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Attorney for Plaintiff ALLAN CASTANETO, an individual, and on behalf of all aggrieved employees pursuant to the Labor Code Private Attorneys General Act

(Additional Counsel for Plaintiffs listed on following page)

SUPERIOR COURT FOR THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

ALLAN CASTANETO, an individual,
and on behalf of all aggrieved employees
pursuant to the Labor Code Private
Attorneys General Act.

Plaintiff,

v.

CALOP BUSINESS SYSTEMS, INC.,
and DOES 1 through 50, Inclusive,

Defendant.

CASE NO. **20STCV03772** (lead case and consolidated
with 20STCV21789, 20STCV22191)

*[Assigned for All Purposes to the Hon. Theresa M.
Traber, Dept. 47]*

RESERVATION ID: 149388572767

UNLIMITED JURISDICTION

**DECLARATION OF MICHAEL H. BOYAMIAN
IN SUPPORT OF MOTION FOR AN ORDER
APPROVING SETTLEMENT OF CLAIMS
BROUGHT PURSUANT TO THE PRIVATE
ATTORNEYS GENERAL ACT OF 2004,
AWARDING ATTORNEYS' FEES, COSTS,
ENHANCEMENT PAYMENTS, AND
REIMBURSEMENT OF SETTLEMENT
ADMINISTRATION EXPENSES, AND
DISMISSING ACTION WITH PREJUDICE;
MEMORANDUM OF POINTS AND
AUTHORITIES**

Hearing

Date: August 19, 2022

Time: 9:00 a.m.

Dept.: 47

Reservation ID: 149388572767

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1. I am an attorney licensed to practice in all the courts of the state of California and am a partner at Boyamian Law, Inc., counsel of record for Plaintiff Antuan Fernandez (“Plaintiff”). I make this Declaration in support of Plaintiffs’ Motion for an Order Approving Settlement of Claims brought pursuant to the Private Attorneys General Act of 2004, Awarding Attorneys’ Fees, Costs, Enhancement Payments, and Reimbursement of Settlement Administration Expenses, and Dismissing Action with Prejudice. All of the information set forth herein is based on my personal and firsthand knowledge and if called and sworn as a witness, I could and would competently testify thereto.

2. I am a 2007 graduate of Whittier Law School. While in Law School, I served as the President of the Armenian Law Students Society and was a member of the Moot Court Honors Board. I was admitted to the California State Bar and to the Supreme Court of the State of California in June of 2008. I am a member of various professional organizations, including the California Employment Lawyers Association (CELA), the Consumer Attorneys Association of Los Angeles (CAALA), and the Armenian Bar Association. I have been named as a Southern California Super Lawyer - Rising Star® from 2015 through 2022 by Los Angeles Magazine.

4. Since January 2013, I have been closely involved in a significant number of wage and hour and consumer class and representative matters. Many of these cases have resulted in substantial recoveries for employees and consumers across California. Examples of these recoveries include the following matters:

a. *Mendez v. R+L Carries, Inc.*, Case No. C 11-2478 CW (N.D. Cal., 2013), wage and hour class action involving California truck drivers, which settled for

1 \$9,500,000.

- 2 b. *Meneses v. CVS Pharmacy, Inc., et al.*, Case No. BC 489739 (2014), filed in Los
3 Angeles County on behalf of pharmacists, which settled for \$2,800,000.
- 4 c. *Stovall-Gusman v. W.W. Grainger, Inc.*, Case No. 13-cv-02540-HSG (N.D. Cal.
5 2015), which settled for \$715,000.
- 6 d. *Cortes v Daley Foods*, Case No. BC 496955 and *Gutierrez v. Daley Foods*, Case
7 No. BC524915 (Los Angeles County Superior Court, 2015), wage and hour class
8 action involving California Labor Code violations relating to restaurant workers,
9 settled for \$2.2 million.
- 10 e. *Fuentes, et al. v. Macy's West Stores, Inc.*, Case No. CV 14-00790-ODW (FFMx)
11 (C.D. Cal 2015) wage and hour class action involving misclassification of
12 independent contractors, which settled for \$4,000,000.
- 13 f. *Leos v. FedEx*, Case No. 14-02864-ODW-AGR (C.D. Cal. 2015), a class action
14 for unpaid wages pursuant to the Living Wage Ordinance, settled for \$385,000.
- 15 g. *Timothy J. Connell, et al, Klara Paksy, et al and Dale Bystrom, et al v. CVS*
16 *Pharmacy, Inc., et al.*, LASC Case Nos. BC523172, BC523491, BC525991
17 (2016) wage and hour class action involving Labor Code overtime violations on
18 behalf of pharmacists (\$7,461,600 settlement).
- 19 h. *Angil Sharobiem, et al v. CVS Pharmacy, Inc., et al.*, Case No. 2:13-cv-09426-
20 GHK-FFM (C.D. Cal. 2016) wage and hour class action involving Labor Code
21 overtime violations on behalf of pharmacists (\$2,937,600 settlement).
- 22 i. *Rimanpreet Uppal v. CVS Pharmacy, Inc., et al.*, Case No. 3:14-cv-02629-VC
23 (N.D. Cal. 2016) wage and hour class action involving Labor Code overtime
24 violations on behalf of pharmacists (\$2,350,800 settlement).
- 25 j. *Ian H. Stark, et al. v. CVS Pharmacy, Inc., et al.*, LASC Case Nos. BC476431,
26 BC489738, BC501118, BC502723, BC526977, BC570812 (2016) wage and hour
27 class action involving Labor Code travel time violations on behalf of pharmacists
28 (\$2,000,000 settlement).

- 1 k. *Phillips v. AccentCare, Inc., et al.*, Case No. CIVDS1620673 (2017) wage and
2 hour class action involving Labor Code overtime violation on behalf of home
3 health nurses and other home health professionals (\$1,500,000.00).
- 4 l. *Pursell v. Pacific Wings, LLC*, LASC Case No. BC522083 (2017) wage and hour
5 class action involving Labor Code off-the-clock, overtime, meal and rest break,
6 and unreimbursed business expense violations on behalf of restaurant servers
7 (\$1,300,000).
- 8 m. *Hooper v. URS Midwest, Inc.*, Case No. CIVDS1607489 (2017) wage and hour
9 class action involving Labor Code overtime violation on behalf of Car Haulers
10 (\$2,900,000).
- 11 n. *Tyrer v First Student, Inc.*, Case No. BC459305 (2017) wage and hour class
12 action involving Labor Code overtime violations on behalf of school bus drivers
13 (\$475,000 settlement).
- 14 o. *Nunez v. CompuCom Systems, Inc.*, LASC Case No. BC618385 (2017) wage and
15 hour class action involving Labor Code overtime, meal and rest break, and
16 unreimbursed business expense violations on behalf of home-based service
17 technicians (\$1,500,000).
- 18 p. *Garcia v. Macy's West Stores, Inc., et al.*, Case No. 3:16-cv-04440-WHO (N.D.
19 Cal. 2017) wage and hour class action involving misclassification of independent
20 contractors (\$1,550,000 partial settlement).
- 21 q. *Oard v. Daily Press, LLC, et al.*, Case No. 5:16-cv-02039-SVW-KK (C.D. Cal.
22 2018) wage and hour class action involving misclassification of independent
23 contractor newspaper carriers (\$500,000 settlement).
- 24 r. *Raymond Cressall, et al. v. Galpin Motors, Inc., et al.*, San Bernardino County
25 Superior Court Case No. CIVDS1809319 (2019), wage and hour class action
26 concerning overtime and meal and rest break violations in re a commission-only
27 compensation plan (\$2,000,000).
- 28 s. *Malone, et al., v KAG West, LLC, et al.*, County of Alameda Superior Court, Case

- No. RG15784137 (2019) wage and hour class action involving Labor Code overtime violations on behalf of delivery truck drivers (\$1,600,000) settlement.
- t. *Pae, et al. v. Fox Restaurant Concepts, LLC, et al.*, Case No. 2:16-CV-06965-DSF-FFM (C.D. Cal. 2019) wage and hour class action involving Labor Code off-the-clock, overtime, meal and rest break, and unreimbursed business expense violations on behalf of restaurant servers (\$900,000).
- u. *Miranda, et al. v. R&L Carriers Shared Services, LLC*, Case No. 2:18-cv-10063-SVW-JC (C.D. Cal. 2020), wage and hour class and PAGA action involving failure to provide meal and rest breaks and reimbursement of necessary expenditures to California-based truck drivers (\$375,000).
- v. *Delores Humes, et al. v. First Student, Inc.*, Case No. 1:15-cv-01861-BAM (E.D. Cal. 2020), wage and hour class action involving Labor Code wage statement violations on behalf of school bus drivers (\$650,000 settlement).
- w. *Rita Khatchadourian, et al. v. Sterling Bank and Trust, FSB*, Alameda County Superior Court Case No. RG19003028 (2020), wage and hour PAGA action concerning overtime, meal break, rest break, and commission agreement violations for bank employees (\$300,000 settlement).
- x. *Garcia v. Macy's West Stores, Inc., et al.* ("*Garcia IP*"), Case No. 3:16-cv-04440-WHO (N.D. Cal. 2020) wage and hour class action involving misclassification of independent contractors (\$3,500,000 partial settlement).
- y. *Espinoza v. Williams-Sonoma, et al.*, LASC Case No. BC693245 (2021) wage and hour class action involving misclassification of last-mile delivery drivers as independent contractors. (\$2,250,000).
- z. *Perez v. The Roman Catholic Archbishop of Los Angeles*, LASC Case No. BC714164 (2021) wage and hour class action involving Labor Code off-the-clock, overtime, meal and rest break, and unreimbursed business expense violations on behalf of cemetery groundskeepers (\$1,300,000).
- aa. *Walker v. CPM LTD d/b/a Manpower Temporary Services, et al.*, San Diego Sup.

Ct. Case No. 37-2020-0017281-CU-OE-CTL (2021) wage and hour class action involving Labor Code off-the-clock, overtime, meal and rest break, and unreimbursed business expense violations on behalf of IT workers (\$2,000,000).

bb. *Kim v. Korea Times of Los Angeles, Inc.*, LASC Case No. BC643503 (2021) wage and hour class action involving Labor Code off-the-clock, overtime, meal and rest break, and unreimbursed business expense violations on behalf of newspaper employees (\$550,000).

cc. *Soursa v. Northeast Valley Health Corporation*, LASC Case No. 20STCV02921 (2022) wage and hour class action involving Labor Code off-the-clock, overtime, meal and rest break violations on behalf of medical personnel (\$600,000)

dd. *De Los Reyes v. Call-The-Car, LLC*, LASC Case No. 19STCV25782 (2022) wage and hour class action involving Labor Code off-the-clock, overtime, meal and rest break violations on behalf of non-emergency paramedic drivers (\$400,000).

ee. *Gonzales v. San Gabriel Transit, Inc.*, L.A.S.C. Case No. BC536584, California Court of Appeal Case No. B282377, California Supreme Court Case No. S259027 — denial of certification for class of misclassified taxi cab drivers certified reversed and remanded by Court of Appeal after published opinion, *Gonzales v. San Gabriel Transit, Inc.*, 40 Cal. App. 5th 1131, 1149 (2019), review dismissed, cause remanded sub nom., 481 P.3d 1144 (Cal. 2021).

5. I have also been certified as class counsel following contested class certification motions: *Tyrer v. First Student, Inc.*, L.A.S.C. Case No.: BC459305 (June 2014); *Chavez v. Teavana Corporation*, L.A.S.C. Case No.: BC475921 (May 2014); *Clark v. Quest Diagnostics Clinical, et al.*, L.A.S.C. Case No. BC594022 (May 2019); *Zarate, et al. v. La Pizza Loca, Inc., et al.*, L.A.S.C. Case No. BC642714 (Mar. 2021); *Ornelas v. Tapestry, Inc.*, N.D. Cal., Case No. 3:18-cv-06453-WHA (Aug. 2021)

6. In addition, I have also been a speaker or panelist at various Wage and Hour Seminars hosted by CELA and Los Angeles County Bar Association: *Fool's Errand or Fish in a*

1 *Barrel? Piece Rate, Commission, and Trucking Cases in 2017* (CELA; May 2017); *Nuts & Bolts*
2 *of Labor and Employment Law Program; A Life of a PAGA Claim* (LACBA; Dec. 2018)

3 **Case Overview & Relevant procedural History**

4 7. On March 18, 2020, pursuant to Labor Code § 2699.3, Plaintiff Antuan Fernandez
5 gave written notice to the Labor and Workforce Development Agency (“LWDA”) and by certified
6 mail, return receipt requested, to Defendant of the specific provisions of the Labor Code alleged
7 to have been violated, including the facts and theories to support the alleged violation. On June 9,
8 2020 – after the LWDA declined to act within the statutorily permissible time with respect to
9 Plaintiff’s March 18, 2020 letter – Plaintiff filed the action entitled *Antuan Fernandez v. Calop*
10 *Business Systems, Inc.*, Case No. 20STCV21789 in the Superior Court of California for the County
11 of Los Angeles, alleging the Labor Code violations as set forth in his March 18, 2020 letter to the
12 LWDA for PAGA penalties premised on violations of Labor Code §§ 201, 202, 203, 204, 210,
13 216, 221, 225.5, 226, 226.3, 226.7, 510, 511, 512, 551, 552, 558, 1194-1197.1, 1198, 2802, and
14 2698, et seq. Attached hereto as **Exhibit A**.

15 8. Plaintiff subsequently learned that on January 30, 2020, Justin Lo, WORK
16 LAWYERS, PC, had filed a PAGA complaint for civil penalties on behalf of Plaintiff Allen
17 Castenato (“Castenato”) and, all other aggrieved employees against Defendant Calop Business
18 Systems, Inc. dba Calop Aeroground Services and on June 11, 2020 Joel Glaser, JOEL GLASER
19 APC and Darren Le Montree, DBL LAW GROUP had filed a PAGA complaint for civil penalties
20 on behalf of Plaintiff Sam Kimm (“Kimm”) and, all other aggrieved employees against Calop.
21 Plaintiff further learned that Juan Hong, A Law Corp., Law Office of Juan Hong represented Calop
22 in all three cases.

23 9. The Court related all of three matters on June 24, 2021, designating *Castenato v.*
24 *Calop Business Systems, Inc.* (L.A.S.C. Case No. 20STCV03772) as the lead case.

25 10. Defendants a transportation logistics service provider that offers various airlines at
26 the Los Angeles International Airport with security, screening and cargo services. Plaintiffs
27 Castaneto and Kimm were warehouse screeners. Plaintiff Fernandez was a security guard. More
28 importantly, for purposes of these PAGA actions, all Plaintiffs were non-exempt, hourly

1 employees and seek to recover civil penalties for all non-exempt, hourly Airport Employees of
2 Defendant for the alleged Labor Code violations (hereinafter “Airport Employees” or “Aggrieved
3 Employees”).

4 11. All three Plaintiffs alleged the same Labor Code violations committed by Calop
5 Business — overtime pay, meal and rest breaks, inaccurate itemized wage statements, waiting time
6 penalties, and reimbursement of business expenses. The relevant PAGA period is November 21,
7 2018 to the present as *Castenato* is the earliest to file from all three actions.

8 12. Through their own lawsuits, Plaintiffs collectively alleged and asserted a singular
9 claim under California Private Attorneys General Act (“PAGA”) for civil penalties based on the
10 underlying Labor Code violations: Failed to Pay Minimum Wages and Designated Wage Rates
11 (Labor Code §§ 223, 1194, 1197, 1197.1, 1198); Failed to Pay Overtime Compensation (Labor
12 Code §§ 510(a), 1194 and Wage Order No. 9-2001); Failed to Provide Meal Breaks and Rest
13 Breaks (Labor Code §§ 512, and 226.7, and Wage Order Nos. 11, and 12); Failed to Reimburse
14 Necessary Business Expenditures (Labor Code §§ 2802, 201-203); Failed to Provide and Maintain
15 Complaint Wage Statements (Labor Code §§ 1174, and 226(a)); and Failed to Provide Waiting
16 Time Penalties (Labor Code § 203).

17 13. Following vigorous discovery disputes and motion practice, the Parties met and
18 conferred with respect to the potential settlement of the Litigation and agreed to participate in the
19 Los Angeles Superior Court Mandatory Settlement Conference. The parties scheduled a
20 Settlement Conference with the Honorable Zaven V. Sinanian and attended the Settlement
21 Conference on June 3, 2022, whereby the Parties discussed resolution of the Litigation and
22 ultimately reached an agreement.

23 14. The Settlement Conference resulted in a proposal by the Honorable Judge Sinanian,
24 which was subsequently accepted by all the parties resulting in the drafting and execution of a
25 formal Memorandum of Understanding. The agreement, as discussed more fully hereinbelow, was
26 largely based and the parties’ interest in diverting funds to the Aggrieved Employees. The parties
27 were in receipt of a fully executed Memorandum of Understanding on June 6, 2022. MOU attached
28 hereto as **Exhibit B**.

1 15. Plaintiffs submitted the Memorandum of Understanding, this Motion, and all
2 supporting documents to the LWDA via online upload on July 15, 2022 concurrently with the
3 filing of this Motion. Proof of submission to the LWDA attached hereto as **Exhibit C**.

4 16. Counsel for Plaintiff engaged in targeted discovery of Defendant's alleged Labor
5 Code violations, which were specifically aimed at evaluating the strength and value of the PAGA
6 claims in preparation for a resolution of this Action.

7 17. Following the grant of Plaintiff Fernandez's Motions to Compel Further Responses,
8 Defendant was ordered to produce responsive representative discovery over to the Transportation
9 Security Administration to determine the applicability of whether the documents in question
10 qualified as "Sensitive Security Information" under 49 C.F.R. §§ 1520.5. The TSA ultimately
11 determined that there was no SSI applicability and the Court subsequently ordered Defendant to
12 produce the responsive documents and representative discovery. Defendant then turned over
13 approximately 54,000 pages of scanned documents primarily consisting of the following
14 categories: (1) employee hours for payroll; (2) check stubs; (3) electronic signing sheets; (4)
15 attendance sheets.

16 18. From those records, Plaintiffs were able to ascertain that during the Relevant Time
17 Period, Defendant had on average 200 Airport Employees in any given pay period. The Airport
18 Employees were internally classified by Defendant into two categories: "Cargo" and "Terminal."
19 Plaintiff estimates that there are 92 pay periods per employee during the Relevant Time Period,
20 i.e., November 19, 2018 to June 3, 2022. Specifically, prior to the novel COVID-19 pandemic,
21 Defendant had approximately 300 employees on average in the "Terminal" subgroup and
22 approximately 75 Airport Employees on average in the "Cargo" department in any given pay
23 period, pre-pandemic. However, with the onset of COVID-19, Defendant's operations were
24 essentially downsized, and the payroll records reveal that Defendant had on average 82 Airport
25 Employees in "Terminal" and 90 Airport Employees in "Cargo". Based on a randomized review
26 of various pay periods during the PAGA Period, Plaintiffs estimate that 200 Airport Employees
27 worked on any given time or pay period.

1 19. With that in mind, Plaintiffs estimate that Defendant's section 2699 penalty
2 exposure would be between \$1,840,000 (\$100 x 92 pay periods x 200 Airport Employees) and
3 \$3,660,000 [(\$100 for pay period #1 x 200 employees) + (\$2001 x 91 (pay periods #2-92)) x 200
4 Airport Employees), without stacking. Even giving Defendant the benefit of the "initial" \$100 per
5 pay period violation rate (as opposed to the \$200 subsequent per violation rate). Defendant's
6 serious exposure to PAGA penalties increases each passing pay period, and should this matter
7 proceed up to and through trial, Defendant's liability would have far exceeded this amount.
8 Defendants, however, disputed Plaintiffs' claims and disputed both the existence of and extent of
9 liability as alleged by Plaintiffs.

10 20. On June 3, 2022, the Parties participated in a Mandatory Settlement Conference
11 with the Honorable Zaven v. Sinanian. During the Settlement Conference, the parties engaged in
12 arm's-length negotiations. The mediation resulted in a proposal by the Honorable Sinanian, which
13 was subsequently accepted by all the Parties resulting in the drafting of a Memorandum of
14 Understanding. The parties were in receipt of a fully executed Memorandum of Understanding on
15 June 6, 2022.

16 **The Settlement Is Fair and Reasonable When Considering the Strengths,**
17 **Weaknesses, and Other Relevant Factors**

18 21. Plaintiffs alleged that they and other aggrieved employees of Defendants were non-
19 exempt hourly employees who regularly worked a full-time schedule and regularly engaged in off-
20 the-clock work, which was not recorded by Defendant, and for which they received no pay at all.
21 Additionally, Plaintiffs alleged that Defendant's failed to reimburse Plaintiffs for necessary
22 business expenses. Approximately 350 employees are claimed to have suffered the Labor Code
23 violations alleged during the PAGA Period.

24 22. Defendant contends they acted within the requirements of California law at all
25 times as to all aggrieved employees. Specifically, Defendants contend that all aggrieved employees
26 were paid hourly wages for all hours worked. From Plaintiff's investigation, it was readily apparent
27 from the data that Defendant had a practice of not paying premium payments for meal and rest
28 breaks violations and Defendant's policies make no mention of a premium being paid for missed

1 breaks. The substantial data that was analyzed by Plaintiffs also showed that Defendants own
2 policies explicitly asserted direct control over aggrieved employees breaks.

3 23. Despite this clear liability, Plaintiffs were cognizant that the pending *Viking River*
4 *Cruises, Inc. v. Moriana*, 142 S.Ct. 734 (U.S. Dec. 15, 2021) decision was set to be released in the
5 coming weeks and the impact it would have on the PAGA landscape would be significant. The
6 United States Supreme Court in *Viking River Cruises* would decide whether a PAGA action could
7 proceed when the purported aggrieved employee bringing the action has entered into an arbitration
8 agreement that includes a representative actions waiver. Plaintiffs were abreast of the fact that
9 should the Supreme Court reverse the lower court holding then Plaintiffs' claims in this matter
10 would be in jeopardy as Plaintiffs – just like all other Aggrieved Employees in this matter - entered
11 into such an arbitration agreement. A ruling in favor of enforcing representative action waivers
12 would be a significant detriment in this case to the State of California, as the Real Party in Interest,
13 and the Aggrieved Employees, as they would get nothing instead of their share of the settlement..

14 24. Nonetheless, comparing the Settlement recovery (\$300,000) to the total outstanding
15 liability warrants strong support towards approval. If Plaintiffs had proceeded to trial, they could
16 expect a maximum judgement of \$1,840,000.00 to \$3,660,000.00 in favor of the State. Therefore,
17 the Settlement represents between 16% and 8% of the full verdict value of the claims being
18 released, assuming that Plaintiffs were successful on all claims, with stacking.

19 25. As such, Plaintiffs' Counsel has concluded, taking into account the sharply
20 contested issues involved, the expense and time necessary to pursue the Litigation through trial
21 and any appeals, the risks and costs of further prosecution of the Litigation, the risk of an adverse
22 outcome, the uncertainties of complex litigation, and the substantial benefits to be received by the
23 State of California, Named Plaintiffs and the members of the PAGA Group pursuant to the
24 Memorandum of Understanding, that a settlement with Defendants on the terms and conditions set
25 forth therein is fair, reasonable, adequate, and in the best interests of the State of California and
26 PAGA Group. Similarly, Defendants concluded that, because of the substantial expense of
27 defending against the Litigation, the length of time necessary to resolve the issues presented, and
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1 the inconvenience involved, it is in their best interests to accept the terms of the Memorandum of
2 Understanding.

3 26. Thus, based on these disputes, which had the potential to significantly decrease
4 Plaintiffs' recovery, the range of realistic "litigation outcomes" on the Plaintiffs' PAGA claim,
5 and notwithstanding the existence of the factors and real-life implications listed above, the
6 Settlement achieves a very significant benefit.

7 27. Approval of the proposed Settlement is also appropriate in light of the risk, expense, and
8 complexity of further litigation. As discussed above, the proposed Settlement takes into consideration
9 the specific factual, legal, and "real-world" hurdles faced by the Plaintiffs in establishing Defendants'
10 penalty-liability in this case. In that regard, Plaintiffs were cognizant that even if the Court did award
11 overall penalties, the Court could and would substantially reduce the penalties awarded based on the
12 discretionary factors contained in Labor Code § 2699(e)(2). For instance, the California Court of Appeal
13 upheld San Diego Superior Court Judge Katherine Bacal's heavily discounted award of only \$5 per pay
14 period in *Carrington v. Starbucks*, 30 Cal.App.5th 504 (2018). During the penalty phase of trial in
15 Carrington, the plaintiff requested PAGA penalties in the amount of approximately \$70 million.
16 Carrington, Cal.App.5th at 528. The trial court instead awarded only \$150,000 of the maximum (the
17 equivalent of \$5 per pay period) and stated that this reduction was warranted because imposing the
18 maximum penalty would be "unjust, arbitrary, and oppressive" based on Starbucks' "good faith
19 attempts" to comply with meal period obligations and because the court found the violations were
20 minimal. *Id.* at 517. The Court of Appeal affirmed the lower court's reduced award of a \$150,000
21 penalty under PAGA. *Id.* at 529. If the amount of \$5 per pay period from *Carrington v. Starbucks* were
22 used, the potential recovery of civil penalties would only be \$92,000, which is less than this settlement
23 provides.

24 28. Here, after all deductions are made for administration, a service payment, attorneys'
25 fees, and costs, an estimated \$146,500.00 will be paid out, of which \$109,875.00, will go to the
26 LWDA, and \$36,625.00 (i.e. 25%) will go to the Aggrieved Employees, as required by Labor Code
27 § 2699(i) ("civil penalties recovered by aggrieved employees shall be distributed as follows: 75
28

1 percent to the Labor and Workforce Development Agency . . . and 25 percent to the aggrieved
2 employees.”).

3 **Hourly Rate, Lodestar, expenditure of Costs, and Fee Split**

4 29. This case was taken on a contingency basis with the real risk that my office, would
5 receive no compensation whatsoever for our efforts. The potential costs which we can be required
6 to advance in PAGA actions like this one are substantial. Attached hereto as **Exhibit D** is a true
7 and correct copy of my firm’s out-of-pocket costs incurred to date in this matter. Furthermore, as
8 described above, my firm has extensive experience in class action and representative litigation,
9 particularly in the employment context, and as detailed herein, the Settlement Class and the State
10 of California reaped significant benefits.

11 30. Plaintiff’s counsel performed a substantial amount of other work in these cases,
12 including but not limited to the following:

- 13 • Plaintiff’s counsel spent many hours reviewing the relevant case law, Wage
14 Orders, and applicable statutes related to the merits of the Plaintiff’s potential
15 claims;
- 16 • Drafted written discovery and subsequent Motions to Compel Discovery;
- 17 • Reviewed voluminous documents and data concerning the payroll and time
18 records of Settlement Class Members, and worked with an expert statistician to
19 develop a damages analysis on which to guide Plaintiff’s position at mediation;
- 20 • Prepared Plaintiff for deposition and defended Plaintiff at deposition;
- 21 • Prepared a detailed mediation brief;
- 22 • Achieved a settlement on behalf of the Settlement Class after extensive
23 negotiations before, during and after the mediation; and
- 24 • Negotiated terms of settlement and drafted Memorandum of Understanding and
25 notice and prepared motion for settlement approval.

26 31. My hourly rate is \$650. I believe this hourly rate to be justified in light of my
27 experience and the excellent results I have achieved in the past, as detailed above, as well the rates
28 I have been awarded in the past. For example, on two occasions in 2014 and in 2015, I was

1 approved at a rate of \$475 per hour in the *Leos* and *Meneses* cases. Subsequently, I was approved
2 at a rate of \$550 in 2016 in *Garcia*. After not raising my attorneys' fees for over two years, I raised
3 my attorney fee rate per hour by \$25 for 2018. Beginning in 2020 and 2021, my hourly rate has
4 increased by \$75 each year. Last year, in the *Kim* matter, I was approved at a rate of \$650.

5 32. My total lodestar to date is \$96,200.00 (148 hrs. * \$650.00 per hour). Further, my
6 associate, attorney Heather Zermeno, has also expended time and energy in prosecuting this action,
7 at an hourly rate of \$350.00 per hour. Ms. Zermeno, for example, was instrumental in the
8 settlement approval process by drafting the necessary motions in seeking and obtaining settlement
9 approval. In total, Ms. Zermeno has expended 45 hours in connection with this matter. Ms.
10 Zermeno should be billed at rate of \$350, and thus has incurred a lodestar of \$15,750 (25 hrs. *
11 \$350.00 per hour). Collectively, my office has dedicated 193 hours on this matter and has incurred,
12 to date, \$111,950.00 in fees in prosecuting this action.

13 33. Aside from being warranted by our skill, experience and ability, Class Counsel rates
14 that were used in application of the lodestar cross check in this case, are also supported by the
15 Laffey Matrix attached hereto as **Exhibit E**. According to the Laffey Matrix, Class Counsel rates
16 are less than or in line with the prevailing market rates (Michael Boyamian \$650.00/hr v.
17 \$764.00/hr (14 years); Heather Zermeno \$350/hr v. \$381/hr (2 years)). Rates for Class Counsel
18 similar to those sought in this application are also in line with the Laffey Matrix.

19 34. In the course of this litigation, my office has also had to incur out-of-pocket costs of
20 \$1,944.12. The incurred costs included filing fees, mediation fees, photocopy charges, service of
21 process fees, travel expenses, research expenses, and mailing charges. Plaintiff's costs attached
22 hereto as **Exhibit D**.

23 **Additional Exhibits**

24 35. Bid from Phoenix Class Action Administration attached hereto as **Exhibit F**.

25 I declare, under penalty of perjury, under the laws of the State of California, that the
26 foregoing is true and correct. Executed this 15th day of July 2022 at Glendale, California.

27 

28 Michael H. Boyamian

EXHIBIT A



BOYAMIAN LAW

March 18, 2020

Via Online Submission

Labor Workforce and Development Agency
Attention: PAGA Administrator
455 Golden Gate Avenue, 9th Floor
San Francisco, California 94102

**Re: Notice of PAGA Claims Pursuant to Labor Code Section 2699.3
Antuan Fernandez adv. Calop Business Systems, Inc.**

Dear Labor and Workforce Development Agency and Employer:

My office represents Antuan Fernandez (“Fernandez” or “Claimant”) with respect to various wage and hour claims on behalf of himself and other similarly situated current and former non-exempt, hourly employees of Calop Business Systems, Inc. (“Calop”). The purpose of this letter is to satisfy the notice requirements of Labor Code Section 2699.3(a). Also, under separate cover and being sent out today, is a check made out to the Labor Workforce and Development Agency in the amount of seventy-five dollars (\$75.00) for the filing fee of this matter.¹

Below we set forth the facts and theories which we believe support our contention that Calop has violated and continues to violate various provisions of the California Labor Code including, but not limited to, payment of minimum wages and overtime wages as mandated by the Living Wage Ordinance, failure to pay for all hours worked, and failure to reimburse for necessary business expenditures.

Facts & Theories About the Case

(1) Violations of the Living Wage Ordinance

Calop has violated California’s labor laws with respect to paying its employees who work at Calop’s facilities/aircraft hangars leased from Los Angeles World Airport (“LAWA”) for all hours worked, including overtime payment, among other things. Our investigation has revealed that Calop failed to compensate Mr. Fernandez and other similarly situated workers the wages required by the Living Wage Ordinance (Los Angeles Administrative Code, Div. 10, Chapter 1, Art. 11) (“LWO”) set forth in the Los Angeles Administrative Code, and failed to

¹ Sent Via First Class U.S. Mail to the following address: Department of Industrial Relations, Accounting Unit, 455 Golden Gate Avenue, 10th Floor, San Francisco, CA 94102.

meet other legal requirements, all of which violate the Los Angeles Administrative Code, and various provisions of the California Labor Code and IWC Wage Orders, with respect to his employment and the employment of similarly situated individuals.

Mr. Fernandez is a current, non-exempt employee who maintains the position of Security Guard throughout the majority of his employment at Calop's facility/aircraft hangar at Los Angeles International Airport - part of the airports comprising LAWA. Mr. Fernandez' responsibilities in Security included the handling, loading, and sorting of passengers and the inspection of cargo for security purposes. Mr. Fernandez' employment with Calop was subject to the LWO which required certain City contractors to pay employees a living wage, adjusted each year to correspond to the changes reflected in the Consumer Price Index. As of July 1, 2012, the LWO required covered employees to be paid a wage rate of \$10.70 per hour with health benefits or \$15.37 per hour without health benefits. More recently, as of July 1, 2019, the LWO required covered employees to be paid a wage rate of \$15.25 per hour with health benefits or \$20.59 per hour without health benefits. Mr. Fernandez elected not to receive health benefits from Calop but his wage statements reveal that he was not being compensated at the applicable hourly rate required by the LWO. Instead, he was paid the hourly rate of \$16.90. Mr. Fernandez has been compensated at this rate since January 1, 2020. In other words, Calop compensated Mr. Fernandez and other similarly situated workers by paying lower wages than those required by the LWO. This is unlawful.

Companies that operate an Air Carrier Operating Permit or a master lease with the LAWA are required to comply with the provisions of the LWO as an "Airport Employer." Mr. Fernandez is informed and believes that Calop holds an Air Carrier Operating Permit or a master lease with the LAWA. There can be no doubt then that Calop is required to comply with the provisions of the LWO as an "Airport Employer."

Mr. Fernandez is also a covered employee for purposes of seeking the protections afforded by the LWO. The Bureau of Contract Administration ("Bureau") is responsible for the administration and enforcement of the LWO. The Bureau evaluated various airport job classifications to determine whether such jobs are covered by the LWO. On February 26, 2010, the Bureau specifically identified employees in "Security" among others, as industry-specific "Airport employees" entitled to LWO protection. Despite all this, Calop continues to refuse to pay employees the wages required and explicitly referenced by the LWO.

(2) *Failure to Pay For All Hours Worked via Unlawful Rounding*

Our investigation has also revealed that Calop utilizes a timekeeping system, which failed to compensate Mr. Fernandez and other aggrieved non-exempt, hourly employees for all hours worked, whether by rounding, time-shaving, or otherwise. By way of example, Mr. Fernandez would clock in at 5:00 a.m. to start his shift, but was able to observe or understand that the Company would register his clock-in time for pay purposes as 5:05 a.m. This unlawful practice, policy, and/or procedure is consistently applied to other aggrieved, non-exempt hourly employees like Mr. Fernandez who in turn are not compensated for all hours worked.

Calop's policy or practice of rounding employee time punches is neither fair nor neutral on its face or as applied as required by California law.

California law requires that an employer compensate an employee for all hours worked. See Industrial Welfare Commission Wage Order 1-2001, § 2(G) ("Hours worked" means the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.") Labor Code § 204; *Morillion v. Royal Packing Co.*, 22 Cal.4th 575, 584-586 (2000). Such a practice or mechanism that is used in lieu of real-time recording, does not accurately account for all hours worked. See *Morillion*, 22 Cal.4th at 586; See also *Troester v. Starbucks Corp.*, 421 P.3d 1114 (2018) (recent California Supreme Court decision affirming that relevant statutes and wage order do not allow employers to require employees to routinely work for minutes off-the-clock without compensation.) For those Aggrieved Employees who were otherwise working an eight-hour shift or forty-hour workweek, this illegal policy or procedure likewise resulted in unpaid overtime.

California and federal law "permits employers to use a rounding policy for recording and compensating employee time as long as the employer's rounding policy does not 'consistently result[] in a failure to pay employees for time worked.'" See's *Candy Shops, Inc. v. Superior Court*, 210 Cal. App. 4th 889, 901 (2012) (quoting *Alonzo v. Maximus, Inc.*, 832 F. Supp. 2d 1122, 1126 (C.D. Cal. 2011) (quoting 29 C.F.R. 785.48(b)). In other words, an employer may use a rounding policy if it is "fair and neutral on its face and 'it is used in such a manner that it will not result, over a period of time, in failure to compensate the employees properly for all the time they have actually worked.'" *Id.* at 907 (quoting 29 C.F.R. § 785.48(b)(2012); D.L.S.E. Manual §§ 47.1, 47.2. (2002 rev.)).

(3) Failure to Provide Rest Breaks

Calop would also fail to provide legally compliant rest breaks to Aggrieved Employees, including Mr. Fernandez. With respect to rest breaks, Mr. Fernandez and other similarly situated Aggrieved Employees are not provided any training about statutory breaks under California law, are not scheduled to take rest breaks, and in fact, rest breaks are not made available to them. Mr. Fernandez and the other Aggrieved Employees would not be able to take a rest break on most shifts because of how busy the airport is coupled with the fact that there are not enough Calop employees to cover Aggrieved Employees, like Mr. Fernandez, who should be on a legally-compliant rest break. At a minimum, "an employer must inform employees in a meaningful or consistent way that they could take rest breaks, [and] the definition of any such rest breaks." *Godfrey v. Oakland Port Services Corp.*, 230 Cal.App.4th 1267, 1286 (2014).

(4) Failure to Reimburse for Necessary Expenditures

Aggrieved employees, including Mr. Fernandez, also use their personal cellphones in connection with their work. Calop heavily relies on Aggrieved Employees' personal cell phones

to carry out their day-to-day job duties for Calop. First, Calop instructs Aggrieved Employees, including Mr. Fernandez, to download the ADP Ez application on the personal cell phone in order to record their time for payroll purposes. Second, Calop also directly calls Aggrieved Employees, including Mr. Fernandez, for work-related inquiries throughout the workday. Third, Aggrieved Employees, including Mr. Fernandez, also utilize their own personal cell phones to carry out assignments for Calop. This is the case when Calop is contracted to provide services for another airline and Mr. Fernandez and others coordinate with those airline clients using their own personal cell phones to perform the contracted work.

California Labor Code Section 2802 requires employers to always reimburse employees who are required to use personal cell phones for work-related calls for a reasonable percentage of their cell phone bills. *Cochran v. Schwan's Home Service, Inc.* (2014) 228 Cal.App.4th 1137, 1140. Here, Calop uniformly contributes nothing towards Aggrieved Employees' personal cell phones to carry out their day-to-day job duties. Providing nothing is clearly no full measure – much less a percentage of the monthly cell phone bill - for this necessary, mandatory business expenditure incurred by Aggrieved Employees.

Because Mr. Fernandez and other similarly situated employees were not fully compensated for all hours worked, were deprived of overtime compensation, Calop also failed to provide accurate wage statements in a violation of Labor Code Section 226, and failed to fully compensate former employees in a timely manner when their employment ended, in violation of Labor Code Section 201 *et seq.*

Accordingly, we believe that Calop has violated, and continues to violate, numerous provisions of California law, including, without limitation Labor Code Sections §§ 201, 202, 203, 204, 210, 216, 221, 225.5, 226, 226.3, 226.7, 510, 511, 512, 551, 552, 558, 1194-1197.1, 1198, 2802, and 2698, *et seq.*, as well as the relevant IWC orders and regulations, and that Mr. Fernandez and other similarly situated employees are entitled to all damages, restitution and statutory penalties allowed by law. Our investigation is continuing, and there may be more violations uncovered.

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We respectfully request that the Labor Workforce Development Agency notify this office within sixty (60) days if it wishes to investigate this matter further or, in the alternative, notify us that you will not pursue an investigation so that we may pursue these penalties under the Private Attorneys General Act of 2004. Should you have any questions or concerns or require additional information, please do not hesitate to contact the undersigned. If Calop wishes to resolve these claims without resorting to protracted litigation, please contact the undersigned forthwith to discuss this matter further.

Thank you for your immediate attention to this matter.

Sincerely,

BOYAMIAN LAW, INC.

A handwritten signature in black ink, appearing to read 'M. Boyamian', with a stylized, flowing script.

Michael H. Boyamian

CC: Calop Business Systems, Inc.
Young K. Chong (*Agent of Service of Process*)
1134 Garland Way
Corona, California 92879

EXHIBIT B

Memorandum of Understanding

Subject to approval by the Court before which these actions are pending, and with the provision that this Memorandum of Understanding (“MOU”), which may be further memorialized in a Joint Stipulation of Settlement, the parties hereby agree to the following terms of settlement of the Private Attorneys General (“PAGA”) claims, including dismissal with prejudice of all cross-complaints, in the consolidated actions designated as Allan Castaneto v. Calop Business Systems, Inc. and Calop Aeroground Services, LLC; Antuan Fernandez v. Calop Business Systems, Inc. and Calop Aeroground Services, LLC; Sam Kimm v. Calop Business Systems, Inc. and Calop Aeroground Services, LLC; Case Numbers 20STCV21789, 20STCV22191 and 20STCV03772 (hereinafter the “PAGA and Class Lawsuits”), currently pending in Los Angeles County Superior Court.

The parties agree that this MOU is not evidence that the Complaints filed by Plaintiffs have any merit, nor does it constitute an admission of any wrongdoing by Defendants. Defendants do not admit to individual or joint liability or to the suitability of this case for a PAGA judgment other than for purposes of settlement. This MOU will not be deemed admissible in any other proceeding or in this proceeding other than to effectuate this settlement.

1. Plaintiffs Allan Castanedo, Antuan Fernandez, and Sam Kimm (“Plaintiffs”) and Defendants Calop Business Systems, Inc., and Calop Aeroground Services, LLC (“Defendants”) shall be referred to as the “Parties.”

2. The PAGA Members are defined as follows:

All current and former non-exempt employees of Defendants from November 21, 2018 through approval of the settlement or September 30, 2022, whichever occurs earlier (“PAGA Member” and “Aggrieved Employee”);

3. The “PAGA Period” and “Covered Period” are defined as follows:

From November 21, 2018 through approval of the settlement or September 30, 2022, whichever occurs earlier.

4. A non-reversionary settlement fund will be established and the maximum extent of liability will be (the “Maximum Payment) Three Hundred Thousand dollars (\$300,000).

- (a) The Maximum Payment is inclusive of attorneys’ fees, costs and expenses directly or indirectly related to the PAGA and Class Lawsuit (which includes all such fees, costs and expenses incurred to date, as well as all such fees, costs and expenses incurred in documenting the settlement, securing approval of the settlement, administering and obtaining a judgment and dismissal of the PAGA and Class Lawsuit before the Court, claims administration costs, the service payment to the PAGA representative, the named plaintiffs enhancement rewards, and civil penalties paid to the State of California and the employees of Defendants. If there is any reduction in attorneys’ fees, costs, enhancement, etc. by the Court then these funds will be added to the

Initialed (by the parties)

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Net Settlement Amount. The Court of jurisdiction and Claims Administrator shall have no power to increase the Maximum Payment or to depart from the express terms of the MOU herein.

- (b) The Maximum Payment shall comprise and include a Net Settlement Amount ("Net Settlement Amount"). The Net Settlement Amount shall be the Maximum Payment, minus the following: (1) the maximum potential award of attorneys' fees and costs to counsel; (2) the maximum potential enhancement payment to the named plaintiffs (hereinafter the "PAGA Representative"); (3) allotted funds to the Claims Administrator; and (4) any and all remaining costs or fees. Defendants shall not be required to make any payment in excess of the Maximum Payment, for any cause or reason.
- (c) The parties will negotiate and select a Claims Administrator, who shall follow all Defendants' instructions not in express contravention of this MOU.
- (d) There are approximately 350 PAGA Members and the total pay periods equal approximately 18,400 as of June 3, 2022. The Maximum Payment is \$300,000.00 for the PAGA Period.

5. The Net Settlement Amount is calculated based upon the following:

- (a) Attorney fees. Plaintiff's counsel will request, and Defendant and its counsel will not oppose, an award of up to 1/3 of the Maximum Payment, which at Three Hundred Thousand Dollars (\$300,000.00) results in One Hundred Thousand dollars (\$100,000.00) as an award of attorneys' fees. This amount shall be included in the maximum extent of liability. This settlement is expressly conditioned on the settlement satisfying all claims for attorneys' fees and costs of each and every of the law firms representing plaintiffs.
- (b) Plaintiffs' counsel will request, and Defendant and its counsel will not oppose, plaintiffs' costs of up to a maximum of Twenty Thousand dollars (\$20,000). This amount shall be included in the maximum extent of liability.
- (c) The Motion for Approval shall ask for up to Three Thousand Five Hundred dollars (\$3,500) for claims administration and handling.
- (d) Plaintiffs' counsel will request, and Defendant and its counsel will not oppose, enhancement payments to each of the name plaintiffs of \$10,000 each or up to a maximum of Thirty Thousand dollars (\$30,000). This amount shall be included in the maximum extent of liability.
- (e) Thus, barring an increase in Maximum Payment under the Escalator Clause, the Net Settlement Amount is estimated to be \$300,000.00, less \$100,000.00 in attorney fees, less \$20,000.00 in litigation costs, less \$3,500 in settlement administration costs, less \$30,000 in Enhancement Award, equaling \$146,500.00, subject to the Court's approval of the amounts set forth in this Section.

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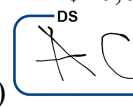
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 - (c) The parties will negotiate and select a Claims Administrator, who shall follow all Defendants' instructions not in express contravention of this MOU.
 - ~~(d) Defendants represent that there are approximately 349 PAGA members and the total pay periods equal approximately 18,400 as of June 3, 2022. If the actual number of pay periods at the end of the PAGA Period is ten percent (10%) or greater than the 18,400 pay periods represented by Defendants, the Maximum Payment will be increased on a pro-rata basis equal to the increase in number of pay periods (e.g. if the actual pay periods are fifteen percent (15%) greater than 18,400, then the Maximum Payment will increase by fifteen percent (15%) ("Escalator Clause").~~
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6. Within 5 days of the approval of the settlement, Defendants shall provide the Claims Administrator with the name, most current mailing address and telephone number of each PAGA Member. The Claims Administrator shall sign an agreement with Defendants to keep this information confidential, in a password protected database.
7. Defendants shall deposit the Maximum Payment to the Settlement Administrator within thirty (30) days of the approval of the settlement unless there are objectors to the approval of the settlement, in which case payment shall be made within 30 days after the time to appeal has run or all appeals have been exhausted, whichever occurs later.
8. Within 5 days of receipt of the Maximum Payment from Defendants, the Settlement Administrator shall disburse the funds as provided herein.
9. PAGA Members Limited Release. Each PAGA Member (including Plaintiff) shall, for the Covered Period, fully release and forever discharge Defendants from claims for PAGA penalties asserted in the PAGA and Class Lawsuit or any other claims under PAGA, that could have been asserted in the PAGA and Class Lawsuit based on the facts alleged, including but not limited to any and all claims for PAGA penalties for violations of the California Labor Code governing: unpaid wages, including minimum wages, regular wages, meal and/or rest periods, overtime and double time wages; wage statement violations; unreimbursed business expense violations; waiting time violations; and violations for failure to timely pay wages during employment.

Named Plaintiffs and Defendants General Release. Plaintiffs and Defendants agree to forever waive, release, discharge all claims, causes of action against each other, whether known or unknown, including the Cross-Complaint filed by Defendants against Plaintiff Antuan Fernandez on October 10, 2020 alleging Common Counts, which the Parties have up until the date of signing this agreement. The Parties stipulate and agree that they expressly waive and relinquish, to the fullest extent permitted by law, the provisions, rights and benefits of section 1542 of the California Civil Code, including under Labor Code section 2802, or any other provision under federal or state law, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

10. Nothing in this release shall affect, impact, preclude, or prevent Defendants from pursuing claims against third parties, including, without limitation, claims for express, implied or equitable indemnity or contribution. This includes claims against payroll companies, payroll processors, management companies, human resources companies, consultants, and related individuals and entities.

DS
AF

6. Within 5 days of the approval of the settlement, Defendants shall provide the Claims Administrator with the name, most current mailing address and telephone number of each PAGA Member. The Claims Administrator shall sign an agreement with Defendants to keep this information confidential, in a password protected database.
7. Defendants shall deposit the Maximum Payment to the Settlement Administrator within thirty (30) days of the approval of the settlement unless there are objectors to the approval of the settlement, in which case payment shall be made within 30 days after the time to appeal has run or all appeals have been exhausted, whichever occurs later.
8. Within 5 days of receipt of the Maximum Payment from Defendants, the Settlement Administrator shall disburse the funds as provided herein.
9. PAGA Members Limited Release. Each PAGA Member (including Plaintiff) shall, for the Covered Period, fully release and forever discharge Defendants from claims for PAGA penalties asserted in the PAGA and Class Lawsuit or any other claims under PAGA, that could have been asserted in the PAGA and Class Lawsuit based on the facts alleged, including but not limited to any and all claims for PAGA penalties for violations of the California Labor Code governing: unpaid wages, including minimum wages, regular wages, meal and/or rest periods, overtime and double time wages; wage statement violations; unreimbursed business expense violations; waiting time violations; and violations for failure to timely pay wages during employment.

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a maximum of Thirty Thousand dollars (\$30,000). This amount shall be included in the maximum extent of liability.

- (e) Thus, barring an increase in Maximum Payment under the Escalator Clause, the Net Settlement Amount is estimated to be \$300,000.00, less \$100,000.00 in attorney fees, less \$20,000.00 in litigation costs, less \$3,500 in settlement administration costs, less \$30,000 in Enhancement Award, equaling \$146,500.00, subject to the Court's approval of the amounts set forth in this Section.
6. Within 5 days of the approval of the settlement, Defendants shall provide the Claims Administrator with the name, most current mailing address and telephone number of each PAGA Member. The Claims Administrator shall sign an agreement with Defendants to keep this information confidential, in a password protected database.
7. ~~Defendants shall deposit the Maximum Payment to the Settlement Administrator within fifteen days of the approval of the settlement unless there are objectors to the approval of the settlement, in which case payment shall be made within 30 days after the time to appeal has run or all appeals have been exhausted, whichever occurs later.~~ Defendants shall deposit the Maximum Payment to the Settlement Administrator within thirty (30) days of the approval of the settlement unless there are objectors to the approval of the settlement, in which case payment shall be made within 30 days after the time to appeal has run or all appeals have been exhausted, whichever occurs later.
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10. The Parties and their counsel will support each and every provision of this MOU before the Court. Defendants agree not to actively oppose the award of attorneys fees and costs contemplated in this Agreement.
11. The parties agree that the subsequent filing of the MOU is for settlement purposes only and if, for any reason, the settlement is not approved, the MOU will be of no force or effect in a contested matter.
12. The parties agree that, upon approval of the settlement, the PAGA claims will be dismissed with prejudice, and all other claims and cross-claims shall be dismissed with prejudice. This dismissal will constitute a binding and final resolution of any and all claims by any Participating PAGA Members, as defined by the Release herein.
13. Pursuant to Evidence Code section 1123, the parties acknowledge that this agreement is exempt from the confidentiality provisions of Evidence Code section 1152 et seq. and is admissible in evidence to enforce the settlement.
14. The parties intend that this MOU shall be fully enforceable and binding upon all parties, and that it shall be admissible and subject to disclosure in any proceeding to enforce its terms under Code of Civil Procedure section 664.6 and any other applicable statute or law, notwithstanding the mediation confidentiality provisions that otherwise might apply under federal and state law.
15. This MOU may be signed in counterparts.

CALOP BUSINESS SYSTEMS, INC.

DATED: June __, 2022

By _____
Young K. Chong, Chief Executive Officer

CALOP AEROGROUND SERVICES, LLC

DATED: June __, 2022

By _____
Young K. Chong, Chief Executive Officer

DATED: June __, 2022

By _____
Allan Castaneda

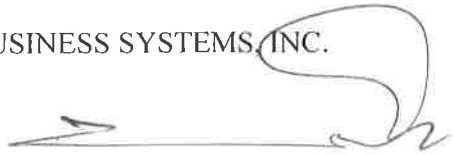
DATED: June 6, 2022

By _____
Antuan Fernandez

10. The Parties and their counsel will support each and every provision of this MOU before the Court. Defendants agree not to actively oppose the award of attorneys fees and costs contemplated in this Agreement.
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15. This MOU may be signed in counterparts.

CALOP BUSINESS SYSTEMS, INC.

DATED: June 06, 2022

By 
Young K. Chong, Chief Executive Officer

CALOP AEROGROUND SERVICES, LLC

DATED: June 06, 2022

By 
Young K. Chong, Chief Executive Officer

DATED: June __, 2022

By _____
Allan Castanedo

DATED: June __, 2022

By _____
Antuan Fernandez

10. The Parties and their counsel will support each and every provision of this MOU before the Court. Defendants agree not to actively oppose the award of attorneys fees and costs contemplated in this Agreement.
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CALOP BUSINESS SYSTEMS, INC.

DATED: June __, 2022

By _____
Young K. Chong, Chief Executive Officer

CALOP AEROGROUND SERVICES, LLC

DATED: June __, 2022

By _____
Young K. Chong, Chief Executive Officer

DATED: June __, 2022

By _____
Allan Castanedo

DATED: June __, 2022

By _____
Antuan Fernandez

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15. This MOU may be signed in counterparts.

CALOP BUSINESS SYSTEMS, INC.

DATED: June __, 2022

By _____
Young K. Chong, Chief Executive Officer

CALOP AEROGROUND SERVICES, LLC

DATED: June __, 2022

By _____
Sam Kimm

Counsel's agreement as to form:

DATED: June __, 2022

WORK LAWYERS, PC

JUSTIN LO
Attorney for Plaintiff Allan Castaneto

DATED: June __, 2022

BOYAMIAN LAW



MICHAEL BOYAMIAN
Attorney for Plaintiff Antuan Fernandez

DATED: June 6, 2022

JOEL GLASER APC

JOEL GLASER
Attorney for Plaintiff Sam Kimm

DBL LAW GROUP

DARREN LE MONTREE
Attorney for Plaintiff Sam Kimm

DATED: June __, 2022

LAW OFFICES OF JUAN HONG

JUAN HONG
Attorney for Defendant

DATED: June __, 2022

By _____
Sam Kimm

Counsel's agreement as to form:

DATED: June __, 2022

WORK LAWYERS, PC

JUSTIN LO
Attorney for Plaintiff Allan Castaneto

DATED: June __, 2022

BOYAMIAN LAW

MICHAEL BOYAMIAN
Attorney for Plaintiff Antuan Fernandez

DATED: June __, 2022

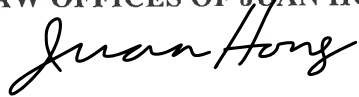
JOEL GLASER APC

JOEL GLASER
Attorney for Plaintiff Sam Kimm

DBL LAW GROUP

DARREN LE MONTREE
Attorney for Plaintiff Sam Kimm

DATED: June __, 2022

LAW OFFICES OF JUAN HONG


JUAN HONG
Attorney for Defendant



DATED: June __, 2022

By 
Sam Kimm (Jun 6, 2022 16:34 CDT)
Sam Kimm

Counsel's agreement as to form:

DATED: June __, 2022

WORK LAWYERS, PC

JUSTIN LO
Attorney for Plaintiff Allan Castaneto

DATED: June __, 2022

BOYAMIAN LAW

MICHAEL BOYAMIAN
Attorney for Plaintiff Antuan Fernandez

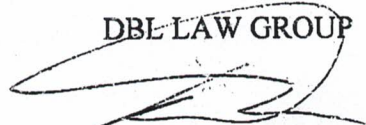
DATED: June 6, 2022

JOEL GLASER APC



JOEL GLASER
Attorney for Plaintiff Sam Kimm

DBL LAW GROUP



DARREN LE MONTREE
Attorney for Plaintiff Sam Kimm

DATED: June __, 2022

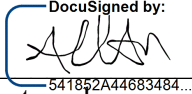
LAW OFFICES OF JUAN HONG

JUAN HONG
Attorney for Defendant

DATED: June __, 2022

By _____
Young K. Chong, Chief Executive Officer

DATED: June __, 2022
6/6/2022

By  _____
Allan Castanedo

DATED: June __, 2022

By _____
Antuan Fernandez

DATED: June __, 2022

By _____
Sam Kimm

Counsel's agreement as to form:

DATED: June 06, 2022

WORK LAWYERS, PC



JUSTIN LO
Attorney for Plaintiff Allan Castaneto

DATED: June __, 2022

BOYAMIAN LAW

MICHAEL BOYAMIAN
Attorney for Plaintiff Antuan Fernandez

DATED: June __, 2022

JOEL GLASER APC

JOEL GLASER
Attorney for Plaintiff Sam Kimm

DBL LAW GROUP

DARREN LE MONTREE
Attorney for Plaintiff Sam Kimm

EXHIBIT D

	Boyamian Law, Inc. - Case Costs	Fernandez v. Calop Business Systems, Inc.	
Date	Vendor	Notes (if applicable)	Amount
2020-03-18	Dept of Industrial Relations	PAGA Filing Fee	\$75.00
2020-03-18	In House Photocopy Charges	6 pages	\$2.40
2020-03-18	USPS	First Class Cert Mail	\$6.90
2020-06-09	Greenfiling	Complaint	\$435.00
2020-09-02	LASC Filing	POS of Summons	\$10.17
2020-09-02	Turbo Messenger	Serving Calop	\$75.00
2020-10-15	Green Filing	Case Management Statement	\$10.17
2020-10-15	Green Filing	Proof of Service	\$10.17
2020-10-27	LA Court Connect	Case Management Conference	\$15.00
2020-10-28	Green Filing	Notice of Related Case	\$10.17
2020-10-28	Green Filing	Notice of Status Conference	\$10.17
2020-11-05	Turbo Messenger	Drop Filing	\$78.00
2020-11-06	Green Filing	Demurrer	\$61.65
2021-01-04	LA Court Connect	Case Management Conference	\$15.00
2021-01-25	LA Court Connect	Hearing on Demurrer	\$15.00
2021-01-25	Green Filing	Reply to D's Opposition to Demurrer	\$10.17
2021-02-11	Green Filing	Motion to Compel Further SROGs, Set One	\$61.65
2021-02-11	Green Filing	Motion to Compel Further RPDs, Set One	\$61.65
2021-02-11	Green Filing	Motion to Compel Further RFAs, Set One	\$61.65
2021-02-19	Green Filing	Answer to Cross-Complaint	\$10.17
2021-03-24	LaCourtConnect	Case Management Conference	\$15.00
2021-04-03	Greenfiling	Opp to Def's Motion for Sanctions	\$10.17
2021-04-09	Greenfiling	Reply ISO MTCFs	\$10.17
2021-04-16	LA Court Connect	MTC Discovery	\$23.00
2021-04-19	LA Court Connect	Motion for Santions (KIMM)	\$15.00
2021-04-21	LA Court Connect	Motion to Compel Further	\$23.00
2021-04-28	Greenfiling	File Stip and Protective Order	\$30.77
2021-05-12	Stamps	Meet & Confer letter	\$0.51
2021-06-17	Greenfiling	Response to Court Order re Related Cases	\$10.17
2021-06-25	Stamps	Refund Request	\$1.02

2021-08-10	Greenfiling	Joint Statement	\$10.17
2021-08-11	LA CourtConnect	Informal Discovery Conference	\$15.00
2021-08-16	LA CourtConnect	TSC & Demurrer Hearing	\$30.00
2021-11-15	Greenfiling	CMS re 11.16.21 TSC	\$10.17
2021-12-08	Greenfiling	Brief on D's Refusal to Produce Initial Batch of Docs Reviewed by TSA; Darren's Suppl Decl	\$10.17
2022-05-19	Mileage	Plaintiff's Deposition	\$105.30
2022-05-19	Parking	Plaintiff's Deposition	\$80.00
2022-05-23	Stamps	Class Member Surveys	\$122.96
2022-05-23	USPS	Envelopes for Surveys	\$232.00
2022-05-23	Printing	Class Member Surveys	\$92.80
2022-07-13	Greenfiling	Motion for PAGA Settlement	\$61.65
		TOTAL:	\$ 1,944.12

EXHIBIT E

LAFFEY MATRIX

[History](#)
[Case Law](#)
[See the Matrix](#)
[Contact us](#)
[Home](#)

			Years Out of Law School *				
Year	Adjustmt Factor**	Paralegal/ Law Clerk	1-3	4-7	8-10	11-19	20 +
6/01/21- 5/31/22	1.006053	\$208	\$381	\$468	\$676	\$764	\$919
6/01/20- 5/31/21	1.015894	\$206	\$378	\$465	\$672	\$759	\$914
6/01/19- 5/31/20	1.0049	\$203	\$372	\$458	\$661	\$747	\$899
6/01/18- 5/31/19	1.0350	\$202	\$371	\$455	\$658	\$742	\$894
6/01/17- 5/31/18	1.0463	\$196	\$359	\$440	\$636	\$717	\$864
6/01/16- 5/31/17	1.0369	\$187	\$343	\$421	\$608	\$685	\$826
6/01/15- 5/31/16	1.0089	\$180	\$331	\$406	\$586	\$661	\$796
6/01/14- 5/31/15	1.0235	\$179	\$328	\$402	\$581	\$655	\$789
6/01/13- 5/31/14	1.0244	\$175	\$320	\$393	\$567	\$640	\$771
6/01/12- 5/31/13	1.0258	\$170	\$312	\$383	\$554	\$625	\$753
6/01/11- 5/31/12	1.0352	\$166	\$305	\$374	\$540	\$609	\$734
6/01/10- 5/31/11	1.0337	\$161	\$294	\$361	\$522	\$589	\$709
6/01/09- 5/31/10	1.0220	\$155	\$285	\$349	\$505	\$569	\$686
6/01/08- 5/31/09	1.0399	\$152	\$279	\$342	\$494	\$557	\$671
6/01/07-5/31/08	1.0516	\$146	\$268	\$329	\$475	\$536	\$645
6/01/06-5/31/07	1.0256	\$139	\$255	\$313	\$452	\$509	\$614
6/1/05-5/31/06	1.0427	\$136	\$249	\$305	\$441	\$497	\$598
6/1/04-5/31/05	1.0455	\$130	\$239	\$293	\$423	\$476	\$574
6/1/03-6/1/04	1.0507	\$124	\$228	\$280	\$405	\$456	\$549
6/1/02-5/31/03	1.0727	\$118	\$217	\$267	\$385	\$434	\$522
6/1/01-5/31/02	1.0407	\$110	\$203	\$249	\$359	\$404	\$487
6/1/00-5/31/01	1.0529	\$106	\$195	\$239	\$345	\$388	\$468
6/1/99-5/31/00	1.0491	\$101	\$185	\$227	\$328	\$369	\$444
6/1/98-5/31/99	1.0439	\$96	\$176	\$216	\$312	\$352	\$424
6/1/97-5/31/98	1.0419	\$92	\$169	\$207	\$299	\$337	\$406
6/1/96-5/31/97	1.0396	\$88	\$162	\$198	\$287	\$323	\$389
6/1/95-5/31/96	1.032	\$85	\$155	\$191	\$276	\$311	\$375
6/1/94-5/31/95	1.0237	\$82	\$151	\$185	\$267	\$301	\$363

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

* “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 F



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

CASE ASSUMPTIONS

Class Members	350
Opt Out Rate	N/A
Opt Outs Received	
Total Class Claimants	350
Subtotal Admin Only	\$3,500.00

Not-to-Exceed Total \$3,500.00

For 350 Class Members

Pricing Good for Scope of Estimate Only

All Aspects of Escheating to the State of CA Included

July 13, 2022

Case: Fernandez, et al. v. Calop Business Systems, Inc., PAGA Admin

Phoenix Contact: Jarrod Salinas

Contact Number: 800-523-5773

Email: Jarrod@phoenixclassaction.com

Requesting Attorney: Michael H. Boyamian

Firm: Boyamian Law, Inc.

Contact Number: 818.547.5300

Email: michael@boyamianlaw.com

Assumptions and Estimate are based on information provided by counsel. If class size changes, PSA will need to adjust this Estimate accordingly.

Estimate is based on 350 Class Members. PSA assumes class data will be sent in Microsoft Excel or other usable format with no or reasonable additional formatting needed. A rate of \$150 per hour will be charged for any additional analysis or programming.

Case & Database Setup / Toll Free Setup & Call Center / NCOA (USPS)

Administrative Tasks:	Rate	Hours/Units	Line Item Estimate
Programming Manager	\$125.00	1	\$125.00
Programming Database & Setup	\$125.00	1	\$125.00
Toll Free Setup*	\$40.00	1	\$40.00
Call Center & Long Distance	\$2.00	35	\$70.00
NCOA (USPS)	\$55.00	1	\$55.00
Total			\$415.00

* Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Check & Postage

Project Action	Rate	Hours/Units	Line Item Estimate
Notice Packet Formatting	\$125.00	2	\$250.00
Data Merge & Duplication Scrub	\$0.25	350	\$87.50
Notice and Check Packet	\$1.75	350	\$612.50
Estimated Postage (up to 1 oz.)*	\$0.58	350	\$203.00
Total			\$1,153.00

* Prices good for 90 days. Subject to change with the USPS Rate or change in Notice pages or Translation, if any.



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables

Project Action:	Rate	Hours/Units	Line Item Estimate
Case Associate	\$50.00	2	\$100.00
Skip Tracing Undeliverables	\$1.50	53	\$78.75
Remail Notice Packets	\$1.70	53	\$89.25
Estimated Postage	\$0.60	53	\$31.50
Programming Undeliverables	\$50.00	1	\$50.00
Total			\$349.50

Database Programming

Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Claims Database	\$125.00	1	\$125.00
Case Manager	\$85.00	1	\$85.00
Total			\$210.00

Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks

Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Calculations	\$125.00	1	\$125.00
Disbursement Review	\$125.00	1	\$125.00
Programming Manager	\$95.00	1	\$95.00
QSF Bank Account & EIN	\$50.00	1	\$50.00
Check Run Setup & Printing	\$125.00	1	\$125.00
Total			\$520.00

* Checks are printed on 8.5 x 11 in. sheets with W2/1099 Tax Filing



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Tax Reporting & Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations			
Project Action:	Rate	Hours/Units	Line Item Estimate
Case Supervisor	\$150.00	1	\$150.00
Remail Undeliverable Checks (Postage Included)	\$1.50	5	\$7.50
Case Associate	\$75.00	1	\$75.00
Reconcile Uncashed Checks	\$95.00	1	\$95.00
Conclusion Reports	\$100.00	1	\$100.00
Case Manager Conclusion	\$75.00	1	\$75.00
Final Reporting & Declarations	\$100.00	1	\$100.00
QSF Annual Tax Reporting * (State Tax Reporting Included)	\$250.00	1	\$250.00
Check to Cy-Pres	\$150.00	1	Included
Uncashed Checks to the State of California Controllers Office Estimated 0 Total Class Members	\$0.00	1	\$0.00
Total			\$852.50

* All applicable California State & Federal taxes, which include SUI, ETT, and SDI, and FUTA filings. Additional taxes are Defendant's responsibility.

Estimate Total: \$3,500.00



TERMS AND CONDITIONS

Provisions: The case estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make any provision for any services or class size not delineated in the request for proposal or stipulations. Proposal rates and amounts are subject to change upon further review, with Counsel/Client, of the Settlement Agreement. Only pre-approved changes will be charged when applicable. No modifications may be made to this estimate without the approval of PSA (Phoenix Settlement Administrators). All notifications are mailed in English language only unless otherwise specified. Additional costs will apply if translation into other language(s) is required. Rates to prepare and file taxes are for Federal and California State taxes only. Additional charges will apply if multiple state tax filing(s) is required. **Pricing is good for ninety (90) days.**

Data Conversion and Mailing: The proposal assumes that data provided will be in ready-to-use condition and that all data is provided in a single, comprehensive Excel spreadsheet. PSA cannot be liable for any errors or omissions arising due to additional work required for analyzing and processing the original database. A minimum of two (2) business days is required for processing prior to the anticipated mailing date with an additional two (2) business days for a National Change of Address (NCOA) update. Additional time may be required depending on the class size, necessary translation of the documents, or other factors. PSA will keep counsel apprised of the estimated mailing date.

Claims: PSA's general policy is to not accept claims via facsimile. However, in the event that facsimile filing of claims must be accepted, PSA will not be held responsible for any issues and/or errors arising out of said filing. Furthermore, PSA will require disclaimer language regarding facsimile transmissions. PSA will not be responsible for any acts or omissions caused by the USPS. PSA shall not make payments to any claimants without verified, valid Social Security Numbers. All responses and class member information are held in strict confidentiality.

Payment Terms: All postage charges and 50% of the final administration charges are due at the commencement of the case and will be billed immediately upon receipt of the data and/or notice documents. PSA bills are due upon receipt unless otherwise negotiated and agreed to with PSA by Counsel/Client. In the event the settlement terms provide that PSA is to be paid out of the settlement fund, PSA will request that Counsel/Client endeavor to make alternate payment arrangements for PSA charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the settlement account is funded by Defendant, or no later than the time of disbursement. Amounts not paid within thirty (30) days are subject to a service charge of 1.5% per month or the highest rate permitted by law.

Tax Reporting Requirements

PSA will file the necessary tax returns under the EIN of the QSF, including federal and state returns. Payroll tax returns will be filed if necessary. Under the California Employment Development Department, all taxes are to be reported under the EIN of the QSF with the exception of the following taxes: Unemployment Insurance (UI) and Employment Training Tax (ETT), employer-side taxes, and State Disability Insurance (SDI), an employee-side tax. These are reported under Defendant's EIN. Therefore, to comply with the EDD payroll tax filing requirements we will need the following information:

1. Defendant's California State ID and Federal EIN.
2. Defendant's current State Unemployment Insurance (UI) rate and Employment Training Tax (ETT) rate. This information can be found in the current year DE 2088, Notice of Contribution Rates, issued by the EDD.
3. Termination dates of the class members, or identification of current employee class members, so we can account for the periods that the wages relate to for each class member.
4. An executed Power of Attorney (Form DE 48) from Defendant. This form is needed so that we may report the UI, SDI, and ETT taxes under Defendant's EIN on their behalf. If this form is not provided we will work with the EDD auditors to transfer the tax payments to Defendant's EIN.
5. Defendant is responsible for reporting the SDI portion of the settlement payments on the class member's W-2. PSA will file these forms on Defendant's behalf for an additional fee and will issue an additional W-2 for each class member under Defendant's EIN, as SDI is reported under Defendant's EIN rather than the EIN of the QSF. The Power of Attorney (Form DE 48) will be needed in order for PSA to report SDI payments.