmed Law Group P.C., 1801 Century Park East, Suite 850, Los Angeles, California 90067; [ms@melmedlaw.com](mailto:ms@melmedlaw.com)

20. **Cooperation.** The Parties agree to work cooperatively, diligently and in good faith to ensure that all documents necessary to effectuate this Settlement are properly and timely filed.

21. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof.

22. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

DATED: 1/9/2023

DEFENDANT SOCIAL VOCATIONAL  
SERVICES, INC.

By: \_\_\_\_\_

Its: Director of Personnel

DATED:

PLAINTIFF ALEXANDRA DELGADILLO

By: \_\_\_\_\_  
Plaintiff and PAGA Representative

DATED:

PLAINTIFF LUCIA ALVAREZ

By: \_\_\_\_\_  
Plaintiff and Class/PAGA Representative

**APPROVED AS TO FORM:**

DATED: January 11, 2023

ROXBOROUGH POMERANCE NYE &  
ADREANI, LLP

By: Michael B. Adreani  
Marina N. Vitek  
Attorneys for Defendant Social Vocational  
Services, Inc.

DATED:

HAINES LAW GROUP, APC

By: \_\_\_\_\_  
Paul K. Haines  
Attorneys for Plaintiff Lucia Alvarez

DATED:

LIDMAN LAW, APC

By: \_\_\_\_\_  
Scott M. Lidman  
Attorneys for Plaintiff Lucia Alvarez

DATED:

MELMED LAW GROUP P.C.

By: \_\_\_\_\_  
Martin Sullivan  
Attorneys for Plaintiff Alexandra Delgadillo



Martin Sullivan of Melmed Law Group P.C., 1801 Century Park East, Suite 850, Los Angeles, California 90067;  
[ms@melmedlaw.com](mailto:ms@melmedlaw.com)

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DATED: DEFENDANT SOCIAL VOCATIONAL SERVICES, INC.

By: \_\_\_\_\_

Its: \_\_\_\_\_

DATED: 1/20/2023 PLAINTIFF ALEXANDRA DELGADILLO

By: 

Plaintiff and PAGA Representative

DATED: PLAINTIFF LUCIA ALVAREZ

By: \_\_\_\_\_

Plaintiff and Class/PAGA Representative

**APPROVED AS TO FORM:**

DATED:

ROXBOROUGH POMERANCE NYE &  
ADREANI, LLP

By: \_\_\_\_\_  
Marina N. Vitek  
Attorneys for Defendant Social Vocational  
Services, Inc.

DATED:

HAINES LAW GROUP, APC

By: \_\_\_\_\_  
Paul K. Haines  
Attorneys for Plaintiff Lucia Alvarez

DATED:

LIDMAN LAW, APC

By: \_\_\_\_\_  
Scott M. Lidman  
Attorneys for Plaintiff Lucia Alvarez

DATED:

1/20/2023

MELMED LAW GROUP P.C.

By: Martin Sullivan  
Martin Sullivan  
Attorneys for Plaintiff Alexandra Delgadillo

Martin Sullivan of Melmed Law Group P.C., 1801 Century Park East, Suite 850, Los Angeles, California 90067; [ms@melmedlaw.com](mailto:ms@melmedlaw.com)

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22. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

DATED: DEFENDANT SOCIAL VOCATIONAL SERVICES, INC.

By: \_\_\_\_\_


Its: \_\_\_\_\_

DATED: PLAINTIFF ALEXANDRA DELGADILLO

By: \_\_\_\_\_

Plaintiff and PAGA Representative

DATED: Jan 6, 2023 PLAINTIFF LUCIA ALVAREZ

By:   
Lucia Alvarez (Jan 6, 2023 17:20 PST)

Plaintiff and Class/PAGA Representative

**APPROVED AS TO FORM:**

DATED:

ROXBOROUGH POMERANCE NYE &  
ADREANI, LLP

By: \_\_\_\_\_  
Marina N. Vitek  
Attorneys for Defendant Social Vocational  
Services, Inc.

DATED: January 6, 2023

HAINES LAW GROUP, APC

By:  \_\_\_\_\_  
Paul K. Haines  
Attorneys for Plaintiff Lucia Alvarez

DATED: January 6, 2023

LIDMAN LAW, APC

By:  \_\_\_\_\_  
Scott M. Lidman  
Attorneys for Plaintiff Lucia Alvarez

DATED:

MELMED LAW GROUP P.C.

By: \_\_\_\_\_  
Martin Sullivan  
Attorneys for Plaintiff Alexandra Delgadillo

EXHIBIT A

EXHIBIT A

**LIDMAN LAW, APC**  
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slidman@lidmanlaw.com  
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LUCIA ALVAREZ

**HAINES LAW GROUP, APC**  
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Tel: (424) 292-2350  
Fax: (424) 292-2355

Attorneys for Plaintiff  
LUCIA ALVAREZ

Additional Counsel Listed on Next Page

**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF LOS ANGELES**

LUCIA ALVAREZ, as an individual and on  
behalf of all others similarly situated,

Plaintiff,

vs.

SOCIAL VOCATIONAL SERVICES, INC.,  
a California domestic nonprofit; and DOES 1  
through 100, inclusive,

Defendants.

Case No.: 19STCV46789

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

- (1) MINIMUM WAGE VIOLATIONS  
(LABOR CODE §§ 1182.12, 1194,  
1194.2, AND 1197);**
- (2) FAILURE TO PAY ALL  
OVERTIME WAGES (LABOR  
CODE §§ 204, 510, 558, 1194,  
AND 1198);**
- (3) MEAL PERIOD VIOLATIONS  
(LABOR CODE §§ 226.7, 512, AND  
558);**
- (4) REST PERIOD VIOLATIONS  
(LABOR CODE § 226.7, 516, AND  
558);**

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- (5) **WAGE STATEMENT VIOLATIONS (LABOR CODE §§ 226, *et seq.*);**
  - (6) **WAITING TIME PENALTIES (LABOR CODE §§ 201-203);**
  - (7) **UNFAIR COMPETITION (BUS. & PROF. CODE §§ 17200, *et seq.*); and**
  - (8) **CIVIL PENALTIES UNDER THE PRIVATE ATTORNEYS GENERAL ACT (LABOR CODE § 2698 *et seq.*)**
- DEMAND FOR JURY TRIAL  
UNLIMITED CIVIL CASE**

1 **MELMED LAW GROUP P.C.**

2 Martin Sullivan (SBN 274279)

3 [ms@melmedlaw.com](mailto:ms@melmedlaw.com)

4 Jonathan Melmed (SBN 290218)

5 [jm@melmedlaw.com](mailto:jm@melmedlaw.com)

6 1180 South Beverly Drive, Suite 610

7 Los Angeles, California 90035

8 Tel: (310) 824-3828

9 Fax: (310) 862-6851

10 Attorneys for Plaintiff

11 ALEXANDRA M. DELGADILLO



1 Plaintiff Lucia Alvarez (“Alvarez”), on behalf of herself and all others similarly situated,  
2 and Alvarez and Plaintiff Alexandra M. Delgadillo (“Delgadillo”; Alvarez and Delgadillo  
3 collectively referred to herein as “Plaintiffs”) on behalf of other aggrieved employees in a  
4 representative capacity, hereby bring this Fourth Amended Class and Representative Action  
5 Complaint (“FAC”) against Social Vocational Services, Inc., a California domestic nonprofit; and  
6 Does 1 through 100, inclusive (collectively “Defendants”), and on information and belief alleges  
7 as follows:

### 8 **JURISDICTION**

9 1. Alvarez, on behalf of herself and all others similarly situated, hereby brings this  
10 class action for recovery of unpaid wages and penalties under California Labor Code §§ 201-203,  
11 204, 226, 226.7, 510, 512, 516, 558, 1182.12, 1194, 1194.2, 1197, and 1198, California Business  
12 and Professions Code §§ 17200, *et seq.*, and Industrial Welfare Commission Wage Order No. 4  
13 (“Wage Order 4”), in addition to seeking declaratory relief and restitution. This class action is  
14 brought pursuant to California Code of Civil Procedure § 382 by Alvarez. This Court has  
15 jurisdiction over Defendants’ violations of the California Labor Code because the amount in  
16 controversy exceeds this Court’s jurisdictional minimum.

17 2. This action is further brought by Plaintiffs as a representative action for recovery  
18 of penalties pursuant to the Private Attorneys General Act of 2004 (“PAGA”), Cal. Lab. Code  
19 sections 2698 *et seq.* PAGA permits “aggrieved employees” to bring a lawsuit as a representative  
20 action on behalf of the general public as private attorney general and all other current and former  
21 aggrieved employees, to recover civil penalties and address an employer’s violations of the  
22 California Labor Code.

### 23 **VENUE**

24 3. Venue is proper in this judicial district pursuant to California Code of Civil  
25 Procedure §§ 395(a) and 395.5, as at least some of the acts and omissions complained of herein  
26 occurred in Los Angeles County. Defendants own, maintain offices, transact business, have  
27 agent(s) within Los Angeles County, and/or otherwise are found within Los Angeles County, and  
28 Defendants are within the jurisdiction of this Court for purposes of service of process.

**PARTIES**

4. Plaintiff is an individual over the age of eighteen (18). At all relevant times herein, Plaintiff was, and currently is, a California resident, residing in the county of Los Angeles. During the four years immediately preceding the filing of the lawsuit in this action and within the statute of limitations periods applicable to each cause of action pled herein, Plaintiff was employed by Defendants as a non-exempt employee. Alvarez was, and is, a victim of Defendants' policies and/or practices complained of herein, lost money and/or property, and has been deprived of the rights guaranteed to her by California Labor Code §§ 201-203, 204, 226, 226.7, 510, 512, 516, 558, 1182.12, 1194, 1194.2, 1197, and 1198, California Business and Professions Code §§ 17200, *et seq.* (Unfair Competition), and Wage Order 4, which sets employment standards for "Professional, Technical, Clerical, Mechanical and Similar Occupations," including personal attendants. Plaintiffs were further deprived of the rights guaranteed to them by California Labor Code § 2698 *et seq.*

5. Delgadillo is an individual over the age of eighteen (18). Delgadillo previously filed a PAGA Notice on May 23, 2019, against Defendants for violations of Labor Code §§ 201, 202, 203, 204, 226, 226.3, 226.7, 510, 512, 558, 1194, 1194.2, 1197, 1197.1, 1198, 1199, and the applicable Wage Order. Thereafter, Delgadillo filed suit in Fresno County Superior Court, Case No. 19CEGC03108. Delgadillo joins this action by way of this FAC before dismissing the Fresno County Superior Court case, and thus preserves the statutory period of her claims beginning on May 23, 2018.

6. Defendants deprived both Plaintiffs of the rights guaranteed to them by California Labor Code § 2698 *et seq.* based on Defendants' violations of Labor Code §§ 201, 202, 203, 204, 226, 226.3, 226.7, 510, 512, 558, 1194, 1194.2, 1197, 1197.1, 1198, 1199, and the applicable Wage Order.

7. Plaintiffs are informed and believe, and based thereon allege, that during the four years preceding the filing of the lawsuit and continuing to the present, Defendants did (and continue to do) business by providing training and work opportunities for developmentally disabled adults. Defendants employed Plaintiffs and other similarly-situated non-exempt

employees within Los Angeles County, among other counties, and the state of California and, therefore, were (and are) doing business in Los Angeles County and the State of California.

8. Plaintiffs do not know the true names or capacities, whether individual, partner, or corporate, of the defendants sued herein as DOES 1 through 100, and for that reason, said defendants are sued under such fictitious names, and Plaintiffs will seek leave from this Court to amend this FAC when such true names and capacities are discovered. Plaintiffs are informed and believe, and based thereon allege, that each of said fictitious defendants, whether individual, partner, or corporate, were responsible in some manner for the acts and omissions alleged herein, and proximately caused Plaintiffs and the Classes (as defined in Paragraph 23) to be subject to the unlawful employment practices, wrongs, injuries, and damages complained of herein.

9. Plaintiffs are informed, and believe, and based thereon allege, that at all times mentioned herein, Defendants were and are the employers of Plaintiffs and all members of the Classes.

10. At all times herein mentioned, each of said Defendants participated in the doing of the acts hereinafter alleged to have been done by the named Defendants; and furthermore, the Defendants, and each of them, were the agents, servants, and employees of each and every one of the other Defendants, as well as the agents of all Defendants, and at all times herein mentioned were acting within the course and scope of said agency and employment. Defendants, and each of them, approved of, condoned, and/or otherwise ratified each and every one of the acts or omissions complained of herein.

11. At all times herein mentioned, each of said Defendants participated in the doing of the acts hereinafter alleged to have been done by the named Defendants; and furthermore, the Defendants, and each of them, were the agents, servants, and employees of each and every one of the other Defendants, as well as the agents of all Defendants, and at all times herein mentioned were acting within the course and scope of said agency and employment. Defendants, and each of them, approved of, condoned, and/or otherwise ratified each and every one of the acts or omissions complained of herein.

12. At all times mentioned herein, Defendants, and each of them, were members of

1 and engaged in a joint venture, partnership, and common enterprise, and acting within the course  
2 and scope of and in pursuance of said joint venture, partnership, and common enterprise. Further,  
3 Plaintiff alleges that all Defendants were joint employers for all purposes of Plaintiffs and all  
4 members of the Classes.

### 5 **GENERAL FACTUAL ALLEGATIONS**

6 13. Plaintiff Alvarez has been employed by Defendants as a non-exempt employee  
7 since approximately 2014 through the present. While working out of Defendants' Torrance,  
8 California facility, Plaintiff Alvarez has been employed as a Direct Support Professional or a  
9 Certified Inclusion Facilitator. Plaintiff Alvarez is responsible for providing assistance, training,  
10 supervision and transportation to adults with disabilities in a community-based setting. Her duties  
11 involve picking up clients, driving them to and from work, scheduling activities for them such as  
12 taking them to the grocery store, clothes shopping, the park, and various other activities. Plaintiff  
13 Alvarez would often work with another Certified Inclusion Facilitator as a team, and they would  
14 be responsible for the care of anywhere from three to six clients at a time. However, Defendants'  
15 policies prohibited Plaintiff Alvarez from ever being personally responsible for the care of more  
16 than three clients at a time.

17 14. Plaintiff Delgadillo was employed by Defendants from September 2017 through  
18 the present, as a caregiver for Defendants. Plaintiff Delgadillo typically worked five days per  
19 week and her shifts typically ran an average of eight to nine hours. Plaintiff Delgadillo was paid  
20 between \$11.25 and \$12.00 per hour during her employment.

21 15. During their employment with Defendants, Defendants did, and upon information  
22 and belief, utilize a timekeeping system which resulted in Plaintiffs not being compensated for  
23 all hours actually worked, whether by time-shaving or otherwise. Specifically, up until  
24 approximately 2019, Plaintiff Alvarez did not clock in or out for her shifts, but rather, an  
25 administrative employee would purportedly note her presence when she came in for her shifts and  
26 when she left for the day, and presumably, the administrative employee would keep track of  
27 Plaintiff Alvarez's work hours. Then in 2019, Plaintiff Alvarez began keeping track of her hours  
28 worked using a login code. During her employment with Defendants, Plaintiff Alvarez would

1 regularly work anywhere from 6:15 a.m. until 3:30 p.m. or 4:00 p.m. Monday through Friday, but  
2 she would not be compensated for total hours worked due to Defendants' unlawful rounding/time-  
3 shaving policies and practices. This time-shaving and/or rounding practice utilized by Defendants  
4 was not even-handed over time and would almost exclusively round and shave in Defendants'  
5 favor such that Plaintiffs were routinely underpaid for their time worked. As such, Plaintiffs and  
6 other non-exempt employees were not compensated for all required minimum and overtime  
7 wages.

8 16. Additionally, Defendants have had a consistent policy of failing to pay wages  
9 and/or overtime and at the proper amounts to Plaintiff Delgadillo and Aggrieved Employees when  
10 they work more than eight hours in a day or forty hours in a week, and received overtime  
11 compensation, Defendants have failed to include in the overtime compensation paid all  
12 nondiscretionary compensation that constituted their regular rate of pay.

13 17. Throughout Plaintiffs' employment with Defendants, Plaintiffs were not provided  
14 all legally required meal periods due to Defendants' meal period policies and practices.  
15 Specifically, Defendants' daily work demands did not afford enough time for Plaintiff Alvarez  
16 and non-exempt employees to drive clients to scheduled daily activities and return to the Torrance  
17 facility after taking a meal period. This resulted in Plaintiff Alvarez and non-exempt employees  
18 not being provided with all required meal periods, as well as resulted in Defendants failing to  
19 provide timely meal periods before the end of the 5th hour of work and failing to provide meal  
20 periods which were at least 30 minutes in length. Furthermore, upon information and belief,  
21 Defendants did not maintain a lawful meal period policy and failed to provide for duty-free meal  
22 periods to Plaintiffs and other non-exempt employees.

23 18. Additionally, Plaintiff Delgadillo contends Defendants violated Labor Code § 512  
24 by requiring her and other Aggrieved Employees to work on-duty meal periods and remain on the  
25 premises during their meal periods, even though the nature of the work did not necessitate an on-  
26 duty meal period and by failing to enter into proper on-duty meal period agreements with its  
27 Aggrieved Employees. Almost daily Defendants required Plaintiff Delgadillo and other  
28 Aggrieved Employees to work through their meal periods without receiving proper compensation

1 and without entering into a lawful on-duty meal period agreement.

2 19. Although Plaintiff was not provided with all legally-compliant meal periods to  
3 which she was entitled, Defendants failed to compensate her with the required meal period  
4 premium for each workday in which she experienced a meal period violation as mandated by  
5 Labor Code § 226.7. Upon information and belief, during at least a portion of the relevant time  
6 period, Defendants maintained no payroll code or other mechanism for the payment of meal  
7 period premium payments under Labor Code § 226.7 in the event that a legally compliant meal  
8 period was not provided to their non-exempt employees.

9 20. In addition, throughout Plaintiffs' employment with Defendants, Plaintiffs were  
10 not authorized and permitted to take all legally required and compliant rest periods due to  
11 Defendants' unlawful rest period policies and practices. Defendants' rest period policies and  
12 practices fail to authorize and permit paid rest periods for every four hours worked, or *major*  
13 *fraction thereof*. This is because, as mentioned above, Defendants imposed a demanding daily  
14 schedule for chauffeuring and supervising clients. This practice resulted in the failure by  
15 Defendants to authorize and permit legally compliant rest periods to Plaintiffs and other non-  
16 exempt employees. Furthermore, upon information and belief, Defendants did not maintain a  
17 lawful rest period policy and failed to authorize and permit non-exempt employees to be actually  
18 relieved of all work during rest periods, due to the purported on-duty nature of their work.  
19 Additionally, Plaintiff Delgadillo alleges that Defendants' written rest period policy advised her  
20 and other Aggrieved Employees that they were under serious constraints to obtain coverage and  
21 maintain continuity of care for patients before taking a rest break, which was impossible in  
22 practice given understaffing, the press of business, and Defendants' focus on profit over  
23 compliance with employment laws.

24 21. On those occasions when Plaintiffs were not authorized and permitted to take all  
25 legally-compliant rest periods to which they were entitled, Defendants failed to compensate  
26 Plaintiffs with the required rest period premium for each workday in which they experienced a  
27 rest period violation as mandated by Labor Code § 226.7. Further, upon information and belief,  
28 during at least a portion of the relevant time period, Defendants maintained no payroll code or

1 other mechanism for paying rest period premiums when Defendants failed to provide a legally  
2 compliant rest period.

3 22. As a result of Defendants' failure to pay all minimum and overtime wages, as well  
4 as meal and rest period premium wages, Defendants maintained inaccurate payroll records and  
5 issued inaccurate wage statements to Plaintiffs.

6 23. As a further result of Defendants' failure to pay all minimum and overtime wages,  
7 as well as meal and rest period premium wages, Defendants failed to pay all wages owed to its  
8 former non-exempt employees upon their separation of employment with Defendants.

9 **CLASS ACTION ALLEGATIONS**

10 24. **Class Definitions:** Plaintiff Alvarez brings this action on behalf of herself and the  
11 following Classes pursuant to Section 382 of the Code of Civil Procedure:

- 12 a. The Minimum Wage Class consists of all of Defendants' current and former non-  
13 exempt employees in California (excluding those that signed an agreement to  
14 arbitrate) who were subjected to Defendants' timekeeping policies/practices,  
15 during the four years immediately preceding the filing of the lawsuit through the  
16 present.
- 17 b. The Overtime Class consists of all of Defendants' current and former non-exempt  
18 employees in California (excluding those that signed an agreement to arbitrate)  
19 who: (a) worked more than 8 hours per day and/or 40 hours per week and received  
20 Incentive Pay during a corresponding time period; and/or (b) were subjected to  
21 Defendants' timekeeping policies/practices, during the four years immediately  
22 preceding the filing of the lawsuit through the present.
- 23 c. The Meal Period Class consists of all of Defendants' current and former non-  
24 exempt employees in California (excluding those that signed an agreement to  
25 arbitrate) who worked a shift in excess of 5.0 hours and were not provided with an  
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28

off-duty meal period of at least 30 minutes commencing prior to the end of the fifth hour of work, during the time period of April 12, 2017<sup>1</sup> through the present.

d. The Rest Period Class consists of all of Defendants' current and former non-exempt employees in California (excluding those that signed an agreement to arbitrate) who worked a shift in excess of 3.5 hours, during the time period of April 12, 2017 through the present.

e. The Wage Statement Class consists of all members of the: (i) Overtime Class; (ii) Minimum Wage Class; (iii) Meal Period Class; and/or (iv) Rest Period Class who received wage statements, during the one year immediately preceding the filing of the lawsuit through the present. This Wage Statement Class excludes any members who signed an agreement to arbitrate;

f. The Waiting Time Penalty Class consists of all members of the: (i) Overtime Class; (ii) Minimum Wage Class; (iv) Meal Period Class; and/or (v) Rest Period Class, who separated their employment with Defendants during the three years immediately preceding the filing of the lawsuit through the present.

g. The UCL Class consists of members of the: (i) Overtime Class, during the four years immediately preceding the filing of the lawsuit through the present; (ii) Minimum Wage Class, during the four years immediately preceding the filing of the lawsuit through the present; (iii) Meal Period Class, during the time period of April 12, 2017 through the present; (iv) Rest Period Class, during the time period of April 12, 2017 through the present; and/or (v) Wage Statement Class, during the four years immediately preceding the filing of the lawsuit through the present. This UCL Class excludes any members who signed an agreement to arbitrate.

25. Plaintiff Alvarez reserves the right under Rule 3.765(b) of the California Rules of Court, to amend or modify the description of the various classes with greater specificity or further

---

<sup>1</sup>A prior class action lawsuit, *Pamela Wright v. Social Vocational Services, Inc.*, Kern County Case No. BCV-15-101264, included claims for alleged meal and rest period violations. The settlement which received final approval on July 11, 2017, covered all non-exempt employees from July 30, 2010 through April 11, 2017. Accordingly, Plaintiff Alvarez's claims for meal and rest period violations have a truncated relevant time period.



1 division into subclasses or limitation to particular issues.

2       26.     **Numerosity/Ascertainability:** The members of the Classes are so numerous that  
3 joinder of all members would be unfeasible and not practicable. The membership of the Classes  
4 is unknown to Plaintiff Alvarez at this time; however, it is estimated that the members of the  
5 Classes number greater than one hundred (100) individuals. The identity of such membership is  
6 readily ascertainable via inspection of Defendants' employment records.

7       27.     **Common Questions of Law and Fact Predominate/Well Defined Community**  
8 **of Interest:** There are common questions of law and fact as to Plaintiff Alvarez and all other  
9 similarly situated employees, which predominate over questions affecting only individual  
10 members. Those common questions include, without limitation:

- 11       i.       Whether Defendants failed to pay all minimum wages to members of the  
12               Minimum Wage Class;
- 13       ii.      Whether Defendants failed to pay overtime wages by requiring overtime work and  
14               not paying members of the Overtime Class for said work in accordance with the  
15               overtime laws of the State of California, including Labor Code §§ 510 and 1194;
- 16       iii.     Whether Defendants provided all legally compliant meal periods to members of  
17               the Meal Period Class pursuant to Labor Code §§ 226.7 and 512
- 18       iv.      Whether Defendants authorized and permitted all legally compliant rest periods to  
19               members of the Rest Period Class pursuant to Labor Code §§ 226.7 and 516;
- 20       v.       Whether Defendants furnished legally compliant wage statements to members of  
21               the Wage Statement Class pursuant to Labor Code § 226;
- 22       vi.      Whether Defendants' policies and/or practices for the timing and amount of  
23               payment of final wages to members of the Waiting Time Class at the time of their  
24               separation of employment were lawful; and
- 25       vii.     Whether Defendants engaged in unlawful, unfair, illegal, and/or deceptive  
26               business practices by and through the wage and hour policies and practices  
27               described above, and whether as a result Defendants owe the classes restitution.

28       28.     **Predominance of Common Questions:** Common questions of law and fact

predominate over questions that affect only individual members of the Classes. The common questions of law set forth above are numerous and substantial and stem from Defendants' policies and/or practices applicable to each individual class member, such as Defendants' uniform minimum wage, overtime wage payment, and meal and rest period policies and practices. As such, the common questions predominate over individual questions concerning each individual class member's showing as to their eligibility for recovery or as to the amount of their damages.

29. **Typicality:** The claims of Plaintiff Alvarez are typical of the claims of the Classes because Plaintiff was employed by Defendants as a non-exempt employee in California during the statute(s) of limitations period applicable to each cause of action pled in the lawsuit. As alleged herein, Plaintiff Alvarez, like the members of the Classes, was not provided all legally required minimum wages, and overtime wages, was not provided all required meal periods, was not authorized and permitted to take all required rest periods, and was not provided with accurate, itemized wage statements.

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

31. **Superiority:** The California Labor Code is broadly remedial in nature and serves an important public interest in establishing minimum working conditions and standards in California. These laws and labor standards protect the average working employee from exploitation by employers who have the responsibility to follow the laws and who may seek to take advantage of superior economic and bargaining power in setting onerous terms and conditions of employment. The nature of this action and the format of laws available to Plaintiff Alvarez and members of the Classes make the class action format a particularly efficient and appropriate procedure to redress the violations alleged herein. If each employee were required to file an individual lawsuit, Defendants would necessarily gain an unconscionable advantage since

1 they would be able to exploit and overwhelm the limited resources of each individual plaintiff  
2 with their vastly superior financial and legal resources. Moreover, requiring each member of the  
3 Classes to pursue an individual remedy would also discourage the assertion of lawful claims by  
4 employees who would be disinclined to file an action against their former and/or current employer  
5 for real and justifiable fear of retaliation and permanent damages to their careers at subsequent  
6 employment. Further, the prosecution of separate actions by the individual class members, even  
7 if possible, would create a substantial risk of inconsistent or varying verdicts or adjudications  
8 with respect to the individual class members against Defendants herein; and which would  
9 establish potentially incompatible standards of conduct for Defendants; and/or legal  
10 determinations with respect to individual class members which would, as a practical matter, be  
11 dispositive of the interest of the other class members not parties to adjudications or which would  
12 substantially impair or impede the ability of the class members to protect their interests. Further,  
13 the claims of the individual members of the Classes are not sufficiently large to warrant vigorous  
14 individual prosecution considering all of the concomitant costs and expenses attending thereto.  
15 As such, the Classes identified in Paragraph 23 are maintainable as a Class under § 382 of the  
16 Code of Civil Procedure.

17 **FIRST CAUSE OF ACTION**

18 **FAILURE TO PAY ALL MINIMUM WAGES OWED**

19 **(BY PLAINTIFF ALVAREZ AGAINST ALL DEFENDANTS)**

20 32. Plaintiff Alvarez re-alleges and incorporates by reference all previous paragraphs.

21 33. This cause of action is brought pursuant to Labor Code §§ 1182.12, 1194 and 1197,  
22 which provide that all non-exempt employees are entitled to all minimum wages for all hours  
23 worked, and provide a private right of action for the failure to pay all minimum wage  
24 compensation for all work performed.

25 34. At all times relevant herein, Defendants were required to properly compensate  
26 Plaintiff Alvarez and the members of the Minimum Wage Class for all hours worked pursuant to  
27 California Labor Code §§ 1182.12, 1194, and 1197, and Wage Order 4. Wage Order 4, Section  
28 4 requires an employer to pay to every employee on the established payday for the period involved

not less than the applicable minimum wage for all hours worked in the payroll period. Labor Code § 1198 makes unlawful the employment of an employee under conditions that the IWC prohibits. Labor Code §§ 1194(a) and 1194.2(a) further provide that an employee who has not been paid the legal minimum wage as required by Labor Code § 1197 may recover the unpaid balance, together with attorneys' fees and costs of suit, as well as liquidated damages in an amount equal to the unpaid wages and interest accrued thereon. At all times relevant herein, Defendants caused Plaintiff Alvarez and the members of the Minimum Wage Class to work hours in a workweek including, but not limited to, all hours they were subject to the control of Defendants and/or suffered or permitted to work under the California Labor Code and Wage Order 4, but did not properly compensate Plaintiff Alvarez and the members of the Minimum Wage Class at least the statutory minimum wage for all such hours worked.

35. As a direct and proximate result of Defendants' unlawful conduct as alleged herein, Plaintiff Alvarez and the Minimum Wage Class have sustained economic damages, including but not limited to, unpaid wages and lost interest in an amount to be established at trial, and are entitled to recover economic and statutory damages and penalties and other appropriate relief as a result of Defendants' violations of the California Labor Code and Wage Order 4.

36. The foregoing practices and policies are unlawful and create entitlement to recovery by Plaintiff Alvarez and the members of the Minimum Wage Class in a civil action for the unpaid amount of minimum wages owing, including interest thereon, as well as statutory penalties, civil penalties, liquidated damages, and attorneys' fees and costs of suit, pursuant to Labor Code §§ 204, 558, 1194, 1194.2, 1197, and 1198, Wage Order 4, and California Code of Civil Procedure § 1021.5.

## **SECOND CAUSE OF ACTION**

### **FAILURE TO PAY ALL OVERTIME WAGES**

#### **(BY PLAINTIFF ALVAREZ AGAINST ALL DEFENDANTS)**

37. Plaintiff Alvarez re-alleges and incorporates by reference all previous paragraphs.

38. This cause of action is brought pursuant to Labor Code §§ 204, 510, 558, 1194 and 1198, which provide that all non-exempt employees are entitled to overtime wages for all

overtime hours worked, and provide a private right of action for the failure to pay all overtime compensation for overtime work performed.

39. At all times relevant herein, Defendants were required to properly compensate Plaintiff Alvarez and the members of the Overtime Class for all overtime hours worked pursuant to California Labor Code §§ 510 and 1194, and Wage Order 4. Labor Code § 510 and Wage Order 4, Section 3 require an employer to pay an employee “one and one-half (1½) times the employee’s regular rate of pay” for work in excess of 8 hours per workday and/or in excess of 40 hours per workweek. Labor Code § 510 and Wage Order 4, Section 3 also require an employer to pay an employee double the employee’s regular rate for work in excess of 12 hours each workday and/or in excess of 8 hours on the seventh consecutive day of work in the workweek. Defendants caused Plaintiff Alvarez and the members of the Overtime Class to work in excess of 8 hours in a workday and/or 40 hours in a workweek but did not properly compensate Plaintiff Alvarez and the members of the Overtime Class at one and one-half their regular rate of pay for all such hours. Defendants also caused Plaintiff Alvarez and the members of the Overtime Class to work in excess of 12 hours in a workday but did not properly compensate Plaintiff Alvarez and the members of the Overtime Class at double their regular rate of pay for such hours.

40. The foregoing practices and policies are unlawful and create entitlement to recovery by Plaintiff Alvarez and the members of the Overtime Class in a civil action for the unpaid amount of overtime premiums owing, including interest thereon, as well as statutory penalties, civil penalties, attorneys’ fees and costs of suit pursuant to Labor Code §§ 204, 510, 558, 1194 and 1198, Wage Order 4, and California Code of Civil Procedure § 1021.5.

### **THIRD CAUSE OF ACTION**

#### **FAILURE TO PROVIDE ALL MEAL PERIODS**

#### **(BY PLAINTIFF ALVAREZ AGAINST ALL DEFENDANTS)**

41. Plaintiff Alvarez re-alleges and incorporates by reference all previous paragraphs.

42. Plaintiff Alvarez is informed and believes, and based thereon alleges, that Defendants failed in their affirmative obligation to provide all of their non-exempt employees in California, including Plaintiff Alvarez and members of the Meal Period Class, with all legally

compliant meal periods in accordance with the mandates of the California Labor Code and Wage Order 4, § 11, for the reasons set forth in the factual allegations and class definitions sections of this TAC. Despite Defendants' violations, Defendants did not pay an additional hour of premium pay to Plaintiff Alvarez and members of the Meal Period Class at their respective regular rates of compensation, in accordance with California Labor Code §§ 226.7 and 512.

43. As a result, Defendants are responsible for paying premium compensation for meal period violations, including interest thereon, as well as statutory penalties, civil penalties, and costs of suit, pursuant to Labor Code §§ 226.7, 512, and 558, Wage Order 4, and California Code of Civil Procedure § 1021.5.

#### **FOURTH CAUSE OF ACTION**

##### **FAILURE TO AUTHORIZE AND PERMIT ALL REST PERIODS**

##### **(BY PLAINTIFF ALVAREZ AGAINST ALL DEFENDANTS)**

44. Plaintiff Alvarez re-alleges and incorporates by reference all previous paragraphs.

45. Wage Order 4, § 12, and California Labor Code §§ 226.7, 516, and 558 establish the right of employees to be authorized and permitted to take a paid rest periods of at least ten (10) minutes net rest time for each four (4) hour period worked, or *major fraction thereof*.

46. As alleged herein, and due to their unlawful rest period policies and/or practices, Defendants failed to authorize and permit Plaintiff Alvarez and members of the Rest Period Class to take all paid rest periods to which they were legally entitled. Despite Defendants' violations, Defendants failed to pay an additional hour of pay to Plaintiff Alvarez and members of the Rest Period Class at their respective regular rates of pay for each violation, as required by Labor Code § 226.7.

47. The foregoing policies and practices are unlawful and create an entitlement to recovery by Plaintiff Alvarez and members of the Rest Period Class in a civil action for the unpaid amount of rest period premiums owing, including interest thereon, as well as statutory penalties, civil penalties, and costs of suit according to California Labor Code §§ 226.7, 516, and 558, Wage Order 4, and California Code of Civil Procedure § 1021.5.

1 **FIFTH CAUSE OF ACTION**

2 **WAGE STATEMENT VIOLATIONS**

3 **(BY PLAINTIFF ALVAREZ AGAINST ALL DEFENDANTS)**

4 48. Plaintiff Alvarez re-alleges and incorporates by reference all previous paragraphs.

5 49. Plaintiff Alvarez is informed and believes, and based thereon alleges, that  
6 Defendants knowingly and intentionally, as a matter of uniform policy and practice, failed to  
7 furnish Plaintiff and members of the Wage Statement Class with accurate and complete itemized  
8 wage statements that included, among other requirements, all overtime and minimum wages  
9 earned, and all meal and rest period premium wages earned in violation of Labor Code § 226.

10 50. Defendants' failure to furnish Plaintiff and members of the Wage Statement Class  
11 with complete and accurate itemized wage statements resulted in actual injury, as said failures led  
12 to, among other things, the non-payment of all their minimum and overtime wages and meal and  
13 rest period premiums, and deprived them of the information necessary to identify the  
14 discrepancies in Defendants' reported data.

15 51. Defendants' failures create an entitlement to recovery by Plaintiff Alvarez and  
16 members of the Wage Statement Class in a civil action for all damages and/or penalties pursuant  
17 to Labor Code § 226, including statutory penalties, civil penalties, reasonable attorneys' fees, and  
18 costs of suit according to Labor Code § 226.

19 **SIXTH CAUSE OF ACTION**

20 **WAITING TIME PENALTIES**

21 **(BY PLAINTIFF ALVAREZ AGAINST ALL DEFENDANTS)**

22 52. Plaintiff Alvarez re-alleges and incorporates by reference all previous paragraphs.

23 53. This cause of action is brought pursuant to Labor Code §§ 201-203, which require  
24 an employer to pay all wages immediately at the time of termination of employment in the event  
25 the employer discharges the employee or the employee provides at least 72 hours of notice of  
26 his/her intent to quit. In the event the employee provides less than 72 hours of notice of his/her  
27 intent to quit, said employee's wages become due and payable not later than 72 hours upon said  
28 employee's last date of employment.

54. Defendants failed to timely pay its former non-exempt employees all of their final

1 wages at the time of termination, which include, among other things, underpaid minimum, regular  
2 and overtime wages and meal and rest period premium wages. Further, Plaintiff Alvarez is  
3 informed and believes, and based thereon alleges, that as a matter of uniform policy and practice,  
4 Defendants continue to fail to pay members of the Waiting Time Penalty Class all earned wages  
5 at the end of employment in a timely manner pursuant to the requirements of Labor Code §§ 201-  
6 203. Defendants' failure to pay all final wages was willful within the meaning of Labor Code §  
7 203.

8 55. Defendants' willful failure to timely pay the members of the Waiting Time Penalty  
9 Class their earned wages upon separation from employment results in a continued payment of  
10 wages up to thirty (30) days from the time the wages were due. Therefore, members of the  
11 Waiting Time Penalty Class are entitled to compensation pursuant to Labor Code § 203, plus  
12 reasonable attorneys' fees and costs of suit.

### 13 **SEVENTH CAUSE OF ACTION**

#### 14 **UNFAIR COMPETITION**

#### 15 **(BY PLAINTIFF ALVAREZ AGAINST ALL DEFENDANTS)**

16 56. Plaintiff Alvarez re-alleges and incorporates by reference all previous paragraphs.

17 57. Defendants have engaged and continue to engage in unfair and/or unlawful  
18 business practices in California in violation of California Business and Professions Code § 17200  
19 *et seq.*, by failing to pay all overtime and/or minimum wages owed, failing to provide all required  
20 meal periods, failing to authorize and permit all required rest periods, failing to pay meal and rest  
21 period premium wage payments, and failing to provide accurate, itemized wage statements.

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

27 59. Because Plaintiff Alvarez is a victim of Defendants' unfair and/or unlawful  
28 conduct alleged herein, Plaintiff Alvarez for himself and on behalf of the members of the Classes,



1 seeks full restitution of monies, as necessary and according to proof, to restore any and all monies  
2 withheld, acquired and/or converted by Defendants pursuant to Business and Professions Code  
3 §§ 17203 and 17208.

4 60. The acts complained of herein occurred within the last four years immediately  
5 preceding the filing of the Complaint in this action.

6 61. Plaintiff Alvarez was compelled to retain the services of counsel to file this court  
7 action to protect her interests and those of the Classes, to obtain restitution and injunctive relief  
8 on behalf of Defendants' current non-exempt employees, and to enforce important rights affecting  
9 the public interest. Plaintiff Alvarez has thereby incurred the financial burden of attorneys' fees  
10 and costs, which she is entitled to recover under Code of Civil Procedure § 1021.5.

11 **EIGHTH CAUSE OF ACTION**

12 **PRIVATE ATTORNEYS GENERAL ACT OF 2004**

13 **(BY PLAINTIFFS AGAINST ALL DEFENDANTS)**

14 62. Plaintiffs re-allege and incorporate by reference all previous paragraphs.

15 63. Defendants have committed several Labor Code violations against Plaintiffs,  
16 members of the Classes, and other aggrieved employees. Plaintiffs are "aggrieved employees"  
17 within the meaning of Labor Code § 2698 *et seq.*, acting on behalf of themselves and other  
18 aggrieved employees, bring this representative action against Defendants to recover the civil  
19 penalties due to Plaintiffs, the members of the Classes, other aggrieved employees, and the State  
20 of California according to proof pursuant to Labor Code § 558 and § 2699 (a) and (f) including,  
21 but not limited to: (1) \$100.00 for each initial violation for each failure to pay each employee and  
22 \$200.00 for each subsequent violation or willful or intentional violation pursuant to Labor Code §  
23 210 for each failure to pay each employee, plus 25% of the amount unlawfully withheld; (2)  
24 \$100.00 for each initial violation and \$250.00 for each subsequent violation pursuant to Labor  
25 Code § 1197.1; (3) \$250.00 for each initial violation and \$1,000.00 for each subsequent violation  
26 pursuant to Labor Code § 226.3 per employee per pay period; (4) \$50.00 for each initial violation  
27 and \$100.00 for each subsequent violation pursuant to Labor Code § 558 per employee per pay  
28 period; and/or (5) \$100.00 for each initial violation and \$200.00 for each subsequent violation per

employee per pay period for those violations of the Labor Code for which no civil penalty is specifically provided, based on the following Labor Code violations:

- a) Defendants violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Plaintiffs and other aggrieved employees all overtime compensation earned;
- b) Defendants violated Labor Code §§ 1194, 1194.2, 1197, 1197.1, and 1199 by failing to pay Plaintiffs and other aggrieved employees the statutory minimum wage for all hours worked;
- c) Defendants violated Labor Code §§ 226.7, 512, and 558 by failing to provide all legally required meal periods and failing to pay meal period premiums to Plaintiffs and other aggrieved employees;
- d) Defendants violated Labor Code §§ 226.7, 516, and 558 by failing to provide all legally required and paid rest periods and failing to pay rest period premiums to Plaintiffs and other aggrieved employees;
- e) Defendants violated Labor Code § 226 by failing to furnish Plaintiffs and other aggrieved employees with accurate and compliant itemized wage statements;
- f) Defendants violated Labor Code § 204 by failing to pay Plaintiffs and other aggrieved employees all earned wages at least twice during each calendar month; and
- g) Defendants violated Labor Code §§ 201-203 by failing to pay Plaintiffs and other aggrieved employees all earned wages within the statutorily required time at separation of employment; and
- h) Defendants violated Labor Code § 1174 by failing to maintain accurate records on behalf of Plaintiffs and other aggrieved employees.

64. Plaintiffs each independently notified Defendants via certified mail, and notified the California Labor and Workforce Development Agency (“LWDA”) via its website, of Defendants’ violations of the California Labor Code and Plaintiffs’ intent to bring a claim for civil penalties under California Labor Code § 2698 *et seq.* with respect to violations of the California Labor Code identified in this TAC. Now that at least sixty-five days have passed from both

1 Plaintiffs notifying Defendants and the LWDA of these violations, and the LWDA has not  
2 provided notice that it intends to investigate the violations, Plaintiff have both exhausted their  
3 administrative requirements for bringing a claim under the Private Attorneys General Act with  
4 respect to these violations.

5 65. Plaintiffs are seeking civil penalties with respect to violations of the California  
6 Labor Code identified in this FAC from May 23, 2018 to the present.

7 66. Plaintiffs were compelled to retain the services of counsel to file this court action  
8 to protect their interests and the interests of other aggrieved employees, and to assess and collect  
9 the civil penalties owed by Defendants. Plaintiffs have thereby incurred attorneys' fees and costs,  
10 which they are entitled to recover under California Labor Code § 2699(g).

11 **PRAYER**

12 WHEREFORE, Plaintiffs pray for judgment for themselves and for all others on whose  
13 behalf this suit is brought against Defendants, as follows:

14 1. For an order certifying the proposed Classes;  
15 2. For an order appointing Plaintiff Alvarez as representative of the Classes;  
16 3. For an order appointing Counsel for Plaintiff Alvarez as Counsel for the Classes;  
17 4. Upon the First Cause of Action, for compensatory, consequential, general and  
18 special damages according to proof pursuant to Labor Code §§ 204, 558, 1194, 1197, 1197.1 and  
19 1198 to Plaintiff Alvarez and Class members;

20 5. Upon the Second Cause of Action, for compensatory, consequential, general and  
21 special damages according to proof pursuant to Labor Code §§ 204, 510, 558, 1194 and 1198 to  
22 Plaintiff Alvarez and Class members;

23 6. Upon the Third Cause of Action, for compensatory, consequential, general and  
24 special damages according to proof pursuant to Labor Code §§ 226.7, 516, and 558 to Plaintiff  
25 Alvarez and Class members;

26 7. Upon the Fourth Cause of Action, for compensatory, consequential, general and  
27 special damages according to proof pursuant to Labor Code §§ 226.7, 516, and 558 to Plaintiff  
28 Alvarez and Class members;

1           8.       Upon the Fifth Cause of Action, for statutory penalties pursuant to Labor Code §§  
2 226, *et seq.* to Plaintiff Alvarez and Class members;

3           9.       Upon the Sixth Cause of Action, for statutory waiting time penalties pursuant to  
4 Labor Code §§ 201-203 to Class members;

5           10.      Upon the Seventh Cause of Action, for restitution to Plaintiff Alvarez and  
6 members of the Classes of all money and/or property unlawfully acquired by Defendants by  
7 means of any acts or practices declared by this Court to be in violation of Business and Professions  
8 Code § 17200 *et seq.*;

9           11.      Upon the Eighth Cause of Action, for civil penalties due to Plaintiffs, other  
10 aggrieved employees, and the State of California, from May 23, 2018 to the present, according to  
11 proof pursuant to Labor Code §§ 558 and 2699(a) and (f) including, but not limited to: (1) \$100.00  
12 for each initial violation for each failure to pay each employee and \$200.00 for each subsequent  
13 violation or willful or intentional violation pursuant to Labor Code § 210 for each failure to pay  
14 each employee, plus 25% of the amount unlawfully withheld; (2) \$100.00 for each initial violation  
15 and \$250.00 for each subsequent violation pursuant to Labor Code § 1197.1; (3) \$250.00 for each  
16 initial violation and \$1,000.00 for each subsequent violation pursuant to Labor Code § 226.3 per  
17 employee per pay period; (4) \$50.00 for each initial violation and \$100.00 for each subsequent  
18 violation pursuant to Labor Code § 558 per employee per pay period; and/or (5) \$100.00 for each  
19 initial violation and \$200.00 for each subsequent violation per employee per pay period for those  
20 violations of the Labor Code for which no civil penalty is specifically provided, based on the  
21 Labor Code violations cited in Paragraph 56 (a)-(g) above.

22           12.      Prejudgment interest on all due and unpaid wages pursuant to California Labor  
23 Code § 218.6 and Civil Code §§ 3287 and 3289;

24           13.      On all causes of action, for attorneys' fees and costs as provided by Labor Code §  
25 218.5 and Code of Civil Procedure § 1021.5 and all other applicable statutes; and

26           14.      For such other and further relief the Court may deem just and proper.  
27  
28

1  
2 Dated: \_\_\_\_\_, 2021

Respectfully submitted,  
LIDMAN LAW, APC

3  
4 By: \_\_\_\_\_

5 Scott M. Lidman  
6 Elizabeth Nguyen  
7 Milan Moore  
8 Attorneys for Plaintiff  
9 LUCIA ALVAREZ

10  
11 Dated: \_\_\_\_\_, 2021

MELMED LAW GROUP, P.C.

12 By: \_\_\_\_\_

13 Martin Sullivan  
14 Jonathan Melmed  
15 Laura Supanich  
16 Attorneys for Plaintiff  
17 ALEXANDRA DELGADILLO

18  
19 **DEMAND FOR JURY TRIAL**

20 Plaintiff Alvarez hereby demands a jury trial with respect to all issues triable by jury.

21  
22 Dated: \_\_\_\_\_, 2021

Respectfully submitted,  
LIDMAN LAW, APC

23 By: \_\_\_\_\_

24 Scott M. Lidman  
25 Elizabeth Nguyen  
26 Milan Moore  
27 Attorneys for Plaintiff  
28 LUCIA ALVAREZ

EXHIBIT B

EXHIBIT B

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES

LUCIA ALVAREZ,

Plaintiff,

vs.

SOCIAL VOCATIONAL SERVICES, INC., a  
California corporation; and Does 1 through 100,

Defendants.

Case No. 19STCV46789

**NOTICE OF PENDENCY OF CLASS  
ACTION AND PROPOSED SETTLEMENT**

**PLEASE READ THIS NOTICE CAREFULLY  
YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR NOT**

***Why should you read this notice?***

The Court has granted preliminary approval of a proposed class action settlement (the “Settlement”) in *Lucia Alvarez et al v. Social Vocational Services, Inc. et. al.*, Case No. 19STCV46789 (the “Lawsuit”). Because your rights may be affected by the Settlement, it is important that you read this notice carefully.

You may be entitled to money from this Settlement. SVS’s records show that you were employed at SVS as an hourly, non-exempt employee who did not execute an arbitration agreement in California at some point in time between December 30, 2015 through [<<Preliminary Approval Order>>]. The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

The purpose of this notice is to provide you with a brief description of the Lawsuit, to inform you of the terms of the Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves the Settlement, you will be bound by the terms of the Settlement and any final judgment.

***What is this case about?***

Plaintiff Lucia Alvarez (“Plaintiff Alvarez”) brought this Lawsuit against SVS, seeking to assert claims on behalf of all current and former non-exempt, hourly employees of Defendant Social Vocational Services, Inc. who did not execute an arbitration agreement and worked in California at any time from December 20, 2015 through the date of preliminary approval of the Settlement Agreement.

Plaintiff Alvarez is known as the “Class Representative,” and her attorneys, who also represent the interests of all Settlement Class Members, are known as “Class Counsel.”

The Lawsuit alleges that SVS failed to pay Settlement Class Members all minimum and overtime wages, failed to provide to Settlement Class Members all required meal and rest periods, and failed to provide Settlement Class Members with itemized wage statements in compliance with California law. The Lawsuit also alleges that SVS failed to timely pay all wages owed to Settlement Class Members upon their separation of employment from SVS. As a result of the foregoing alleged violations, Plaintiff also alleges that SVS failed to provide accurate, itemized wage statements and engaged in unfair business practices. Plaintiff Alvarez and Plaintiff Alexandra M. Delgadillo (Alvarez and Delgadillo collectively “Plaintiffs”) also allege that SVS is liable for civil penalties under the Labor Code Private Attorney General Act.

SVS denies that it has done anything wrong. SVS further denies that it owes Settlement Class Members any wages, restitution, penalties, or other damages. However, to avoid additional expense, inconvenience, and interference with its business operations, SVS and Plaintiffs has agreed to settle the Lawsuit on the terms summarized in this Notice. Accordingly, the Settlement constitutes a compromise of disputed claims and

should not be construed as an admission of liability on the part of SVS, which expressly denies all liability.

The Court has not ruled on the merits of Plaintiffs' claims.

**If you are still employed by SVS, your decision about whether to participate in the Settlement will not affect your employment. California law and SVS' policies strictly prohibit unlawful retaliation. SVS will not take any adverse employment action against or otherwise target, retaliate, or discriminate against any Settlement Class Member because of the Settlement Class Member's decision to either participate or not participate in the Settlement.**

#### ***Who are the Attorneys?***

<p>Attorneys for the Plaintiff Alvarez / Settlement Class Members:</p> <p><b>LIDMAN LAW, APC</b> Scott M. Lidman <a href="mailto:slidman@lidmanlaw.com">slidman@lidmanlaw.com</a> Elizabeth Nguyen <a href="mailto:enguyen@lidmanlaw.com">enguyen@lidmanlaw.com</a> <a href="mailto:mmoore@lidmanlaw.com">mmoore@lidmanlaw.com</a> 2155 Campus Drive, Suite 150 El Segundo, California 90245 Tel: (424) 322-4772 Fax: (424) 322-4775 <a href="http://www.lidmanlaw.com">www.lidmanlaw.com</a></p> <p><b>HAINES LAW GROUP, APC</b> Paul K. Haines <a href="mailto:phaines@haineslawgroup.com">phaines@haineslawgroup.com</a> 2155 Campus Drive, Suite 150 El Segundo, California 90245 Tel: (424) 292-2350 Fax: (424) 292-2355 <a href="http://www.haineslawgroup.com">www.haineslawgroup.com</a></p> <p>Attorneys for Plaintiff Delgadillo/Settlement Class Members</p> <p><b>MELMED LAW GROUP P.C.</b> Martin Sullivan <a href="mailto:ms@melmedlaw.com">ms@melmedlaw.com</a> Jonathan Melmed <a href="mailto:jm@melmedlaw.com">jm@melmedlaw.com</a> 1180 South Beverly Drive, Suite 610 Los Angeles, California 90035 Tel: (310) 824-3828 Fax: (310) 862-6851 <a href="https://www.melmedlaw.com/">https://www.melmedlaw.com/</a></p>	<p>Attorneys for Defendant Social Vocational Services, Inc.</p> <p><b>ROXBOROUGH POMERANCE NYE &amp; ADREANI, LLP</b> Michael B. Adreani <a href="mailto:mba@rpnalaw.com">mba@rpnalaw.com</a> Marina N. Vitek <a href="mailto:mnv@rpnalaw.com">mnv@rpnalaw.com</a> 5820 Canoga Ave., Suite 250 Woodland Hills, California 91367 Tel: (818) 992-9999 Fax: (818) 992-9991 <a href="https://rpnalaw.com/">https://rpnalaw.com/</a></p>
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#### ***What are the terms of the Settlement?***

On **[INSERT DATE OF PRELIMINARY APPROVAL]**, the Court preliminarily certified the following subclasses, for settlement purposes only:



- A. Minimum Wage and Overtime Class: All current and former non-exempt, hourly employees of Defendant Social Vocational Services, Inc. who did not execute an arbitration agreement and worked in California at any time from December 30, 2015 through the date of preliminary approval of the Settlement Agreement.
- B. Meal and Rest Period Class: All current and former non-exempt, hourly employees of Defendant Social Vocational Services, Inc. who did not execute an arbitration agreement and worked in California at any time from April 12, 2017 through the date of preliminary approval of the Settlement Agreement;
- C. Wage Statement Class: All current and former non-exempt, hourly employees of Defendant Social Vocational Services, Inc. who did not execute an arbitration agreement and worked in California at any time from December 30, 2018 through the date of preliminary approval of the Settlement Agreement; and
- D. Waiting Time Penalties Class: All former non-exempt, hourly employees of Defendant Social Vocational Services, Inc. who did not execute an arbitration agreement and worked in California and who separated their employment at any time from December 30, 2016 through the date of preliminary approval of the Settlement Agreement.

Settlement Class Members who do not opt out of the Settlement pursuant to the procedures set forth in this Notice will be bound by the Settlement and will release their claims against SVS as described below.

SVS has agreed to pay \$1,000,000 (the “Gross Settlement Amount”) to fully resolve all claims in the Lawsuit, which includes payments to Settlement Class Members, attorneys’ fees and expenses, payment to the Labor Workforce Development Agency (“LWDA”), settlement administration costs, the Class/PAGA Representatives’ Service Awards and monies to be paid to the LWDA. SVS’ share of payroll taxes associated with any wage payments to Settlement Class Members shall be paid by SVS separately from, and in addition to, the Gross Settlement Amount.

The Settlement Agreement provides for deductions from the Gross Settlement Amount for Settlement Administration Costs (up to \$28,000.00), attorneys fees (estimated to be \$333,333.33), costs (not to exceed \$25,000), Class/PAGA Representative Service Awards (\$7,500.00 to each Plaintiff) and PAGA penalties (in the amount of \$300,000.00 for payment to the Labor & Workforce Development Agency in the amount of \$225,000.00 and payment to the PAGA employees in the amount of \$75,000.00).

Calculation of Individual Settlement Class Members’ Settlement Award. After deducting the Court-approved amounts above, the balance of the Gross Settlement Amount will form the Net Settlement Amount (“NSA”), which will be distributed to all Settlement Class Members who do not submit a valid and timely Request for Exclusion (described below). The NSA is estimated at approximately \$<< >>, to be shared among an estimated << >> Settlement Class Members.

The NSA will be divided as follows:

- i. Fifty Percent (50%) of the NSA shall be designated as the “Minimum Wage/Overtime Amount” Each participating Settlement Class member who was employed by Defendant at any time during the Minimum Wage/Overtime Class Period, shall receive a portion of the Minimum Wage/Overtime Amount proportionate to the number of workweeks worked during the Minimum Wage/Overtime Class Period, the numerator of which is the Settlement Class member’s gross number of workweeks worked during this period, and the denominator of which is the total number of Workweeks worked by all participating Settlement Class members during this period.
- ii. Thirty Percent (30%) of the NSA shall be designated as the “Meal and Rest Period Amount” Each participating Settlement Class member who was employed by Defendant at any time during the Meal and Rest Period Class Period, shall receive a portion of the Meal and Rest Period Amount proportionate to the number of workweeks worked during the Meal and Rest Period Class Period, the numerator of which is the Settlement Class member’s gross number of workweeks worked

during this period, and the denominator of which is the total number of Workweeks worked by all participating Settlement Class members during this period.

- iii. Ten Percent (10%) of the NSA shall be designated as the “Wage Statement Amount” Each participating Settlement Class member who was employed by Defendant at any time during the Wage Statement Class Period, shall receive a portion of the Wage Statement Amount proportionate to the number of Workweeks worked during the Wage Statement Class Period, the numerator of which is the Settlement Class member’s gross number of workweeks worked during this period, and the denominator of which is the total number of workweeks worked by all participating Settlement Class members during this period.
- iv. Ten Percent (10%) of the NSA shall be designated as the “Waiting Time Amount” Each participating Settlement Class member who separated their employment from Defendant during the Waiting Time Class Period shall receive an equal, pro-rata share of the Waiting Time Amount. The total amount designated as “Waiting Time Amount” shall be divided equally among each Settlement Class member who separated their employment during the Waiting Time Class Period.

In addition, Seventy-Five Thousand Dollars and Zero Cents (\$75,000.00) of the PAGA Penalties has been designated as the “PAGA Amount” as described above. Each PAGA Employee, which is defined as a “current and former non-exempt, hourly employees of Defendant Social Vocational Services, Inc. who worked for Defendant in California at any time from May 23, 2018 through date of preliminary approval of the Settlement Agreement,” shall receive a portion of the PAGA Amount proportionate to the number of pay periods that he or she worked during this PAGA Period which will be calculated by multiplying the PAGA Amount by a fraction, the numerator of which is the PAGA Employee’s number of pay periods worked as a non-exempt employee during this time period, and the denominator of which is the total number of pay periods worked by all PAGA Employees.

Payments to Settlement Class Members. If the Court grants final approval of the Settlement, Settlement Awards will be mailed to all Settlement Class Members who did not submit a valid and timely Request for Exclusion.

Payment by SVS of Gross Settlement Amount. With the exception of the Settlement Administrator’s fees, if required by the Settlement Administrator, the Gross Settlement Amount shall be deposited by Defendant into a qualified settlement fund set up by the Settlement Administrator for the benefit of participating Settlement Class members. Defendant agrees to deposit the Gross Settlement Amount with the Settlement Administrator within thirty (30) calendar days after the “Effective Date” which is defined as the latter of: (a) the Court’s final approval of the settlement if no objections by or on behalf of Settlement Class members have been filed; (b) the time for appeal has expired if an objection has been filed and no appeal has been filed or withdrawn; or (c) the final resolution of any appeal that has been filed.

Within ten (10) calendar days following Defendant’s deposit of the Gross Settlement Amount with the Settlement Administrator, the Settlement Administrator will calculate Settlement Award amounts and provide the same to counsel for the Parties for review and approval. Within seven (7) calendar days of approval by counsel for the Parties, the Settlement Administrator will prepare and mail Settlement Awards, less applicable taxes and withholdings, to participating Settlement Class members.

Each member of the Settlement Class who receives a Settlement Award must cash the check(s) within 180 days from the date the Settlement Administrator mails it/them. Any funds payable to Settlement Class members whose checks were not cashed within 180 days after mailing will escheat to the California Secretary of State- Unclaimed Property Fund under the unclaimed property laws in the name of the Settlement Class member.

Allocation and Taxes. For tax purposes, each Settlement Award shall be allocated as follows: sixty-seven percent (67%) as penalties and interest; and thirty-three percent (33%) as wages. The Settlement Administrator will be responsible for issuing to participating Settlement Class Members IRS Forms W-2 for amounts deemed “wages” and IRS Forms 1099 for the amounts allocated as penalties and interest. Settlement Class Members are responsible for the proper income tax treatment of the Individual Settlement Awards.

The Settlement Administrator, SVS and its counsel, and Class Counsel cannot provide tax advice. Accordingly, Settlement Class Members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

**Release.** If the Court approves the Settlement, the Settlement Class, and each Settlement Class Member who has not submitted a timely and valid Request for Exclusion, will fully and forever completely release and discharge SVS, and all of its past and present officers, directors, shareholders, managers, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, and its respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys (collectively the “Released Parties”), from all claims, demands, rights, liabilities and causes of action that were pled in the operative Complaint in the Action, or which could have been pled in the operative Complaint in the Action based on the factual allegations therein, that arose during the Class Periods described in paragraph 1 above, including but not limited to the following claims: a) failure to pay all overtime wages owed; (b) failure to pay all minimum wages owed; (c) failure to provide meal periods, or premium pay for non-compliant meal periods; (d) failure to authorize and permit rest periods, or premium pay for non-compliant rest periods; (e) failure to issue accurate, itemized wage statements; (f) failure to pay all wages upon termination; and (g) all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories described above (collectively, the “Released Claims”). The time period for the release of the various Released Claims shall be the same time periods as the applicable Class Periods described in above.

**PAGA Release and PAGA Employees.** If the Court approves the Settlement, all PAGA Employees will release and forever discharge all claims, demands, rights, liabilities and causes of action for penalties under California Labor Code Private Attorneys General Act of 2004 against the Released Parties based on (as alleged in the letter to the Labor & Workforce Development Agency (“LWDA”) May 23, 2019, any supplement(s) thereto, and the Fourth Amended Complaint for: (a) failure to pay all overtime wages owed; (b) failure to pay all minimum wages owed; (c) failure to pay all overtime wages owed ; (c) failure to provide meal periods, or premium pay for non-compliant meal periods; (d) failure to authorize and permit rest periods, or premium pay for non-complaint rest periods; (e) failure to provide accurate, itemized wage statements; and (f) failure to timely pay wages upon separation of employment (collectively, “PAGA Released Claims”). The PAGA Period and the time period of the PAGA Released Claims is defined as the time period of May 23, 2018 through **date of preliminary approval of the Settlement** (“PAGA Period”).

**You cannot submit a Request for Exclusion from the PAGA Release.**

The release identified herein shall be effective following Defendant’s payment of the Gross Settlement Amount in full.

**Conditions of Settlement.** The Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement as fair, reasonable, adequate and in the best interests of the Settlement Class, and the entry of Judgment.

#### ***How can I claim money from the Settlement?***

**Do Nothing.** If you do nothing, you will be entitled to your share of the Settlement based on the proportionate number of workweeks you worked during one or more of the applicable Class Periods (as explained above), and as stated in the accompanying Notice of Settlement Award. You also will be bound by the Settlement, including the release of claims stated above.

#### ***What other options do I have?***

**Dispute Information in Notice of Settlement Award.** Your award is based on the proportionate number of workweeks you worked during the Class Periods. The information contained in SVS’ records regarding all of these factors, along with your estimated Settlement Award, is listed on the accompanying Notice of Settlement Award. If you disagree with the information in your Notice of Settlement Award, you may submit a dispute, along with any supporting documentation, in accordance with the procedures stated in the Notice of Settlement Award. Any disputes, along with supporting documentation, must be postmarked no later than **<<RESPONSE DEADLINE>>**. **DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.**

The Parties and the Settlement Administrator will evaluate the evidence submitted and discuss in good faith how to resolve any disputes submitted by Settlement Class Members. The Settlement Administrator's decision regarding any dispute will be final.

Exclude Yourself from the Settlement. If you **do not** wish to take part in the Settlement, you may exclude yourself by sending to the Settlement Administrator a written "Request for Exclusion from the Class Action Settlement" letter or card postmarked no later than <<RESPONSE DEADLINE>>, with your name, address, telephone number, last four digits of your social security number, and your signature. The Request for Exclusion should state something to the effect that you want to opt out of the settlement.

Send the Request for Exclusion directly to the Settlement Administrator at <<INSERT ADMINISTRATOR CONTACT INFO>>. Any person who files a timely Request for Exclusion from the Settlement shall, upon receipt by the Settlement Administrator, no longer be a Settlement Class Member, shall be barred from participating in any portion of the Settlement, and shall receive no benefits from the Settlement. **Do not submit both a Dispute and a Request for Exclusion.** If you do, the Request for Exclusion will be invalid, you will be included in the Settlement Class, and you will be bound by the terms of the Settlement.

You will still receive a portion of the PAGA Amount if you submit a Request for Exclusion.

Objecting to the Settlement. You also have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you may mail a written objection to the Settlement Administrator. Your written objection must include your name, address, as well as contact information for any attorney representing you regarding your objection, the case name and number, each specific reason for your objection, and any legal or factual or evidence you may have in support of your objection. Written objections must be postmarked on or before <<RESPONSE DEADLINE>>.

If you choose to object to the Settlement, you may also appear at the Final Approval Hearing scheduled for <<FINAL APPROVAL HEARING DATE/TIME>> in Department SSC-14 of the Los Angeles County Superior Court, located at 312 N. Spring Street, Los Angeles, California 90012. You have the right to appear either remotely, in person or through your own attorney at this hearing. Any attorney who intends to represent an individual objecting to the Settlement must file a notice of appearance with the Court and serve counsel for all parties on or before <<RESPONSE DEADLINE>>. All objections or other correspondence must state the name and number of the case, which is *Lucia Alvarez v. Social Vocational Services, Inc., et al.*, Los Angeles County Superior Court Case No. 19STCV46789.

Any Settlement Class Member who elects to appear personally at the Court for any reason related to this Lawsuit must comply with the Court's social distancing and mandatory face covering requirements, as well as and other orders related to COVID-19. All such rules and orders can be located at the Court's website: <https://www.sb-court.org/general-information/information-regarding-court-reopening-plans>

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class Members who do not object.

#### ***What is the next step?***

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on <<FINAL APPROVAL HEARING DATE/TIME>>, in Department SSC-14 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California 90012. The Court also will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of documented costs and

expenses and the Service Awards to Plaintiffs. The Final Approval Hearing may be postponed without further notice to Settlement Class Members. **You are not required to attend the Final Approval Hearing, although any Settlement Class Member is welcome to attend the hearing.**

Any changes to date, time, or location of the Final Approval Hearing will be posted on the Settlement Administrator's website (<http://.com>). Notice of the Court's final judgment will also be posted on the Settlement Administrator's website.

***How can I get additional information?***

This Notice is only a summary of the Lawsuit and the Settlement. For more information, you may inspect the Court's files and the Settlement Agreement at the Office of the Clerk of the Los Angeles County Superior Court, located at 111 N. Hill Street, Los Angeles, California 90012, during regular court hours. Due to COVID, appointments are required for clerk's office services. Please visit the Court's website at [http://www.lacourt.org/newsmedia/uploads/142020529162327NR\\_Clerks\\_Office\\_05\\_29\\_20-FINAL.pdf](http://www.lacourt.org/newsmedia/uploads/142020529162327NR_Clerks_Office_05_29_20-FINAL.pdf) and <https://www.lacourt.org/> for information on how to make an appointment in the Clerk's Office. You may also contact Class Counsel using the contact information listed above for more information.

**PLEASE DO NOT CALL OR WRITE THE COURT FOR INFORMATION  
ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS.  
DIRECT ALL QUESTIONS TO THE SETTLEMENT ADMINISTRATOR.**

**<<INSERT ADMINISTRATOR CONTACT INFO>>**

***REMINDER AS TO TIME LIMITS***

The deadline for submitting any Disputes, Requests for Exclusion, or Objections is **<<RESPONSE DEADLINE>>**. These deadlines will be strictly enforced.

**BY ORDER OF THE COURT ENTERED ON <<PRELIM APPROVAL DATE>>.**

**PLEASE KEEP THE SETTLEMENT ADMINISTRATOR ADVISED ON ANY CHANGE OF ADDRESS**

## **NOTICE OF INDIVIDUAL SETTLEMENT AWARD**

*LUCIA ALVAREZ V. SOCIAL VOCATIONAL SERVICES, INC*  
LOS ANGELES COUNTY SUPERIOR COURT CASE NO. 19STCV46789

Please complete, sign, date and return this form to <<ADMINISTRATOR CONTACT INFO>> ONLY IF (1) your personal contact information has changed, and/or (2) you wish to dispute any of the items listed in Section (III), below. It is your responsibility to keep a current address on file with the Settlement Administrator.

**(I) Please type or print your name:**

\_\_\_\_\_  
(First, Middle, Last)

**(II) Please type or print the following identifying information if your contact information has changed:**

\_\_\_\_\_  
Former Names (if any)

\_\_\_\_\_  
New Street Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip Code

**(III) Information Used to Calculate Your Individual Settlement Award:**

According to Social Vocational Services, Inc.'s records ("SVS"):

- (a) You were employed by SVS and worked a total of \_\_\_\_\_ workweeks during the time period of December 30, 2015 through the date of preliminary approval of the Settlement;
- (b) You [were/were not] separated from employment with SVS between the time period December 30, 2016 through the date of preliminary approval of the Settlement Agreement.
- (c) You were employed by SVS and worked a total of \_\_\_\_\_ pay periods during the time period of May 23, 2018 through the date of preliminary approval of the Settlement.

Based on the above, your Individual Settlement Award is estimated to be \$ \_\_\_\_\_ (before taxes and withholdings).

Based on the above, your Individual PAGA Payment is estimated to be \$ \_\_\_\_\_ (for which no taxes or withholdings shall be deducted),

The actual amounts you may receive may be different and will depend on a number of factors.

**(IV) If you disagree with items (a) – (b) in Section (III) above, please explain why in the space provided below and include copies of any supporting evidence or documentation with this form:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If you dispute the above information from SVS' records, SVS' records will control unless you are able to provide documentation that establishes that SVS' records are mistaken. If there is a dispute about whether SVS' information or yours is accurate, and the dispute cannot be resolved informally, the dispute will be resolved by the Parties and the Settlement Administrator as described in the "Notice of Pendency of Class

Action and Proposed Settlement” that accompanies this Form. Any unresolved disputes will be submitted to the Court for a final determination.

**ANY DISPUTES, ALONG WITH ANY SUPPORTING DOCUMENTATION, MUST BE  
POSTMARKED NO LATER THAN <<RESPONSE DEADLINE>>.**

EXHIBIT C

EXHIBIT C



## NOTICE OF PAGA SETTLEMENT

*Lucia Alvarez et al. v. Social Vocational Services, Inc.*

(Superior Court of California for the County of Los Angeles, Case No. 19STCV46789)

Administrator Info

P.O. Box \_\_\_\_\_

Telephone: \_\_\_\_\_

«Barcode»

«BarcodeString»

SIMID «SIMID»

«FirstName» «LastName»

«Address1» «Address2»

«City» «State» «Zip»

You are receiving this notice as a result of a lawsuit brought on a representative basis under the Private Attorneys General Act, Labor Code § 2698 et seq. (“PAGA”) (“the Action”). The plaintiffs are Lucia Alvarez and Alexandra M. Delgadillo (“Plaintiffs”) and the defendant is Defendant Social Vocational Services, Inc. (“Defendant”). The Action seeks civil penalties for purported violations of the California Labor Code on behalf of all current and former non-exempt, hourly employees of Defendant Social Vocational Services, Inc. who worked for Defendant in California at any time from May 23, 2018 through date of preliminary approval of the Settlement Agreement (“the “PAGA Period”), estimated to be 3,412 employees (“PAGA Employees”).

It is important to note that Defendant denies all claims and allegations in the Action, denies that it owes any penalties, and asserts that it has fully complied with all applicable Labor Code provisions. Nevertheless, to avoid further costs and time in defending the Action, Defendant has settled the case, and the Court has approved the settlement and release of the PAGA claims. By settling the Action, Defendant is not admitting it has done anything wrong. By operation of the Settlement’s terms, all PAGA Employees, including you, will release and forever discharge all claims, demands, rights, liabilities and causes of action for penalties under California Labor Code Private Attorneys General Act of 2004 arising during the PAGA Period against Defendant, and all of its past and present officers, directors, shareholders, managers, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, and its respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys, (collectively the “Released Parties”) as alleged in the letter to the Labor & Workforce Development Agency (“LWDA”) May 23, 2019 and any supplement(s) thereto and the operative Complaint for: (a) failure to pay all overtime wages owed; (b) failure to pay all minimum wages owed; (c) failure to pay all overtime wages owed ; (c) failure to provide meal periods, or premium pay for non-compliant meal periods; (d) failure to authorize and permit rest periods, or premium pay for non-complaint rest periods; (e) failure to provide accurate, itemized wage statements; and (f) failure to timely pay wages upon separation of employment (collectively, “PAGA Released Claims”).

By Order dated \_\_\_\_\_, the Superior Court approved the Settlement of the PAGA claims and the release of the PAGA Released Claims.

According to the Defendant’s records, you are a PAGA Employee and therefore entitled to a share of the settlement based upon the Court approved allocation (your “Individual PAGA Payment”). The settlement check shall remain valid for 180 days. Thereafter, all uncashed checks shall be paid to the Unclaimed Property Fund maintained by the California Comptroller.

Please Note: One hundred percent (100%) of your Individual PAGA Payment under this Settlement will be considered penalties and may be subject to local, state, or federal tax withholdings and will be reported to the IRS and state tax authorities. You should rely on your own tax advisors as to the tax consequences of your Individual PAGA Payment. Neither Plaintiffs nor Defendant have made any representations or warranties regarding the taxation of your Individual PAGA Payment. Nothing within this notice or any other communication shall constitute or be construed or relied upon as tax advice within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended). Enclosed are the appropriate tax forms pertaining to your payment.

Do not call or write the Court or Office of the Clerk to ask questions about the settlement or to ask questions about the claims process. If you have any questions, you may call or write to [REDACTED] (the Settlement Administrator) using the contact information at the top of this correspondence.