

1 JAMIE SERB (SBN 289601)
2 jamie@crosnerlegal.com
3 NIKKI TRENNER (SBN 3160070)
4 nikki@crosnerlegal.com
5 ZACHARY CROSNER (SBN 272295)
6 **CROSNER LEGAL, P.C.**
7 9440 Santa Monica Blvd., Suite 301
8 Beverly Hills, CA 90210
9 Tel. (866) 276-7637
10 Fac. (818) 700-9973

11 Attorneys for Plaintiff
12 PEARL VARGAS DENAULT

13
14 **SUPERIOR COURT OF CALIFORNIA**
15
16 **IN AND FOR THE COUNTY OF SAN BERNARDINO**

17 PEARL VARGAS DENAULT, as an
18 individual and on behalf of all others similarly
19 aggrieved,

20 Plaintiffs,

21 v.

22 LEWIS MANAGEMENT CORP., a Delaware
23 corporation; JOHN M. GOODMAN, an
24 individual; and DOES 1-50, inclusive,

25 Defendants.

CASE NO. CIVSB2107487

Assigned for All Purposes to:
Hon. Christian Towns
Dept. S26

DECLARATION OF NIKKI TRENNER IN
SUPPORT OF MOTION FOR APPROVAL
OF SETTLEMENT UNDER PRIVATE
ATTORNEYS GENERAL ACT

[Filed Concurrently with Notice of Motion
and Motion; Memorandum of Points &
Authorities; Declarations of Pearl Vargas
Denault and Sean Hartranft; [Proposed]
Order]

Date: April 30, 2025
Time: 8:30 a.m.
Dept. S26

1 I, Nikki Trenner, declare:

2 1. I am an attorney licensed to practice before all of the courts of the State of California,
3 and I am associated with Crosner Legal, PC, counsel of record for Plaintiff Pearl Vargas Denault in
4 this action. I submit this declaration in support of Plaintiff's Motion for Approval of Settlement
5 under the Private Attorneys General Act. I have personal knowledge of all facts stated herein, and
6 if called as a witness, I could and would competently testify thereto.

7 2. I am unaware of any other pending lawsuits that overlap with this matter in any way,
8 including the claims alleged or the time period and aggrieved employees covered.

9 3. Attached hereto as Exhibit 1 is a fully-executed, true and correct copy of the Parties'
10 Joint Stipulation and Settlement Agreement. Attached hereto as Exhibit 2 is a true and correct of the
11 Notice letter the Parties propose to send the "Aggrieved Employees." Attached hereto as Exhibit 3
12 is a true and correct copy of Plaintiff's PAGA notice letter to the Labor & Workforce Development
13 Agency and proof of submission. Attached hereto as Exhibit 4 is a true and correct copy of proof of
14 submission of the Settlement to the LWDA via its online portal.

15 **BACKGROUND**

16 4. Defendant LMC owns and manages a number of multi-unit apartment residential
17 complexes in California and Nevada. Plaintiff Denault began working for LMC as a Leasing
18 Consultant at Defendants' Rosewood apartment complex in Redlands, California in and around July 15,
19 2019, until her termination in April 2020. Plaintiff greeted and attended to inquiries of prospective and
20 current residents, provided property tours, reviewed lease documents and terms with prospective and
21 current residents, maintained resident records, answered phones, and provided general reception and
22 customer service. She typically worked from 9 am to 6 pm, five to six days per week.

23 5. Plaintiff alleges Defendant failed to pay all wages due in several ways. First, she
24 alleges time punches were rounded off to the nearest 10 minutes and that the rounding was
25 implemented in the employer's favor so that employees suffered an overall loss of compensable
26 hours worked. She also alleges Defendant failed to pay for meal period premiums at the correct
27 rate, as Defendant paid such premiums at the base hourly rate rather the regular rate of pay that
28 incorporated commissions, bonuses, and other compensation. Plaintiff further alleges she was

1 routinely denied the opportunity to take rest and meal periods, or provided with non-compliant
2 breaks. In particular Plaintiff consistently received late meal breaks, and second meal breaks
3 occurred rarely if ever. Per Plaintiff, rest breaks also were provided sporadically and/or did not last
4 a full net 10 minutes. Lastly, Plaintiff alleges she was required to use her personal phone for
5 company business, such as communicating with supervisors while on the clock

6 6. Based on these allegations, and after appropriate notice to the Labor & Workforce
7 Development Agency (“LWDA”), Plaintiff filed her PAGA-only complaint on March 18, 2021,
8 seeking civil penalties for the following alleged wage and hour violations: (a) failure to pay wages,
9 including overtime wages; (b) failure to provide meal and rest periods; (c) failure to provide
10 complete and accurate wage statements; and (d) waiting time penalties. Plaintiff filed the matter on
11 behalf of aggrieved employees defined to include all non-exempt employees of LMC during the
12 relevant PAGA time frame (January 13, 2020 to October 11, 2024).

13 7. LMC has at all times denied Plaintiff’s allegations and maintained it properly tracked
14 employee time and calculated and paid all wages due, that its meal and rest break and payroll policies
15 and procedures comply with California law, that it provided the class members with required meal
16 and rest breaks and further paid premium wages for documented violations, and that any use of
17 personal phones was unnecessary and for the employee’s convenience only. Additionally, LMC
18 strongly contends the case cannot be maintained as a representative action as, to the extent aggrieved
19 employees missed meal and/or rest breaks, it was intermittent and infrequent and evidence of such
20 missed breaks would be purely anecdotal, and therefore individualized issues predominate, which
21 would render a trial under PAGA unmanageable.

22 8. After Plaintiff filed her complaint, Defendant successfully moved to compel the
23 matter to arbitration, and the Court ordered her individual claims to arbitration and stayed the
24 representative PAGA claims. Since then, the Parties have been arbitrating before Deborah A. David,
25 Esq., with JAMS. Ultimately, upon discussing the merits of the case and engaging in several meet
26 and confer sessions, the Parties agreed to mediate, including the representative PAGA claims. The
27 Parties further agreed to a protocol for exchanging additional documents and information before the
28 mediation. Through this formal and informal discovery, Defendant provided Plaintiff with

1 information including, inter alia, the number of potential aggrieved employees, the number of
2 aggregate pay periods, pay stubs and time records for a random sampling of the aggrieved
3 employees, employee handbooks and manuals, and relevant policy documents on Defendant's time
4 keeping and reporting policies, etc. Plaintiff had that information reviewed by Berger Consulting
5 Group to assist with evaluating potential violation rates, potential damages, etc.

6 9. The parties then attended a full day mediation before highly-regarded mediator Steve
7 Mehta, Esq., who has extensive experience mediating wage and hour class and PAGA actions.
8 Before and during the mediation, Plaintiff and her counsel analyzed, researched, and investigated
9 the potential issues, including matters related to the calculation of damages, trial, and appellate
10 issues and risks. During mediation, the Parties vigorously debated the likelihood of Plaintiff's ability
11 to proceed on a representative basis as to the PAGA claims, the legal grounds for Plaintiff's claims
12 and Defendant's defenses, and the parties' data analyses and conclusions based on data provided by
13 Defendant. After a contentious full day of negotiations, the Parties were able to reach agreement on
14 all major issues. The Parties then reduced their agreement to an MOU and subsequently formalized
15 the tentative settlement in the settlement agreement now before the Court.

16 **SUMMARY OF SETTLEMENT TERMS**

17 10. Under the settlement, Defendant will pay a non-reversionary settlement amount of
18 \$1,200,000 (the "Gross Settlement Amount" or "GSA"), inclusive of payments to the LWDA and
19 Aggrieved Employees, costs of settlement administration, and reasonable attorney's fees and costs.
20 After payment of settlement administration costs, and reasonable attorney's fees and costs from the
21 GSA, Plaintiff presently estimates about \$768,180.57 will remain (the "Net Settlement Amount" or
22 "NSA"). Seventy-five percent of the NSA (about \$576,135.43) will go to the LWDA, and the
23 remaining twenty-five percent (about \$192,045.14) will be distributed to the Aggrieved Employees
24 in proportion to the total number of Eligible Pay Periods each individual worked during the PAGA
25 Period. I estimate the average award at about \$160, while awards will range from a low of around
26 \$3.49 to a high of about \$395. Plaintiff is entering into a separate settlement agreement with
27 Defendant to resolve her individual claims and her pending arbitration.

1 11. The Parties propose using Apex Class Action, LLC as the Settlement Administrator.
2 Apex has extensive experience administering PAGA settlements, and has agreed to cap its fees at
3 \$8,000.00. Within 14 days of the Settlement's Effective Date, LMC will fund the settlement and
4 then Apex will mail a Notice and settlement check to all Aggrieved Employees via regular First-
5 Class U.S. Mail, using the most current, known mailing addresses identified in LMC's records.
6 Aggrieved Employees need not submit claim forms and will automatically receive a Notice and
7 settlement check. Settlement checks will be negotiable for 180 days, after which time any unclaimed
8 residual funds will be forwarded to the California State Controller's Unclaimed Property Fund.

9 12. The California Supreme Court has explained that a judgment in "a representative
10 action brought by an aggrieved employee under the Labor Code Private Attorneys General Act of
11 2004 ... is binding not only on the named employee plaintiff but also on government agencies and
12 any aggrieved employee not a party to the proceeding." Arias v. Superior Court (2009) 46 Cal.4th
13 969, 985-86. Accordingly, the release in the Settlement Agreement narrowly releases only civil
14 penalty claims brought under PAGA. Under Arias, the order the Parties request the Court enter is
15 intended to be "binding not only on the named employee plaintiff but also on government agencies
16 and any aggrieved employee not a party to the proceeding." While Plaintiff is entering into a general
17 release any and all claims against Defendant, the Settlement Agreement protects the rights of the
18 Aggrieved Employees to bring their own individual claims should they wish. For these reasons, the
19 Parties contend the release narrowly applies only to the PAGA claims alleged or that could have
20 been alleged, based on the facts alleged in the operative complaint.

21 **THE SETTLEMENT IS FAIR, ADEQUATE AND REASONABLE, FURTHERS THE**
22 **PURPOSES UNDERLYING PAGA, AND WARRANTS APPROVAL**

23 13. Plaintiff alleges claims for unpaid wages, meal break violations, rest break violations,
24 failure to reimburse expenses, and derivative wage statement and waiting time penalty claims. First,
25 Plaintiff contends Defendant had a policy of rounding off employee time punches to the nearest 1/6
26 of an hour, and that the rounding as implemented resulted in an overall loss of compensable time to
27 the employees. Plaintiff alleges LMC captured employee time to the minute but nevertheless failed to
28 pay for such time.

1 14. Plaintiff next alleges LMC failed to pay for meal period premiums at the “regular
2 rate of pay” as required by California law. As part of Plaintiff’s and the aggrieved employees’ pay,
3 Defendant paid various commissions based on the number of new leases that were signed, referrals
4 that were received, leases that were renewed, etc., and based on the number of units in each
5 designated apartment complex; as well as quarterly bonuses. While Defendant did incorporate these
6 payments into the regular rate calculation when paying overtime wages, it failed to do so when
7 paying for break premiums.

8 15. Plaintiff also contends Defendant failed to provide Aggrieved Employees with
9 compliant meal periods and utilized a policy that failed to comply with California law. In particular,
10 Plaintiff alleges Defendant did not schedule meal periods to begin until after the fifth of work and
11 accordingly many meal periods were untimely and required a premium payment. She further alleges
12 second meal periods on shift of 10+ hours were provided only rarely, and that both meal and rest
13 breaks could be interrupted by management. She also contends rest breaks frequently were not
14 provided at all, or that she and other employees did not receive a full 10 minutes for their rest breaks.

15 16. On the unreimbursed expense claim, Plaintiff alleges she and other employees were
16 required to use the personal phones to, inter alia, communicate with supervisors and also to take
17 pictures of the any issues they found in the apartment complex. Per Plaintiff, she received no
18 reimbursement for using her own phone for work purposes.

19 17. Lastly, Plaintiff also brings claims derivative of the foregoing claims, including a
20 derivative wage statement claim based on the failure to pay all wages due, and failure to pay all
21 wages due and owing upon separation of employment under Labor Code §§ 201-203.

22 18. For mediation, LMC indicated it employed approximately 1,199 non-exempt
23 employees in California during the relevant PAGA period (with approximately 617 former
24 employees), and these individuals worked approximately 55,038 pay periods. Based on the data and
25 information provided by Defendant, and with her expert’s assistance and analysis, Plaintiff
26 estimated Defendant’s maximum PAGA exposure at approximately \$24,648,600. This estimate
27 includes approximately \$5,503,800 in civil penalties on the unpaid wage claims for time rounding,
28 about \$567,000 in civil penalties on the regular rate claims, approximately \$2,004,700 in civil

1 penalties for the meal period claims, about \$5,503,800 on the rest period claims, approximately
2 \$5,503,800 in civil penalties on the unreimbursed expense claims, approximately \$5,503,800 in civil
3 penalties on the inaccurate wage statement claim, and approximately \$61,700 on the unpaid final
4 wages claim.

5 19. We calculated these amounts as follows:

6 **Rounding/Unpaid Wages:** 55,803 pay periods * 100% violation rate * \$100/violation = \$5,503,800

7 **Regular Rate Claims:** 55,803 pay periods * 10.3% violation rate * \$100/violation = \$567,000

8 **Meal Break Violations:** 55,803 pay periods * 36.4% violation rate * \$100/violation = \$2,004,700

9 **Rest Break Violations:** 55,803 pay periods * 100% violation rate * \$100/violation = \$5,503,800

10 **Expense Reimbursement:** 55,308 pay periods * 100% violation rate * \$100/violation = \$5,503,800

11 **Wage Statement Violations:** 5,503,800 pay periods * 100% violation rate * \$100/violation =
12 \$5,503,800

13 **Failure to Pay Wages Due on Termination:** 617 violations * \$100/violation = \$61,700

14 20. On the unpaid wage claim, Defendant argued its time keeping policies accurately
15 tracked and paid for all hours worked by its employees. It further emphasized that any time rounding
16 was entirely neutral in its overall effect and did not deprive employees of any compensable hours
17 worked consistent with See's Candy Shops, Inc. v. Superior Court (2012) 210 Cal. App. 4th 889.

18 21. For the meal and rest break claims, Defendant offered multiple defenses. First, it
19 emphasized its written meal and rest break policy generally was compliant, that it authorized and
20 permitted all necessary breaks, and that employees received full uninterrupted lunch periods. While
21 Plaintiff's review of the time records suggested a substantial violation rate for late and short meal
22 breaks, Defendant countered that even to the extent this occurred, it was in violation of company
23 policy and would require significant individual inquiries to determine the reasons underlying any
24 such alleged violations and whether it was by employee choice or some other reason. Thus, per
25 Defendant, any trial would be unmanageable. Defendant also emphasized in paid thousands of
26 dollars in meal period premiums when any meal period violation allegedly occurred.

27 22. As with meal breaks, Defendant argues its rest break policies complied with
28 California law and authorized and permitted employees to take all required breaks. Defendant

1 further contended that, in light of the fact that it is not required to maintain a record of rest periods,
2 any evidence of failure to authorize rest periods and/or discouragement from taking rest periods
3 would be purely anecdotal and individual issues would predominate on liability. Defendant also
4 may contend that it is only liable if Plaintiff can prove, on a shift-by-shift basis, the aggrieved
5 employees actually did not receive a fully compliant rest break. This arguably would once again
6 make a trial unmanageable since the number of instances an employee missed a rest break would
7 have to be tested on a case by case basis to determine compliance.

8 23. For the expense reimbursement claim, Defendant argued there would be no
9 conceivable need for employees to use their own phones to talk to management while working,
10 and that any pictures of maintenance issues were taken on the employee's own initiative and were
11 not required in any way. Thus, per Defendant, use of personal phones was for personal
12 convenience only and not required, and not reimbursable under Labor Code § 2802.

13 24. Plaintiff also alleged derivative violations of Labor Code § 226 (wage statement
14 violations) and §§ 201-203 (waiting time penalties). The derivative wage statement claims and the
15 waiting time penalties claim are based on the primary unpaid wage and meal/rest break claims,
16 and will rise or fall along with the primary claims, in addition to being subject to "good faith" and
17 other defenses available to Defendant. Accordingly, Plaintiff had to discount the value of these
18 claims significantly in light of these multiple potential defenses. Defendant also contended a
19 substantial discount should be applied to the civil penalties for these derivative (i.e., "stacked")
20 violations, as it would be unfair to penalize Defendant multiple times for the same violation.

21 25. Finally, Defendants emphasized PAGA gives the Court wide latitude to reduce the
22 amount of civil penalties "based on the facts and circumstances of a particular case" if "to do
23 otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory."
24 Further, I am aware of several state and federal courts in California that have applied significant
25 reductions to PAGA civil penalties even after plaintiff prevailed on the merits.

26 26. Thus, Defendant raised various and multi-layered defenses to each of Plaintiff's
27 claims, anyone of which, if successful, could have decimated Plaintiff's case. And Defendant
28 vowed to raise all these defenses at trial. Accordingly, Plaintiff faced risky issues going forward

1 with this litigation, and it could have taken years to realize any recovery in this action along with
2 the possibility of post-trial appeals. In addition to its merits defenses and arguing trial would be
3 unmanageable, Defendant also intended to raise additional defenses on damages, including the
4 proper measure of civil penalties and the appropriate discount to place on any assessment of such
5 penalties.

6 27. Although Plaintiff and I believe we could have prevailed, there was no such
7 guarantee. When the risks of overcoming a manageability defense and prevailing at trial on the
8 merits are factored into the equation, the settlement value is reasonable and supported. Notably,
9 the proposed settlement equates to a significant chunk of the estimated maximum theoretical
10 liability, as discussed above. Of course, to recover those sums Plaintiff would have to shoot the
11 moon and win both liability and maximum penalties on all claims for every single pay period at
12 issue, which outcome, for the reasons discussed, is unlikely. Given Defendant's procedural and
13 merits defenses, as well as the substantial penalty reductions ordered in the cases above – which
14 occurred after trial – the proposed settlement is eminently reasonable.

15 **SUBMISSION TO THE LWDA**

16 28. My office timely served the LWDA with the Settlement Agreement and this
17 Motion, and notified the LWDA of this approval hearing. Accordingly, the LWDA will be able to
18 weigh in as necessary and, importantly, many courts find it persuasive of approval if the LWDA
19 ultimately declines to offer any comment or objection to a proposed PAGA settlement.

20 **THE REQUESTED FEES AND COSTS ARE FAIR AND REASONABLE**

21 29. Under the terms of the Settlement Agreement, Crosner Legal respectfully requests
22 an award of attorney's fees equal to one-third of the total settlement amount, or \$400,000.00. A
23 one-third common fund attorney fee award is consistent with what courts have awarded Plaintiff's
24 counsel in other representative actions. Awarding attorney's fees of one-third of a gross settlement
25 amount is favored by California courts when a fund established for the common benefit of others is
26 involved, such as here.

27 30. There are several additional factors why I believe that the Court should award one-
28 third of the common fund as reasonable attorney's fees. First, Plaintiff's Counsel's efforts resulted

1 in a common fund settlement amount of \$1,200,000, which for the reasons explained herein, is fair
2 and reasonable in light of the risks/defenses Defendant raised in litigation and threatened to raise
3 at trial and in post-trial appeals. Moreover, this result was achieved by the work and success of
4 this office, who negotiated the settlement after extensive preparation, informal discovery, a full
5 mediation session, and substantial negotiations.

6 31. Second, Plaintiff faced significant risks going forward with the litigation. As
7 discussed above, Defendants raised various defenses throughout this litigation, anyone of which, if
8 successful, could have decimated Plaintiff's case. And Defendant vowed to raise all these defenses
9 at trial. Accordingly, Plaintiff faced risky issues going forward with this litigation, and it would
10 have taken several more years to realize any recovery in this action along with the possibility of
11 post-trial appeals.

12 32. Third, Plaintiff's Counsel are experienced class and representative action litigators,
13 and have achieved several approved PAGA settlements. This experience and expertise, combined
14 with the quality of work performed, resulted in the settlement achieved in this case.

15 33. I graduated from Trinity Law School in 2017 and joined Mara Law Firm, PC
16 (formerly The Turley and Mara Law Firm, APLC) that same year. I later joined Crosner Legal in
17 2020 and am currently employed as a senior associate in the wage and hour department. I have
18 solely handled wage and hour class actions and PAGA lawsuits for six (6) years. I routinely
19 write and oppose motions, draft complaints, appear before the Court at law and motion and
20 settlement hearings, engage in the discovery process, including drafting Belaire-West notices
21 and meet and confer letters.

22 34. I have obtained class certification in the following matters: *Hernandez v. Aviation*
23 *Port Services, LLC*, Kern County Superior Court Case No. BCV-18-100141. I have also assisted
24 in obtaining millions of dollars for employees in the following court-approved class action
25 and/or representative PAGA settlements: *Michael Campbell, et al. v. Symons Emergency*
26 *Specialities, Inc.*, San Bernardino County Superior Court Case No. CIVDS1903158; *Amber*
27 *Collins v. Danbarb, Inc., et al.*, Los Angeles County Superior Court Case No. 20STCV44190;
28 *Michael Elridge v. LA Downtown Medical Center, LLC, et al.*, Los Angeles County Superior

1 Court Case No. 20STCV05951; *Anthony Leon, et al. v. Sierra Aluminum Company, et al.*, San
2 Bernardino County Superior Court Case No. CIVDS2010856; *Elaine Moyal v. Cabinets To Go,*
3 *LLC*, Los Angeles County Superior Court Case No. 20STCV32477; *Genevieve Rangel v. Bassett*
4 *Direct NC, LLC*, Orange County Superior Court Case No. 30-2018-01040101-CU-OE-CXC;
5 Jacob Buys v. *Sizewise Rentals, Inc., et al.*, Sacramento County Superior Court Case No. 34-
6 2018-00225848-CU-OE-GDS; *Alejandro Valencia v. VM Tree Service, Inc., et al.*, Riverside
7 County Superior Court Case No. RIC1819395; *Joshua Rael v. Intercontinental Hotels Group*
8 *Resources, Inc.*, Los Angeles County Superior Court Case No. 19STCV16010; *Angel Cervantez*
9 *v. Valley Pallet, Inc.*, Sacramento County Superior Court Case No. 34-2018-00234334-CU-OE-
10 GDS; *Tonja Edwards-Bloodsaw v. Sandburst Convalescent Group, LTD, et al.*, Los Angeles
11 Superior Court Case No. 19STCV15797; *Moriah Holtegaard, et al. v. Howroyd-Wright*
12 *Employment Agency, Inc. dba AppleOne Corporation Services, et al.*, Central District Court of
13 California, Eastern Division, Case No. 5:20-cv-00509 JGB (KKx); *Jade Findley, et al. v.*
14 *Avenue5 Residential, LLC, et al.*, Los Angeles County Superior Court Case No. 20STCV34633;
15 *Keivan Keyhanzad v. Ryan Cars, LLC dba Pomona Kia, et al.*, Riverside County Superior Court
16 Case No. RIC1905276; *Luis Bolanos v. FSC Corporation dba Il Pastaio Restaurant, et al.*, Los
17 Angeles County Superior Court Case No. BC722758; *Loretta Cannon v. Pasadena Hospital*
18 *Association, LTD dba Huntington Hospital*, Los Angeles County Superior Court Case No.
19 19STCV14554; *Nathan Kapusta v. Cardinale Motors SLO, Inc., et al.*, Kern County Superior
20 Court Case No. BCV-20-101593; and *Jesse McCauley v. Mullahey Ford, Inc., et al.*, San Luis
21 Obispo County Superior Court Case No. 21CV0001.

22 35. Zach Crosner is a 2010 graduate of University San Diego School of Law and he
23 has approximately thirteen years of experience as a practicing attorney. For nearly his entire
24 career, his practice has focused on litigation of wage & hour, consumer, and privacy class action
25 and representative action claims. Following graduation he immediately began working for a
26 nationally recognized plaintiff's complex litigation firm, CaseyGerry, where he worked directly
27 with past presidents of the consumer attorneys and recipients of trial attorneys of the year
28 awards. He also worked for other firms that included former CAALA and CLAY trial attorney

1 of the year recipients. While with these firms, he advocated for the rights of consumers and
2 employees in class action litigation, civil rights and employment litigation, catastrophic injuries,
3 insurance bad faith and appellate litigation.

4 36. In 2013, he founded the law firm of Crosner Legal, P.C. which since its inception
5 has focused almost exclusively on plaintiff-side class actions lawsuits representing employees,
6 consumers and other victims. Currently, over ninety percent (95%) of his practice is dedicated
7 exclusively to the prosecution of class actions and representative action lawsuits, and his law
8 firm is currently responsible as lead counsel or co-lead counsel for prosecuting over one hundred
9 (100) active wage and hour class actions and/or PAGA representative actions, as well as a
10 multitude of consumer and privacy class actions, in both federal and state courts throughout
11 California. He has been a direct participant in over one hundred (100) class action and/or
12 representative action settlements where he has been approved as adequate lead counsel.

13 37. Mr. Crosner has been selected by Super Lawyers as a “Southern California Rising
14 Star” for employment and labor law consecutively from 2018 through 2023. Super Lawyers has
15 also named me on their “Up-and-Coming 100” Southern California Rising Stars List for
16 consecutive years from 2021 through 2023. Only 2.5% of lawyers within California are named a
17 Super Lawyer Rising Star and even less are added to their Top Lists. Additionally, he has been
18 selected as a Top 40 Under 40 Civil Plaintiff Attorney by the National Trial Lawyers, invitation-
19 only organization composed of the premier trial lawyers, from 2019 through 2023. He is an
20 active participant in advocacy groups, including as an executive board member of the Wage and
21 Hour Committee and the Legislative Committee for the California Employment Lawyers
22 Association; a member of the Grassroots Advocacy Team for the National Employment Lawyers
23 Association; Wage and Hour Committee member and Class Action Committee member for the
24 National Trial Lawyers; a member of the American Association for Justice; and a member of the
25 Pound Civil Justice Institute.

26 38. Jamie Serb is a partner with Crosner Legal and head of the firm’s wage and hour
27 practice group. She graduated from the University of California, San Diego in 2004 and graduated
28 from California Western School of Law in 2013, and has been a member of the California Bar since

1 2013. She gained extensive experience in wage and hour litigation, beginning work as a class action
2 attorney in 2015 at the Mara Law Firm, PC (previously Turley & Mara Law Firm, APLC; Turley
3 Law Firm, APLC). She joined Crosner Legal on January 4, 2021 as an associate attorney. She has
4 handled wage and hour class actions and PAGA lawsuits for over six (6) years and has assisted in
5 obtaining millions of dollars for employees during her years of practice.

6 39. Chad Saunders has more than 10 years' experience handling plaintiff-side
7 employment class actions and individual cases, including wage and hour disputes and
8 discrimination claims. His practice focuses on class and collective actions as well advocating on
9 behalf of employees who have not been provided with reasonable accommodations for their
10 mental and physical disabilities. He received his J.D. from New College of California School of
11 Law in 2008, and a B.A. in Philosophy from the University of Maryland Baltimore County in
12 2001.

13 40. Brandon Brouillette is a graduate of Loyola Law School, Los Angeles, from which
14 he received a *juris doctorate* degree in 2009. Prior to attending law school, he attended the
15 University of Southern California, from which he received a bachelors of science in Business
16 Administration in 2006. He has been a Partner at Crosner Legal since February 1, 2023. Prior to
17 joining Crosner Legal, he was a Senior Associate and Team Director of a Wage and Hour
18 Litigation Team at Capstone Law APC, which he originally joined as an associate attorney in May
19 2016. Since being admitted to the California State Bar in 2010, Mr. Brouillette's entire legal career
20 has been dedicated to protecting employee and consumer rights through the prosecution of class
21 action and representative actions filed on behalf of plaintiffs in class actions and statewide
22 representative actions. Throughout his career he has managed or co-managed more than 100 class
23 action and PAGA representative cases, from initial filing of the complaint through final resolution.

24 41. Kiara Bramasco received her undergraduate degree, magna cum laude, from
25 Loyola Marymount University in Political Science, and then received her JD from Loyola Law
26 School in 2018. She then spent several years with well-known plaintiff's firm Moss Bollinger,
27 first as a law clerk and then as an associate, where her practice focused on employment law,
28 particularly wage and hour class action and PAGA litigation. She joined Crosner Legal in 2021.

1 42. Michael Jones received his bachelor's degree from UC Santa Barbara in 2012,
2 and his J.D. from the USC Gould School of Law in 2016. He has practiced civil litigation for
3 over six years and previously worked as a litigation attorney at Reisner & King LLP and Weston
4 & Mclevain LLP. He was an associated with Crosner Legal from 2022 to 2024.

5 43. J. Kirk Donnelly is a 1989 graduate of the College of William and Mary, and a 1995
6 graduate *cum laude* of the University of San Diego School of Law, where he was selected to the
7 Order of the Coif and the Order of Barristers. Prior to 2003, he was a litigation associate in the
8 Orange County, California office of the Washington D.C. based firm Ross Dixon & Bell, LLP (now
9 Troutman Pepper LLP), where his practice focused on complex business, employment, and
10 insurance coverage disputes. In 2003, he became associated with Dostart Clapp & Coveney, LLP,
11 then one of the premiere plaintiffs' wage and hour class action firms in California. In 2008, he
12 founded the Law Offices of J. Kirk Donnelly, APC and, in January 2019, also became Of Counsel
13 to Crosner Legal, P.C. Since 2003, his practice has focused on representing plaintiffs in wage and
14 hour and consumer law matters, including both class actions and individual matters. He has served
15 as class/lead counsel in over 50 wage and hour class and PAGA actions.

16 44. Crosner Legal, P.C. has obtained several multi-million dollar wage and hour class
17 action settlements while serving as lead class counsel in recent years, including but not limited to a
18 \$1.9 million wage and hour class action settlement in 2015 (*Smith v. Lux Retail North America, Inc.*,
19 Case No. 3:13-cv-01579-WHA (N.D. Cal.)); a \$4.1 million wage and hour class action settlement
20 in 2016 (*Aguirre v. Mariani Nut Company, Inc. et al.*, Case No. 34- 2016-00190252 (Sacramento
21 Cty. Super Ct.)); a \$1.35 million wage and hour class action settlement in 2017 (*Montelone v. Ocean*
22 *Cities Pizza, Inc.*, Case No. 56-2014-00458249 (Ventura Cty. Super. Ct.)), a \$1.8 million wage and
23 hour class action settlement in 2018 (*Latham v. K.W.P.H. Enterprises, Inc. dba American*
24 *Ambulance*, Case No. 17C-0162 (Kings Cty. Super Ct.)), a \$1.3 million wage and hour class action
25 settlement in 2019 (*Means, et al. v. AirGas USA, LLC*, Case No. 17-CV-2160 JGB (C.D. Cal.)), a
26 \$1.5 million wage and hour settlement in 2020 (*Babouchian, et al. v. Wyndham Vacation*
27 *Ownership, et al.*, Case No. CV18-14601 (San Diego Cty. Super. Ct.)), a \$1.15 million wage and
28 hour class action settlement in 2020 (*Buford v. Medical Solutions LLC*, Case No. 4:18-CV-04864-

1 YGR (N.D.Cal.)); a \$7.25 million wage and hour class action settlement in 2020 in *Avina, et al. v.*
2 *First Alarm Security & Patrol, Inc.*, Case No. 18CV323753 (Santa Clara Cty. Super Ct.); a \$2.2
3 million wage and hour class action settlement in 2021 (*Ghorchian, et al. v. West Hills Hospital, et*
4 *al.*, Case No. LS029737 (Los Angeles Cty. Super. Ct.)); a \$2.85 million dollar wage and hour
5 settlement in 2021 (*Valencia v. The Original Mowbray's Tree Service, Inc.*, Case No.
6 CIVDS1825518 (San Bernardino Cty. Super. Ct.)); a \$1 million wage and hour class action
7 settlement in 2022 (*Duong v. Loan Factory, Inc.*, Case No. 21CV382467 (Santa Clara Cty. Super.
8 Ct.)), a \$1.4 million wage and hour class action settlement in 2023 in *Correa, et al. v. FedEx Supply*
9 *Chain, Inc.*, Case No. CIVDS2023369 (San Bernardino Cty. Super. Ct.), a \$2.38 million wage and
10 hour class action settlement in 2023 in *Michel, et al. v. Valley Thrift Store, Inc.*, Case No.
11 21STCV00925 (Los Angeles Cty. Super. Ct.); a \$2.5 million wage and hour class action settlement
12 in 2023 in *Jajuga v. Pilot Travel Centers*, Case No. CIVDS1931464 (San Bernardino Cty. Super.
13 Ct.); \$1.015 million wage and hour class action settlement in 2023 in *Gotishan v. Kyo Autism*
14 *Therapy*, Case No. CGC-21-596378 (San Francisco Cty. Super. Ct); and a \$1.15 million wage and
15 hour PAGA settlement in 2023 in *Vaughn v. Public Health Foundation Enters., Inc.*, Case No.
16 21STCV18512 (Los Angeles Cty. Super. Ct.).

17 45. Next, the request for attorney's fees in the amount of one-third of the common fund
18 falls well within the norms accepted by state and federal courts in California in comparable wage
19 and hour actions actually handled by this office. Moreover, the award of a one-third fee recovery
20 under the common fund doctrine was recently approved by the California Supreme Court in
21 Laffitte v. Robert Half Int'l, Inc. (2016) 1 Cal.5th 480. For all of the above reasons, a common
22 fund fee award here in the amount of one-third of the \$1,200,000 common fund, or \$400,000,
23 created by Plaintiff and her attorneys is fair and reasonable.

24 46. Under the adjusted Laffey Matrix, a reasonable rate for an attorney with 20-plus
25 years of experience, such as Mr. Crosner, Mr. Brouillette, Mr. Saunders, and Ms. Serb, is over
26 \$800. Similarly, the December 8, 2008 article, "Billable Hours Aren't the Only Game in Town
27 Anymore," NATIONAL LAW JOURNAL, which set forth the following hourly billing rates as
28 reported by Sheppard, Mullin, Richter & Hampton, a leading firm in the defense of wage-and-hour

1 class actions that I have opposed when litigating wage-and-hour class actions: Partners: \$475-
2 \$795; Associates: 1st Year - \$275, 2nd Year - \$310, 3rd Year - \$335, 4th Year - \$365, 5th Year -
3 \$390, 6th Year - \$415, 7th Year - \$435, 8th Year - \$455.36.

4 47. I have personal knowledge of the hourly rates charged by a number of plaintiff-side
5 wage and hour class action firms in the Bay Area, Los Angeles and San Diego markets, for
6 partner-level attorneys with experience comparable to mine and to that of my colleagues. These
7 rates have range from \$650 to \$850 per hour for calendar years 2017-2021. Some examples
8 include attorney Matthew Matern of Matern Law Group in Los Angeles, with approximately 26
9 years of experience \$850/hour (2018); Craig Ackermann of Ackermann & Tilajef, PC with
10 approximately 25 years of experience \$850/hour (2021), Michael Malk of Malk APC in Los
11 Angeles, with approximately 16 years of experience \$650/hour (2018), Michael Singer and Isam
12 Khoury of Cohelan Khoury & Singer in San Diego, 35 years and 45 years of experience
13 respectively, both \$825/hour (2018), Jason Ehrlich of McCormack & Ehrlich LLP in San
14 Francisco, with approximately 17 years of experience \$750/hour (2017), and James Kawahito of
15 Kawahito Law Group in Los Angeles, with approximately 16 years of experience \$750/hour
16 (2020).

17 48. Based upon the foregoing, as well as our qualifications and experience set forth
18 above, the following hourly rates are reasonable: Zachary M. Crosner \$800/hr., Jamie Serb,
19 Brandon Broillette and Chad Saunders \$750/hour, Michael Jones \$600/hr, Nikki Trenner \$700/hr,
20 Kiara Bramasco \$650/hr., and J. Kirk Donnelly \$900/hour. Plaintiff requests the Court apply the
21 above hourly billing rates in this case, as these rates are reasonable in the California legal market
22 for attorneys handling wage and hour class actions and PAGA representative actions.

23 49. I have reviewed the work performed on the case and the billing inputted, and
24 Crosner Legal's lodestar currently totals approximately \$237,350, based on 322.7 attorney hours
25 spent litigating the case, exclusive of time for attending the hearing on the approval motion and
26 time to be incurred thereafter to implement and administer the settlement. The aggregated lodestar
27 is summarized in Exhibit 5 hereto.

28 50. Based the lodestar analysis above, the requested fee award of 1/3 of the common

1 fund, or \$400,000, represents the base lodestar with a reasonable upward modifier of 1.68, which
2 is entirely in line with California law and represents a fair return on the contingency assumed in
3 this matter.

4 51. I also request reimbursement of my firm's actual out-of-pocket expenses incurred
5 to prosecute this action. These expenses were incidental and necessary to the effective
6 representation of the employees.

7 52. Crosner Legal's costs are \$23,819.43. The requested costs include filing fees,
8 mediation fees, expert fees, and postage. Notably, the requested costs do not include any and all
9 printing, and research charges. The requested costs are reasonable and uncontested, and should be
10 approved in full. A true and correct itemization of the costs and expenses incurred is set forth
11 below:

Expense Category	Amount
Court Filing Fees/Service of Process/Attorney Service	\$2,110.48
Mediation Fees	\$9,750.00
PAGA Filing Fee	\$75.00
Postage/Delivery	\$178.80
Expert Fees	\$10,265.00
Deposition Costs	\$1,120.15
CourtCall	\$260.00
Legal/Financial Research	(waived)
Photocopies	(waived)
Total Costs and Expenses	\$23,819.43

21 53. For the foregoing reasons, it is respectfully requested that the Court approve the
22 settlement in all particulars.

23 I declare under penalty of perjury under the laws of the State of California that the
24 foregoing is true and correct. Executed this 23rd day of January 2025, at Los Angeles, California.
25

26
27 

28 Declarant

EXHIBIT

1

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Pearl Vargas Denault (“Plaintiff”) and Defendants Lewis Management Corp. and John M. Goodman (“Defendants”). The Agreement refers to Plaintiff and Defendants collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1 “Action” means the Plaintiff’s PAGA lawsuit alleging wage and hour violations against Defendant captioned as *Pearl Vargas Denault v. Lewis Management Corp., et al.*, initiated on March 18, 2021 and pending in Superior Court of the State of California, County of San Bernardino (Case No. CIVSB2107487).
- 1.2 “Administrator” means Apex Class Action Administration, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3 “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval of this Settlement.
- 1.4 “Aggrieved Employee” means all non-exempt employees who worked for Defendants in California during the PAGA Period.
- 1.5 “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendants’ possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.
- 1.6 “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.
- 1.7 “Approval Order” means the proposed Court Order Granting Approval of PAGA Settlement.
- 1.8 “Court” means the Superior Court of California, County of San Bernardino.
- 1.9 “Defendants” means named Defendant Lewis Management Corp. and John M. Goodman.
- 1.10 “Defense Counsel” means Grant Alexander, Melissa Bell, and Bronte Mehdian of Allen Matkins Leck Gamble Mallory & Natsis, LLP.
- 1.11 “Effective Date” means the date when the Court enters a Judgment on its Order Approving the PAGA Settlement.

- 1.12 “Gross Settlement Amount” means \$1,200,000.00, which is the total amount Defendants agree to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administrator’s Expenses Payment.
- 1.13 “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of Net Settlement Amount calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.
- 1.14 “Judgment” means the judgment entered by the Court based upon the Court’s approval of the settlement.
- 1.15 “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.16 “LWDA PAGA Payment” means the 75% of the Net Settlement Amount paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.17 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. 75% of the Net Settlement Amount is to be paid to the LWDA as the LWDA PAGA Payment and the remaining 25% of the Net Settlement Amount is to be paid to Aggrieved Employees as Individual PAGA Payments.
- 1.18 “Notice of PAGA Settlement” means the letter, substantially similar to the form attached hereto as **Exhibit A**, explaining the Settlement to the Aggrieved Employees, which will accompany each settlement check.
- 1.19 “PAGA Counsel” means Zachary Crosner, Jamie Serb, and Nikki Trenner of Crosner Legal, PC, the attorneys representing the Plaintiff in the Action.
- 1.20 “PAGA Counsel Fees Payment” means the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees incurred to prosecute the Action.
- 1.21 “PAGA Counsel Litigation Expenses Payment” means the amount allocated to PAGA Counsel for reimbursement of reasonable expenses incurred to prosecute the Action.
- 1.22 “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.
- 1.23 “PAGA Period” means the period from January 13, 2020 to October 11, 2024.
- 1.24 “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

- 1.25 “PAGA Notice” means Plaintiff’s December 28, 2020 letter to Defendants and the LWDA notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.26 “PAGA Representative” means the named Plaintiff in the Operative Complaint in the Action.
- 1.27 “Plaintiff” means Pearl Vargas Denault, the named plaintiff in the Action.
- 1.28 “Released PAGA Claims” means the claims being released by the Plaintiff and PAGA Counsel and as described in Paragraph 5 below.
- 1.29 “Released Parties” means: Defendants and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, affiliates.
- 1.30 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS.

- 2.1 On March 18, 2021, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendants for violations of the PAGA. The Complaint is the operative complaint in the Action (the “Operative Complaint”). Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in in the Operative Complaint, and deny any and all liability for the causes of action alleged.
- 2.2 Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendants and the LWDA by sending the PAGA Notice.
- 2.3 On July 11, 2024, the Parties participated in an all-day mediation presided over by Steven Mehta, which led to this Agreement to settle the Action.
- 2.4 Prior to mediation, the Settlement, Plaintiff obtained, through formal and informal discovery Plaintiff’s personnel file, including time and payroll records, the employee handbook in effect during the Class Period, including their policies and procedures regarding the payment of wages, the provision of paid sick leave, the provision of meal and rest breaks, timekeeping policies (including recording hours), issuance of wage statements, and termination wages, a sampling of the payroll and time records for the Aggrieved Employees, the number of putative Aggrieved Employees, mix of current versus former employees, the estimated number of pay periods, and the average shift length, among other information. Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).

- 2.5 The Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendants promise to pay \$1,200,000.00 and no more as the Gross Settlement Amount. Defendants have no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.
- 3.2 Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
- 3.2.1 To PAGA Counsel: A PAGA Counsel Fees Payment of not more than one-third of the Gross Settlement Amount, which is currently estimated to be \$400,000.00 and PAGA Counsel Litigation Expenses Payment of not more than \$27,000.00. Defendants will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. As part of the Settlement approval motion, Plaintiff and/or PAGA Counsel will request approval for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.
- 3.2.2 To the Administrator: An Administrator Expenses Payment not to exceed \$8,000.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$8,000.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.3 To the LWDA and Aggrieved Employees: PAGA penalties to be paid from the Net Settlement Amount, with 75% allocated to the LWDA PAGA Payment and 25% allocated to the Individual PAGA Payments.

3.2.3.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of Net Settlement Amount by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.3.2 If the Court approves PAGA penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Aggrieved Employee Data. Within 15 days of the Effective Date, Defendants will simultaneously deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify PAGA Counsel if they discover that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.2 Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 14 days after the Effective Date.

4.3 Payments from the Gross Settlement Amount. Within 14 days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Fees and Expenses Payments. Disbursement of the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.

- 4.3.1 The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
- 4.3.2 The distribution of Individual PAGA Payments shall be accompanied by the Notice of PAGA Settlement.
- 4.3.3 The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.
- 4.3.4 For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.
- 4.3.5 The payment of Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendants fully fund the entire Gross Settlement Amount Plaintiff, the State of California, and the Aggrieved Employees will release claims against all Released Parties as follows:

- 5.1 Release by Plaintiff, the State of California, and the Aggrieved Employees: Plaintiff, the State of California, and all Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notice including, e.g., failure to authorize and permit meal periods; failure to provide rest periods; failure to pay minimum wage for all hours worked; failure to pay overtime; failure to provide accurate, itemized

wage statements; failure to keep accurate and complete business records; failure to provide paid sick leave; failure to provide supplemental paid sick leave; failure to provide notice of paid sick leave rights; unlawful labor conditions; failure to reimburse business expenses; failure to pay statutory wages; failure to timely pay wages during employment; and failure to timely pay wages upon termination. These include all claims under Labor Code sections 201-204, 210, 216, 221-223, 225.5, 226, 226.2, 226.7, 233, 234, 245-248.5, 256, 510, 512, 558, 558.1, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 1199, 2802, 2810.5, and 2688 et seq., and the applicable IWC Wage Orders.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT. The Parties agree to jointly prepare and file an application or motion for approval of this Settlement.

6.1 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2)) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (iv) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiff and PAGA shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Responsibilities of PAGA Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than 30 days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Order Granting Approval of PAGA Settlement to the Administrator.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement,

PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected Apex to serve as the Class Action Administration, the Administrator and verified that, as a condition of appointment, Apex Class Action Administration agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.
- 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 7.4 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

8. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE

- 8.1 Based on its records, Defendants estimate that, as of July 11, 2024, the Aggrieved Employees worked 55,038 Pay Periods during the PAGA Period.
- 8.2 The Gross Settlement Amount was agreed upon based on Defendants' representations of the total number of Pay Periods in the PAGA Period. If the number of Pay Periods during the PAGA Period exceeds 55,038 by more than ten percent (10%), the Gross Settlement Amount shall be increased on a pro rata basis per Pay Period exceeding the 10% increase (i.e. if the number increases by 11%, the Gross Settlement Amount shall be increased by 1%). Defendants shall have the option to shorten the PAGA Period in lieu of increasing the Gross Settlement Amount.

- 9. **CONTINUING JURISDICTION OF THE COURT.** The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

- 9.1 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties, their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.
- 9.2 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Aggrieved Employees), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain approval of the Settlement and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of any payments to PAGA Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

10. ADDITIONAL PROVISIONS.

- 10.1 No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, Defendants reserve all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendants' defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).
- 10.2 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

- 10.3 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 10.4 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 10.5 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 10.6 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendants, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 10.7 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 10.8 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.9 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 10.10 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 10.11 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 10.12 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the

PAGA Data provided to PAGA Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendants unless, prior to the Administrator's payment of all Settlement Funds, Defendants make a written request to PAGA Counsel for the return, rather than the destruction, of Aggrieved Employee Data.

- 10.13 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 10.14 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 10.15 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Zachary Crosner
zach@crosnerlegal.com
Jamie Serb
jamie@crosnerlegal.com
Nikki Trenner
nikki@crosnerlegal.com
CROSNER LEGAL, PC
9440 Santa Monica Blvd., Suite 301
Beverly Hills, CA 90210

To Defendants:

Grant P. Alexander
galexander@allenmatkins.com

Melissa K. Bell
mbell@allenmatkins.com

Bronte Mehdian
bmehdian@allenmatkins.com

ALLEN MATKINS LECK GAMBLE MALLORY & NATSIS LLP

865 South Figueroa St., 28th Floor
Los Angeles, CA 90017

10.16 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

10.17 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

Dated: 12 / 19 / 2024

Pearl Vargas Denault

Plaintiff PEARL VARGAS DENAULT

Dated: _____

Its: _____
For Defendant LEWIS MANAGEMENT CORP.

Dated: _____

Defendant JOHN M. GOODMAN

Dated: 12/19/2024

CROSNER LEGAL, PC


Zachary Crosner, Esq.
Jamie Serb, Esq.
Nikki Trenner, Esq.
Attorneys for Plaintiff

To Defendants:

Grant P. Alexander
galexander@allenmatkins.com

Melissa K. Bell
mbell@allenmatkins.com

Bronte Mehdian
bmehdian@allenmatkins.com

ALLEN MATKINS LECK GAMBLE MALLORY & NATSIS LLP

865 South Figueroa St., 28th Floor
Los Angeles, CA 90017

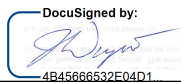
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Dated: _____

Plaintiff PEARL VARGAS DENAULT

Dated: 12/6/2024

DocuSigned by:

4B45666532E04D1...

Its: Senior Vice President / General Counsel
For Defendant LEWIS MANAGEMENT CORP.

Dated: 12/6/2024

DocuSigned by:

25FE481B3646417...

Defendant JOHN M. GOODMAN

Dated: _____

CROSNER LEGAL, PC

Zachary Crosner, Esq.
Jamie Serb, Esq.
Nikki Trenner, Esq.
Attorneys for Plaintiff

Dated: 12/6/2024

**ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP**

Signed by:

Melissa K. Bell

8B007AE261DD40C...

Grant P. Alexander, Esq.
Melissa K. Bell, Esq.
Bronte Mehdian, Esq.
Attorneys for Defendants

EXHIBIT A

SUPERIOR COURT OF THE STATE OF CALIFORNIA COUNTY OF SAN BERNARDINO

You are receiving this Notice because you are entitled to money as a result of a court approved settlement in *Pearl Vargas Denault v. Lewis Management Corp., et al.*, San Bernardino County Superior Court, Case No. CIVSB2107487 (the “**Lawsuit**”).

What is this case about?

In the Lawsuit, Plaintiff Pearl Vargas Denault asserted representative claims against Defendants Lewis Management Corp. and John M. Goodman on behalf of the State of California and all non-exempt employees who worked for Defendant in California during the period of January 13, 2020 through October 11, 2024 (the “**PAGA Period**”). Plaintiff alleges claims for penalties pursuant to the Private Attorneys General Act of 2004 (“**PAGA**”) Labor Code section 2698 *et seq.* based on the alleged (1) failure to authorize and permit meal periods; (2) failure to provide rest periods; (3) failure to pay minimum wage for all hours worked; (4) failure to pay overtime; (5) failure to provide accurate, itemized wage statements; (6) failure to keep accurate and complete business records; (7) failure to provide paid sick leave; (8) failure to provide supplemental paid sick leave; (9) failure to provide notice of paid sick leave rights; (10) unlawful labor conditions; (11) failure to reimburse business expenses; (12) failure to pay statutory wages; (13) failure to timely pay wages during employment; and (14) failure to timely pay wages upon termination. Defendants contend that they compensate employees in full compliance with the law. Defendants deny each of the claims and contentions alleged by Plaintiff in the Lawsuit.

What are the terms of the Settlement?

Plaintiff and Defendants reached a settlement that was reviewed and approved by the Court. Defendants’ records show that you were employed by Defendants as a non-exempt employee during the PAGA Period. Accordingly, you are entitled to an Individual Settlement Payment based on your percentage share of pay periods during the PAGA Period.

What should I do now?

You are automatically included in this Settlement. You may immediately deposit your enclosed settlement check and need not take any further action at this time.

EXHIBIT

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EXHIBIT A

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN BERNARDINO**

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You are automatically included in this Settlement. You may immediately deposit your enclosed settlement check and need not take any further action at this time.

EXHIBIT

3



CROSNER LEGAL

Public Interest Rights

Zachary Crosner, Esq.
Managing Attorney
Los Angeles Office
9440 Santa Monica Blvd.,
Ste. 30
Beverly Hills, CA 90210.
zach@crosnerlegal.com
office: (310) 496-5818
fax: (310) 510-6429

December 28, 2020

VIA ONLINE FILING ONLY:

California Labor & Workforce Development Agency
ATTN: PAGA Administrator
455 Golden Gate Avenue, 9th Floor
San Francisco, CA 94102
PAGAFilings@dir.ca.gov

VIA U.S. CERTIFIED MAIL:

Lewis Management Corp.
Attn: John M. Goodman, C.E.O.
1156 North Mountain Avenue
Ontario, CA 91786

VIA U.S. CERTIFIED MAIL:

Lewis Management Corp.
Attn: Randall W. Lewis,
Agent for Service of Process
1156 North Mountain Avenue
Ontario, CA 91786

VIA U.S. CERTIFIED MAIL:

Lewis Management Corp.
Attn: Randall W. Lewis,
Agent for Service of Process
P.O. Box 670
Ontario, CA 91785

NOTICE OF PRIVATE ATTORNEYS GENERAL ACT CLAIM

To: California Labor and Workforce Development Agency,
Lewis Management Corp.

Date: December 28, 2020

Subject: *Pearl Vargas Denault adv. Lewis Management Corp., John M. Goodman, et al*

INTRODUCTION

This office represents Complainant Pearl Vargas Denault (hereinafter “Complainant”) in connection with her claims under the California Labor Code. Complainant was, at all relevant times herein mentioned, an employee of the above-named entity and individual managing agents of said entity (hereinafter to be collectively referred to as “Employer”).

Employer may be contacted directly at the above addresses. Pursuant to California Labor Code sections 2699.3 and 2699.5, Complainant, on behalf of herself, and on behalf of all non-exempt employees, including hourly, commission and/or piece rate paid employees, hereby gives written notice (“Notice”) of her claims against Employer. This Notice is being provided via online filing to the California Labor and Workforce Development Agency (“LWDA”) and Employer via Employer’s principal executive office and via its Agent(s) for Service of Process (to the extent provided the California Secretary of State). This Notice also serves to demonstrate Complainant’s reasonable attempt at settlement with Employer. If Employer is interested in settling this matter before a lawsuit is filed, Employer may contact Crosner Legal, P.C. at the address listed at the close of this notice. This settlement attempt is in compliance with relevant California law. *Graham v. Daimler Chrysler Corp.* (2004) 24 Cal.4th 553, 561.

This letter is sent in compliance with the reporting requirements of California Labor Code sections 2699.3 and 2699.5. This letter further reserves any and all rights by Complainant to amend this notice to include, amend, or add further charges upon discovery of new violations of any of the provisions of the California Labor Code. In addition, to the extent that entities and/or other individuals are named and charged with violations of the Labor Code—making them liable on an individual basis as permitted by numerous Labor Code sections including, but not limited to sections 558.1 and 1197.1—Complainant reserves any and all rights to add, substitute, or change the name of employer entities and/or individuals responsible for the violations at issue. Any further amendments and changes to this notice shall relate back to the date of this notice. Consequently, Employer is on notice that Complainant continues its investigation, with the full intent to amend and/or change this notice, to add any undiscovered violations of *any* of the

provisions of the California Labor Code—to the extent that are applicable to this case—and to change and/or add the identities of any entities and/or individuals responsible for the violations contained herein. If Employer intends to cure the alleged violations within the statutory time period set forth in §§ 2699 and 2699.3(a), the employer shall provide notice including a description of actions taken to cure. If the alleged violation is not cured within the statutory time period, employee will commence a civil action pursuant to section 2699.

Based on the following summary of the facts and theories upon which Complainant will base her claims, Complainant requests that the LWDA regard this Notice as written notice of her intent to seek civil penalties against Employer. The specific provisions of the California Labor Code that Employer has violated requiring this notice include, but are not limited to California Labor Code sections 201-203, 204(b), 210, 216, 221-223, 226, 226.3, 226.7, 227.3, 510, 512, 558, 98.6; 1102.5, 1174, 1194, 1197, 1197.1, 1198, 1199, 2441, 2802, 2810.5 and all applicable Wage Orders.

The Named Entities Are Joint Employers of Complainant and Aggrieved Employees

California courts have recognized that the definition of “employer” for purposes of enforcement of the California Labor Code goes beyond the concept of traditional employment to reach irregular working arrangements for the purpose of preventing evasion and subterfuge of California’s labor laws. *Martinez v. Combs* (2010) 49 Cal.4th 35, 65. As such, anyone who directly or indirectly, or through an agent or any other person, engages, suffers, or permits any person to work or exercises control over the wages, hours, or working conditions of any person, may be liable for violations of the California Labor Code as to that person.

Complainant believes and hereon asserts that Employer and unknown entities must be classified as joint employers of Complainant for purposes of liability for civil penalties under PAGA, as the aforementioned entities engaged, suffered and permitted Complainant to perform services from which they benefited, and furthermore that the aforementioned entities had the right to exercise control over the wages, hours and/or working conditions of Complainant at all relevant times herein, so as to be considered the joint employers of Complainant. By reason of their status as joint employers of Complainant and aggrieved employees, they are each liable for civil penalties for violation of the California Labor Code as to Complainant and other aggrieved employees.

Individual Liability Under Labor Code § 558.1

Labor Code section 558.1 permits joint and several liability as to both an individual and employer for violations of Labor Code §§ 203, 226, 226.7, 1194, and 2802. Employer, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Complainant and other aggrieved employees rights by violating various sections of the California Labor Code. The California Legislature defines “other person acting on behalf of an employer” as “*a natural person* who is an owner, director, officer, or managing agent of the employer.” The “managing agent” definition mirrors that found in California’s punitive damages statute. (subdivision (b) of section 3294 of the Civil Code). Under that statute and supporting case law, “managing agents” are all employees who exercise substantial independent authority and judgment in their corporate decision-making such that their decisions ultimately determine corporate policy. *White v. Ultramar, Inc.* (1999) 21 Cal. 4th 563, 566-67. For the reasons set forth above and others, at all relevant times, the above-listed individuals meet the criteria of managing agents under California law, and therefore, may be held liable under California Labor Code sections 558 and 558.1 for violations of Labor Code §§ 203, 226, 226.7, and 1194 as further described in detail below.

Complainant intends to further name any unknown individuals responsible for violations arising under Labor Code sections 558 and 558.1 after further discovery. Complainant will ask the Court to relate the amendment of the PAGA charge and the operative complaint to the date of filing of these charges. Complainant asks and demands that Employer to put these individuals on notice immediately to provide them as much notice possible to mount in defense. In the alternative, Complainant also offers to Employer to place those individuals on notice if Employer voluntarily provides their contact information.

GENERAL INFORMATION

Lewis Management Corp. is a privately held real estate development company that owns and operates rental communities, shopping centers and office and industrial parks throughout California. At all times mentioned herein, Lewis Management Corp. was licensed to do business in the State of California and conducted and continues to conduct substantial business in the State of California. At all times mentioned herein, Lewis Management Corp. was and is an employer covered by the California Labor Code and the applicable California Industrial Welfare Commission (“IWC”) Wage Order.

Complainant, Pearl Vargas Denault, worked as a leasing consultant for Lewis Management Corp. from approximately July 2019 to approximately April 2020, and was a full-time, non-exempt employee earning \$16.00 an hour until approximately April 2020. At all times, Lewis Management Corp. employed Complainant, Pearl Vargas Denault as an hourly, non-exempt employee.

Lewis Management Corp. failed to pay minimum wage, failed to provide rest and meal periods, failed to provide accurate itemized wage statements, failed to pay overtime wages, failed

to indemnify employees for expenses incurred, failed to pay all wages due at termination, failed to provide paid sick leave, and failed to maintain required records as follows:

Labor Code Violations

Recordkeeping Requirement Violations: California Labor Code § 1174 requires employers to keep “accurate and complete” payroll records showing, among other things, the hours worked daily by all non-exempt employees. IWC Wage Order 5-2001 (and all applicable IWC Wage Orders), § 7 similarly requires employers to keep time records reflecting the times during which all owed meal periods were provided each day.

At all relevant times, Employer has failed, and continues to fail, to keep the required time and pay records. Employer has failed/fails to keep accurate and complete records showing total hours worked by each employee at the proper pay rate. Furthermore, upon information and belief, Employer failed to keep accurate and complete records of the start and stop times of all owed meal periods.

Employer’s failure to keep “accurate and complete” payroll records for Complainant and other aggrieved employees violates Labor Code §§ 1174, 1198, 1199, and Wage Order 5-2001 (And all applicable IWC Wage Orders), § 7. These violations subject Employer to civil penalties under Labor Code §§ 558.1, 226.6, 1174.5 and 2699. Each violation of each Labor Code section and Wage Order provision, for each aggrieved employee, results in a separate civil penalty.¹

Meal Period Violations: California law requires employers to provide employees a reasonable opportunity to take a duty-free thirty (30) minute meal period when an employee works more than five (5) hours in a workday. See Cal. Code Regs. 8, § 11040 (11) (A). Employers must also provide employees with a second meal period when an employee works more than (10) hours in a workday, with the exception that an employee generally may waive the second meal period so long as such waiver is written and voluntarily signed by both parties, the employee reserves the right to revoke the waiver at any time by providing the employer at least one (1) day’s written notice, and the employee shall be fully compensated for all time during the on-the-job meal period, while the waiver is in effect. Id. at (D). Employers must pay employees an additional hour of wages at the employees’ regular rate of pay for each missed meal period. Id. (“If an employer fails to provide an employee a meal period in accordance with the applicable provisions of this order, the employer shall pay the employee (1) hour of pay at the employee’s regular rate of compensation for each workday that the meal period is not provided.”).

¹ See Lab. Code § 2699(f)(2) (establishing that the civil penalty is “for each aggrieved employee per pay period”).

Employer failed to maintain a company meal period policy compliant with California law and failed to provide Complainant and other aggrieved employees with a reasonable opportunity to take their timely and uninterrupted meal periods at the appropriate time by requiring Complainant and other aggrieved employees to constantly tend to the needs of Employer's clients by always being required to tend to their mobile phones in order to receive and reply to customers' communications. Liability for a class of aggrieved employees can be established by evidence that an employer adopted a uniform corporate break policy that failed to give full effect to California law and the applicable wage orders requirements. The fact that employees may legally waive meal breaks does not affect this result. (*Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004). On a consistent basis, Employer also failed in practice to provide timely and uninterrupted first and second meal breaks within the timeframes set forth in California law. In addition, Employer had a practice of auto deducting employees' lunch breaks regardless of whether employees actually took their meal periods. Moreover, Employer failed to pay Complainant with an additional hour of pay at Complainant's regular rate of pay for each missed or late meal period, and if Employer did pay a one-hour premium it was not paid at the proper rate of pay because Employer failed to include all non-discretionary remunerations into the rate of pay for purposes of calculating meal premiums.

Rest Period Violations: California law requires employers to provide employees a paid, duty-free ten (10) minute rest period for each four (4) hours worked, or major fraction thereof. Authorized rest period time shall be counted as hours worked for which there shall be no deduction from wages. IWC Wage Order 5-2001 (And all applicable IWC Wage Orders), § 12 (A). Employers must pay employees an additional hour of wages at the employee's regular rate of pay for each missed or improper (e.g., less than 10 minutes, interrupted rest period, rest period(s) at improper time(s) during shift(s)) rest period. Lab. Code § 226.7; IWC Wage Order 5-2001 (And all applicable IWC Wage Orders) (and all applicable wage orders), § 12(B) ("If an employer fails to provide an employee a rest period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the rest period is not provided").

While Employer purported to allow the requisite number of rest breaks per shift worked, these rest breaks were often untimely – i.e., Complainant and other aggrieved employees were required to monitor their phones in order to tend to clients. Moreover, Employer prohibited Complainant and other aggrieved employees from leaving the work premises during their rest breaks. This is illegal as employers cannot require employees to stay on the work premises during their rest periods as "one cannot square the practice of compelling employees to remain at the ready, tethered by time and policy to particular locations or communications devices, with the requirement to relieve employees of all work duties and employer control during 10-minute rest

periods. [emphasis added].” *Augustus v. ABM Security Services, Inc.*, (2016) 5 Cal.5th 257, 269. Ergo, any rest break policy, such as Employer’s here, that requires employees to stay on the work premises during their rest breaks is unlawful.

Given Complainant and other aggrieved employees’ work schedules, Complainant and other aggrieved employees were typically entitled to at least two (2) ten-minute paid duty-free rest breaks per shift. However, Complainant and other aggrieved employees were not provided proper rest breaks because any purported rest breaks were typically interrupted, untimely, and not duty-free. Employer did not maintain a company rest period policy and/or practice compliant with California law, and Employer did not properly authorize and provide Complainant and other aggrieved employees with appropriate rest periods in compliance with the law. Per Employer’s illegal rest break policy/practice, Complainant and other aggrieved employees were not adequately informed, authorized, instructed about, nor permitted an opportunity to take, proper rest breaks. Despite not receiving proper rest breaks during the relevant time period, Employer failed to compensate Complainant and other aggrieved employees with an additional hour of pay at Complainant’s and other aggrieved employees’ regular rates of pay for each missed or improper rest period. *Bluford v. Safeway Stores, Inc.* (2013) 216 Cal. App. 4th 864, 872.

The aforementioned conduct results in violations of Labor Code sections 226.7, and 1198-1199, and IWC Wage Order 5-2001 (And all applicable IWC Wage Orders) (and all applicable wage orders), § 12 (A) (B). These violations subject Employer to civil penalties under Labor Code section 2699, and Wage Order 5-2001 (And all applicable IWC Wage Orders), § 20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each aggrieved employee for each pay period during which the referenced statutes and Wage Order provisions were violated.²

Minimum Wage Violations: Labor Code § 1197 states the California requirement that employees must be paid at least the minimum wage fixed by the Commission, and any payment of less than the minimum wage is unlawful. The minimum wage standard applies to each hour employees worked for which they were not paid. Therefore, an employer’s failure to pay for any particular hour worked by an employee is unlawful even if averaging an employee’s total pay over all hours worked, paid or not, results in an average hourly wage above minimum wage.

² Labor Code § 2699(f)(2) (establishing that the civil penalty is “for each aggrieved employee per pay period”); IWC Wage Order 5-2001 (And all applicable IWC Wage Orders) (and all applicable wage orders), § 20 (establishing that “[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid”) (emphasis added).

Armenta v. Osmose, Inc. (2005) 135 Cal.App.4th 314, 324.

Complainant and other aggrieved employees were not paid the required minimum wages and proper regular time wages. For example, Complainant was not compensated separately for non-commission/non-piece rate activities, including but not limited to rest periods, meetings, training, scheduling, among other job activities integral and indispensable to his employment.

Moreover, Employer had a policy and practice of rounding total hours worked by Complainant and other aggrieved employees to the benefit of Employer and detriment of Complainant and the aggrieved employees, resulting in systematic underpayment of minimum wages.

These violations subject employer to civil penalties under Labor Code sections 1197.1 and Wage Order 5-2001 (and all applicable IWC Wage Orders), § 20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each aggrieved employee, for each pay period during which the referenced statutes and Wage Order provisions were violated.³

Overtime Violations: California law requires employers to pay overtime equal to one and one-half times the regular hourly rate of pay for each hour worked beyond eight (8) hours per workday and each hour worked beyond forty (40) hours per work week. Lab. Code § 510; IWC Wage Order 5-2001 (And all applicable IWC Wage Orders), § 3. Employers must pay overtime equal to double the regular hourly rate of pay for each hour worked beyond twelve (12) hours per workday and for all hours worked in excess of eight (8) hours on the seventh consecutive day or work in a work week. *Id.*

Employer violated California's overtime laws by, among other things, failing to separately compensate Plaintiff and the aggrieved employees for non-commission/non-piece rate activities, including but not limited to rest periods, meetings, training, scheduling, among other job activities integral and indispensable to his employment. Employer also failed to incorporate all non-discretionary remunerations into the regular rate of pay for purposes of calculating overtime pay. Additionally, Employer had a policy and practice of rounding total hours worked by Complainant and other aggrieved employees to the benefit of Employer and detriment of Complainant and the aggrieved employees, resulting in systematic underpayment of overtime wages.

³ Labor Code § 1197.1(a) (establishing that the civil penalty is "for each underpaid employee for each pay period for which the employee was underpaid"); IWC Wage Order 5-2001 (And all applicable IWC Wage Orders), § 20 (establishing that "[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid") (Emphasis added).

This conduct results in violations of Labor Code sections 218.5, 510, 558.1, 1198-1199, and IWC Wage Order 5-2001 (and all applicable IWC Wage Orders), § 12 (A). These violations subject employer to civil penalties under Labor Code sections 558.1, 218.5, and 2699, and Wage Order 5-2001 (And all applicable IWC Wage Orders), § 20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each aggrieved employee, for each pay period during which the referenced statutes and Wage Order provisions were violated.⁴

Refusal to Make Payment: Labor Code § 216 declares unlawful an employer's refusal to pay wages due and payable and/or denial of the validity of any claim to wages due. Employer violated/violates this section by failing to pay Complainant and all aggrieved employees for all hours worked at the proper wage rate and by failing to pay Complainant and all aggrieved employees an additional hour of pay for each meal/rest period not provided/that was invalid. *Gould v. Maryland Sound Industries, Inc.* (1995) 31 Cal.App.4th 1137, 1154-1155. Employer also systematically paid the aggrieved employees' final wages on the next pay date, rather than on their final day or work on the date statutorily mandated under California law. These violations subject Employer to civil penalties under Labor Code § 225.5. Each violation results in a *separate* civil penalty, for each aggrieved employee, for each pay period during which the statute provisions were violated.⁵

Wage Statement Violations: California law requires every employer semi-monthly or at the time of each payment of wages to furnish each of his or her employees with an accurate itemized wage statement in writing that contains the following: (1) gross wages earned; (2) total hours worked by the employee; (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; (4) all deductions; (5) net wages earned; (6) the inclusive dates of the period for which the employee is paid; (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number; (8) the name and address of the legal entity that is the employer; and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. Cal. Lab. Code. Section 226.

⁴ Labor Code § 2699(f)(2) (establishing that the civil penalty is “for each aggrieved employee per pay period”);

⁵ Labor Code § 225.5 (establishing that “[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who unlawfully withholds wages due any employee in violation of sections 212, 216, 221, 222, or 223 shall be subject to a civil penalty...for each failure to pay each employee”) (emphasis added).

Amongst other items missing, Employer failed to provide an accurate and itemized statement containing correct earned gross and net wages during the time period, total hours worked, total meal and rest period premiums to which employees were/are entitled, correct overtime and double overtime rates, the legal name of the Employer, and all deductions. As a result of Employer's violations of various Labor Code and Wage Order provisions, as discussed herein, Employer failed to provide accurate wage statements with respect to multiple categories set forth in Labor Code section 226, and therefore Employer violated section 226. These violations subject Employer to civil penalties under Labor Code sections 226.3. Each violation results in a *separate* civil penalty, for each aggrieved employee, for each pay period during which the statute provisions were violated.⁶

Business Expense Violations: California law requires employers to indemnify their employees for all necessary expenditures incurred by the employee in direct consequence of the discharge of their duties or of their obedience to the directions of the employer. *See* Cal. Lab. Code s. 2801(a). Complainant and other similarly situated employees were improperly required to pay for business expenses that are supposed to be the responsibility of the employer, including but not limited to vehicle mileage/gas, uniforms and cell phone charges. Among other things, under California law, when tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft. IWC Wage Order No. 5-2001, § 9. At all relevant times hereto, Employer shifted its costs of doing business onto its employees by requiring Complainant and other aggrieved employees to pay for its business expenses, including but not limited to use of personal mobile phone for the purpose of coordinating meetings and communicating with clients on behalf of Employer.

Complainant and other aggrieved employees are entitled to recover are entitled to recover from Employer their business-related expenses incurred during the course and scope of their employment, plus interest, pursuant to California Labor Code section 2802. Complainant and other aggrieved employees are also entitled to recover penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code section 2699(f)-(g).

Violation of California Labor Code Sections 245-248.5: Throughout the relevant time period, Employer failed to provide paid sick leave to Complainant and other aggrieved employees, further failing to put them on notice of their paid sick leave rights—or thereby putting their entitlement to sick leave in a Labor Code Section 2810.5 notice. In addition, Employer failed to

⁶ See Lab. Code §226.3 (establishing that the civil penalty is “per employee per violation”).

maintain accurate records of used sick leave and the balance of paid sick leave left to the employee throughout the relevant time period. In addition, throughout the relevant time period, Employer failed to provide notice of sick leave amount balance left for Complainant and other aggrieved employees, and thus affecting their intelligent exercise of their paid sick leave. Additionally, Employer failed to accrue and pay sick leave at the proper rate of pay due to its failure to include all non-discretionary remunerations into the rate of pay, as required under California law. But for this failure, Complainant and other aggrieved employees would have used their paid sick leave at least prior to their respective separation, for as on several occasions thereafter, he or she would have been entitled to use the banked sick leave and earn appropriate compensation. This illegal retention of paid sick leave is unlawful and Complainant seeks all forms of injunctive relief, restitution, and declaratory relief as permitted by California law, on behalf of herself and all aggrieved employees.

An Employer is required to provide paid sick days in accordance to Labor Code Section 245 through 248.5. Employer failed to provide a Labor Code Section 2810.5 notice, putting Complainant on notice of his right to use paid sick leave. Employer failed to provide the posting required by these statutes, showing and demonstrating all of the following:

- (1) An employee is entitled to accrue, request, and use paid sick days.
- (2) The amount of sick days provided for by this article.
- (3) The terms of use of paid sick days.
- (4) That retaliation or discrimination against an employee who requests paid sick days or uses paid sick days, or both, is prohibited and that an employee has the right under this article to file a complaint with the Labor Commissioner against an employer who retaliates or discriminates against the employee.

Moreover, in violation of Labor Code Section 247.5, Employer failed to maintain records documenting the hours worked and paid sick days accrued and used by employee, permitting the presumption that Complainant was entitled to the maximum number of hours accruable under this article at the time of her termination. Employer further failed to comply with Labor Code Section 246, that is, providing its employees with a 226 statement or separate writing containing amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, at the time it pays its period wages and provides a Labor Code Section 226 statement.

Adding further to injury, Employer unlawfully retained and continues to retain paid sick leave that should have been paid and wasn't as a result of its failure to properly institute a paid sick leave program. On information and belief, Complainant alleges that all of these practices were

experienced and continue to be experienced by other similarly aggrieved employees.

Complainant requests all appropriate relief under the PAGA and these statutes, including but not limited to the restitution of earned paid sick leave that could have been used, but wasn't, due to Employer's sole failure to institute such a paid sick leave entitlement/paid sick leave bank as required by California law.

Accordingly, Complainant and other aggrieved employees are entitled to injunctive relief, attorney's fees, declaratory relief, restitution, and penalties as permitted by law. Complainant requests all relief pursuant to the aforementioned code provisions, including but not limited to Labor Code Section 233 and 234, which incorporates the paid sick leave requirements.

Final Pay Violations: Labor Code § 201 requires employers to pay all wages earned and unpaid at the time of discharge, immediately upon discharge. Employer still has not paid aggrieved employees all wages earned and unpaid at the time of discharge, in that Employer has not paid for: (1) time during which meal periods were not provided/valid, (2) an additional hour of pay for meal and rest periods not provided/valid, (3) unpaid minimum and (4) overtime wages. These violations subject Employer to civil penalties under Labor Code §§ 203, 210, and/or 256. Each violation results in a *separate* civil penalty, for each aggrieved employee for each pay period during which the statute provisions were violated.⁷

Pursuant to Labor Code § 203, an employer that willfully fails to pay wages due an employee who is terminated or resigns must pay (in addition to the unpaid wages) a penalty equal to the employee's daily wages for each day, not exceeding 30 days, that the wages are unpaid. Case law clarifies this 30-day waiting time penalty is recoverable under the PAGA via Labor Code Section 256. See, *Iskanian v. CLS Transportation Los Angeles, LLC*, 59 Cal.4th 348 (2014); see also, *Caliber Bodyworks, Inc. v. Superior Court*, 134 Cal. App. 4th 365 (2005).

Semimonthly Payment Violations: Labor Code section 204 requires that all earned wages must be paid to employees twice during each calendar month. Employer violated this section by failing to pay aggrieved employees an additional hour of pay for meal and rest periods not provided/valid, by failing to compensate employees for all hours worked, and by failing to pay proper premium wage rates for all hours worked. These violations subject Employer to civil penalties under Labor Code section 210. Each violation results in a separate civil penalty, for each aggrieved employee for each pay period during which the statute provisions were violated.

Statutory Wage Violations: California Labor Code section 223 makes it unlawful for an

⁷ (establishing that “[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who fails to pay the wages of each employee as provided in Sections 201.3, 204, 204b, 204.1, 204.2, 205, 205.5, 1197.5, shall be subject to a civil penalty...for each failure to pay each employee”).

employer to secretly pay wages lower than required by statute while purporting to pay legal wages. As described above, Employer willfully and systematically denied Complainant and other aggrieved employees minimum wage compensation for all hours worked which resulted in the payment of less than statutorily required wages to them. Employer acted with the intent to deprive them of statutory wages, including, but not limited to, overtime wages and minimum wages, to which they were entitled to under California law. Thus, Employer paid Complainant and other Aggrieved Employees lower wages than those they were entitled to while purporting that Complainant and other Aggrieved Employees were properly paid. Complainant and other Aggrieved Employees are entitled to recover penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code Section 2699(f)-(g).

Standard Conditions of Labor Violations: Together, Labor Code sections 1198 and 1199 make unlawful any employment of any employee under conditions of labor prohibited by the Wage Orders, and any violation, refusal, or neglect to comply with any provision within Part 4, Chapter 1 of the Labor Code, including sections 1174, 1197, and 1198, or order or ruling of the commission. Therefore, Employer's violations with respect to meal periods, rest periods, recordkeeping provisions, and minimum/overtime wages result in separate violations of sections 1198 and 1199, which subject Employer to civil penalties under Labor Code sections 1197.1 and 2699.

Employer has violated the above-referenced California Labor Code provisions, as well as other laws, and is liable for all applicable premium wages, statutory and civil penalties, interest, attorneys' fees, and costs. Additionally, Employer also systematically paid the aggrieved employees' final wages on the next pay date, rather than on their final day or work on the date statutorily mandated under California law. The civil penalties Complainant and other aggrieved employees seek to recover include, but are not limited to, the statutory and civil penalties specified above.

CONCLUSION

Labor Code § 2699.3 requires that a claimant send a certified letter to the employer in question and file an online claim to the Labor Workforce Development Agency setting forth the claims and the basis for the claims, thereby giving the Labor Workforce Development Agency an opportunity to investigate the claims and/or take any action it deems appropriate.

The purpose of this letter is to satisfy the requirement created by Labor Code §§ 2699, 2699.3(a), and 2699.5, prior to seeking penalties and premium wages allowed by law for the aforementioned statutory violations in a civil action. We look forward to determining whether the Labor Workforce Development Agency intends to take any action in reference to these

claims. We kindly ask that you respond to this notice according to the time frame contemplated by the code.

If the LWDA elects not to take any action with respect to any of the foregoing claims, Complainant will seek these penalties in a civil action, on behalf of herself and all other similarly situated California-based non-exempt aggrieved employees of Employer within one year of the date of this letter as allowed by law.

Please advise if your office intends to investigate any of the factual and legal allegations and provide notice within sixty days of this notice to our office and to that of other charged parties. Thank you for your attention to this matter. If you have any questions, please contact me at the phone number or address below:

Zachary Crosner
Crosner Legal, PC
433 N. Camden Dr., Ste. 400
Beverly Hills, CA 90210
Main: 310.496.5818
Fax: 310.510.6429
Email: zach@crosnerlegal.com

Thank you for your attention to this matter.

Best Regards,

A handwritten signature in black ink that reads "Zachary M. Crosner". The signature is written in a cursive, flowing style.

Zachary M. Crosner, Esq.
CROSNER LEGAL, PC



Ashley Gutierrez <agutierrez@crosnerlegal.com>

Thank you for submission of your PAGA Case.

1 message

LWDA DO NOT REPLY <lwdadonotreply@dir.ca.gov>
To: "zach@crosnerlegal.com" <zach@crosnerlegal.com>

Thu, Jan 7, 2021 at 9:37 AM

1/7/2021

LWDA Case No. LWDA-CM-818020-21
Law Firm : Crosner Legal PC
Plaintiff Name : Pearl Vargas Denault
Employer: Lewis Management Corp., John M. Goodman, et al.
Filing Fee : \$75.00
IFP Claimed : No

Item submitted: Initial PAGA Notice

Thank you for your submission to the Labor and Workforce Development Agency. Please make a note of the LWDA Case No. above as you may need this number for future reference when filing any subsequent documents for this Case.

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

EXHIBIT

4

EXHIBIT

5

**Pearl Vargas Denault v. Lewis Management Corp., et al.
(San Bernardino County Superior court Case No. CIVSB2107487)**

Tasks	Zachary Crosner	Jamie Serb	Nikki Trenner	Kiara Bramasco	Michael Jones	J. Kirk Donnelly	Blake Jones	Chad Saunders	Brandon Brouillette	Branden Hamilton
Pre-filing Case Investigation	7.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.1
Pleadings and Law and Motion	9.1	0.7	0.0	4.7	4.0	9.8	0.9	15.8	0.0	7.1
Discovery and Post-Filing Investigation	18.6	0.0	0.0	0.0	0.0	0.0	2.3	32.7	0.0	0.0
Court Appearances	0.0	0.0	0.0	0.0	0.0	1.0	0.0	2.5	0.0	0.0
Case Management; Litigation Strategy & Analysis	25.2	38.1	7.4	0.0	0.0	1.0	7.8	25.6	10.2	0.0
Mediation and Settlement	4.9	1.6	11.8	0.0	0.0	0.0	0.0	0.0	14.5	0.0
Total Hours	65.1	40.4	19.2	4.7	60.0	11.8	11.0	76.6	24.7	9.2
Hourly Rate	\$800	\$750	\$700	\$650	\$600	\$900	\$900	\$750	\$750	\$650
Lodestar	\$52,080	\$30,300	\$13,440	\$3,055	\$36,000	\$10,620	\$9,900	\$57,450	\$18,525	\$5,980

Total Hours: 322.7
Total Lodestar: \$237,350