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**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**FOR THE COUNTY OF ORANGE**

VERONICA GONZALEZ, as an individual  
and on behalf of all others similarly situated,

Plaintiff,

vs.

PRECISION HOSPITALITY &  
DEVELOPMENT, LLC, a California  
limited liability company; and DOES 1  
through 100,

Defendants.

Case No. 30-2020-01127597-CU-OE-CXC

*[Assigned for all purposes to the Hon. Randall  
J. Sherman, Dept. CX105]*

**DECLARATION OF FLETCHER W.  
SCHMIDT IN SUPPORT OF  
PLAINTIFFS' MOTION FOR  
SETTLEMENT APPROVAL OF CLAIMS  
BROUGHT UNDER THE PRIVATE  
ATTORNEYS GENERAL ACT,  
REASONABLE ATTORNEYS' FEES AND  
COSTS, AND ENHANCEMENT AWARDS**

Date: July 30, 2021  
Time: 10:00 a.m.  
Dept.: CX105  
Reservation: 73562171

Action Filed: January 29, 2020  
Trial Date: None Set

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I, FLETCHER W. SCHMIDT, declare as follows:

1. I am a Partner at the Haines Law Group, APC, and counsel for the named Plaintiffs Veronica Gonzalez and Guadalupe Padilla (“Plaintiffs”) in the above-captioned matter. I am a member in good standing of the bar of the State of California and am admitted to practice in this Court. I have personal knowledge of the facts stated in this declaration and could testify competently to them if called upon to do so.

2. I am a 2012 graduate of Loyola Law School, Los Angeles, where I graduated *cum laude* and was awarded membership in the Order of the Coif. Since graduating from law school, I worked as a law clerk for the law firm of Tredway, Lumsdaine & Doyle, where I was part of the defense team for two class actions, including one wage and hour class action in Los Angeles County Superior Court. From August 2013 to March 2016, I worked as an associate attorney at Boren, Osher & Luftman LLP. Since March 2016 I have worked at my current firm, Haines Law Group, APC, where, in 2018, I became a Partner.

3. During my time with Boren, Osher & Luftman LLP and Haines Law Group, APC, my practice has been solely devoted to litigating plaintiff-side wage and hour class actions in California state and federal court. I am currently responsible for managing a caseload of over seventy-five (75) active wage and hour class actions in which I am integrally involved in all aspects of the litigation.

4. The following is a non-exhaustive list of class action settlements in which I have been named as Class Counsel, and which have been granted final approval: *Julio v. Anthony, Inc.*, Case No. CV14-03172 AB (SHx), United States District Court, Central District of California, Honorable Judge Andre Birotte, Jr. presiding (approving an hourly rate of \$350 for work performed in 2014 and 2015); *Litt v. Western Stone & Metal Corp.*, Case No. 3:14-cv-02804-PJH, United States District Court, Northern District of California, Honorable Judge Phyllis J. Hamilton presiding (approving an hourly rate of \$350 for work performed in 2014 and 2015); *Rubalcava v. United Towing and Transport Burbank, et al.*, Case No. BC518468, California Superior Court, County of Los Angeles, Honorable Judge Kenneth Freeman

1 presiding (approving an hourly rate of \$350 for work performed in 2013, 2014 and 2015);  
2 *Rivera Regalado v. Jaguar Farm Labor Contracting*, Case No. CV 130569, California Superior  
3 Court, County of San Luis Obispo, Honorable Martin J. Tangeman presiding (approving an  
4 hourly rate of \$350 for work performed in 2014 and 2015); *Sanchez v. Res-Care, Inc.*, Case No.  
5 BC526175, California Superior Court, County of Los Angeles, Honorable John S. Wiley  
6 presiding (approving an hourly rate of \$350 for work performed in 2013, 2014 and 2015);  
7 *Rodas v. Gateways Hospital and Mental Health Center*, Case No. BC503179, California  
8 Superior Court, County of Los Angeles, Honorable Judge Amy D. Hogue presiding (approving  
9 an hourly rate of \$350 for work performed in 2014 and 2015); *Prado v. Warehouse Demo*  
10 *Services, Inc.*, Case No. CV14-3170 JFW (Ex), United States District Court, Central District of  
11 California, Honorable Judge John F. Walter presiding (approving an hourly rate of \$350 for  
12 work performed in 2014 and 2015); *Shaw v. Conant Auto Retail, San Diego*, Case No. 37-2014-  
13 00044052-CU-OE-CTL, California Superior Court, County of San Diego, Honorable Judge  
14 Joan M. Lewis presiding (approving an hourly rate of \$375 for work performed in 2014, 2015,  
15 and 2016); *Tirado v. Ricon Corp.*, Case No BC537042, California Superior Court, County of  
16 Los Angeles, Honorable Judge John Shepard Wiley, Jr. presiding (approving an hourly rate of  
17 \$375 for work performed in 2014, 2015, and 2016); *Tesla Motors Wage and Hour Litigation*,  
18 JCCP 4792, California Superior Court, County of Santa Clara, Honorable Peter H. Kirwan  
19 presiding (approving an hourly rate of \$375 for work performed in 2013, 2014, 2015, and  
20 2016); *Lopez v. RM HQ LLC, et al.*, Case No. BC525592, California Superior Court, County of  
21 Los Angeles, Honorable Elihu M. Berle presiding (approving an hourly rate of \$375 for work  
22 performed in 2013, 2014, 2015, and 2016); *Horta v. Searles Valley Minerals, Inc.*, Case No.  
23 CIVDS 1507615, California Superior Court, County of San Bernardino, Honorable Donald  
24 Alvarez presiding (approving an hourly rate of \$375 for work performed in 2015 and 2016);  
25 *Mansilla v. Haeco Americas Line Services, LLC, et al*, Case No. BC615310, Superior Court of  
26 California, County of Los Angeles, Honorable Judge Elihu M. Berle presiding (approved at an  
27 hourly rate of \$425 for work performed in 2016 and 2017); *Khosravi v. Enterprise Rent-A-Car*  
28 *Company of Los Angeles, LLC, et al.*, Case No. 30-2016-00829923-CU-OE-CXC, Superior

1 Court of California, County of Orange, Honorable Judge Thierry Patrick Colaw presiding  
2 (approved at an hourly rate of \$425 for work performed in 2016 and 2017); *Nieves v. Ta Chen*  
3 *International, Inc.*, Case No. BC609005, Superior Court of California, County of Los Angeles,  
4 Honorable Judge Kenneth R. Freeman presiding (approved at an hourly rate of \$425 for work  
5 performed in 2016 and 2017); *Berkel v. Pride Bakeries, LLC*, Case No. 30-2017-00923148-CU-  
6 OE-CXC, Superior Court of California, County of Orange, Honorable Judge William Claster  
7 presiding (approved at an hourly rate of \$425 for work performed in 2017 and 2018); *Ruvalcaba*  
8 *Quiroz v. Circle M Contractors, Inc.*, Case No. 30-2016-00885065-CU-OE-CXC, Superior  
9 Court of California, County of Orange, Honorable William D. Claster presiding (approving an  
10 hourly rate of \$425 for work performed in 2016, 2017 and 2018); *Armenta, et al., v. California*  
11 *Friends Homes d/b/a Quaker Gardens*, Case No. 30-2016-00883282-CU-OE-CXC, Superior  
12 Court of California, County of Orange, Honorable Randall J. Sherman presiding (approving an  
13 hourly rate of \$425 for work performed in 2016, 2017 and 2018); *Sandra Zinnerman v.*  
14 *Tumbleweed Educational Enterprises, Inc.*, Case No. BC673708, Superior Court of California,  
15 County of Los Angeles, Honorable Maren E. Nelson presiding (approving an hourly rate of  
16 \$425 for work performed in 2016, 2017, and 2018); *Tina Arellano v. Williams Sonoma Stores,*  
17 *Inc.*, Case No. BC693760, Los Angeles County Superior Court, Honorable Daniel J. Buckley,  
18 presiding; *William Cuellar v. UMA Enterprises, Inc.*, Case No. BC657146, Los Angeles County  
19 Superior Court, Honorable Maren E. Nelson, presiding (approving an hourly rate of \$475 for  
20 work performed in 2017, 2018 and 2019); *Maria C. Garcia, et al. v. Simplified Labor Staffing*  
21 *Solutions, Inc.*, Case No. BC696898, Los Angeles County Superior Court, Honorable Elihu M.  
22 Berle, presiding (approving an hourly rate of \$475 for work performed in 2018 and 2019);  
23 *Arturo Delgado v. Spears Manufacturing Co.*, Case No. BC709665, Los Angeles County  
24 Superior Court, Honorable Maren E. Nelson, presiding (approving an hourly rate of \$595 for  
25 work performed in 2018, 2019 and 2020); *Soto v. L I Metal Systems*, Case No. 37-2017-  
26 00009607-CU-OE-CTL, San Diego County Superior Court, Honorable Timothy Taylor,  
27 presiding (approving an hourly rate of \$595 for work performed in 2017-2020); *Michael*  
28 *Fishback v. Paragon Framing, Inc.*, Case No. CIVDS1906610, San Bernardino County

1 Superior Court, Honorable David Cohn, presiding (approving an hourly rate of \$595 for work  
2 performed in 2019 and 2020); and *Francisco Garcia v. Searing Industries, Inc.*, Case No.  
3 CIVDS1932477, San Bernardino County Superior Court, Honorable David Cohn, presiding  
4 (approving an hourly rate of \$595 for work performed in 2019 and 2020).

5         5. I have also moved to certify and have received an order certifying a class action  
6 and/or conditionally certifying a collective action as Class Counsel in the following cases:  
7 *Medeiros v. Vortex Financial Management Inc.*, Case No. 30-2013-00644741-CU-OE-CXC,  
8 California Superior Court, County of Orange, Honorable Judge Gail A. Andler presiding  
9 (certifying a class of employees who were misclassified as independent contractors); *Javine v.*  
10 *San Luis Ambulance Service, Inc.*, Case No. CV13-07480 BRO (SSx), United States District  
11 Court, Central District of California, Honorable Judge Beverly Reid O'Connell presiding  
12 (conditionally certifying an unpaid FLSA overtime wage class); *Prado v. Warehouse Demo*  
13 *Services, Inc.*, Case No. CV14-3170 JFW (Ex), United States District Court, Central District of  
14 California, Honorable Judge John F. Walter presiding (certifying a rest period violation class  
15 and conditionally certifying a FLSA unpaid overtime wage class); *Bower v. Cycle Gear, Inc.*,  
16 Case No. CV14-2712 HSG, United States District Court, Northern District of California,  
17 Honorable Judge Haywood S. Gilliam, Jr. presiding (conditionally certifying an unpaid FLSA  
18 overtime wage class); *Vega v. Weatherford U.S., Limited Partnership*, Case No. CV14-1790-  
19 JLT, United States District Court, Eastern District of California, Honorable Judge Jennifer L.  
20 Thurston presiding (conditionally certifying an unpaid FLSA overtime wage class); *Galvan v.*  
21 *AMVAC Chemical Corporation*, Case No. 30-2014-00716103-CU-OE-CXC, California  
22 Superior Court, County of Orange, Honorable Judge William Claster presiding (certifying  
23 unpaid overtime wage class and waiting time penalty class); *Camacho v. Residential Fire*  
24 *Systems, Inc.*, Case No. 30-2015-00775372-CU-OE-CXC, California Superior Court, County of  
25 Orange, Honorable Judge Glenda Sanders presiding (certifying five separate classes for claims  
26 for unpaid wages, unreimbursed expenses, failure to authorize and permit rest periods, and  
27 derivative claims); *Ontiveros v. Safelite Fulfillment, Inc., et al*, Case No. CV 15-7118-DMG  
28 (RAOx), United States District Court, Central District of California, Honorable Dolly M. Gee

1 presiding (certifying six classes of employees for rest period violations, wage statement  
2 violations, meal period violations, and overtime and double-time violations); and *Staublein v.*  
3 *Wells Fargo Bank, National Association*, Case No. CIVDS1712267, San Bernardino Superior  
4 Court, Honorable David Cohn presiding (certifying a wage statement class).

5 6. In 2018-2021, Thomson Reuters and Los Angeles Magazine recognized me as a  
6 Top Young Attorney in Southern California in the annual Rising Star Edition of Super Lawyers.  
7 This is an honor awarded to no more than two-and-a-half percent (2.5%) of attorneys under the  
8 age of forty in Southern California each year.

9 7. As counsel for Plaintiffs, I have been closely involved in all aspects of this  
10 litigation since its inception and believe that the proposed Settlement is a fair and reasonable  
11 result for the aggrieved employees and the State of California.

12 8. Defendant operates a chain of Dunkin' Donuts and Baskin-Robbins franchises  
13 in Southern California, with approximately 9 locations. Plaintiffs were both originally hired by  
14 Defendant as "Crew Members" and were later promoted to "Shift Leader" prior to their  
15 separation. Plaintiffs worked at multiple locations, including Lake Forest, San Clemente,  
16 Mission Viejo, Tustin, Foothill Ranch, and UC Irvine. Plaintiffs, like all aggrieved employees,  
17 were employed by Defendant as non-exempt employees during the PAGA Period and were  
18 subject to Defendant's wage and hour policies and practices.

19 9. On January 29, 2020, Plaintiff Gonzalez filed her class action complaint titled  
20 *Veronica Gonzalez v. Precision Hospitality & Development, LLC., et al.*, Orange County  
21 Superior Court, Case No. 30-2020-01127597-CU-OE-CXC. On February 3, 2020, and May 1,  
22 2020, Plaintiffs provided written notice of their intent to file a claim for civil penalties under  
23 PAGA to the LWDA and Defendant. On May 26, 2020, Plaintiff Padilla filed her class action  
24 complaint titled *Guadalupe Padilla v. Precision Hospitality & Development, LLC., et al.*,  
25 Orange County Superior Court, Case No. 30-2020-01140810-CU-OE-CXC.

26 10. On July 8, 2021, the Parties filed a stipulation to amend the Gonzalez complaint  
27 to dismiss class claims without prejudice and name Guadalupe Padilla as a named plaintiff.  
28 The Parties request that the class claims be dismissed due to the existence of arbitration

1 agreements signed by employees as part of Defendant's standard new-hire process. Once the  
2 operative amended complaint is filed, Plaintiff Padilla will request dismissal of her related  
3 lawsuit without prejudice and will pursue settlement approval through this matter. A true and  
4 correct copy of the Joint Stipulation to File Second Amended Representative Action Complaint  
5 is attached hereto as **Exhibit 2**.

6 11. On November 2, 2020, the parties attended a full-day mediation session with  
7 Marc Feder, Esq. a respected wage and hour mediator. In connection with mediation but prior  
8 to any formal written or deposition discovery, Defendant produced its employee handbooks  
9 and related wage and hour policies as well as timekeeping and payroll records for  
10 approximately 15% of all employees who worked during the relevant time period. Plaintiffs'  
11 expert, who holds a Ph.D. in economics, analyzed the employee records and created a  
12 comprehensive exposure analysis for the PAGA claim. During mediation, the parties debated  
13 the legal bases for their claims and defenses and their respective data analyses. At the  
14 conclusion of mediation, Mr. Feder crafted a mediator's proposal to fully resolve Plaintiffs'  
15 PAGA claim, which the Parties ultimately accepted. Over the following months, the parties  
16 negotiated the final terms of the proposed Settlement now before this Court for approval. A  
17 true and correct copy of the parties' Settlement Agreement is attached hereto as **Exhibit 1**. A  
18 true and correct copy of the proposed Notice of PAGA Settlement and Release of Claims  
19 ("Notice") is attached as **Exhibit A** to the Settlement Agreement.

20 12. Plaintiffs allege that Defendant maintained a company-wide practice of  
21 requiring employees to delay or skip meal periods in order to maximize customer service and  
22 the guest experience. Specifically, employees were not permitted to self-break and could not  
23 take their meal periods until they were relieved of duty by a Manager, Assistant Manager, or  
24 Shift Leader (collectively referred to as "Manager"). Furthermore, Defendant's policy required  
25 that at least one Manager be on duty at all times, meaning they would also have to delay or skip  
26 meal periods if there was not another Manager present at the store. Plaintiffs also contend that  
27 employees were not provided second meal periods in practice in instances when they worked in  
28 excess of 10.0 hours. Defendant contends that it provided all meal periods to employees in a

1 legally-compliant manner and that the policies Plaintiffs rely on were superseded by newer,  
2 compliant policies and only appear in a Manager Addendum, which was not applicable to other  
3 non-exempt employees. Additionally, Defendant argues that employees waived second meal  
4 periods when they worked shifts in excess of 10.0 hours but less than 12 hours. Plaintiffs'  
5 analysis of the timekeeping records showed that Defendant paid a significant number of meal  
6 period premium payments for missed meal periods and that there were only a negligible  
7 number of shifts in excess of 12.0 hours worked, bolstering Defendant's waiver argument.

8       13. Plaintiffs allege that Defendant maintains a facially unlawful rest period policy  
9 which requires employees to remain inside the restaurant during rest periods, and specifically  
10 advises managers that they are permitted to confine employees to the restaurant during rest  
11 periods, all in direct violation of *Augustus v. ABM Security Services, Inc.* As a result, Plaintiff  
12 contends that any rest periods, which were purportedly authorized, were not valid and legally  
13 compliant rest periods. Furthermore, as with meal periods, Defendant's focus on customer  
14 service and the inability of employees to self-break resulted in rampant missed rest periods,  
15 and Plaintiff maintains that employees virtually never received more than one rest period per  
16 shift, regardless of shift length. Defendant asserts that it authorized and permitted aggrieved  
17 employees to take all lawful rest periods and that employees are encouraged to leave the  
18 premises during rest breaks.

19       14. Plaintiffs contend that Managers were required to perform certain managerial  
20 duties at home, off the clock, for no compensation. Specifically, Managers were expected to  
21 create "production lists" at home, which would designate the various numbers of donuts that  
22 should be baked and sandwiches that should be prepared for each shift at the restaurant.  
23 Plaintiffs allege that Managers were reprimanded for performing this duty while on the clock at  
24 work. Managers would also be expected to remain on-call while off-duty and would frequently  
25 be contacted to troubleshoot various issues with inventory, shipments, and other problems as  
26 they arose. Defendant denies that it requires any employees to work off the clock and that  
27 employees are paid for all hours worked, regardless of whether they were performed at the  
28 store or at home. Additionally, Defendant contends that Managers are not expected to perform

any duties at home and that time is provided during the workday for all “managerial” tasks that need to be completed. Defendant contends that this claim would face significant challenges at certification because it relies on unrecorded time worked by a subset of employees; necessitating a series of mini trials to determine which Managers actually worked “off the clock,” the reasons for doing so, and whether they were accurately paid for that work. Defendant confirmed that inventory lists and label machines are housed at the stores and that Managers would be unable to perform work outside of their shift without them

15. Plaintiffs contend that Managers were not reimbursed for any portion of their cellular phone bills even though they were required to use their personal cellular phones to communicate with other managers and non-exempt employees and would frequently be called while off-duty. Defendant argues that it has a policy to reimburse all reasonable and necessary business expenditures and that phones are available at the stores should any employee need to make a business call.

16. Beginning in January 2017, Defendant paid employees a monthly non-discretionary bonus. However, when employees earned overtime wages during the time period when the bonus was earned, Plaintiff contends that Defendant did not include the value of the bonus in the regular rate of pay. As a result, Plaintiff alleges that Defendant underpaid a portion of overtime wages during the relevant time period. Defendant contends that it has paid all overtime wages owed to employees and that any bonuses paid were discretionary and therefore not required to be included in the regular rate of pay. After reviewing and analyzing the relevant data, Plaintiffs reached the conclusion that Defendant’s miscalculation of the regular rate of pay due to its payment of bonuses, would only potentially affect 16% of the aggrieved employees at issue in the lawsuit.

17. As a result of Defendant’s alleged failures to pay all overtime wages as well as meal and rest period premiums, Plaintiffs assert that Defendant also failed to issue accurate and itemized wage statements and failed to pay all wages owed. In response, Defendant argues that Plaintiffs’ underlying claims will fail and, as a result, the derivative wage statement claim will also fail. Defendant also maintains that given its good faith defenses, this Court would exercise

1 its discretion to substantially reduce any PAGA penalties awarded.

2 18. Further, Defendant argues that Plaintiffs could only seek PAGA penalties at the  
3 \$100 “initial” violation rate, as opposed to the \$200 “subsequent” violation rate, since  
4 Defendant had never been put on notice by a court or the Labor Commissioner that its practices  
5 violated the Labor Code until Plaintiffs initiated this action.

6 19. Plaintiffs’ two most viable theories were their on-premises rest period theory  
7 and unreimbursed expenses theories. Plaintiffs assert that they could theoretically prove a  
8 PAGA violation in each of the 8,695 pay periods in the PAGA Period due to Defendant’s  
9 alleged rest period violations, as well as Defendant’s failure to reimburse for necessary cell  
10 phone use. Plaintiffs therefore calculate Defendant’s maximum possible PAGA exposure at  
11 \$869,500 (8,695 pay periods x \$100 per violation).

12 20. However, Defendant raised numerous defenses to the merits of Plaintiffs’  
13 underlying claims, and argued that even if found liable, the Court would exercise its discretion  
14 to drastically reduce any potential PAGA penalties. Plaintiffs’ maximum potential exposure  
15 valuation assumes that they would be able to prove at least one rest period violation and/or  
16 reimbursement violation in each and every pay period. However, the reimbursement violations  
17 only potentially occurred once every two pay periods and there was a risk that Plaintiffs would  
18 be unable to prove that Defendant denied employees duty-free rest periods given Defendant’s  
19 ability to show, in practice employees left the stores for breaks, and the inherent manageability  
20 challenges in proving rest period violations on a representative basis. Plaintiffs therefore  
21 discounted the total exposure figure by 10% to account for the risk of losing on the merits  
22 and/or for having overestimated Defendant’s potential maximum exposure, and by an  
23 additional 50% for the risk of the Court reducing the penalties, to arrive at a realistic recovery  
24 of \$391,275.

25 21. Thus, the mediator’s proposal for a \$351,000.00 MSA represents approximately  
26 90% of Plaintiffs’ reasonably forecasted recovery, which is well within the range approved by  
27 courts as being fair, reasonable and adequate, while also avoiding further expense and risk of  
28 further litigation.

1           22. Pursuant to the Settlement, Defendant will pay a Maximum Settlement Amount  
2 of \$351,000.00 on a non-reversionary basis. After deducting amounts for requested attorneys'  
3 fees (\$117,000.00), attorney costs (\$25,958.07), enhancement awards for the named plaintiffs  
4 totaling (\$10,000.00), settlement administration costs (\$4,500.00), and the LWDA's share of  
5 the amount designated as civil penalties pursuant to Labor Code § 2699(i) (\$145,156.45), the  
6 Settlement provides for distribution of approximately \$48,385.48 in civil penalties to the 635  
7 aggrieved employees, an average of \$76.20 on a per capita basis.

8           23. Individual Settlement Payments will be apportioned based on the proportionate  
9 number of pay periods worked during the PAGA Period, by multiplying the Net Settlement  
10 Amount by a fraction, the numerator of which is the aggrieved employees' total pay periods  
11 worked during the PAGA Period, and the denominator of which is the total number of pay  
12 periods worked by all aggrieved employees during the PAGA Period.

13           24. Plaintiffs' expert's data analysis determined that there were approximately  
14 8,695 aggregate pay periods worked by the aggrieved employees during the PAGA Period.  
15 Therefore, average recovery is approximately \$76.20, the lowest possible recovery, should an  
16 aggrieved employee have been employed for only a single pay period during the PAGA Period,  
17 is approximately \$5.56, while the highest possible recovery, should an aggrieved employee  
18 have been employed for the entirety of the PAGA Period, is approximately \$316.92.

19           25. Defendant will fund the entire Maximum Settlement Amount in three equal  
20 installments as follows: (1) Defendant will deposit \$117,000.00 no later than 30 days after the  
21 Court signs an order granting PAGA Settlement approval; (2) Defendant will deposit  
22 \$117,000.00 no later than 6 months after the first installment; and (3) Defendant will deposit  
23 \$117,000.00 no later than 6 months after the second installment. This payment plan was part of  
24 the mediator's proposal and Defendant's agreement to settle was contingent on agreement to  
25 this payment schedule. Plaintiffs believe that such a payment plan is reasonable and is justified  
26 by the circumstances. Specifically, at the time that the settlement was reached in November  
27 2020, Defendant produced evidence showing that they had closed two stores in 2020, and had  
28 laid off 24 employees and furloughed 14 more. Additionally, Defendant produced its profit and

loss statement for 2019 and 2020, showing significant losses in both years, and limited cash available to fund a settlement.

26. Plaintiffs' counsel's fee request of \$117,000.00 (one-third of the MSA) is consistent with my firm's experience in similar wage-and-hour class and representative action matters and is fair and reasonable based on the percentage of the recovery method. The fee award requested here is justified because my firm achieved a sizable monetary recovery for the aggrieved employees and the State of California in an uncertain and risky case, while bearing the substantial burdens of representation on a contingency basis.

27. Plaintiffs' counsel has a lodestar of approximately \$164,680.00, which results in a negative 1.41 multiplier compared to the \$117,000.00 fee request. A general summary showing the number of hours of work performed by each attorney and firm paralegal is set forth below. My firm submits that the billing rates used are reasonable in view of the market rates and the rates at which other California courts have approved my firm at in the recent past.

A true and correct copy of the 2020-2021 Laffey Matrix is attached hereto as **Exhibit 3**.

| Name                                       | Rate  | Hours | Pre-Multiplier Lodestar |
|--------------------------------------------|-------|-------|-------------------------|
| Paul K. Haines<br>(15th Year Attorney)     | \$650 | 44.4  | \$28,860.00             |
| Fletcher W. Schmidt<br>(9th Year Attorney) | \$625 | 78.9  | \$49,312.50             |
| Andrew J. Rowbotham<br>(7th Year Attorney) | \$450 | 95.6  | \$43,020.00             |
| Alma V. Montenegro<br>(3rd Year Attorney)  | \$325 | 16.6  | \$5,395.00              |
| James R. Hawkins<br>(24th Year Attorney)   | \$900 | 15.0  | \$13,500.00             |
| Isandra Fernandez<br>(26th Year Attorney)  | \$800 | 25.0  | \$20,000.00             |
| Hawkins Firm Paralegal                     | \$200 | 15.0  | \$3,000.00              |
| HLG Firm Paralegals                        | \$175 | 9.1   | \$1,592.50              |
| <b>Total Lodestar</b>                      |       |       | <b>\$164,680.00</b>     |

28. Since undertaking representation of Plaintiffs, Plaintiffs' counsel dedicated substantial resources to this litigation, including expending \$25,958.07 in litigation costs, without receiving any compensation to date. Plaintiffs' counsel's efforts include conducting

1 pre-filing investigation, analyzing Plaintiffs' claims, conducting extensive legal research  
2 regarding the merits and legal bases of Plaintiffs' claims, drafting and filing Plaintiffs' initial  
3 and amended complaints and LWDA notice letters, attending various court hearings, reviewing  
4 substantial documents and data produced by Defendant, meeting and conferring with  
5 Defendant's counsel regarding Defendant's informal document production, extensively  
6 evaluating the timekeeping and payroll data with a retained expert prior to mediation, preparing  
7 for and attending mediation, drafting a mediation brief, negotiating and drafting the long-form  
8 Settlement Agreement and Notice, preparing this Motion for settlement approval and all  
9 supporting documents hereto, and otherwise litigating the case. Plaintiffs' counsel will spend  
10 additional time attending the hearing on this Motion and overseeing the settlement  
11 administration process.

12 29. Plaintiffs' counsel incurred and respectfully requests reimbursement of  
13 \$25,958.07 in actual litigation costs. Plaintiffs' counsel's request is fair, adequate, and  
14 reasonable, as all of these costs are documented and reasonably incurred. A true and correct  
15 copy of my Plaintiffs' counsel cost records are attached hereto as **Exhibit 4**. While this exhibit  
16 reflects the total costs Plaintiffs' counsel has incurred to date (\$25,768.07), the total amount  
17 that Plaintiffs request for expense reimbursements includes an additional \$190.00 in anticipated  
18 future costs for the filing and service of the Motion for PAGA Settlement Approval, as well as  
19 the CourtCall costs for my firm to attend the hearing on this Motion, which will be incurred by  
20 the time the motion is heard.

21 30. Plaintiffs also requests that the Court approve \$4,500.00 in administration costs  
22 to the Settlement Administrator, Phoenix Settlement Administrators. Phoenix was selected to  
23 administer this Settlement because it is an experienced and well-respected settlement  
24 administrator and returned a bid at a competitive rate.

25 31. Plaintiffs seek a total enhancement award of \$10,000.00 (\$5,000.00 to each  
26 named plaintiff). This request is reasonable given Plaintiffs' efforts in this case and the risks  
27 they undertook on behalf of the aggrieved employees. Among other things, Plaintiffs searched  
28 for and gathered relevant documents for use in the lawsuit and provided factual information to

1 Plaintiffs' counsel, had regular discussions with Plaintiffs' counsel both in person and over the  
2 phone regarding the claims in the lawsuit, the facts and legal theories at issue in the case, and  
3 Defendant's timekeeping as well as meal and rest period practices, discussed the status of the  
4 case and general case strategy with their attorneys on many occasions, and helped their  
5 attorneys prepare for mediation. Plaintiffs estimate spending at least 15 hours each on activities  
6 that ultimately lead to the Settlement.

7 32. Concurrently with the filing of this motion, Plaintiffs provided notice of the  
8 proposed Settlement, as well as copies of the motion and supporting papers, to the LWDA.  
9 Attached hereto as **Exhibit 5** is a true and correct copy of the LWDA's confirmation of receipt  
10 of Plaintiffs' Settlement submission.

11 33. Attached hereto as **Exhibit 6** are true and correct copies of Plaintiffs' signed  
12 acknowledgments to the fee split agreement between Haines Law Group, APC and James  
13 Hawkins APLC.

14 I declare under penalty of perjury under the laws of the United States and the state of  
15 California that the foregoing is true and correct. Executed on July 8, 2021, at El Segundo,  
16 California.



Fletcher W. Schmidt

# **EXHIBIT 1**

## **SETTLEMENT AGREEMENT**

This Settlement Agreement (“Settlement”) of claims brought under the Private Attorneys General Act, Labor Code section 2698 *et seq.*, is made and entered into between Plaintiffs Veronica Gonzalez and Guadalupe Padilla, acting in their capacity as private attorney generals, and Defendant Precision Hospitality & Development, LLC.

### **I. DEFINITIONS**

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

1. “Action” means the consolidated matter entitled *Veronica Gonzalez and Guadalupe Padilla v. Precision Hospitality & Development, LLC*, Orange County Superior Court, Case No. 30-2020-01127597-CU-OE-CXC.

2. “Aggrieved Employees” consist of all current and former non-exempt employees who performed work for Defendant Precision Hospitality & Development, LLC in California at any time between February 3, 2019 and January 10, 2021.

3. “Defendant” means Precision Hospitality & Development, LLC.

4. “Court” means the Superior Court of California for the County of Orange.

5. “Effective Date” means the date upon which the Court signs an Order approving the Settlement.

6. “Individual Settlement Payment” means the amount to be paid to each Aggrieved Employee based on the formula described herein.

7. “LWDA” means the California Labor and Workforce Development Agency.

8. “Maximum Settlement Amount” is the non-reversionary sum of \$351,000.00, which represents the total amount payable under this Settlement by Defendant, including, without limitation, payments to all Aggrieved Employees, payment to the LWDA, payment of Plaintiffs’ attorneys’ fees and costs, payment of Plaintiffs’ enhancement awards, and payment to the Settlement Administrator for administration costs.

9. “Net Settlement Amount” is the amount remaining to distribute to the LWDA and Aggrieved Employees after the following amounts (subject to Court approval) are subtracted from the Maximum Settlement Amount: (a) Plaintiffs’ attorneys’ fees up to one-third of the Maximum Settlement Amount, currently estimated at \$117,000.00; (b) Plaintiffs’ reasonable verified litigation costs up to \$40,000.00; (c) Plaintiffs’ representative enhancement awards of \$10,000.00 (\$5,000.00 to each named Plaintiff); and (d) reasonable third-party administration costs up to \$4,500.00.

10. “PAGA” means the California Labor Code Private Attorneys General Act, California Labor Code section 2698, *et seq.*

11. “PAGA Period” means the time period between February 3, 2019 and January 10, 2021.

12. “PAGA Released Claims” mean any and all PAGA claims that were pled in the Action, or which could have been pled under the PAGA based on the factual allegations in the Action, that arose during the PAGA period.

13. “Parties” means Plaintiffs and Defendant.

14. “Plaintiffs” means Veronica Gonzalez and Guadalupe Padilla.

15. “Plaintiffs’ Counsel” means Paul K. Haines, Fletcher W. Schmidt, and Andrew J. Rowbotham of Haines Law Group, APC as well as James R. Hawkins and Isandra Fernandez of James Hawkins APLC.

16. “Settlement Administrator” means Phoenix Settlement Administrators.

## **II. RECITALS**

1. Plaintiffs alleges that Defendant: (i) failed to pay minimum wages; (ii) failed to pay overtime wages; (iii) failed to reimburse all necessary business expenditures; (iv) failed to provide all meal periods; (v) failed to authorize and permit all rest periods; (vi) failed to maintain accurate records and issue accurate, itemized wage statements; (vii) failed to pay all final wages at termination; (viii) engaged in unfair business practices; and (ix) is liable for civil penalties under the PAGA. Defendant denies these allegations and, in entering into this Settlement, Defendant does not admit the sufficiency of any claims, allegations, assertions, or contentions made against them in the Action. Defendant represents that Plaintiffs have signed arbitration agreements during their employment and therefore all non-PAGA claims were precluded and subject to arbitration on an individual basis.

2. On January 29, 2020, Plaintiff Gonzalez filed her class action complaint against Defendant in Orange County Superior Court entitled *Veronica Gonzalez v. Precision Hospitality & Development, LLC*, Case No. 30-2020-01127597-CU-OE-CXC (the “Gonzalez Action”).

3. On May 26, 2020, Plaintiff Padilla filed her class action complaint against Defendant in Orange County Superior Court entitled *Guadalupe Padilla v. Precision Hospitality & Development, LLC*, Case No. 30-2020-01140810-CU-OE-CXC (the “Padilla Action”).

4. On February 3, 2020 and May 1, 2020, respectively Plaintiff Gonzalez and Plaintiff Padilla provided written notice of their intent to file a claim for civil penalties under PAGA to the LWDA and Defendant, stemming from the alleged violations of the California Labor Code described in Paragraph II.1.

5. On May 26, 2020, Plaintiff Gonzalez filed her First Amended Complaint adding a cause of action for violations of the PAGA premised upon the same underlying Labor Code violations.

6. On July 7, 2020, Plaintiff Padilla filed her First Amended Complaint adding a cause of action for violations of the PAGA premised upon the same underlying Labor Code violations.

7. In response to Plaintiffs' Counsel's discovery requests, Defendant provided Plaintiffs' Counsel with information and documents pertaining to Plaintiffs and the Aggrieved Employees necessary for Plaintiffs' Counsel to investigate Plaintiffs' allegations and value the PAGA claim.

8. On November 2, 2020, the Parties participated in a full-day mediation with Marc Feder, Esq. At the end of mediation, Mr. Feder made a mediator's proposal to resolve the PAGA Released Claims fully and finally as to Plaintiffs and the Aggrieved Employees, which was ultimately accepted by the Parties.

### **III. OPERATIVE TERMS OF SETTLEMENT**

The Parties agree as follows:

1. **Consolidated Complaint.** As a material term of this Settlement, the Parties agree to file a consolidated complaint in the *Gonzalez* Action to add Guadalupe Padilla as a named plaintiff, to consolidate the factual allegations of the *Gonzalez* and *Padilla* Actions, and to dismiss all claims, except the PAGA claims, without prejudice. Once the consolidated complaint is filed, Plaintiff Padilla will request dismissal of the *Padilla* Action without prejudice.

2. **Non-Admission of Liability.** Nothing in this Settlement shall be construed to be an admission by Defendant of any liability or wrongdoing as to Plaintiffs, Aggrieved Employees, or any other person, and Defendant specifically disclaims any such liability or wrongdoing. The Parties have entered into this Settlement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses and risks. This Settlement and any related court documents or orders are not, and may not be, cited or admitted as evidence of liability.

3. **Maximum Settlement Amount.** Defendant shall pay \$351,000.00 as the non-reversionary Maximum Settlement Amount. The Maximum Settlement Amount should be deposited into an escrow account maintained by the Settlement Administrator in installments as follows:

- a. Defendant shall deposit \$117,000.00 no later than 30 days after the Court signs an order granting PAGA Settlement approval;
- b. Defendant shall deposit \$117,000.00 no later than 6 months after the first installment; and
- c. Defendant shall deposit \$117,000.00 no later than 6 months after the second installment.

Should any of the dates designated for Defendant to make any of the aforementioned installment payments fall on a weekend and/or Federal holiday, Defendant shall be permitted to make the installment payment on the first business day immediately following the designated installment payment date.

4. **Escalator Clause.** Based on data provided by Defendant prior to mediation, there are an estimated 7,904 pay periods worked by Aggrieved Employees during the PAGA Period. If, as of the Effective Date, it is found that the actual number of pay periods worked by Aggrieved

Employees is more than 10% greater than this figure (i.e., if there are 8,695 or more pay periods worked by Aggrieved Employees during the PAGA Period), Defendant agrees to increase the Maximum Settlement Amount on a proportional basis for the amount in excess of the 10% threshold (i.e., if there are more than 8,695 pay periods worked by Aggrieved Employees during the PAGA Period, Defendant would increase the Maximum Settlement Amount proportionately with the number of pay periods in excess of 8,695).

5. **Net Settlement Amount.** The Parties agree that the following amounts should be subtracted from the Maximum Settlement Amount, subject to Court approval, resulting in a Net Settlement Amount to distribute to the LWDA and Aggrieved Employees:

- a. **Plaintiffs' Attorneys' Fees and Costs.** Defendant will not oppose Plaintiffs' request for attorneys' fees in the amount of up to one-third of the Maximum Settlement Amount (currently estimated to be \$117,000.00) and actual costs incurred in prosecuting this Action, up to \$40,000.00. In the event the Court approves a payment of less than these amounts, the difference will be added to the Net Settlement Amount. The Settlement Administrator will report these payments on IRS Form 1099 issued to Plaintiffs' Counsel.
- b. **Plaintiffs' Enhancement Awards.** Defendant will not oppose Plaintiffs' request for enhancement awards totaling \$10,000.00 (\$5,000.00 for each named Plaintiff) for their service to the State of California and the Aggrieved Employees, and the risk Plaintiffs undertook by attaching their names to this Action. In the event the Court approves a payment of less than the requested amount, the difference will be added to the Net Settlement Amount. The Settlement Administrator will report this payment on IRS Form 1099 issued to Plaintiffs.
- c. **Administration Costs.** Defendant will not oppose the Settlement Administrator's costs in the amount up to \$4,500.00 for administering the Settlement. In the event the Court approves a payment of less than this amount, the difference will be added to the Net Settlement Amount. The Settlement Administrator will report this payment on IRS Form 1099 issued to the Settlement Administrator.

6. **Allocation of Net Settlement Amount.** The Net Settlement Amount shall be distributed 75% to the LWDA and 25% to the Aggrieved Employees, pursuant to Labor Code section 2699(i). The 25% portion to be paid to Aggrieved Employees shall be paid to all Aggrieved Employees based on the proportionate number of pay periods worked by each Aggrieved Employee during the PAGA Period as follows: Individual Settlement Payments shall be calculated based on the proportionate number of pay periods worked by each Aggrieved Employee during the PAGA Period, by multiplying the Net Settlement Amount by a fraction, the numerator of which is each Aggrieved Employee's total pay periods worked during the PAGA Period, and the denominator of which is the total aggregate number of pay periods worked by all Aggrieved Employees during the PAGA Period.

7. **PAGA Released Claims.** In consideration for the payments awarded pursuant to the terms of this Settlement, Plaintiffs, in their capacity as private attorney generals and "aggrieved

employees” acting on behalf of themselves, the State of California, and the Aggrieved Employees, agree that upon entry of an Order approving the Settlement, Plaintiffs and the Aggrieved Employees shall release Defendant and Defendant’s former, present and future owners, parents, affiliates, and subsidiaries, and all of their respective current, former, and future officers, directors, members, managers, employees, consultants, partners, shareholders, joint venturers, agents, successors, assigns, accountants, insurers, and legal representatives (collectively, the “Released Parties”) from any and all PAGA Released Claims against Defendant that arose during the PAGA Period. Upon entry of the Order approving the Settlement and judgment entered thereon, Plaintiffs and the Aggrieved Employees will be forever barred from pursuing any and all of the PAGA Released Claims that arose during the PAGA Period against the Released Parties.

8. **Plaintiffs’ Individual Release of Claims.** Plaintiffs agree on behalf of themselves, and their respective heirs, executors, administrators, successors, agents and assigns, to release and discharge Defendant, its respective subsidiaries, affiliates, predecessors or successors in interest, or the officers, directors, shareholders, employees, attorneys, agents, assigns, insurers, re-insurers, of any of them, both individually and collectively, and any individual or entity which could be jointly liable with Defendant or any of them from any and all claims, debts, promises, agreements, actions, causes of action, suits, claims, liens, penalties, interest, demands, damages, controversies, attorneys’ fees, costs of suit, losses, expenses, and liabilities (based upon any legal or equitable theory, whether contractual, common law, statutory, federal, state or otherwise) of every nature whatsoever, whether known or unknown, suspected or unsuspected, anticipated or unanticipated, filed or unfiled, arising prior to the date Plaintiffs execute this Agreement, or arising out of or in connection with Plaintiffs’ employment with Defendant. This release includes, but is not limited to, all claims arising directly or indirectly from Plaintiffs’ employment; or claims or demands related to Plaintiffs’ performance of services, including but not limited to claims arising under federal, state or local law or cause of action, including, but not limited to, unpaid wages (straight time, overtime, bonuses, vacation, wage premiums; other wages); breach of contract; breach of the implied covenant of good faith and fair dealing; infliction of emotional harm; wrongful or retaliatory discharge; harassment, discrimination, or other violation of public policy; defamation and impairment of economic opportunity; violation of the California Fair Employment and Housing Act, the California Labor Code, the California Business and Professions Code, the California Constitution; and any claims for violation of the Civil Rights Act of 1866, Title VII of the Civil Rights Act of 1964, and the Americans With Disabilities Act of 1990. Plaintiffs hereby state that it is their intention in executing the above Joint Stipulation of Settlement that the same shall be effective as a bar to each and every claim, demand, causes of action, obligation, damage, liability, charge, attorneys’ fees and costs hereinabove released. Plaintiffs hereby expressly waive and relinquish all rights and benefits, if any, arising under the provisions of Section 1542 of the Civil Code of the State of California which provides:

**SECTION 1542. A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her Settlement with the debtor or released party.**

Notwithstanding the foregoing, the Released Claims shall not include any claims that cannot be released as a matter of law, including without limitation, any workers’ compensation claims by Plaintiffs against Defendant (such as Plaintiff Gonzalez’s workers’ compensation case EAMS# ADJ13167264 or Plaintiff Padilla’s workers’ compensation case EAMS# ADJ12891707).

9. **Covenants and Representations by Plaintiffs.** Plaintiffs represent and warrant that they have not assigned or transferred, or purported to assign or transfer, to any person or entity, any claim or portion thereof, or interest therein, which is or may be subject to this Settlement. Plaintiffs acknowledge that they have read this Settlement, that they fully understand their rights, privileges and duties under the Settlement, and enter into this Settlement freely and voluntarily. Plaintiffs further acknowledge that they had the opportunity to consult with their attorneys to explain the terms of this Settlement and the consequences of signing this Settlement.

10. **Judgment.** As part of the Motion to approve the Settlement, Plaintiffs shall submit a proposed order and judgment which enters judgment in the Action in accordance with the terms of the Settlement and which retains jurisdiction of the Court over the Action for the purpose of enforcing the terms of the Settlement following approval of the Settlement. This Settlement is expressly conditioned upon the Court entering an order as set forth herein. The order will not release or bar any claims other than the PAGA Released Claims as to Plaintiffs and the Aggrieved Employees. The Parties agree to reasonably cooperate in preparing any other filings required by the Court for the approval of this Settlement.

#### **IV. ADMINISTRATION OF SETTLEMENT**

1. **Settlement Administrator.** The Parties agree to use Phoenix Settlement Administrators to handle the administration of this Settlement.

2. **Provision of Information for Aggrieved Employees.** Within ten (10) business days after the Effective Date, Defendant shall provide the Settlement Administrator with information for the Aggrieved Employees. Defendant will, in good faith, compile from its records a list of Aggrieved Employees that will be in a computer-readable format, such as a Microsoft Excel spreadsheet, and shall include each Aggrieved Employee's full name, last known mailing address, last known telephone number, pay period information, and Social Security numbers. Because Social Security numbers are included in the list, the Settlement Administrator will maintain the list in confidence, and access shall be limited to those with a need to use the list as part of the administration of the Settlement.

Within ten (10) business days of receiving the Aggrieved Employees' information from Defendant, the Settlement Administrator will circulate to counsel for both Parties an anonymized spreadsheet containing the Individual Settlement Payments to each Aggrieved Employee and the data used to calculate said payments. The Settlement Administrator shall also determine whether the Escalator Clause in Paragraph III.4 has been triggered. The Settlement Administrator shall obtain approval from all counsel for the Parties of the calculations before mailing Individual Settlement Payments.

3. **Explanatory Letter and Individual Settlement Payments.** Within five (5) business days of receiving approval from all counsel for the Parties, pursuant to Paragraph IV.2, the Settlement Administrator will perform a search on the National Change of Address database to update the Aggrieved Employees' addresses.

Within ten (10) business days of receiving approval from all counsel for the Parties, pursuant to Paragraph IV.2 and receipt of the full Maximum Settlement Amount (including all installments), the Settlement Administrator shall mail copies of the explanatory letter, which has

been mutually approved by the Parties and is attached hereto as **Exhibit A**, in English and Spanish, along with the Individual Settlement Payments to all Aggrieved Employees via First-Class U.S. Mail.

Each Individual Settlement Payment shall be deemed penalties and reported using IRS Form 1099. Checks will remain negotiable for one hundred eighty (180) days from the date they are mailed by the Settlement Administrator. Any check that is not negotiated within one hundred eighty (180) days of mailing to an Aggrieved Employee shall be transferred to the cy pres, Community Legal Aid SoCal, a 501c3 nonprofit offering legal aid to low-income individuals in Orange County.

4. **Undeliverable Letters.** The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Aggrieved Employee. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Aggrieved Employee. Any checks returned as non-deliverable on or before the check cashing deadline will be sent promptly via First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a Skip-Trace or other search using the name, address or Social Security number of the Aggrieved Employee involved, and will perform a single re-mailing.

Defendant fully discharges its obligations to those Aggrieved Employees to whom they will pay an Individual Settlement Payment through the Settlement Administrator's initial mailing of a check, regardless of whether such checks are actually received and/or negotiated by Aggrieved Employees.

5. **Payment of Remainder.** Within ten (10) business days of receiving approval from all counsel for the Parties, pursuant to Paragraph IV.2 and receipt of the full Maximum Settlement Amount (including all installments), the Settlement Administrator will mail the following payments: (1) the 75% share of the Net Settlement Fund to the LWDA; (2) Court-approved attorneys' fees and costs to Plaintiffs' Counsel; (3) Court-approved enhancement awards to Plaintiffs; and (4) Court-approved administration costs to the Settlement Administrator.

6. **Accounting.** The Settlement Administrator will provide an accounting declaration under oath to the Parties of the amounts paid from the Settlement as soon as practicable after the check cashing deadline described in Paragraph IV.3.

7. **Tax Consequences.** Individual Settlement Payments made under this Settlement will be attributed 100% as penalties and interest and paid via IRS Form 1099 issued to each Aggrieved Employee. Neither Plaintiffs 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.

## **V. MISCELLANEOUS PROVISIONS**

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

2. **Governing Law.** This Settlement shall be construed under and governed by the laws of the State of California, without regard to choice of law principles. All questions of validity, interpretation or performance of any of its terms or of any rights or obligations of the Parties to this Settlement shall be governed by California law. If any legal or equitable action is necessary to enforce the terms of this Settlement, it shall be brought in the State of California, County of Orange.

3. **Complete Agreement.** The Parties each acknowledge and represent that no promise or representation not contained in this Settlement has been made to them and acknowledge and represent that this Settlement contains the entire understanding between them and contains all terms and conditions pertaining to the compromise and settlement of the Action. This Settlement cannot be amended or modified except by a writing signed by the Parties hereto.

4. **Nullification of Settlement.** In the event that: (i) the Court does not approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other reason, then this Settlement and any documents generated to bring it into effect, will be null and void, and the Parties will be returned to their original respective positions.

5. **Judgment and Continued Jurisdiction.** After approval of this Settlement, the Court will have continuing jurisdiction per California Code of Civil Procedure section 664.6 solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement; (ii) settlement administration matters; and (iii) such post-judgment matters as may be appropriate under court rules or as set forth in this Settlement.

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

7. **Authorization to Enter into Settlement.** Counsel for the Parties warrant and represent that they are expressly authorized by the Parties whom they represent to negotiate this Settlement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Settlement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. If they are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

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

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

opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.

10. **Invalidity of Any Provision.** Before declaring any provision of this Settlement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Settlement valid and enforceable.

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

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

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

14. **Mutual Preparation.** The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement. Accordingly, this Settlement will not be construed more strictly against one Party merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all Parties have contributed to the preparation of this Settlement.

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

16. **Cooperation and Execution of Necessary Documents.** The Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement. The Parties agree to work cooperatively, diligently and in good faith to ensure that all documents necessary to seek the Court's approval of this Agreement are timely filed.

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

**IN WITNESS THEREOF**, the Parties to this Settlement each acknowledge that they have read the foregoing Settlement, accept and agree to the provisions contained in this Settlement and hereby execute it voluntarily and with full understanding of its consequences.

**VERONICA GONZALEZ**

Dated: Apr 19, 2021

 [Signature]  
Veronica Gonzalez, Plaintiff

**GUADALUPE PADILLA**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Guadalupe Padilla, Plaintiff

**PRECISION HOSPITALITY &  
DEVELOPMENT, LLC**

Dated: \_\_\_\_\_

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

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**[SIGNATURES CONTINUE ON FOLLOWING PAGE]**

**IN WITNESS THEREOF**, the Parties to this Settlement each acknowledge that they have read the foregoing Settlement, accept and agree to the provisions contained in this Settlement and hereby execute it voluntarily and with full understanding of its consequences.

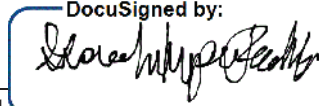
**VERONICA GONZALEZ**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Veronica Gonzalez, Plaintiff

**GUADALUPE PADILLA**

Dated: 6/16/2021 \_\_\_\_\_

DocuSigned by:  
  
\_\_\_\_\_  
Guadalupe Padilla 22A9BACF81C541F...

**PRECISION HOSPITALITY &  
DEVELOPMENT, LLC**

Dated: \_\_\_\_\_

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

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**[SIGNATURES CONTINUE ON FOLLOWING PAGE]**

**IN WITNESS THEREOF**, the Parties to this Settlement each acknowledge that they have read the foregoing Settlement, accept and agree to the provisions contained in this Settlement and hereby execute it voluntarily and with full understanding of its consequences.

**VERONICA GONZALEZ**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Veronica Gonzalez, Plaintiff

**GUADALUPE PADILLA**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Guadalupe Padilla, Plaintiff

**PRECISION HOSPITALITY &  
DEVELOPMENT, LLC**

Dated: April 21, 2021 \_\_\_\_\_

  
\_\_\_\_\_  
By: Kenneth L. Beall

Its: Chief Executive Officer \_\_\_\_\_

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**APPROVED AS TO FORM AND CONTENT:**

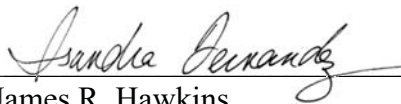
Dated: 6-25-2021

**HAINES LAW GROUP, APC**

By:   
Fletcher W. Schmidt  
Attorneys for Plaintiffs

Dated: 06-16-2021

**JAMES HAWKINS APLC**

By:   
James R. Hawkins  
Attorneys for Plaintiffs

Dated: \_\_\_\_\_

**FISHER & PHILLIPS LLP**

By: \_\_\_\_\_  
Rebecca S. King  
Attorneys for Defendant

**APPROVED AS TO FORM AND CONTENT:**

Dated: \_\_\_\_\_

**HAINES LAW GROUP, APC**

By: \_\_\_\_\_  
Fletcher W. Schmidt  
Attorneys for Plaintiffs

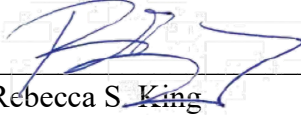
Dated: \_\_\_\_\_

**JAMES HAWKINS APLC**

By: \_\_\_\_\_  
James R. Hawkins  
Attorneys for Plaintiffs

Dated: April 20, 2021

**FISHER & PHILLIPS LLP**

By:  \_\_\_\_\_  
Rebecca S. King  
Attorneys for Defendant

# **EXHIBIT A**

# **NOTICE OF PAGA SETTLEMENT AND RELEASE OF CLAIMS**

*Veronica Gonzalez, et al. v. Precision Hospitality & Development, LLC*

Orange County Superior Court, Case No. 30-2020-01127597-CU-OE-CXC

[NAME]  
[ADDRESS]  
[CITY], [STATE] [ZIP CODE]  
XXX-XX-[LAST 4 SSN]

## **I. NOTICE OF PAGA SETTLEMENT**

The Orange County Superior Court (the “Court”) has approved the PAGA Settlement Agreement (“Settlement”) in the above-captioned lawsuit filed by Veronica Gonzalez and Guadalupe Padilla (“Plaintiffs”) on behalf of themselves and all other aggrieved employees, including you.

In this lawsuit, Plaintiffs seek to recover civil penalties for alleged violations of a California law known as the Private Attorneys General Act (“PAGA”). Plaintiffs are acting as “private attorney generals” on behalf of the California Labor and Workforce Development Agency (“LWDA”) and other aggrieved employees. Plaintiffs allege that PAGA penalties are owed because Defendant Precision Hospitality & Development, LLC (“Precision Hospitality”) allegedly failed to pay minimum wages, failed to pay overtime wages, failed to reimburse all necessary business expenditures, failed to provide all meal periods, failed to authorize and permit all rest periods, failed to maintain accurate records and issue accurate, itemized wage statements, and failed to pay all final wages at termination of employment.

The Court has ***not*** ruled on Plaintiffs’ claims. You should not take this notice as an expression of any opinion by the Court about whether Plaintiffs are right or wrong. Precision Hospitality maintains that Plaintiffs’ allegations are without merit and enters into this Settlement with no admission of liability, and solely for the purposes of compromising and settling the lawsuit to avoid the cost and operational burden of continued litigation.

You are receiving this Notice because you are in the group of employees referred to as the “Aggrieved Employees,” which is defined as: all current and former non-exempt employees of Precision Hospitality, Inc. who worked in the State of California at any time from February 3, 2019 and January 10, 2021.

The “PAGA Period” is defined as February 3, 2019 and January 10, 2021.

## **II. CALCULATION OF INDIVIDUAL SETTLEMENT PAYMENT**

You worked [THIS EMPLOYEE’S PAY PERIODS] during the PAGA Period. The total number of pay periods worked by all Aggrieved Employees during the PAGA Period is [TOTAL PAY PERIODS].

Your Individual Settlement Payment has been calculated at \$[AMOUNT PAID TO THIS EMPLOYEE]. Your payment is enclosed with this Notice.

Your payment was calculated by taking the share of the Net Settlement Amount paid to Aggrieved Employees and multiplying it by a fraction with your proportionate share of pay periods worked during the PAGA Period as the numerator and the total number of pay periods worked by all Aggrieved Employees during the PAGA Period as the denominator.

### **III. RELEASE**

On **[PAGA APPROVAL DATE]**, the Court approved the Settlement.

By operation of the Settlement's terms, all Aggrieved Employees will release Precision Hospitality and Precision Hospitality's former, present and future owners, parents, affiliates, and subsidiaries, and all of their respective current, former, and future officers, directors, members, managers, employees, consultants, partners, shareholders, joint venturers, agents, successors, assigns, accountants, insurers, and legal representatives (collectively, the "Released Parties") from any and all PAGA claims that were pled in the consolidated matter entitled *Veronica Gonzalez and Guadalupe Padilla v. Precision Hospitality & Development, LLC*, Orange County Superior Court, Case No. 30-2020-01127597-CU-OE-CXC (the "Action"), or which could have been pled under the PAGA based on the factual allegations in the Action (the "PAGA Released Claims"), that arose during the PAGA period.

Upon entry of the Order approving the Settlement and judgment entered thereon, Plaintiffs and the Aggrieved Employees will be forever barred from pursuing any and all of the PAGA Released Claims that arose during the PAGA Period against the Released Parties. The release became effective on **[PAGA APPROVAL DATE]**.

### **IV. SETTLEMENT ADMINISTRATOR**

**PLEASE DO NOT CONTACT THE COURT ABOUT THIS NOTICE.**

You may contact the Court-approved Settlement Administrator, Phoenix Settlement Administrators, at **[ADMINISTRATOR INFO]** with any questions.

Settlement checks will be null and void 180 days after issuance if not deposited or cashed. Any check not negotiated within one hundred eighty (180) days of mailing to an Aggrieved Employee shall be distributed to Community Legal Aid SoCal for the purposes of providing legal aid to low-income individuals in Orange County. Community Legal Aid SoCal is a 501(c)(3) non-profit organization with the Employer Identification Number of 95-1994337. **If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.**

# **EXHIBIT 2**

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*Attorneys for Defendant*

**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF ORANGE**

VERONICA GONZALEZ, as an individual  
and on behalf of all others similarly situated,

Plaintiff,

vs.

PRECISION HOSPITALITY &  
DEVELOPMENT, LLC, a California  
limited liability company; and DOES 1  
through 100,

Defendants.

Case No. 30-2020-01127597-CU-OE-CXC

*[Assigned for all purposes to the Hon. Randall  
J. Sherman, Dept. CX105]*

**JOINT STIPULATION TO FILE SECOND  
AMENDED REPRESENTATIVE ACTION  
COMPLAINT; [PROPOSED] ORDER**

Action Filed: January 29, 2020  
Trial Date: None Set

1                   **TO THE COURT, THE PARTIES, AND THEIR ATTORNEYS OF RECORD:**

2                   Plaintiff Veronica Gonzalez (“Plaintiff”) and Defendant Precision Hospitality &  
3 Development, LLC (“Defendant”) (collectively, the “Parties”), by and through their respective  
4 attorneys of record, submit the following Joint Stipulation to File Second Amended  
5 Representative Action Complaint as follows:

6                   WHEREAS, on January 29, 2020, Plaintiff filed a class action complaint alleging that  
7 Defendant committed the following Labor Code violations: (i) failure to pay minimum wages  
8 (Labor Code §§ 1182.12, 1194, 1194.2, 1197); (ii) failure to pay overtime wages (Labor Code  
9 §§ 204, 510, 558, 1194, 1198); (iii) failure to reimburse necessary business expenditures (Labor  
10 Code §§ 2802, 2804); (iv) failure to provide all meal periods (Labor Code §§ 226.7, 512, 558);  
11 (v) failure to authorize and permit all rest periods (Labor Code §§ 226.7, 516); (vi) failure to  
12 maintain accurate records and issue accurate, itemized wage statements (Labor Code §§ 226 *et*  
13 *seq.*); (vii) failure to pay all final wages at termination (Labor Code §§ 201-203); and (viii)  
14 engagement in unfair business practices (Business & Professions Code § 17200 *et seq.*)  
15 (“*Gonzalez*”);

16                   WHEREAS, on May 26, 2020, Guadalupe Padilla filed a related class action complaint in  
17 Orange County Superior Court, titled, *Guadalupe Padilla v. Precision Hospitality &*  
18 *Development, LLC*, Case No. 30-2020-01140810-CU-OE-CXC, alleging that Defendant  
19 committed the following Labor Code violations: (i) failure to pay lawful wages (Labor Code  
20 §§ 510, 1194, 1199); (ii) failure to provide lawful meal periods (Labor Code §§ 226.7, 512); (iii)  
21 failure to provide lawful rest periods (Labor Code §§ 226.7); (iv) failure to reimburse employee  
22 expenses (Labor Code §§ 2802); (v) failure to timely pay wages (Labor Code §§ 201-203); (vi)  
23 knowing and intentional failure to comply with itemized employee wage statement provisions  
24 (Labor Code §§ 226(b)); (vii) and violation of the unfair competition law (Business & Professions  
25 Code § 17200-17208 ) (“*Padilla*”);

26                   WHEREAS, on May 26, 2020 and July 7, 2020, respectively, Plaintiff and Ms. Padilla  
27 amended their complaints to add a representative cause of action for civil penalties under the  
28

1 Private Attorneys General Act, Labor Code § 2698 *et seq.* (“PAGA”) based on the same factual  
2 allegations previously pled in their respective complaints;

3 WHEREAS, on November 2, 2020, the Parties attended a private mediation with Marc  
4 Feder, Esq., and, over the following weeks, reached a proposed settlement resolving a narrower  
5 set of the alleged violations on a representative PAGA-only basis;

6 WHEREAS, as a material term of the Parties’ proposed settlement, the Parties agreed to  
7 file a Second Amended Complaint (“SAC”) dismissing the class claims without prejudice and  
8 naming Guadalupe Padilla as a named plaintiff;

9 WHEREAS, Plaintiff provided a “tracked changes” version of the proposed SAC to  
10 Defendant’s counsel and the Parties have met and conferred over its filing;

11 WHEREAS, a true and correct copy of the proposed SAC is attached hereto as Exhibit A;

12 WHEREAS, Plaintiff’s counsel has concurrently submitted a supporting declaration  
13 explaining the rationale behind the requested dismissal of class claims without prejudice, as  
14 required by California Rule of Court 3.770(a);

15 WHEREAS, in the interest of efficiency and judicial economy for the Court, the Parties  
16 stipulate to the filing of the proposed SAC;

17 WHEREAS, once the proposed SAC is filed in this matter, Guadalupe Padilla will request  
18 dismissal of the *Padilla* action without prejudice and move forward with settlement approval in  
19 this matter; and

20 WHEREAS, a hearing on Plaintiff’s Motion for PAGA Approval is scheduled for July 30,  
21 2021, at 10:00 a.m. in Department CX105 of this Court.

22 NOW THEREFORE, IT IS HEREBY STIPULATED by and between the Parties, through  
23 their respective attorneys of record, that:

- 24 1. Plaintiff’s class claims be dismissed without prejudice;
- 25 2. Plaintiff shall be permitted to file the proposed SAC, attached hereto as Exhibit A;
- 26 3. Plaintiff will cause the SAC to be filed as soon as practicable, but in no event  
27 greater than seven days after the Court’s entry of an Order granting the Parties’  
28 Joint Stipulation; and

1           4.       Plaintiff shall file the Motion for PAGA Approval per code based on the July 30,  
2                   2021, hearing date.

3 **IT IS SO STIPULATED.**

4  
5 Dated: July 8, 2021

HAINES LAW GROUP, APC

6  
7 By: \_\_\_\_\_

Fletcher W. Schmidt  
Attorneys for Plaintiff

8  
9 Dated: July 8, 2021

FISHER & PHILLIPS LLP

10  
11 By: \_\_\_\_\_

John A. Mavros  
Rebecca S. King  
Attorneys for Defendant

1           4.       Plaintiff shall file the Motion for PAGA Approval per code based on the July 30,  
2                   2021, hearing date.

3       **IT IS SO STIPULATED.**

4  
5       Dated: July 8, 2021

HAINES LAW GROUP, APC

6  
7                   By: \_\_\_\_\_

Fletcher W. Schmidt  
Attorneys for Plaintiff

8  
9       Dated: July 8, 2021

FISHER & PHILLIPS LLP

10  
11                   By: \_\_\_\_\_

  
John A. Mavros  
Rebecca S. King  
Attorneys for Defendant

1 **[PROPOSED] ORDER**

2 FOR GOOD CAUSE APPEARING, the Court hereby GRANTS the Parties' Joint  
3 Stipulation to File Second Amended Class and Representative Action Complaint, and ORDERS  
4 as follows:

- 5 1. Plaintiff's class claims are hereby dismissed without prejudice;
- 6 2. Plaintiff is permitted to file the Second Amended Class and Representative Action  
7 Complaint ("SAC") in the form attached as Exhibit A to the Parties' Joint  
8 Stipulation;
- 9 3. Plaintiff will cause the SAC to be filed within seven days of the date of this Order;  
10 and
- 11 4. Plaintiff shall file the Motion for PAGA Approval per code based on the July 30,  
12 2021, hearing date.

13 **IT IS SO ORDERED.**

14  
15 Dated: \_\_\_\_\_, 2021

\_\_\_\_\_  
16 Honorable Randall J. Sherman  
17 Judge of the Superior Court  
18  
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27  
28

# **EXHIBIT A**

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*Attorneys for Plaintiffs*

**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF ORANGE**

VERONICA GONZALEZ, as an individual  
and on behalf of all others similarly situated,

Plaintiff,

vs.

PRECISION HOSPITALITY &  
DEVELOPMENT, LLC, a California limited  
liability company; and DOES 1 through 100,

Defendants.

Case No.: 30-2020-01127597-CU-OE-CXC

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

**(1) CIVIL PENALTIES UNDER THE  
PRIVATE ATTORNEYS GENERAL  
ACT (LABOR CODE § 2698 *et seq.*)**

**UNLIMITED CIVIL CASE**

1 Plaintiffs Veronica Gonzalez and Guadalupe Padilla (“Plaintiffs”) on behalf of themselves  
2 and all others similarly situated, hereby bring this Second Amended Class and Representative  
3 Action Complaint (“Complaint”) against Defendants Precision Hospitality & Development, LLC,  
4 a California limited liability company; and DOES 1 to 100, inclusive (collectively “Defendants”),  
5 and on information and belief alleges as follows:

#### 6 **JURISDICTION**

7 1. Plaintiffs, on behalf of themselves and all similarly aggrieved employees, hereby  
8 bring this representative action for recovery civil penalties under California Labor Code § 2698  
9 *et seq.* This Court has jurisdiction over Defendants’ violations of the California Labor Code  
10 because the amount in controversy exceeds this Court's jurisdictional minimum.

#### 11 **VENUE**

12 2. Venue is proper in this judicial district pursuant to California Code of Civil  
13 Procedure §§ 395(a) and 395.5, as at least some of the acts and omissions complained of herein  
14 occurred in Orange County. Defendants own, maintain offices, transact business, have an agent  
15 or agents within Orange County, and/or otherwise are found within Orange County, and  
16 Defendants are within the jurisdiction of this Court for purposes of service of process.

#### 17 **PARTIES**

18 3. Plaintiffs are individuals over the age of eighteen (18). At all relevant times herein,  
19 Plaintiffs were and currently are, California residents. During the statute of limitations period,  
20 Plaintiffs were employed by Defendants as non-exempt employees in Orange County, California.

21 4. Plaintiffs are informed and believe, and based thereon allege, that during the one  
22 year preceding the date the California Labor and Workforce Development Agency (“LWDA”)  
23 and Defendants were put on notice (and subsequent filing of this matter) and continuing to the  
24 present, Defendants did (and continue to do) business within Orange County and the State of  
25 California by operating a chain of “Dunkin’ Donuts” restaurants which prepare and serve donuts,  
26 and therefore, were (and are) doing business in Orange County and the State of California.

27 5. Plaintiffs do not know the true names or capacities, whether individual, partner, or  
28 corporate, of the defendants sued herein as DOES 1 to 100, inclusive, and for that reason, said

1 defendants are sued under such fictitious names. Plaintiffs pray for leave to amend this  
2 Representative Action Complaint when the true names and capacities are known. Plaintiffs are  
3 informed and believe, and based thereon allege, that each fictitiously named defendant is and was  
4 responsible in some way for the alleged wage and hour violations and other wrongful conduct  
5 which subjected Plaintiffs and the aggrieved employees, as defined below, to the illegal  
6 employment practices, wrongs and injuries complained of herein. All references in this Complaint  
7 to “Defendants” shall be deemed to include all DOE Defendants.

8 6. Plaintiffs are informed and believe, and based thereon allege, that at all times  
9 mentioned herein, Defendants were and are the employers of Plaintiffs and the aggrieved  
10 employees (as defined herein).

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

18 8. At all times mentioned herein, Defendants, and each of them, were members of  
19 and engaged in a joint venture, partnership, and common enterprise, and acting within the course  
20 and scope of and in pursuance of said joint venture, partnership, and common enterprise. Further,  
21 Plaintiffs allege that all Defendants were joint employers for all purposes of Plaintiffs and the  
22 aggrieved employees (as defined herein).

23 **REPRESENTATIVE ACTION ALLEGATIONS**

24 9. Defendants operate a chain of “Dunkin’ Donuts” restaurants. Plaintiffs were both  
25 originally hired as non-exempt “Crew Members” and were later promoted to non-exempt “Shift  
26 Leader” prior to their separation. Plaintiffs worked at multiple locations, including Lake Forest,  
27 San Clemente, Mission Viejo, Tustin, Foothill Ranch, and UC Irvine. Plaintiff Gonzalez worked  
28 for Defendants from approximately August 1, 2018 to August 16, 2019. Plaintiff Padilla worked

1 for Defendants from approximately May 2018 to approximately December 2019.

2 10. Defendants' timekeeping policies and/or practices resulted in Plaintiffs and other  
3 Manager, Assistant Manager, and Shift Leader non-exempt employees not being compensated for  
4 all hours actually worked. Specifically, after promoting Plaintiffs to Shift Leader, Defendants  
5 required Plaintiffs to complete work duties after clocking out (such as throwing out the trash) or  
6 at home, such as creating labels, and "Production Lists" that consisted of listing the number of  
7 food items that needed to be prepared for each shift, all without compensation. Defendants also  
8 expected Plaintiffs to remain on-call throughout the day, even on days that they were not  
9 scheduled to work, and would at times contact Plaintiffs while they were not working to ask them  
10 to assist with various tasks off-the-clock. As a result of Defendants' unlawful policy and/or  
11 practice, Plaintiffs and other non-exempt Manager, Assistant Manager, and/or Shift Leader  
12 employees were not compensated for all hours that they actually worked and were deprived of all  
13 minimum and overtime wages owed.

14 11. Despite requiring Plaintiffs and other non-exempt Manager, Assistant Manager,  
15 or Shift Leader employees to remain on-call and utilize their personal cell phones and vehicles  
16 for work purposes, Defendants failed to reimburse these non-exempt employees for all necessary  
17 business expenses associated with using their personal cell phones and vehicles, in violation of  
18 Labor Code § 2802.

19 12. Throughout Plaintiffs' employment with Defendants, Defendants maintained an  
20 unlawful meal period policy and/or practice that failed to provide Plaintiffs and other non-exempt  
21 employees with timely, uninterrupted, duty-free 30-minute meal periods commencing before the  
22 end of the fifth hour of work. Instead, Defendants' meal period policy provided meal periods prior  
23 to the end of the *sixth* hour of work, in violation of California law. *See* Labor Code § 512, and  
24 Wage Order 5 § 11. Defendants also prohibited Plaintiffs and other non-exempt employees from  
25 taking their meal periods until they were approved by a Manager, Assistant Manager, or Shift  
26 Leader. Similarly, Managers, Assistant Managers, and Shift Leaders could not take meal periods  
27 unless another Manager, Assistant Manager, or Shift Leader was present at the restaurant to  
28 relieve them of their work duties. Because of this policy and/or practice, Plaintiffs and other non-

1 exempt employees were often forced to take late meal periods if a Manager, Assistant Manager,  
2 or Shift Leader was not available to relieve them of their duties, or whenever the restaurant  
3 became busy with high customer traffic. Additionally, since Defendants' meal period policy only  
4 provided a single meal period per shift, regardless of the length of the shift, Defendants denied  
5 their non-exempt employees a second meal period for shifts worked in excess of 10 hours in  
6 violation of Labor Code § 512, and Wage Order 5 § 11. Upon information and belief, Defendants  
7 automatically deducted thirty minutes from Plaintiffs and other aggrieved employees'  
8 compensable time during their work shifts regardless of whether they took a 30 minute meal  
9 break.

10 13. Defendants also failed to authorize and permit Plaintiffs to take all duty-free 10-  
11 minute rest periods for every four hours worked, or major fraction thereof, due to Defendants'  
12 unlawful rest period policies/practices. Defendants only authorized and permitted one rest period  
13 per shift, regardless of the length of the shift. As a result of this policy and/or practice, Defendants  
14 did not authorize and permit Plaintiffs and other non-exempt employees to take a second rest  
15 period on occasions when they worked shifts in excess of 6 hours, or a third rest period on  
16 occasions when they worked shifts in excess of 10 hours. Much like Defendants' meal period  
17 policy and/or practice, Plaintiffs and other non-exempt employees were not permitted to take a  
18 rest period unless a Manager, Assistant Manager, or Shift Leader approved it. As a result of this  
19 policy and/or practice, Defendants deprived Plaintiffs and other non-exempt employees of timely  
20 rest periods whenever the restaurant became busy. Despite Defendants' failure to authorize and  
21 permit Plaintiffs and other non-exempt employees to take all legally-required rest periods to  
22 which they are entitled, Defendants failed to compensate Plaintiffs and other non-exempt  
23 employees with an additional hour of premium pay at their respective regular rates of pay for each  
24 workday in which a rest period violation occurred, as required by Labor Code § 226.7.

25 14. Upon information and belief, during at least a portion of the relevant time period,  
26 Defendants failed to maintain pay codes for the payment of rest period premium payments as  
27 required by Labor Code § 226.7.

28 15. As a result of Defendants' failure to pay all minimum wages owed, overtime wages

1 owed, and meal and rest period premium wages owed, Defendants maintained inaccurate payroll  
2 records and issued inaccurate wage statements to Plaintiffs and other non-exempt employees.  
3 Defendants also failed to timely pay Plaintiffs and other non-exempt employees all wages owed  
4 at the time of their respective separations from employment.

5 16. During the liability period, Plaintiffs and other aggrieved employees were  
6 typically required to stand in the performance of their job duties and were not provided suitable  
7 seating. Also, when Plaintiffs and other aggrieved employees were not engaged in duties which  
8 required them to stand, no seating was placed in reasonable proximity to their work stations. Thus,  
9 Defendants did not provide Plaintiffs and other aggrieved employees with suitable seating in  
10 accordance with applicable IWC Wage Order and California law despite the fact that the nature  
11 of their work reasonably permits use of seats.

12 17. Based on the foregoing, Plaintiffs seek to represent themselves and all other  
13 aggrieved employees, as defined by Labor Code § 2699(c), which includes all current and former  
14 non-exempt employees of Defendants who worked in the State of California at any time from  
15 February 3, 2019 and January 10, 2021.

16 **FIRST CAUSE OF ACTION**

17 **PRIVATE ATTORNEYS GENERAL ACT**

18 **(AGAINST ALL DEFENDANTS)**

19 18. Plaintiffs re-allege and incorporate by reference all previous paragraphs.

20 19. Defendants have committed several Labor Code violations against Plaintiffs and  
21 other aggrieved employees. Plaintiffs as “aggrieved employees” within the meaning of Labor  
22 Code § 2698 *et seq.*, acting on behalf of themselves and other aggrieved employees, bring this  
23 representative action against Defendants to recover the civil penalties due to Plaintiffs, other  
24 aggrieved employees, and the State of California according to proof pursuant to Labor Code  
25 § 2699 (a) and (f) including, but not limited to: (1) \$100.00 for each initial violation for each  
26 failure to pay each employee and \$200.00 for each subsequent violation or willful or intentional  
27 violation pursuant to Labor Code § 210 for each failure to pay each employee; (2) \$50.00 for each  
28 initial violation and \$100.00 for each subsequent violation pursuant to Labor Code § 558 per

employee per pay period; (3) \$100.00 for each initial violation and \$250.00 for each subsequent violation pursuant to Labor Code § 1197.1 per employee per pay period; (4) \$250.00 for each initial violation and \$1,000.00 for each subsequent violation pursuant to Labor Code § 226.3 per employee per pay 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. Failing to pay Plaintiffs and other aggrieved employees the statutory minimum wage for all hours worked in violation of Labor Code §§ 1182.12, 1194, 1194.2, 1197, 1199;
- b. Failing to pay Plaintiffs and other aggrieved employees all overtime compensation earned in violation of Labor Code §§ 204, 510, 558, 1194, and 1198;
- c. Failing to reimburse Plaintiffs and other aggrieved employees for all necessary expenditures incurred in violation of Labor Code §§ 2802 and 2804;
- d. Failing to provide meal periods as required by law and failing to pay meal period premiums to Plaintiffs and other aggrieved employees at the employees' respective regular rates of compensation for meal period violations in violation of Labor Code §§ 226.7, 512, and 558;
- e. Failing to authorize and permit Plaintiffs and other aggrieved employees to take all lawful rest periods and failing to pay rest period premiums to Plaintiffs and other aggrieved employees at the employees' respective regular rates of compensation for rest period violations in violation of Labor Code §§ 226.7, 516, 558;
- f. Failing to furnish Plaintiffs and other aggrieved employees with accurate and complete itemized wage statements in violation of Labor Code § 226, *et seq.*;
- g. Failing to timely pay Plaintiffs and other aggrieved employees all final wages due upon their respective separations from employment in violation of Labor Code §§ 201-203;
- h. Failing to pay Plaintiffs and other aggrieved employees all earned wages at least

twice during each calendar month in violation of Labor Code § 204; and

- i. Failing to maintain accurate records on behalf of Plaintiffs and other aggrieved employees in violation of Labor Code §§ 558, 1174 and 1198.

20. On February 3, 2020 and May 1, 2020, Plaintiffs 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 the violations of the California Labor Code identified in Paragraph 19 (a)-(i). Now that sixty-five days have passed from Plaintiffs notifying Defendants and the LWDA of these violations, and the LWDA has not provided notice that it intends to investigate the violations, Plaintiffs have exhausted their administrative requirements for bringing a claim under the Private Attorneys General Act with respect to these violations.

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

### **PRAYER**

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

1. Upon the First Cause of Action, for civil penalties due to Plaintiffs, other aggrieved employees, and the State of California according to proof pursuant to Labor Code § 2699 (a) and (f) including, but not limited to: (1) \$100.00 for each initial violation for each failure to pay each employee and \$200.00 for each subsequent violation or willful or intentional violation pursuant to Labor Code § 210 for each failure to pay each employee; (2) \$50.00 for each initial violation and \$100.00 for each subsequent violation pursuant to Labor Code § 558 per employee per pay period; (3) \$100.00 for each initial violation and \$250.00 for each subsequent violation pursuant to Labor Code § 1197.1 per employee per pay period; (4) \$250.00 for each initial violation and \$1,000.00 for each subsequent violation pursuant to Labor Code § 226.3 per employee per pay

1 period; and/or (5) \$100.00 for each initial violation and \$200.00 for each subsequent violation per  
2 employee per pay period for those violations of the Labor Code for which no civil penalty is  
3 specifically provided, based on the following Labor Code violations, based on the violations of  
4 Labor Code sections cited in Paragraph 19 (a)-(i) above;

5 2. On all causes of action, for attorneys' fees and costs as provided by Labor Code  
6 §§ 218.5, 226, 1194 *et seq.*, and Code of Civil Procedure § 1021.5; and

7 3. For such other and further relief the Court may deem just and proper.

8  
9 Dated: July 8, 2021

Respectfully submitted,  
HAINES LAW GROUP, APC

10  
11 By:



12 Fletcher W. Schmidt  
13 Attorneys for Plaintiffs  
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# **EXHIBIT 3**

# LAFFEY MATRIX

History

Case Law

Expert Opinions

See the Matrix

Contact us

Home

Links

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

|                |        |      |       |       |       |       |       |
|----------------|--------|------|-------|-------|-------|-------|-------|
| 6/1/96-5/31/97 | 1.0396 | \$88 | \$162 | \$198 | \$287 | \$323 | \$389 |
| 6/1/95-5/31/96 | 1.032  | \$85 | \$155 | \$191 | \$276 | \$311 | \$375 |
| 6/1/94-5/31/95 | 1.0237 | \$82 | \$151 | \$185 | \$267 | \$301 | \$363 |

The methodology of calculation and benchmarking for this Updated Laffey Matrix has been approved in a number of cases. See, e.g., *McDowell v. District of Columbia*, Civ. A. No. 00-594 (RCL), LEXSEE 2001 U.S. Dist. LEXIS 8114 (D.D.C. June 4, 2001); *Salazar v. Dist. of Col.*, 123 F.Supp.2d 8 (D.D.C. 2000).

\* “Years Out of Law School” is calculated from June 1 of each year, when most law students graduate. “1-3” includes an attorney in his 1st, 2nd and 3rd years of practice, measured from date of graduation (June 1). “4-7” applies to attorneys in their 4th, 5th, 6th and 7th years of practice. An attorney who graduated in May 1996 would be in tier “1-3” from June 1, 1996 until May 31, 1999, would move into tier “4-7” on June 1, 1999, and tier “8-10” on June 1, 2003.

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

# **EXHIBIT 4**

July 8, 2021

Veronica Gonzalez

**Additional Charges :**

|            |                                                                                                             | <u>Qty/Price</u> | <u>Amount</u> |
|------------|-------------------------------------------------------------------------------------------------------------|------------------|---------------|
| 9/30/2019  | PKH Copying cost for September, 2019.                                                                       | 20<br>0.25       | 5.00          |
| 10/31/2019 | PKH Postage for October, 2019.                                                                              | 1<br>16.80       | 16.80         |
| 1/29/2020  | PKH Jury Fees.                                                                                              | 1<br>150.00      | 150.00        |
|            | PKH Initial and Complex Case filing fees and First Legal's service fee for filing of summons and complaint. | 1<br>1,507.15    | 1,507.15      |
| 1/31/2020  | PKH Copying cost for January, 2020.                                                                         | 29<br>0.25       | 7.25          |
| 2/28/2020  | PKH Filing fee for LWDA                                                                                     | 1<br>75.00       | 75.00         |
| 2/29/2020  | PKH Postage for February, 2020.                                                                             | 1<br>7.05        | 7.05          |
|            | PKH Copying cost for February, br2020.                                                                      | 6<br>0.25        | 1.50          |
| 3/20/2020  | PKH First Legal's service fee for service of process on Precision Hospitality & development                 | 1<br>138.29      | 138.29        |
| 3/30/2020  | PKH One Legal' service fee for filing of Proof of service of Summons.                                       | 1<br>12.20       | 12.20         |
| 4/2/2020   | PKH One Legal's service fee for filing of Class Action/B 17200 Questionnaire.                               | 1<br>12.20       | 12.20         |

7/8/2021

|            |                                                               | <u>Qty/Price</u> | <u>Amount</u> |
|------------|---------------------------------------------------------------|------------------|---------------|
| 6/1/2020   | PKH Orange County Civil Docs purchase fee                     | 1<br>7.50        | 7.50          |
| 6/3/2020   | PKH One Legal's fee for filing of Amended Complaint           | 1<br>12.20       | 12.20         |
| 6/25/2020  | PKH One Legal's fee for filing of Notice of Change of Address | 1<br>13.55       | 13.55         |
|            | PKH One Legal's fee for filing of Notice of Change of Address | 1<br>14.20       | 14.20         |
| 9/29/2020  | PKH Frank Feder mediation fee<br>Nov. 2, 2020 Mediation       | 1<br>5,000.00    | 5,000.00      |
| 9/30/2020  | PKH Copying cost for September, 2020.                         | 1<br>0.25        | 0.25          |
| 10/30/2020 | PKH Copying cost for October, 2020.                           | 1<br>0.25        | 0.25          |
| 10/31/2020 | PKH FedEx cost for October 2020                               | 1<br>14.65       | 14.65         |
|            | PKH Westlaw cost for October, 2020.                           | 1<br>22.62       | 22.62         |
|            | PKH Expert fee- [REDACTED], Invoice # [REDACTED]              | 1<br>15,617.50   | 15,617.50     |
| 11/18/2020 | PKH Free Conference call service fee                          | 1<br>6.89        | 6.89          |
| 12/10/2020 | PKH One Legal's fee for filing of Stip                        | 1<br>2.00        | 2.00          |
| 12/11/2020 | PKH One Legal's fee for filing of Order                       | 1<br>20.66       | 20.66         |
| 12/14/2020 | PKH One Legal's fee for filing of Proposed Stip and Order     | 1<br>32.86       | 32.86         |
| 4/5/2021   | PKH One Legal's fee for filing of Stip                        | 1<br>2.06        | 2.06          |
| 4/7/2021   | PKH One Legal's fee for filing of Stip and Order              | 1<br>35.26       | 35.26         |
| 4/30/2021  | PKH Copying cost for April, 2021.                             | 17<br>0.25       | 4.25          |

|                          |                    |
|--------------------------|--------------------|
|                          | <u>Amount</u>      |
| Total additional charges | \$22,739.14        |
| Balance due              | <u>\$22,739.14</u> |

# Matter Billing Detail

Report Date: 6/9/2021  
Report Time: 8:21AM  
Page: 1 of 2  
User ID: Miccolis

## JAMES HAWKINS APLC

Date Range: 01/01/1900 to 06/09/2021  
Client: PRECISION009 - Guadalupe Padilla  
Matter: JRH 3699 - Precision Hospitality and Development LLC- Guadalupe Padilla v. Precision

| Date       | Expense Code | Description                                                                         | Debit      | Credit | Billing Status | On Hold | Invoice Number | Check Number | Payee |
|------------|--------------|-------------------------------------------------------------------------------------|------------|--------|----------------|---------|----------------|--------------|-------|
|            |              | Balance Forward:                                                                    | \$0.00     |        |                |         |                |              |       |
| 05/04/2020 | FIL          | Filing Fee LWDA CK#8637                                                             | \$75.00    |        | Unbilled       |         |                |              |       |
| 06/03/2020 | ONE          | One Legal Services- Complaint, Summons, Civil Case Cover Sheet- In#02640821         | \$1,494.56 |        | Unbilled       |         |                |              |       |
| 06/03/2020 | FST          | First Legal Network- SERVED- Complaint, Summons, Civil Case Cover Sheet IN#30131279 | \$251.26   |        | Unbilled       |         |                |              |       |
| 06/09/2020 | CRT          | Court Documents- (3) docs pulled                                                    | \$30.77    |        | Unbilled       |         |                |              |       |
| 06/11/2020 | ONE          | One Legal Services-Proof of Service- In# 02656257                                   | \$12.20    |        | Unbilled       |         |                |              |       |
| 06/12/2020 | ONE          | One Legal Services- Notice -In# 02657259                                            | \$12.20    |        | Unbilled       |         |                |              |       |
| 07/07/2020 | ONE          | One Legal Services-First Amended Complaint- in#02697596                             | \$12.20    |        | Unbilled       |         |                |              |       |
| 08/05/2020 | CCL          | Court Call- Status Conference 12/17/20.2020 -IYF                                    | \$94.00    |        | Unbilled       |         |                |              |       |
| 08/05/2020 | ONE          | One Legal Services-Proposed Stipulation and Order- In#02754871                      | \$12.20    |        | Unbilled       |         |                |              |       |
| 11/06/2020 | ONE          | One Legal Services- Request for Dismissal- In# 02937356                             | \$12.20    |        | Unbilled       |         |                |              |       |
| 11/09/2020 | ONE          | One Legal Services -Proposed Order- in# 02939369                                    | \$20.66    |        | Unbilled       |         |                |              |       |
| 12/10/2020 | ONE          | One Legal Services- Proposed Stipulation and Order-In# 03000160                     | \$32.86    |        | Unbilled       |         |                |              |       |
| 12/11/2020 | CCL          | Court Call - Case Management Conf 08-13-2021-IYF                                    | \$94.00    |        | Unbilled       |         |                |              |       |
| 12/31/2020 | LRE          | Legal Research                                                                      | \$581.04   |        | Unbilled       |         |                |              |       |
| 04/07/2021 | ONE          | One Legal Services- Stipulation and Proposed order- In#16106492                     | \$35.26    |        | Unbilled       |         |                |              |       |
| 06/09/2021 | FIL          | Case Wrap up Filing and Hearings                                                    | \$258.52   |        | Unbilled       |         |                |              |       |
|            |              | Total:                                                                              | \$3,028.93 | \$0.00 |                |         |                |              |       |
|            |              | Balance:                                                                            | \$3,028.93 |        |                |         |                |              |       |

Matter Billing Detail

JAMES HAWKINS APLC

| Date                                | Expense Code | Description | Debit      | Credit | Billing Status | On Hold | Invoice Number | Check Number | Payee |
|-------------------------------------|--------------|-------------|------------|--------|----------------|---------|----------------|--------------|-------|
| Total Fees Billed-----              |              |             | \$0.00     |        |                |         |                |              |       |
| Total Fees Unbilled : -----         |              |             | \$0.00     |        |                |         |                |              |       |
| Total Fees Received : -----         |              |             | \$0.00     |        |                |         |                |              |       |
| Total Soft Cost Billed : -----      |              |             | \$0.00     |        |                |         |                |              |       |
| Total Soft Cost Unbilled : -----    |              |             | \$0.00     |        |                |         |                |              |       |
| Total Soft Cost Received : -----    |              |             | \$0.00     |        |                |         |                |              |       |
| Total Hard Cost Billed : -----      |              |             | \$0.00     |        |                |         |                |              |       |
| Total Hard Cost Unbilled : -----    |              |             | \$3,028.93 |        |                |         |                |              |       |
| Total Hard Cost Received : -----    |              |             | \$0.00     |        |                |         |                |              |       |
| Total Taxes Billed : -----          |              |             | \$0.00     |        |                |         |                |              |       |
| Total Taxes Unbilled : -----        |              |             | \$0.00     |        |                |         |                |              |       |
| Total Taxes Received : -----        |              |             | \$0.00     |        |                |         |                |              |       |
| Total Late Charges Billed : -----   |              |             | \$0.00     |        |                |         |                |              |       |
| Total Late Charges Unbilled: -----  |              |             | \$0.00     |        |                |         |                |              |       |
| Total Late Charges Received : ----- |              |             | \$0.00     |        |                |         |                |              |       |
| Trust Balance: -----                |              |             | \$0.00     |        |                |         |                |              |       |

# **EXHIBIT 5**

# **EXHIBIT 6**

**CLIENT CONSENT PURSUANT TO CALIFORNIA RULES OF  
PROFESSIONAL CONDUCT 1.5.1**

I, **VERONICA GONZALEZ**, state as follows:

1. I have been advised in writing that my attorney has entered into a proposed "Joint Prosecution and Attorney Fee Split Agreement" ("Agreement") with the below listed counsel. I understand that the attorneys representing the current and former employees of **PRECISION HOSPITALITY & DEVELOPMENT, LLC** and any of its related entities will divide any attorney's fees awarded by the court(s) as follows:

| <u>Law Firm</u>       | <u>Percentage of Fee Award</u> |
|-----------------------|--------------------------------|
| James Hawkins, APLC   | 15.00%                         |
| Haines Law Group, APC | 85.00%                         |

2. I understand and agree that I entered into a Retainer Agreement with Haines Law Group, APC, and further understand and agree that all of the terms of that Retainer Agreement shall also be fully applicable to and shall govern the relationship between me and James Hawkins, APLC.

3. I hereby acknowledge that I have been provided with a copy of the Agreement.

4. I have further been advised in writing and understand that the total fee charged will not be increased solely by reason of the division of fees.

5. My attorney has answered any and all questions that I have about the proposed fee division. I understand the proposed fee division fully.

6. I hereby consent to the proposed fee division.

Apr 19, 2021  
Dated: \_\_\_\_\_, 2021

Veronica perezgonzalez  
Veronica perezgonzalez / Apr 19, 2021 14:34 PDF  
VERONICA GONZALEZ

**CLIENT CONSENT PURSUANT TO CALIFORNIA RULES OF  
PROFESSIONAL CONDUCT 1.5.1**

I, **GUADALUPE PADILLA**, state as follows:

1. I have been advised in writing that my attorney has entered into a proposed "Joint Prosecution and Attorney Fee Split Agreement" ("Agreement") with the below listed counsel. I understand that the attorneys representing the current and former employees of **PRECISION HOSPITALITY & DEVELOPMENT, LLC** and any of its related entities will divide any attorney's fees awarded by the court(s) as follows:

| <u>Law Firm</u>       | <u>Percentage of Fee Award</u> |
|-----------------------|--------------------------------|
| James Hawkins, APLC   | 15.00%                         |
| Haines Law Group, APC | 85.00%                         |

2. I understand and agree that I entered into a Retainer Agreement with James Hawkins, APLC, and further understand and agree that all of the terms of that Retainer Agreement shall also be fully applicable to and shall govern the relationship between me and James Hawkins, APLC and Haines Law Group APC.

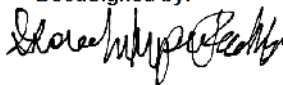
3. I hereby acknowledge that I have been provided with a copy of the Agreement.

4. I have further been advised in writing and understand that the total fee charged will not be increased solely by reason of the division of fees.

5. My attorney has answered any and all questions that I have about the proposed fee division. I understand the proposed fee division fully.

I hereby consent to the proposed fee division.

Dated: 5/28/2021

DocuSigned by:  
  
22A9BACF81C541F...  
GUADALUPE PADILLA