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11 MANUEL MELENDREZ, and all others similarly situated

12 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

13 **FOR THE COUNTY OF SAN MATEO**

14 **(UNLIMITED JURISDICTION)**

15 MANUEL MELENDREZ,

16 *Plaintiff,*

17 vs.

18 CLEAN AUTO INC. dba SAN MATEO  
19 CAR WASH; JONATHAN ALFRED  
20 LAM; AUTO CLEAN INCORPORATED  
21 dba REDWOOD CARWASH; ALFRED  
22 LAM; and DOES 1 to 25, inclusive,

23 *Defendants.*

Case No.: 22-CIV-01967

**DECLARATION OF HAROUT  
MESSRELIAN IN SUPPORT OF  
PLAINTIFF'S MOTION FOR APPROVAL  
OF PAGA SETTLEMENT AND RELEASE**

Action filed: May 13, 2022

Hearing Date: April 25, 2023

Hearing Time: 2:00 p.m.

Hearing Dept: 2, Hon. Marie S. Weiner

**DECLARATION OF HAROUT MESSRELIAN IN SUPPORT OF  
PLAINTIFF’S MOTION FOR APPROVAL OF PAGA SETTLEMENT AND RELEASE**

I, HAROUT MESSRELIAN, declare and state as follows:

1. I am an attorney duly licensed to practice before all the Courts of the State of California. I am the managing attorney of Messrelian Law Inc. and the attorney of record for Manuel Melendrez (individually, “Melendrez” or “Plaintiff”) in his lawsuit against Defendants Clean Auto Inc., Jonathan Alfred Lam, Auto Clean Incorporated, and Alfred Lam (collectively “Defendants”).

2. I am experienced in handling employment law matters and specifically wage and hour representative and individual actions. My qualifications are as follows: I received my JD from Loyola Law School in 2010. I started my own law firm in 2011 – the Law Offices of Harout Messrelian. Since 2016, I have been the founder and principal attorney at Messrelian Law, Inc. Since 2011, I have filed and handled over 225 civil actions and/or claims involving representative actions under the Private Attorneys General Act (“PAGA”) and/or wage and hour claims on behalf of my clients and have been appointed Class Counsel in three class action cases –*Zohrab Mekhitarian v. Triple Play Motors dba Bob Smith Toyota*, Los Angeles Superior Court Case No. 19STCV22411 (ADR Services, Inc., Case Number 20-2668-RWT), *Carina Camberos, on behalf of herself and others similarly situated, v. Great American Chicken Corp, Inc.*, Los Angeles Superior Court Case No. 21STCV32015, and *Robert Garcia, on behalf of himself and others similarly situated v. HD Supply Management Inc.*, San Bernardino Superior Court Case No. CIVSB2028067. I have a practice that encompasses cases in the Los Angeles Superior Courts, the Orange County Superior Courts, the Riverside County Superior Courts, the San Bernardino County Superior Courts, the Alameda County Superior Courts, Santa Clara County Superior Courts, San Mateo County Superior Courts, and the Monterey County Superior Courts.

3. Except as otherwise indicated, I have personal knowledge of all matters set forth herein and, if called as a witness, could and would competently testify thereto under oath.

4. A true and correct copy of the Private Attorneys General Act (Labor Code § 2698 *et seq.*) Settlement and Release Agreement (the “Settlement or “Agreement”) is attached hereto

1 as **Exhibit 1**. A true and correct copy of the parties agreed upon notice to the below-defined  
2 PAGA Members (the “PAGA Notice”) is attached hereto as **Exhibit 2**.

3 ***Factual and Procedural Background***

4 5. Defendants own and operate car washes. Plaintiff has worked for Defendants for  
5 almost a decade. Plaintiff first started working for Auto Clean Incorporated in or about April of  
6 2012. Plaintiff worked for Clean Auto Inc. from May 1, 2021 to approximately November 16,  
7 2021, when his employment ended. At all times during his employment with Defendants,  
8 Plaintiff was considered an hourly, non-exempt employee.

9 6. Plaintiff complied with the procedures of Labor Code § 2699.3 for bringing suit  
10 under the Labor Code Private Attorneys General Act of 2004, Labor Code §§ 2698, et seq.  
11 (“PAGA”). On November 19, 2021, Plaintiff, on behalf of himself and Defendants’ other  
12 California non-exempt hourly employees (hereafter collectively the “PAGA Members”) gave  
13 written notice by electronic service to the California Labor and Workforce Development Agency  
14 (“LWDA”) and via certified mail to Defendants of the specific provisions of the California  
15 Labor Code alleged to have been violated, including the facts and theories to support the alleged  
16 violations. A true and correct copy of Plaintiff’s letter to the LWDA is attached hereto as **Exhibit**  
17 **3**.

18 7. On May 13, 2022, Plaintiff filed a lawsuit for his individual wage and hour  
19 violations and the PAGA claim in San Mateo County Superior Court (the “Lawsuit”). A true  
20 and correct copy of the Lawsuit is attached hereto as **Exhibit 4**. Plaintiff asserted on behalf of  
21 himself and the PAGA Members that Defendants (1) failed to pay for all hours worked,  
22 including but not limited to, minimum and overtime wages (California Labor Code sections 510,  
23 1194, 1197, 1197.1); (2) failed to provide all required timely and duty-free meal and rest periods  
24 (California Labor Code sections 226.7 and 512); (3) failed to pay wages owed every pay period  
25 (California Labor Code section 204); (4) failed to provide accurate, itemized wage statements  
26 (California Labor Code section 226a); (5) failed to pay all wages owed at the end of employment  
27 (California Labor section 203); (6) failed to maintain accurate records (California Labor Code  
28 section 1174d); (7) failed to reimburse business expenses (California Labor Code sections 2800

1 and 2802); (8) unlawful tip collection ( California Labor Code sections 351 and 353); (9) failed  
2 to provide sick pay (California Labor Code sections 232 and 246); and (10) failed to provide  
3 Worker's Compensation coverage (California Labor Code section 3700.5). *Id.*

4 8. In response to Plaintiff's assertions, Defendants filed their answer on July 12,  
5 2022. A true and correct copy of Defendants' Answer to the Lawsuit is attached hereto as  
6 **Exhibit 5.**

7 9. Defendants deny any liability or wrongdoing of any kind whatsoever associated  
8 with the lawsuit. It is the desire of the parties to fully, finally, and forever compromise, and  
9 discharge all claims known or unknown related to those alleged in Plaintiff's lawsuit.

10 10. The parties met and conferred and agreed that it may be in their mutual interests  
11 to discuss Plaintiff's allegations informally, rather than through litigation, and scheduled private  
12 mediation. On February 6, 2023, the parties attended a full day mediation session with Steve  
13 Serratore, Esq. At the mediation, the parties agreed to settle Plaintiff's PAGA Claim for  
14 violation of Labor Code § 2698, *et seq.* Before agreeing to the terms of the Settlement, the  
15 Parties engaged in informal discovery regarding Defendants' policies, practices, operations,  
16 time and payroll information and other topics. In advance of mediation, Defendants produced  
17 Plaintiff's personnel file, including time and payroll data through data sampling. Moreover,  
18 prior to the mediation, Defense counsel provided Plaintiff's counsel with information and  
19 documents relating to other PAGA Members, including time and payroll data. Through  
20 extensive arm's length negotiations at the mediation and only after discovery and investigation  
21 were performed, the Parties agreed to settlement terms. At all times, the negotiations were  
22 adversarial and contentious, although still professional in nature. Now that the parties have  
23 finalized the PAGA Settlement, Plaintiff submits it to this Court for approval.

24 11. Counsel for the Parties have further investigated the applicable law as applied to  
25 the facts discovered regarding Plaintiff's claims, the defenses thereto, and the Labor Code  
26 violations claimed by Plaintiff. I am experienced in prosecuting PAGA lawsuits. Counsel for the  
27 Defendants are experienced in defending PAGA cases. Based on the parties' own independent  
28 investigations and evaluations, the parties and their respective counsel are of the opinion that the

1 Settlement for the consideration and on the terms set forth in the Agreement are fair, reasonable  
2 and adequate and are in the best interests of Plaintiff, the PAGA Members, the State, and  
3 Defendants in light of all known facts and circumstances and the risks inherent in litigation,  
4 especially in this post pandemic era, where businesses are struggling to remain afloat, much less  
5 prosper and make a large profit.

6 12. The Settlement of a PAGA claim requires court approval. Lab. Code §2699(1)(2).  
7 The Court necessarily has broad discretion in making the decision to approve or reject a  
8 settlement for civil penalties as the statutory scheme authorizes the Court to determine whether,  
9 in certain circumstances, penalties should be assessed and, if so assessed, the appropriate amount  
10 of penalties based on the facts and circumstances of the particular case. Although the PAGA  
11 does not set forth the particular standards against which a PAGA settlement should be evaluated,  
12 the LWDA has provided guidance for approval that mirrors the standards for evaluating class  
13 action settlements.

14 13. PAGA imposes two requirements for the settlement of a PAGA claim. Both are  
15 met here. First, any civil penalties recovered, whether by judgment or settlement, must be  
16 distributed as follows: 75 percent to the LWDA, and the remaining 25 percent to the aggrieved  
17 employees. *See Moorer v. Noble L.A. Events, Inc.* (2019) 32 Cal.App.5th 736, 742; Cal. Lab.  
18 Code, § 2699(i). The parties' Settlement so provides (*See Exhibit 1*). Second, the LWDA must  
19 be given notice of the settlement so that it may be heard before the Court decides whether to  
20 grant approval. Cal. Lab. Code § 2699(1)(2). Here, notice is being given to the LWDA  
21 concurrently with the filing of this motion. A true and correct copy of Plaintiff's submission with  
22 the LWDA and a confirmation email is attached as **Exhibit 12**. As a result, Plaintiff has met all  
23 procedural statutory requirements for settling a PAGA action.

24 14. The PAGA Settlement warrants a presumption of fairness for several reasons: (1)  
25 The parties reached the Settlement through arm's-length bargaining with the aid of a respected  
26 mediator; (2) The parties conducted sufficient investigation and discovery to allow Counsel and  
27 the Court to act intelligently. Plaintiff requested and Defendants provided the number PAGA  
28 Members, the number of total pay periods during the PAGA Period, all policies in effect during

1 the PAGA Period, and a sampling of time records; and (3) Counsel for the Parties are experienced  
2 with PAGA cases. Moreover, neither Plaintiff nor I have any conflicts of interest with the absent  
3 PAGA Members and there are no issues of ascertainability.

4 15. I considered various sources of information in the lead-up to the mediation of  
5 February 6, 2023 that enabled Plaintiff to achieve the Settlement at issue. Among other things,  
6 Plaintiff considered the following:

- 7 • Defendants produced and my staff and I reviewed Plaintiff's personnel file.
- 8 • My office requested that Defendants provide any and all policies regarding overtime and  
9 double-time wages, off the clock work, expense reimbursement, meal periods, rest  
10 breaks, meal period waivers and agreements, compensation plans, and complaints about  
11 working conditions in effect during the relevant time period beginning in November of  
12 2020. Defendants produced those policies as part of their employee handbook.
- 13 • My office requested that Defendants provide the total number of employees, paychecks,  
14 and the pay cycles during the relevant period. Defendants provided the answers to each  
15 of these questions.
- 16 • My office requested a 20% sample of time and payroll records for the relevant time  
17 period. Defendants provided a sampling of time and pay records for 15 of their  
18 employees. This represents 20% of the total employees that Defendants employed during  
19 the PAGA Period based on data available at the time of mediation.
- 20 • My office then retained a professional data analyst, James Toney, to examine the records  
21 and determine the meal period violation rates, if there was any pay discrepancy in  
22 timesheet hours versus paid hours, and if there was any rounding/time shaving issues.  
23 Plaintiff is prepared to provide the Court with the data analysis for *in camera* inspection  
upon its request.
- I analyzed the state of caselaw on PAGA claims, meal and rest break violations, claims  
for "off the clock" work and business expense reimbursement, especially as it relates to  
"manageability" arguments brought up by the defense.

24 16. Before mediation, Defendants disclosed that for the period of November 19, 2020  
25 to February 6, 2023, there were approximately 75 potential PAGA Members and 3,509 pay  
26 periods. Based on this information, I prepared an estimate of the maximum possible civil  
27 penalties under the PAGA. The maximum possible civil penalties under the PAGA is the total  
28 number of pay periods with one or more violations multiplied by the maximum possible civil  
penalty amount per pay period. Under the civil penalty formulas applicable under PAGA,

Plaintiff's counsel estimated a maximum possible exposure of approximately \$2,161,600 for civil penalties as follows:

| TYPE OF VIOLATION              | LABOR CODE SECTION VIOLATED/ CIVIL PENALTY STATUTE | INITIAL PENALTY AMOUNT/PAY PERIOD | PAY PERIODS | CIVIL PENALTIES      |
|--------------------------------|----------------------------------------------------|-----------------------------------|-------------|----------------------|
| Unpaid Minimum Wages           | 1197/1197.1                                        | \$100                             | 3509        | \$350,900.00         |
| Unpaid Overtime                | 510/558                                            | \$50                              | 3509        | \$175,450.00         |
| Inaccurate Wage Statements     | 226/226.3                                          | \$250                             | 3509        | \$877,250.00         |
| Inaccurate Pay Records         | 1174/1174.5                                        | \$500                             | 75          | \$37,500.00          |
| Untimely Wages                 | 201-204/210, 2699(f)(2)                            | \$100                             | 3509        | \$350,900.00         |
| Unreimbursed Expenses          | 2802/2699(f)(2)                                    | \$100                             | 1755        | \$175,500.00*        |
| Unprovided Meal Breaks         | 512/558                                            | \$50                              | 372         | \$18,600.00*         |
| Unprovided Rest Breaks         | 1198/2699(f)(2)                                    | 100                               | 175         | \$163,200.00*        |
| <b>MAXIMUM CIVIL PENALTIES</b> |                                                    |                                   |             | <b>\$2161,600.00</b> |

*\*Based on discounted 50% violation rate for unreimbursed expenses/unprovided rest breaks and a 10.6% meal period violation rate per the sample records.*

The potential for recovery of this maximum possible civil penalties depends on circumstances that are highly unlikely and not in line with reality. It would depend on the Court stacking the maximum recoverable civil penalties for unpaid wages violations, inaccurate wage statements violations, inaccurate pay records violations, untimely wages violations, unreimbursed expenses violations, unprovided meal breaks violations, and unprovided rest breaks violations, per pay period for all 3,509 pay periods for all 75 potential PAGA Members during the PAGA Period. I am unaware of any California State court decision awarding a plaintiff and the other PAGA Members he represents multiple civil penalties for the same pay period under different Labor Code provisions. As such, one of the risks Plaintiff faces is that the Court would refuse to "stack" civil penalties arising under the various Labor Code statutes. I had to substantially discount the value of these claims in the settlement negotiations for this and a variety of other reasons. At best, Plaintiff could hope to recover one penalty for each pay period (regardless of the different Labor Code violations that potentially occurred for the same employee, during the same pay periods). Assuming that Plaintiff could prove that there was at

1 least one violation of a Labor Code section per pay period, Plaintiff could expect to recover  
2 approximately \$175,450.00 (3,509 pay periods x \$50 = \$175,450.00).

3 17. The PAGA action brought forth in this case by Plaintiff had two main substantive  
4 arguments: 1) unprovided meal and rest periods, 2) failure to reimburse business expenses for  
5 the purchase of work uniforms and use of personal cell phones. The other arguments for PAGA  
6 penalties, including inaccurate paystubs, not paying all wages owed every pay period and at the  
7 end of employment, and not keeping accurate time records, are all derivative claims that have no  
8 value on their own, and especially when the substantive labor code violations, like business  
9 expense reimbursement is being used as a predicate. *See Naranjo v. Spectrum Security Services,*  
10 *Inc.*, 40 Cal App5th 444.

11 18. There are risks to Plaintiff's meal and rest period claims. Out of the 1,941 total  
12 shifts recorded in the sample, 4.9% of the shifts had no meal periods, 0.3% of the shifts had a  
13 late meal period and 5.4% of the shifts had meal periods that were short. This is a presumptive  
14 meal period violation rate of approximately 10.6% and required a significant discount during  
15 settlement negotiations. Moreover, Defendants contend that, to establish a violation for missed  
16 meal periods, a plaintiff must do more than show that a meal break was not taken. *Brinker*  
17 *Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004. So long as an employer provides  
18 employees with a "reasonable opportunity" to take a duty-free meal period, it has no further duty  
19 to "police meal breaks and ensure no work thereafter is performed." *Id.* at 1040-41. Instead, a  
20 plaintiff must show the employer impeded, discouraged, or prohibited the employee from taking  
21 a proper break, or otherwise failed to release the employee of all control. *Id.* "Thus, the crucial  
22 issue with regard to the meal break claim is the reason that a particular employee may have failed  
23 to take a meal break." *Washington v. Joe's Crab Shack* (N.D. Cal. 2010) 271 F.R.D. 629, 641.  
24 Determining by a review of Defendants' time records the exact reasons why a meal period  
25 appears to be short or late would be difficult and pinpointing those days in which Plaintiff and  
26 the PAGA Members worked during their meal periods will be a challenge. Additionally,  
27 Defendants provided evidence that they provide employees with the opportunity to take meal and  
28 rest breaks. Clean Auto's Employee Handbook contains legally compliant meal period and rest

1 break policies.

2 19. Defendants contend they provided their non-exempt employees with the  
3 opportunity to take rest periods in accordance with California law, and, accordingly, Plaintiff's  
4 rest break claim has no support. Additionally, there are other risks to Plaintiff's rest period claim.  
5 Employers are not required to record rest periods and such periods are paid. Unlike meal periods,  
6 where there are often records showing whether an employee clocked out or not, there is no such  
7 evidence to prove a missed rest period or that the employer refused to authorize and permit one.

8 20. There are risks to Plaintiff's claim for unreimbursed expenses. There is a risk that  
9 the Court may consider Plaintiff's claims as to Defendants' alleged failure to indemnify for  
10 business expenses to be individual in nature. Plaintiff alleges that Defendants did not reimburse  
11 him or the other PAGA Members for their purchase of work uniforms and personal cell phones.  
12 Defendants provided evidence at mediation that Clean Auto provided its employees with work  
13 shirts and never required its employees to purchase their own uniforms. Employees were only  
14 required to wear black pants and shoes. Furthermore, California's business reimbursement law  
15 does not require an employer to reimburse its employees for the cost of items that are generally  
16 usable, including black pants and black shoes because such items do not qualify as a "necessary  
17 expenditure." (*Townley v. BJ's Restaurants, Inc.* (2019) 37 Cal.App.5th 179.) Uniforms are only  
18 subject to reimbursement if the items are not "usual and generally usable" in the applicable  
19 industry. As such, I had to significantly discount the value of this claim during settlement  
20 negotiations.

21 21. Additionally, PAGA states a court has discretion to award a lesser amount than  
22 the maximum penalty. *See Lab. Code* § 2699(e)(2) ("...a court may award a lesser amount than  
23 the maximum civil penalty amount specified by this part if, based on the facts and circumstances  
24 of the particular case, to do otherwise would result in an award that is unjust, arbitrary and  
25 oppressive, or confiscatory."). There is a substantial risk that the Court could reduce civil  
26 penalties to an insignificant amount if it is unpersuaded by Plaintiff's evidence of willful and  
27 intentional conduct. *Carrington v. Starbucks* (2018) 30 Cal.App.5th 504 ("*Carrington*")  
28 illustrates this. In that case, the Court of Appeal affirmed a trial court's heavily discounted award

1 of only \$5 per violation because it was within the Court’s discretion to significantly reduce  
2 PAGA penalties even when there is a finding that a violation of the California Labor Code  
3 occurred. The plaintiff in *Carrington* had requested penalties in excess of \$70 million and was  
4 successful in proving the PAGA claim during a bench trial. However, the trial court reduced the  
5 total award after trial to only \$150,000 (30,000 violations x \$5) and stated that this reduction was  
6 warranted because imposing the maximum penalty would be “unjust, arbitrary, and oppressive”,  
7 based on Starbucks’s “good faith attempts” to comply with meal break obligations and because  
8 the Court found the violations were minimal. Applying the same formula here and assuming there  
9 was one violation during each pay period, the award of civil penalties could not exceed \$8,160.00  
10 in PAGA penalties (1,632 violations x \$5). As such, this Settlement is a great result based solely  
11 on the risk the Court chooses to apply the *Carrington* formula. Defendants have also posed  
12 formidable defenses to the Labor Code claims underlying Plaintiff’s allegations. Thus, the chance  
13 of Plaintiff recovering a higher amount than the Gross Settlement Amount is uncertain.

14 22. Further, although, class certification is not required for a PAGA claim,  
15 Defendants could contend that Plaintiff should show that the PAGA claims are manageable,  
16 especially as it relates to the business expense reimbursement claim for uniforms and cell phones,  
17 which will invariably be an individualized assessment. As such, Defendants could also convince  
18 the Court to dismiss the claims due to unmanageability. In *Ortiz v. CVS Caremark Corp.*, the  
19 court dismissed a PAGA claim because it was unmanageable. 2014 WL 1117614, at \*3–4 (N.D.  
20 Cal. 2014). The Ortiz court cited the “multitude of individualized assessments” that case would  
21 have required in ordering dismissal. *Id.* at \*4. Several other courts have adopted *Ortiz*, and  
22 dismissed PAGA claims where, as here, there are a large number of allegedly aggrieved  
23 individuals whose claims require individual assessments. *See, e.g., Litty v. Merrill Lynch & Co.*,  
24 2014 WL 5904904, at \*3 (C.D. Cal. 2014); *Bowers v. First Student, Inc.*, 2015 WL 1862914, at  
25 \*4 (C.D. Cal. 2015); *see also Stafford v. Dollar Tree Stores, Inc.*, 2014 WL 6633396, at \*2–4  
26 (E.D. Cal. 2014) (bifurcating trial of plaintiff’s claim from representative claims: “in light of the  
27 number of potential aggrieved employees, judicial economy favors deferring the representative  
28 portion of the PAGA claim”); *Amey v. Cinemark USA Inc.*, 2015 WL 2251504, at \*16 (N.D. Cal.

1 May 13, 2015).

2 23. Furthermore, on September 9, 2021, the California Court of Appeal issued a  
3 significant decision in *Wesson v. Staples the Office Superstore, LLC*, No. B302988, 2021 Cal.  
4 App. LEXIS 743 (Ct. App. Sep. 9, 2021) (“*Wesson*”), holding that courts have authority to ensure  
5 that PAGA claims are manageable, and that courts may limit or strike unmanageable PAGA  
6 claims. The *Wesson* decision marks the first time an appellate court has weighed in on whether  
7 PAGA claims must be manageable.

8 24. The Parties further recognize that the issues presented in the representative PAGA  
9 claim are likely only to be resolved with extensive and costly pretrial and trial proceedings, and  
10 that further litigation will cause inconvenience, distraction, disruption, delay, and expense  
11 disproportionate to the maximum potential benefits to the PAGA Members and Plaintiff from  
12 continued litigation, especially in the pandemic era where further and extensive litigation may  
13 cause businesses to shut down, resulting in no monetary compensation to Plaintiff, Plaintiff’s  
14 attorneys, other PAGA Members, and the State of California.

15 25. The settlement of the representative PAGA claim involves monetary relief to all  
16 PAGA Members, Plaintiff, his attorneys, and the State of California. The Settlement is reasonable  
17 given the uncertainties this lawsuit entails. It is also reasonable given the structure and purpose  
18 of the PAGA, since the PAGA is not a restitution statute. Rather, it is essentially a punishment  
19 statute. It provides for civil penalties only. Within the PAGA framework he is bound by, Plaintiff,  
20 considering the evidence he faced, achieved a great result for the employees concerned.  
21 Furthermore, any employees who are dissatisfied with the amount they received in civil penalties  
22 can pursue any damages they believe they are owed by the Defendants. The Settlement does not  
23 require them to opt out to do so.

24 26. Furthermore, Plaintiff recognizes that continued litigation presents significant  
25 risks that support a significant downward departure from Plaintiff’s estimated civil penalties  
26 amount. In view of the risks, the Settlement represents a fair, adequate, and reasonable  
27 compromise amount for these claims and is in the best interest of Plaintiff and the PAGA  
28 Members and thus, warrants approval. *See Laguna v. Coverall N. Am., Inc.*, Case No. 12-55479

1 (9th Cir. June 3, 2014) 2014 WL 2465049, \* 3. The PAGA settlement and its terms are fair, just,  
2 reasonable, adequate, and equitable to Defendants, Plaintiff, and the State, especially in light of  
3 the current economic climate, and are the product of good faith, and informed arms-length  
4 negotiations between the Parties consistent with public policy and fully comply with applicable  
5 provisions of law.

6 27. As such, the settlement of PAGA penalties in the gross sum of \$120,000.00, of  
7 which 75% of the net amount after attorney's fees, litigation costs, and settlement administration  
8 costs (\$44,670.00) will be paid to the LWDA and 25% (\$14,890) will be distributed to the PAGA  
9 Members, is reasonable and appropriate under the circumstances.

#### 10 *Individual PAGA Payments*

11 28. Defendants represent that there are approximately 75 PAGA Members during the  
12 PAGA Period. After deducting the requested Court-approved PAGA Counsel's Fees  
13 (\$42,000.00) and PAGA Counsel's Costs (\$14,440.00), and the Settlement Administration  
14 Costs (\$4,000.00), the Net Settlement Amount will be approximately \$59,560.00. Seventy five  
15 percent (75%) of the Net Settlement Amount will be paid to the Labor and Workforce  
16 Development Agency ("LWDA") (\$44,670.00), and twenty five percent (25%) (\$14,890.00) of  
17 the Net Settlement Amount will be paid to the PAGA Members on a pro-rata basis based upon  
18 their respective number of pay periods during the PAGA Period. Agreement, ¶¶ 4,6. With a  
19 total of 75 PAGA Members, the average estimated individual PAGA payment for each PAGA  
20 Member is approximately \$198.53 (\$14,890.00 (25% of the estimated Net Settlement of  
21 \$59,560.00) / 75 PAGA Members). This is a great result given the uncertainties this lawsuit  
22 entails.

#### 23 *Plaintiff's Individual Settlement*

24 29. Plaintiff negotiated an individual settlement agreement separate from the PAGA  
25 Settlement. The parties agreed that the consideration Plaintiff received pursuant to the individual  
26 settlement agreement was to settle his individual wage and hour claims and retaliation and  
27 wrongful termination claims. Plaintiff's individual settlement agreement does not provide for  
28 any additional attorney's fees or costs to my firm.

1           30. Defendant employed Plaintiff for over nine years. During his employment,  
2 Plaintiff was not paid for all hours worked. Plaintiff would often report for work at his scheduled  
3 shift time but would be told to return later. Clean Auto would not pay Plaintiff for this time and  
4 would not pay him for his reporting time either. Plaintiff was also not always able to take timely,  
5 duty-free, uninterrupted meal break or his two rest breaks.

6           31. Plaintiff also had claims against Defendants for retaliation and wrongful  
7 termination based on his complaints to his supervisor and the owner about not taking his  
8 statutory meal and rest breaks and not being paid properly for all hours worked. Defendants  
9 retaliated against Plaintiff for his complaints by reducing his work hours and wrongfully  
10 terminating his employment. *See generally* Declaration of Manuel Melendrez.

11           32. As part of this confidential agreement, Plaintiff also provided Defendants with a  
12 general release of all claims, whether known or unknown, including unknown claims covered  
13 by Civil Code Section 1542. Plaintiff has no conflict of interest with the absent PAGA Members  
14 and is adequate to represent the PAGA Members. Plaintiff has maintained contact with my office  
15 and helped me gather information and evidence to prove the alleged claims and has agreed to  
16 remain involved as a PAGA representative even if the Court does not approve the Settlement.  
17 While Plaintiff and I believe that Plaintiff's individual settlement has no bearing on his adequacy  
18 as a PAGA Representative, he is willing to present that Settlement to the Court *in camera* for  
19 review if the Court requests. It represents a fair resolution for Plaintiff's individual wage and  
20 hour claims and claims for retaliation and wrongful termination. *See generally* Declaration of  
21 Manuel Melendrez.

22           33. The PAGA statute does not forbid service awards. Courts frequently award them  
23 in PAGA-only cases as well. *See Mancini v. W. & S. Life Ins. Co.* (S.D. Cal. Sept.18, 2018),  
24 2018 WL 4489590, at \*2 (approving an incentive award of \$5,000 to named plaintiff in a PAGA-  
25 only settlement); *see also Kinney v. Harvest Al Mgmt. Sub LLC*, (E.D. Cal. Sept. 6, 2013) 2013  
26 WL 12415482, at \*2 (awarding an incentive award of \$3,000 to a named plaintiff in a PAGA-  
27 only settlement). The work Plaintiff has done on this case includes hiring my firm, speaking  
28 with our office on many occasions by phone, explaining what his employment at Clean Auto

1 was like, explaining what his employment at Clean Auto had in common with other employees  
2 who worked for Clean Auto, explaining his claims to me and my staff, and communicating with  
3 me and my staff about the settlement agreement and related documents. Despite this, Plaintiff  
4 is **not** asking for a service award for his involvement and the time he spent assisting my firm  
5 with the PAGA action. *See generally* Declaration of Manuel Melendrez.

#### 6 *Attorneys' Fees and Costs*

7 34. I represent Plaintiff on a straight contingency basis. My firm's request for  
8 \$42,000.00 in attorney fees and \$14,440.00 in litigation costs is fair and reasonable. "[R]egardless  
9 whether the percentage method or the lodestar method is used, fee awards in class actions average  
10 around one-third of the recovery." (See *Chavez v. Netflix, Inc.* (2008) 162 Cal.App.4th 43, 66,  
11 fn.11 ("*Chavez*")); *In re Pacific Enter. Sec. Litig.* (9th Cir. 1995) 47 F.3d 373, 379 ("*Pacific*")  
12 [affirming 33% fee award]; *Williams v. MGM-Pathe Communications Co.* (9th Cir. 1997) 129  
13 F.3d 1026, 1027 ("*MGM*") (awarding 33% of total fund amount).) This is also consistent with my  
14 experience in wage and hour class and PAGA settlements.

15 35. Should the Court elect to use Plaintiff's Counsel's lodestar as the method for  
16 awarding fees, notwithstanding courts' clear preference for the percentage method, my request  
17 for attorney's fees of \$42,000.00 (35% of the Gross Settlement Amount) is fair and reasonable  
18 based on my firm's lodestar as cross-checked against the percentage of the recovery.

19 36. To date, the attorneys in my firm and I have investigated and prosecuted this  
20 matter for over 67.45 hours. I also expect to perform additional work on this case if the Court  
21 grants final approval of the Settlement, including supervision of the Settlement Administrator's  
22 disbursement of the settlement funds to the PAGA Members.

23 37. In this case, my firm has a total lodestar of approximately \$30,095.00 without  
24 the use of any multiplier, which results in a multiplier of 1.396 when compared against the  
25 \$42,000.00 request for attorneys' fees.<sup>1</sup> A general summary showing of the pre-multiplier

26 \_\_\_\_\_  
27 <sup>1</sup>The multiplier of 1.396 is supported by California case law. Under California law, lodestar multipliers can range  
28 from 2 to 4 or even higher. See *Chavez v. Netflix, Inc.* (2008) 162 Cal.App.4th 43, 49; *Wershba v. Apple Computer, Inc.*, 91 Cal.App.4th at p. 255; *Natural Gas Anti-Trust Cases I, II, III & IV* (Cal. Sup. Ct. 2006) 2006 WL 5377849, \*4 ("This Court and numerous cases have applied multipliers of between 4 and 12 to counsel's lodestar in awarding fees."); *In re California Indirect Purchases* (Cal. Sup. Ct. 1998) 1998 WL 1031494, \*10 (citing *Wilson v. Bank of*

lodestar and the total number of hours of work performed by my firm is set forth below with a total lodestar of approximately \$30,095.00.

| <u>Name</u>                                           | <u>Hours</u> | <u>Rate</u>                                                               | <u>Pre-Multiplier<br/>Lodestar</u> |
|-------------------------------------------------------|--------------|---------------------------------------------------------------------------|------------------------------------|
| Harout Messrelian<br>(11 <sup>th</sup> Year Attorney) | 25.30        | \$500 (10 <sup>th</sup> Year Atty);<br>\$550 (11 <sup>th</sup> Year Atty) | \$13,710.00                        |
| Maralle Messrelian<br>(6 <sup>th</sup> Year Attorney) | 42.15        | \$350 (5 <sup>th</sup> Year Atty);<br>\$400 (6 <sup>th</sup> Year Atty)   | \$16,385.00                        |
| <b>Totals</b>                                         | <b>67.45</b> |                                                                           | <b>\$30,095.00</b>                 |

True and correct copies of the time records of my firm are collectively attached as **Exhibit 6** to this declaration.

38. In addition, my firm incurred substantial costs, \$14,440.00 to date, which consist of mediator fees, data analysis fees, filing fees and attorney service fees. A true and correct summary of my firm's costs and expenses incurred to date is attached as **Exhibit 7** to this declaration. I will make detailed copies of such records available to the Court for *in camera* inspection upon its request. As the evidence submitted herewith shows, all of these costs are documented and reasonably incurred. Accordingly, they warrant the Court's approval.

39. My previous experience in litigating wage and hour actions also supports the reasonableness of the fee request. Based on past experience with similar matter, I was able to evaluate the strengths and weaknesses of this case and the reasonableness of the Settlement. Because it is reasonable to compensate me commensurate with my skill, reputation, and experience, attorney's fees of approximately one-third of the Gross Settlement Amount is reasonable. Likewise, the caliber and experience of opposing counsel in labor and employment litigation, Larry Kazanjian from Palmer Kazanjian Wohl Hodson LLP, also supports the fairness and reasonableness of the requested fee award.

40. Attached hereto as **Exhibit 8** is a true and correct copy of the biography page for

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*America Nat'l Trust & Sav. Ass'n.*, (Cal Sup. Ct. 1982) No. 643872 (multiplier of 10 times the hourly rate awarded) (cited in 3 Newberg & Conte, Newberg on Class Actions, section 1403, at 14-5 n. 21), and *Glendora Community Redevelopment Agency v. Demeter* (Cal. App. 2 Dist., 1984) 155 Cal. App. 3d 465, 479 (approving fee award 12 times estimated lodestar multiplier).

1 Larry Kazanjian from Palmer Kazanjian Wohl Hodson LLP website. He defended this case.

2 41. Plaintiff reiterates his request that the Court award his counsel one third of the  
3 recovery as attorney fees. The award of attorney's fees sought is justified by the contingency  
4 nature of the attorney-client relationship, my experience in litigating wage and hour cases, the  
5 number of attorney and staff hours my firm has spent on this lawsuit, the high caliber of defense  
6 counsel, the risks of non-payment and non-reimbursement, the delay in payment and cost  
7 reimbursement, and the great results Plaintiff's Counsel has achieved for the PAGA Members.

8 ***Settlement Administration Costs***

9 42. With regard to the settlement administration costs provision, it is reasonable.  
10 Before agreeing to Simpluris, Inc. ("Simpluris"), the parties sought and reviewed bids from other  
11 reputable third-party administrator and Phoenix's bid was the lowest.

12 A. ILYM Group, Inc.= \$4,500.00

13 B. Phoenix Class Action Administration Solutions = \$5,000.00; and

14 C. Simpluris, Inc.= \$ 4,000.00.

15 A true and correct copy of the bid from ILYM Group Inc. is attached hereto as **Exhibit 9**. A true  
16 and correct copy of the bid from Phoenix is attached hereto as **Exhibit 10**. A true and correct  
17 copy of the bid from Simpluris, Inc. is attached hereto as **Exhibit 11**. Thus, settlement  
18 administration costs provision should be given approval.

19 43. Furthermore, the Declaration of Jacob Kamenir with attached exhibit, filed under  
20 separate cover, sets forth Simpluris' qualifications and costs to administer the settlement. *See*  
21 *generally* Declaration of Jacob Kamenir. Thus, the settlement administration costs provision  
22 should be given approval.

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I declare under the penalty of perjury of the laws of the State of California that the foregoing is true and correct to the best of my knowledge.

  
HAROUT MESSRELIAN,  
Declarant

# **EXHIBIT 1**

**PRIVATE ATTORNEYS GENERAL ACT (LABOR CODE § 2698 ET SEQ.)  
SETTLEMENT AND RELEASE AGREEMENT**

*Manuel Melendrez v. Clean Auto, Inc., et al.  
San Mateo County Superior Court, Case No. 22-CIV-01967*

Subject to Court approval by the Superior Court for the State of California, County of Santa Clara ("Court"), Plaintiff Manuel Melendrez ("Plaintiff") and Defendants Clean Auto Inc., Jonathan Alfred Lam, Auto Clean, Inc., Alfred Lam ("Defendants") (collectively, Plaintiff and Defendants are the "Parties") hereby agree to the following binding settlement ("Settlement" or "Settlement Agreement") of the PAGA claims in the Action entitled Manuel Melendrez v. Clean Auto, Inc., et al., San Mateo County Superior Court case no. 22-CIV-01967 (the "Action").

**PAGA MEMBERS BY THE SETTLEMENT**

1. **PAGA Members**: This Settlement covers all persons within the State of California who are or were employed by Defendants in the State of California and classified as non-exempt during the PAGA Period (the "PAGA Members").
2. **PAGA Period**: The Settlement covers the period from November 19, 2020 through February 6, 2023 (the "PAGA Period").
3. **Effective Date**: The effective date ("Effective Date") of this Agreement shall be the date the Court has signed an order approving the motion or joint stipulation of settlement for approval of this PAGA Settlement, and enters an order thereon.

**SETTLEMENT CONSIDERATION**

4. **Gross Settlement Amount**: Defendants will pay One hundred Twenty Thousand Dollars and Zero Cents (\$120,000.00) to settle the PAGA claims in the Action ("Gross Settlement Amount"). In no event shall Defendants be liable for more than the Gross Settlement Amount of \$120,000.00 as a result of this Settlement. The Gross Settlement Amount will be allocated as follows:
  - a. Third-Party Settlement Administration Fees of up to Five Thousand Dollars (\$5,000.00);

- b. Plaintiff's counsel's, Harout Messrelian and Maralle Messrelian of Messrelian Law Inc. (PAGA Counsel"), request for attorneys' fees of up to 35% of the Gross Settlement Amount, or Forty Two Thousand Dollars and Zero Cents (\$42,000.00) ("PAGA Counsel's Fees"), subject to Court approval, plus actual costs and expenses incurred by PAGA Counsel related to the Action as supported by declaration, which are currently estimated to be no greater than Fifteen Thousand Dollars and Zero Cents (\$15,000.00) ("PAGA Counsel's Costs"); and
- c. The remaining funds (the Gross Settlement Amount less the Third-Party Settlement Administration Fees, PAGA Counsel's Fees, and PAGA Counsel's Costs) shall be referred to as the "Net Settlement Amount."

5. **Escalator Clause.** Defendants estimated for purposes of mediation that Defendant had issued 3,509 paychecks to 75 PAGA Members for the period of November 19, 2020 through February 6, 2023 and this estimate served as the basis for Plaintiffs accepting the settlement. If the number of actual pay periods during the PAGA period exceeds 15% of the estimated pay periods (i.e., exceeds 526 pay periods), Defendants will have an option of either: (a) increasing the Gross Settlement Amount by a pro-rata dollar value equal to the number of pay periods in excess of 3,509 pay periods; or (b) ending the PAGA Period on the first date the number of pay periods exceeds 3,509; or (c) rescinding the terms of the PAGA settlement.

6. **Distribution of the Net Settlement Amount.** The Net Settlement Amount shall be designated as PAGA penalties in full satisfaction of all claims for PAGA civil penalties under the California Labor Code, Wage Orders, regulations, and/or other provisions of law alleged to have been violated in or reasonably related to the operative Complaint with respect to PAGA Members, allocated between the LWDA and the PAGA Members pursuant to Labor Code Section 2699(i) with 75.0% paid to the LWDA and 25.0% paid to the PAGA Members on a pro-rata basis ("PAGA Penalties Fund"). The 25.0% of the Net Settlement Amount will be paid to all PAGA Members according to the following formula:  $\text{Settlement Payment to each PAGA Member} = \$[25.0\% \text{ of Net Settlement Amount}] \times [\text{Pay Periods Worked by Individual PAGA Member During PAGA Period} \div \text{Total Pay Periods Worked by All PAGA Members during PAGA Period}]$ .

7. **Settlement Administration.** Settlement Administrator Simpluris, Inc., or as otherwise agreed to by the Parties and approved by the Court, will administer this Settlement and will be responsible for issuing payments and appropriate tax forms to PAGA Members, the LWDA, Plaintiff, and PAGA Counsel. The estimate of costs of administration for the disbursement of the PAGA Penalties Fund is no more than \$5,000.00. If less than \$5,000.00 is spent on the Settlement Administrator, the unused funds will be re-allocated to the Net Settlement Amount.

8. **Court Approval of the Settlement and Distribution of Settlement Payments.** The Parties will present this Settlement Agreement to the Court and will request that the Court issue a Court Approval Order and Judgment approving and incorporating by reference the terms and conditions of the Settlement Agreement (the "Court Approval Order and Judgment"), dismissing the Action with prejudice, and entering judgment. The Parties shall submit this Settlement Agreement for the Court's approval by stipulation and order, unless the Court requires a motion, in which event, Plaintiff will undertake that responsibility.

9. **Notice to LWDA.** Pursuant to California Labor Code § 2699(1)(1), Plaintiff shall submit to the LWDA a copy of this Settlement Agreement and all supporting approval documents at the same time that Plaintiff submits it to the Court for approval.

10. **Funding of the Settlement.** Within thirty (30) calendar days after the Effective Date, Defendant shall deposit the Gross Settlement Amount with the Settlement Administrator. Within ten (10) calendar days after the Effective Date, Defendants shall provide the Settlement Administrator with a list of all PAGA Members with each listed employee's full name, hiring, and, if applicable, termination dates in connection with the employee's employment with Defendant during the PAGA Period, last known mailing address, and social security number. Within twenty (20) calendar days of receipt of the list of all PAGA Members, the Settlement Administrator shall run all the addresses of PAGA Members through the United States Postal Service NCOA database to obtain current address information, and issue payments to (a) the PAGA Members; (b) the LWDA; (c) PAGA Counsel for PAGA Counsel's Fees and Costs; and (c) itself. The Settlement Administrator will skip-trace return mail and re-mail within five (5) calendar days. The Settlement Administrator will issue the appropriate tax forms for all payments issued under this Settlement.

If the Effective Date falls on a holiday or weekend, the Effective Date shall be the next calendar day.

11. **Settlement Payments to PAGA Members:** The Settlement Administrator will issue each PAGA Member a check for his or her share of the Net Settlement Amount along with an explanatory letter in the form attached as **Exhibit A**. Checks will remain negotiable for one hundred eighty (180) days. Any checks returned as non-deliverable on or before the check cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. Funds represented by settlement checks returned as undeliverable and those settlement checks remaining un-cashed for more than 180 days after issuance shall be paid to the California State Controller's Office Unclaimed Property Fund with an identification of the amount of unclaimed funds attributable to each PAGA Member. The Parties do not bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement Administrator. All settlement payments to PAGA Members will be treated as miscellaneous income for which an IRS Form 1099 will be issued by the Settlement Administrator if required by law.

12. **Settled and Released PAGA Claims.** Upon the Effective Date of this Settlement, Plaintiff, the State of California (including, but not limited to, the LWDA), and the PAGA Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released PAGA Claims with respect to Defendant and its past and present officers, directors, shareholders, unit holders, managers, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, and its respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys. The released PAGA claims shall include all known or unknown claims for civil penalties, attorneys' fees and costs, or any other relief under PAGA arising out of the Labor Code claims and allegations expressly plead in the operative Complaint and all other Labor Code claims that could have been asserted based on the facts and allegations plead in the operative Complaint, including but not limited to: California Labor Code Sections 201-203, 204, 221, 226, 226.3, 226.7, 232, 246, 351, 353, 510, 512, 558, 558.1, 1174, 1174.5, 1194, 1197, 1198, 2802, and 3700.5.

13. **No Credit Toward Benefit Plans.** Payments to PAGA Members as referenced herein will not be utilized to calculate any additional benefits under any benefit plans to which any PAGA Member may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any PAGA Member may be entitled under any benefit plans.

14. **No Prior Assignments.** The Parties and their counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.

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

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

17. **Entire Agreement.** This Settlement Agreement constitutes the entirety of the Parties' settlement terms regarding the Action. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties.

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

19. **Authorization to Enter Into Settlement Agreement.** Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate

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

20. **Binding on Successors and Assigns.** This Settlement Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

21. **California Law Governs.** All terms of this Settlement Agreement and Exhibit(s) hereto will be governed by and interpreted according to the laws of the State of California.

22. **Execution and Counterparts.** This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including facsimile and scanned copies of the signature page, will be deemed to be one and the same instrument.

23. **Acknowledgement that the Settlement is Fair and Reasonable.** The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this Settlement after arm's-length negotiations by experienced counsel before Louis Marlin, an experienced and well-respected mediator who focuses on mediation of employment matters involving alleged wage and hour violations. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.

24. **Denial of Liability.** The Parties expressly recognize that the making of this Settlement Agreement does not in any way constitute an admission or concession of wrongdoing on the part of Defendant, the Released Parties, or Plaintiff. Nothing in this Settlement, nor any action taken in implementation thereof, nor any statements, discussions or communications, nor

any materials prepared, exchanged, issued or used during the course of this Action, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this Settlement Agreement may be used in any proceeding in the Court that has as its purpose the interpretation, implementation, or enforcement of the Settlement or any orders or judgments of the Court entered into in connection therewith.

25. **Invalidity of Any Provision.** Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable. If any provision of this Settlement Agreement or the application thereof is held invalid, the invalidity shall not affect other provisions or applications of this Settlement Agreement which can be given effect without the invalid provisions or application and, to this end, the provisions of this Settlement Agreement are declared to be severable. Notwithstanding the foregoing, no portion of any release contained herein may be deemed severed or deleted from this Agreement, except upon waiver in writing by the applicable party.

26. **Captions.** The captions and section numbers in this Settlement Agreement are inserted for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the provisions of this Settlement Agreement.

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

28. **Enforcement Action.** In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or

Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

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

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

31. **Cooperation and Execution of Necessary Documents.** All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

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

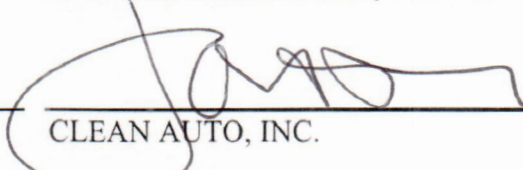
33. **Confidentiality.** The Parties and their attorneys agree to keep this settlement confidential through approval by the Court. Thereafter, Plaintiff and Plaintiff's Counsel will not (a) issue any press or other media release, (b) initiate any contact with the press, other media (including social media), or any third party, (c) respond to any inquiry from the press, or media, or (d) have any communication with the press or other media about this action, including, but not limited to the fact, amount, and terms of this Memorandum of Understanding and the Agreement, either before or after the Court approves the Agreement.

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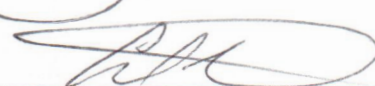
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MANUEL MELENDREZ, Plaintiff

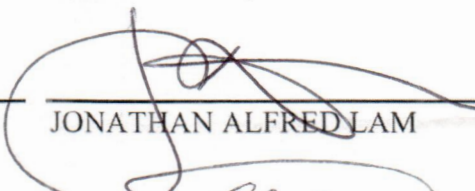
4/13/2023  
DATE

  
CLEAN AUTO, INC.

4/13/2023  
DATE

  
AUTO CLEAN, INC.

4/13/2023  
DATE

  
JONATHAN ALFRED LAM

4/13/2023  
DATE

  
ALFRED LAM

APPROVED AS TO FORM

MESSRELIAN LAW INC.

April 13, 2023  
DATE

  
Harout Messrelian for Plaintiff Manuel Melendrez

PALMER KAZANJIAN WOHL HODSON  
LLP

April 13, 2023  
DATE

  
Larry Kazanjian for Defendants

# **EXHIBIT A**

**NOTICE OF PAGA SETTLEMENT**

*Manuel Melendrez v. Clean Auto, Inc., et al.*  
*San Mateo County Superior Court, Case No. 22-CIV-01967*

<<Simpluris, Inc.>>

[   ]

[   ]

Telephone: [   ]

«Barcode»      «BarcodeString»

SIMID «SIMID»

«FirstName»

«LastName»

«Address1» «Address2»

«City» «State» «Zip»

You are receiving this notice as a result of lawsuits brought on a representative basis under the Private Attorneys General Act, Labor Code § 2698 et seq. ("PAGA") ("the Action"). The plaintiff in the Action is Manuel Melendrez ("Plaintiff") and the defendants are Clean Auto Inc., Jonathan Alfred Lam, Auto Clean, Inc., Alfred Lam ("Defendants"). The Action seek civil penalties for purported violations of the California Labor Code on behalf of all persons within the State of California who are or were employed by Defendants in the State of California and classified as non-exempt during the PAGA Period of November 19, 2020 through February 6, 2023 (the "PAGA Members"). Defendants deny all claims and allegations in the Action, deny that they owe any penalties, and assert that they have fully complied with all applicable Labor Code provisions. Nevertheless, to avoid further costs and time in defending the Action, Defendants have settled the case and the Court has approved the settlement and release of claims. By settling the Action, Defendants are not admitting that they have done anything wrong as of and subject to the occurrence of the Effective Date of the Settlement. Upon the Effective Date of this Settlement, Plaintiff, the State of California (including, but not limited to, the LWDA), and the PAGA Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released PAGA Claims with respect to Defendants and their past and present officers, directors, shareholders, unit holders, managers, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, and respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys. The released PAGA claims shall include all known or unknown claims for civil penalties, attorneys' fees and costs, or any other relief under PAGA arising out of the Labor Code claims and allegations expressly plead in the operative Complaint and all other Labor Code claims that could have been asserted based on the facts and allegations plead in the operative Complaint, including but not limited to: California Labor Code Sections 201-203, 204, 221, 226, 226.3, 226.7, 232, 246, 351, 353, 510, 512, 558, 558.1, 1174, 1174.5, 1194, 1197, 1198, 2802, and 3700.5.

By Order dated <<court approval order date>>, the Superior Court of the State of California, San Mateo County approved the Settlement of the PAGA claims.

According to the Defendants' records, you are a PAGA Member and therefore entitled to a share of the settlement based upon the Court approved allocation. Enclosed with this Notice is your check for your share. The settlement check shall remain valid for 180 days. Thereafter, all uncashed checks shall be distributed to California State Controller's Office Unclaimed Property Fund with an identification of the amount of unclaimed funds attributable to each PAGA Member.

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

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

# **EXHIBIT 2**

## **NOTICE OF PAGA SETTLEMENT**

*Manuel Melendrez v. Clean Auto, Inc., et al.*  
*San Mateo County Superior Court, Case No. 22-CIV-01967*

<<Simpluris, Inc.>>

[ ]

[ ]

Telephone: [ ]

«Barcode» «BarcodeString»

SIMID «SIMID»

«FirstName»

«LastName»

«Address1» «Address2»

«City» «State» «Zip»

You are receiving this notice as a result of lawsuits brought on a representative basis under the Private Attorneys General Act, Labor Code § 2698 et seq. (“PAGA”) (“the Action”). The plaintiff in the Action is Manuel Melendrez (“Plaintiff”) and the defendants are Clean Auto Inc., Jonathan Alfred Lam, Auto Clean, Inc., Alfred Lam (“Defendants”). The Action seek civil penalties for purported violations of the California Labor Code on behalf of all persons within the State of California who are or were employed by Defendants in the State of California and classified as non-exempt during the PAGA Period of November 19, 2020 through February 6, 2023 (the “PAGA Members”). Defendants deny all claims and allegations in the Action, deny that they owe any penalties, and assert that they have fully complied with all applicable Labor Code provisions. Nevertheless, to avoid further costs and time in defending the Action, Defendants have settled the case and the Court has approved the settlement and release of claims. By settling the Action, Defendants are not admitting that they have done anything wrong as of and subject to the occurrence of the Effective Date of the Settlement. Upon the Effective Date of this Settlement, Plaintiff, the State of California (including, but not limited to, the LWDA), and the PAGA Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released PAGA Claims with respect to Defendants and their past and present officers, directors, shareholders, unit holders, managers, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, and respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys. The released PAGA claims shall include all known or unknown claims for civil penalties, attorneys’ fees and costs, or any other relief under PAGA arising out of the Labor Code claims and allegations expressly plead in the operative Complaint and all other Labor Code claims that could have been asserted based on the facts and allegations plead in the operative Complaint, including but not limited to: California Labor Code Sections 201-203, 204, 221, 226, 226.3, 226.7, 232, 246, 351, 353, 510, 512, 558, 558.1, 1174, 1174.5, 1194, 1197, 1198, 2802, and 3700.5.

By Order dated <<court approval order date>>, the Superior Court of the State of California, San Mateo County approved the Settlement of the PAGA claims.

According to the Defendants' records, you are a PAGA Member and therefore entitled to a share of the settlement based upon the Court approved allocation. Enclosed with this Notice is your check for your share. The settlement check shall remain valid for 180 days. Thereafter, all uncashed checks shall be distributed to California State Controller's Office Unclaimed Property Fund with an identification of the amount of unclaimed funds attributable to each PAGA Member.

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

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

# **EXHIBIT 3**

**VIA ELECTRONIC FILING**

**November 19, 2021**

California Labor & Workforce Development Agency (LWDA)  
Attn. PAGA Administrator  
800 Capitol Mall, MIC-55  
Sacramento, California 95814

**VIA U.S. CERTIFIED MAIL (RETURN RECEIPT REQUESTED)**

CLEAN AUTO INC.  
JONATHAN ALFRED LAM  
221 E. HILLSDALE BLVD.  
SAN MATEO CA 94403

AUTO CLEAN INCORPORATED  
ALFRED LAM  
2380 DONEGAL AVE.  
SOUTH SAN FRANCISCO, CA 94080

**MANUEL MELENDREZ v. CLEAN AUTO INC.; AUTO CLEAN INCORPORATED;**  
**JONATHAN ALFRED LAM; ALFRED LAM**

**RE: PRIVATE ATTORNEYS GENERAL ACT NOTICE**

To Whom It May Concern:

Please be informed that our client, Mr. Manuel Melendrez (hereinafter “our client” or “Mr. Melendrez”) seeks penalties on behalf of the State of California and all current and former non-exempt or hourly paid employees (“aggrieved employees”) who worked for CLEAN AUTO INC. dba San Mateo Car Wash and JONATHAN ALFRED LAM and AUTO CLEAN INCORPORATED dba Redwood Carwash and ALFRED LAM (hereinafter collectively “CLEAN AUTO”) at any of their California locations during the relevant time period pursuant to California Labor Code section 2698, et. seq., the Labor Code Private Attorneys General Act of 2004 (“PAGA”). The purpose of this letter is to comply with the statutory requirements of California Labor Code section 2699.3 and shall constitute notice of the same.

Individual JONATHAN ALFRED LAM is being included in this PAGA notice pursuant to Labor Code Section 558.1 as he was and is the owner/director/managing agent of CLEAN AUTO, INC. and as such, controlled the wages, hours, and working conditions of Mr. Melendrez and other similarly situated aggrieved employees. Individual ALFRED LAM is being included in this PAGA notice pursuant to Labor Code section 558.1 as he was and is the owner/director/managing agent of AUTO CLEAN INCORPORATED, and as such, controlled the wages, hours, and working conditions of Mr. Melendrez and other similarly situated aggrieved employees.



Mr. Melendrez worked for both CLEAN AUTO INC. and AUTO CLEAN INCORPORATED during the relevant PAGA period. His job duties included cleaning, detailing, waxing cars. His employment with AUTO CLEAN INCORPORATED ended at the end of April 2021. His employment with CLEAN AUTO INC. ended on or around November 6, 2021. During his employment tenure, Mr. Melendrez was classified as an hourly, non-exempt employee and his latest rate of pay was \$17 per hour.

It is our position that CLEAN AUTO (hereinafter CLEAN AUTO refers to both CLEAN AUTO INC and AUTO CLEAN INCORPORATED as mentioned above) has committed the following labor code violations against Mr. Melendrez and other similarly situated aggrieved employees. Note that the factual and legal arguments are the same for both companies since they were owned by the same family (father and son) and operated in the same manner.

CLEAN AUTO did not provide Mr. Melendrez and other similarly situated aggrieved employees with the minimum wages to which they were entitled for all work performed and did not compensate him and others for all hours worked pursuant to California Labor Code sections 1194, 1197 and 1197.1. Mr. Melendrez and others were not paid for all hours worked and consistently worked “off the clock”. This is so because the company had a policy and practice of rounding down hours to the detriment of employees, who were not being paid for all hours worked. Furthermore, to the extent employees such as Mr. Melendrez and others worked through their meal periods, they were not compensated for that time, which would be akin to a minimum wage violation. In addition, there are numerous instances wherein Mr. Melendrez would report for work at his scheduled shift of 10am but would be told to return later. The company would not pay Mr. Melendrez for this time and would not pay Mr. Melendrez his reporting time pay pursuant to Industrial Welfare Commission Wage Order no. 9, section 5. In addition, the company did not have a system in place to properly distribute tips to employees such as Mr. Melendrez in violation of Labor Code sections 351 and 353. As such, Mr. Melendrez was not given accurate tips to which he was entitled.

Due to the above “off the clock” violations and as a matter of company policy, CLEAN AUTO violated Labor Code §510 because it failed to pay our client and other similarly situated aggrieved employees overtime, even though they worked more than 8 hours per day and/or 40 hours per week throughout their employment. Mr. Melendrez’s and others’ actual work hours, which included the “off the clock” work as described above, entitled them to overtime, however, it was not company policy to keep accurate track of all hours worked and to pay employees overtime. In addition, the company did not include any bonus payments made to employees in calculating the employees’ regular rate of pay for purposes of calculating their overtime rate of pay.

CLEAN AUTO violated Labor Code § 226.7 along with Industrial Welfare Commission Wage Order no. 9 because it failed to provide our client and other similarly situated aggrieved employees 10-minute rest periods for every four hours of work, or majority portion thereof, throughout their employment. CLEAN AUTO did not completely relieve our client of all duty during said rest periods. CLEAN AUTO did not pay to our client one additional hour of pay at our client’s regular rate of compensation for each workday that one or more statutory rest periods was not provided.



**MESSRELIAN LAW**  
ATTORNEYS AT LAW

500 N. Central Avenue, Suite 840

Glendale, California 91203

Tel: (818) 484-6531

Fax: (818) 956-1983

Rest breaks were not consistently authorized or enforced. In fact, it was not part of CLEAN AUTO's culture for employees such as Mr. Melendrez and others to take two 10-minute rest breaks every day wherein they are relieved of all work duties. The latter was due to the fact that there was at times too much work to do and no opportunity to take a rest break. Breaks were simply not a part of the policies and practices of CLEAN AUTO.

CLEAN AUTO also violated Labor Code §§ 512 and 226.7 along with Industrial Welfare Commission Wage Order No. 9 because it failed to provide our client and other similarly situated aggrieved employees the requisite 30-minute, uninterrupted meal periods for every five (5) hours of work throughout their employment, and our client did not validly waive said meal periods. CLEAN AUTO did not completely relieve our client of all duties during said meal periods. CLEAN AUTO did not pay to our client one additional hour of pay at our client's regular rate of compensation for each workday that one or more statutory meal periods was not provided. If CLEAN AUTO had Mr. Melendrez sign a meal period waiver, it would not be valid and enforceable since Mr. Melendrez and others generally worked more than a 6-hour shift. If CLEAN AUTO had Mr. Melendrez sign an on-duty meal period agreement wherein Mr. Melendrez agreed to work through his meal period, it would also be invalid and unenforceable because the nature of Mr. Melendrez's job does not prevent him from taking a meal period. As such, Mr. Melendrez and others did not always receive statutory, timely meal periods during their employment. In addition, if meal breaks were taken, they would be provided late and after the 5<sup>th</sup> hour worked or would be interrupted or shorter than 30 minutes in contravention of California law. As was the case with rest periods, consistent and timely meal breaks were definitively not part of the CLEAN AUTO's culture. In fact, and as it related to statutory breaks, Mr. Melendrez was told several times that the only thing that mattered to the company regarding breaks was that it was notated on paper that the employee took the break, whether or not it was taken. The company only cared about appearing like it complied with California labor laws, rather than making an effort to make sure employees were receiving timely, uninterrupted meal and rest breaks at the appropriate times and when they are relieved of all job duties.

Furthermore, during the relevant time period and due to the above labor code violations, CLEAN AUTO failed to pay our client and other similarly situated aggrieved employees all wages due to them within any time period specified by California Labor Code section 204, including the minimum wages and overtime as described above as well as meal/rest break premiums.

CLEAN AUTO was also in violation of California Labor Code section 226(a) by not providing access to paystubs and failing to include pertinent information on the wage statements, including but not limited to, all hours worked, gross wages earned, net wages earned, all deductions, premium payments for meal and rest breaks, the correct legal name and address of the employer, the correct beginning and end of the pay period, all applicable hourly rates, and all identifying employee information, among other items. As such, CLEAN AUTO did not provide our client and other similarly situated aggrieved employees with complete, accurate itemized wage statements.

CLEAN AUTO violated Labor Code § 203 because it willfully failed to pay our client and other similarly situated aggrieved employees earned and due wages upon separation of employment, either immediately upon involuntary termination, or within 72 hours of resignation. These earned

but unpaid wages include compensation for all hours worked including minimum wages and overtime compensation, and premiums for the missed meal and rest breaks.

During the relevant time period, CLEAN AUTO also failed to keep accurate and complete payroll records showing the actual hours worked per day (including the time for meal periods) and the wages paid to our client and other aggrieved employees pursuant to California Labor Code sections 1174(d).

During the relevant time period, our client and other aggrieved employees incurred necessary, business-related expenses and costs that were not reimbursed by CLEAN AUTO. These costs include, but are not limited to, use of personal cell phone for work purposes as well as having to purchase black pants and shoes specifically for the job. The only thing CLEAN AUTO provided was the company shirts, but the rest of the uniform had to be purchased by Mr. Melendrez and other aggrieved employees. Accordingly, CLEAN AUTO was in violation of California Labor Code sections 2800 and 2802.

Moreover, CLEAN AUTO failed to provide sick pay pursuant to Labor Code sections 232 and 246 and also failed to provide Worker's Compensation coverage for our client and other aggrieved employees in violation of Labor Code Section 3700.5.

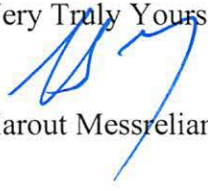
Each of the aforementioned violations, except the Labor Code section 226(a) violations, is among the enumerated serious violations set forth in Labor Code § 2699.5, for which there is no statutory right to cure.

Please take notice that, based upon the above-mentioned violations, and in addition to the penalties provided by those specific sections themselves, our client also intends to seek penalties under the following Labor Code sections which themselves are inviolable but provide for recovery of penalties for violating one or more of the above-mentioned Labor Code sections: Labor Code §§ 558, 226.3.

Should your agency choose not to pursue this matter, this law office intends to vigorously prosecute the aforementioned Labor Code violations on its behalf and vindicate the rights of all employees who have been subjected to these same Labor Code violations by CLEAN AUTO.

If you have any questions or require additional information, please do not hesitate to contact us. Thank you in advance for your attention to this matter.

Very Truly Yours,

  
Harout Messrelian, Esq.

# **EXHIBIT 4**

**MESSRELIAN LAW INC.**

Harout Messrelian, Esq., SB# 272020  
500 N. Central Ave., Suite 840  
Glendale, California 91203  
Telephone: (818) 484-6531  
Facsimile: (818) 956-1983  
Email: [hm@messrelianlaw.com](mailto:hm@messrelianlaw.com)

Attorneys for Plaintiff Manuel Melendrez

Electronically  
**FILED**  
by Superior Court of California, County of San Mateo  
ON **5/13/2022**  
By /s/ Salote Alipate  
Deputy Clerk

**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**FOR THE COUNTY OF SAN MATEO**

MANUEL MELENDREZ, ) CASE NO.: 22-CIV-01967  
)  
Plaintiff, ) **COMPLAINT FOR DAMAGES FOR:**  
)  
)  
vs. ) **1) FAILURE TO COMPENSATE FOR**  
) **ALL HOURS WORKED;**  
) **2) FAILURE TO PAY MINIMUM**  
) **WAGES;**  
) **3) FAILURE TO PAY OVERTIME;**  
) **4) FAILURE TO PROVIDE**  
) **ACCURATE ITEMIZED WAGE**  
) **STATEMENTS;**  
) **5) FAILURE TO PAY WAGES WHEN**  
) **EMPLOYMENT ENDS;**  
) **6) FAILURE TO PAY WAGES OWED**  
) **EVERY PAY PERIOD;**  
) **7) VIOLATION OF LABOR CODE**  
) **SECTION 558;**  
) **8) FAILURE TO MAINTAIN**  
) **ACCURATE RECORDS;**  
) **9) FAILURE TO GIVE REST BREAKS;**  
) **10) FAILURE TO GIVE MEAL BREAKS**  
) **11) PRIVATE ATTORNEYS GENERAL**  
) **ACT ("PAGA");**  
) **12) FAILURE TO REIMBURSE FOR**  
) **BUSINESS EXPENSES;**  
) **13) VIOLATION OF CALIFORNIA**  
) **BUSINESS AND PROFESSIONS**  
) **CODE SECTION 17200.**

CLEAN AUTO INC. dba SAN MATEO )  
CAR WASH; JONATHAN ALFRED LAM; )  
AUTO CLEAN INCORPORATED dba )  
REDWOOD CARWASH; ALFRED LAM; )  
and DOES 1 to 25, inclusive, )  
)  
Defendants. )

**DEMAND FOR JURY TRIAL**

COMES NOW Plaintiff, MANUEL MELENDREZ (hereinafter “Plaintiff”), and alleges as follows:

**PARTIES, JURISDICTION, VENUE**

1. Jurisdiction and Venue are proper in this Court and this action is properly filed in the County of San Mateo in this judicial district because Defendants CLEAN AUTO INC. dba SAN MATEO CAR WASH, JONATHAN ALFRED LAM, AUTO CLEAN INCORPORATED dba REDWOOD CARWASH, ALFRED LAM, and DOES 1 to 25, inclusive, do business in the County of San Mateo and because Defendants’ obligations and liabilities arise therein, and because the work that was performed by Plaintiff in the County of San Mateo is the subject of this action. Moreover, Plaintiff’s damages sought herein exceed \$25,000.

2. Plaintiff is a male resident of the County of San Mateo, State of California.

3. Plaintiff is informed and believes that at all times herein mentioned, Defendant CLEAN AUTO INC. dba SAN MATEO CAR WASH is and was a California corporation, doing business in San Mateo County, California, and which employed Plaintiff.

4. Plaintiff is informed and believes that at all times herein mentioned, Defendant AUTO CLEAN INCORPORATED dba REDWOOD CARWASH is and was a California corporation, doing business in San Mateo County, California, and which employed Plaintiff.

5. Defendant JONATHAN ALFRED LAM is a citizen of California based on Plaintiff’s information and belief.

6. Defendant ALFRED LAM is a citizen of California based on Plaintiff’s information and belief.

7. In relevant part, Labor Code section 558.1 states:

(a) Any employer or other person acting on behalf of an employer, who violates, or causes to be violated, any provision regulating minimum wages or hours and days of work in any order of the Industrial Welfare Commission, or violates, or causes to be violated, Sections 203, 226, 226.7, 1193.6, 1194, or 2802, may be held liable as the employer for such violation.

(b) For purposes of this section, the term “other person acting on behalf of an employer” is limited to a natural person who is an owner, director, officer, or managing agent of the employer, and the term “managing agent” has the same meaning as in subdivision (b) of Section 3294 of the Civil Code.

1        8. Plaintiff is informed and believes and thereon alleges that JONATHAN ALFRED LAM  
2 is a natural person and an owner, director, officer, and/or managing agent of Defendant CLEAN  
3 AUTO INC. dba SAN MATEO CAR WASH, who directly or indirectly, or through an agent or  
4 any other person, employed or exercised control over the wages, hours, or working conditions  
5 of Plaintiff and the Aggrieved Employees (as defined below). Therefore, he is liable to Plaintiff  
6 and the Aggrieved Employees for his violations of, or causing Defendants to violate, Labor Code  
7 sections 203, 226, 226.7, and the Wage Order (no. 9) pursuant to Labor Code section 558.1.

8        9. Plaintiff is informed and believes and thereon alleges that ALFRED LAM is a natural  
9 person and an owner, director, officer, and/or managing agent of Defendant AUTO CLEAN  
10 INCORPORATED dba REDWOOD CARWASH, who directly or indirectly, or through an  
11 agent or any other person, employed or exercised control over the wages, hours, or working  
12 conditions of Plaintiff and the Aggrieved Employees (as defined below). Therefore, he is liable  
13 to Plaintiff and the Aggrieved Employees for his violations of, or causing Defendants to violate,  
14 Labor Code sections 203, 226, 226.7, and the Wage Order (no. 9) pursuant to Labor Code section  
15 558.1. CLEAN AUTO INC. dba SAN MATEO CAR WASH, JONATHAN ALFRED LAM,  
16 AUTO CLEAN INCORPORATED dba REDWOOD CARWASH, and ALFRED LAM are  
hereinafter collectively referred to as “CLEAN AUTO”.

17        10. The “Aggrieved Employees” are all current and former exempt and non-exempt or hourly  
18 paid California employees who worked for CLEAN AUTO during the relevant time period  
19 pursuant to California Labor Code section 2698, et. seq., the Labor Code Private Attorneys  
20 General Act of 2004 (“PAGA”).

21        11. Plaintiff is ignorant of the true names and capacities, whether individual, corporate, or  
22 associate of those defendants fictitiously sued as DOES 1 to 25, inclusive, and so Plaintiff sues  
23 them by these fictitious names. Plaintiff is informed and believes that each of the DOE  
24 defendants, numbers 1 to 25, reside in the State of California and are in some manner responsible  
25 for the conduct alleged herein. Upon discovering the true names and capacities of these  
26 fictitiously named defendants, Plaintiff will amend this complaint to show the true names and  
27 capacities of these fictitiously named defendants.

28        12. Unless otherwise alleged in this complaint, Plaintiff is informed, and on the basis of

1 that information and belief, alleges that at all times herein mentioned, each of the remaining  
2 codefendants, in doing the things hereinafter alleged, were acting within the course, scope, and  
3 under the authority of their agency, employment, or representative capacity, with the consent  
4 of his/her codefendants.

### 5 **GENERAL ALLEGATIONS**

6 13. Plaintiff worked for both CLEAN AUTO INC. and AUTO CLEAN INCORPORATED  
7 during the relevant PAGA period. Based on Plaintiff's information and belief, CLEAN AUTO  
8 INC. and AUTO CLEAN INCORPORATED are owned by the same family (father and son) and  
9 operated in the same manner.

10 14. During his employment tenure, Plaintiff was classified as an hourly, non-exempt  
11 employee and his latest rate of pay was \$17 per hour. Plaintiff's job duties included cleaning,  
12 detailing, waxing cars. Plaintiff's employment with AUTO CLEAN INCORPORATED ended  
13 at the end of April 2021. Plaintiff's employment with CLEAN AUTO INC. ended on or around  
14 November 6, 2021.

15 15. It is Plaintiff's position that CLEAN AUTO has violated numerous California Labor  
16 Code Sections against Plaintiff.

17 16. CLEAN AUTO did not provide Plaintiff and other similarly situated aggrieved  
18 employees with the minimum wages to which they were entitled for all work performed and did  
19 not compensate him and others for all hours worked pursuant to California Labor Code sections  
20 1194, 1197 and 1197.1. Plaintiff and others were not paid for all hours worked and consistently  
21 worked "off the clock". This is so because the company had a policy and practice of rounding  
22 down hours to the detriment of employees, who were not being paid for all hours worked.  
23 Furthermore, to the extent employees such as Plaintiff and others worked through their meal  
24 periods, they were not compensated for that time, which would be akin to a minimum wage  
25 violation. In addition, there are numerous instances wherein Plaintiff would report for work at  
26 his scheduled shift of 10am but would be told to return later. The company would not pay  
27 Plaintiff for this time and would not pay Plaintiff his reporting time pay pursuant to Industrial  
28 Welfare Commission Wage Order no. 9, section 5. In addition, the company did not have a  
system in place to properly distribute tips to employees such as Plaintiff in violation of Labor

1 Code sections 351 and 353. As such, Plaintiff was not given accurate tips to which he was  
2 entitled.

3 17. Due to the above “off the clock” violations and as a matter of company policy, CLEAN  
4 AUTO violated Labor Code §510 because it failed to pay Plaintiff and other similarly situated  
5 aggrieved employees overtime, even though they worked more than 8 hours per day and/or 40  
6 hours per week throughout their employment. Plaintiff’s and others’ actual work hours, which  
7 included the “off the clock” work as described above, entitled them to overtime, however, it was  
8 not company policy to keep accurate track of all hours worked and to pay employees overtime.  
9 In addition, the company did not include any bonus payments made to employees in calculating  
10 the employees’ regular rate of pay for purposes of calculating their overtime rate of pay.

11 18. CLEAN AUTO violated Labor Code § 226.7 along with Industrial Welfare Commission  
12 Wage Order no. 9 because it failed to provide Plaintiff and other similarly situated aggrieved  
13 employees 10-minute rest periods for every four hours of work, or majority portion thereof,  
14 throughout their employment. CLEAN AUTO did not completely relieve Plaintiff of all duty  
15 during said rest periods. CLEAN AUTO did not pay to Plaintiff one additional hour of pay at  
16 Plaintiff’s regular rate of compensation for each workday that one or more statutory rest periods  
17 was not provided. Rest breaks were not consistently authorized or enforced. In fact, it was not  
18 part of CLEAN AUTO’s culture for employees such as Plaintiff and others to take two 10-minute  
19 rest breaks every day wherein they are relieved of all work duties. The latter was due to the fact  
20 that there was at times too much work to do and no opportunity to take a rest break. Breaks were  
21 simply not a part of the policies and practices of CLEAN AUTO.

22 19. CLEAN AUTO also violated Labor Code §§ 512 and 226.7 along with Industrial Welfare  
23 Commission Wage Order No. 9 because it failed to provide Plaintiff and other similarly situated  
24 aggrieved employees the requisite 30-minute, uninterrupted meal periods for every five (5) hours  
25 of work throughout their employment, and Plaintiff did not validly waive said meal periods.  
26 CLEAN AUTO did not completely relieve Plaintiff of all duties during said meal periods.  
27 CLEAN AUTO did not pay to Plaintiff one additional hour of pay at Plaintiff’s regular rate of  
28 compensation for each workday that one or more statutory meal periods was not provided. If  
CLEAN AUTO had Plaintiff sign a meal period waiver, it would not be valid and enforceable

1 since Plaintiff and others generally worked more than a 6-hour shift. If CLEAN AUTO had  
2 Plaintiff sign an on-duty meal period agreement wherein Plaintiff agreed to work through his  
3 meal period, it would also be invalid and unenforceable because the nature of Plaintiff's job does  
4 not prevent him from taking a meal period. As such, Plaintiff and others did not always receive  
5 statutory, timely meal periods during their employment. In addition, if meal breaks were taken,  
6 they would be provided late and after the 5th hour worked or would be interrupted or shorter  
7 than 30 minutes in contravention of California law. As was the case with rest periods, consistent  
8 and timely meal breaks were definitively not part of the CLEAN AUTO's culture. In fact, and  
9 as it related to statutory breaks, Plaintiff was told several times that the only thing that mattered  
10 to the company regarding breaks was that it was notated on paper that the employee took the  
11 break, whether or not it was taken. The company only cared about appearing like it complied  
12 with California labor laws, rather than making an effort to make sure employees were receiving  
13 timely, uninterrupted meal and rest breaks at the appropriate times and when they are relieved  
14 of all job duties.

15 20. Furthermore, during the relevant time period and due to the above labor code violations,  
16 CLEAN AUTO failed to pay Plaintiff and other similarly situated aggrieved employees all wages  
17 due to them within any time period specified by California Labor Code section 204, including  
18 the minimum wages and overtime as described above as well as meal/rest break premiums.

19 21. CLEAN AUTO was also in violation of California Labor Code section 226(a) by not  
20 providing access to paystubs and failing to include pertinent information on the wage statements,  
21 including but not limited to, all hours worked, gross wages earned, net wages earned, all  
22 deductions, premium payments for meal and rest breaks, the correct legal name and address of  
23 the employer, the correct beginning and end of the pay period, all applicable hourly rates, and  
24 all identifying employee information, among other items. As such, CLEAN AUTO did not  
25 provide Plaintiff and other similarly situated aggrieved employees with complete, accurate  
26 itemized wage statements.

27 22. CLEAN AUTO violated Labor Code § 203 because it willfully failed to pay Plaintiff and  
28 other similarly situated aggrieved employees earned and due wages upon separation of  
employment, either immediately upon involuntary termination, or within 72 hours of resignation.

1 These earned but unpaid wages include compensation for all hours worked including minimum  
2 wages and overtime compensation, and premiums for the missed meal and rest breaks.

3 23. During the relevant time period, CLEAN AUTO also failed to keep accurate and  
4 complete payroll records showing the actual hours worked per day (including the time for meal  
5 periods) and the wages paid to Plaintiff and other aggrieved employees pursuant to California  
6 Labor Code sections 1174(d).

7 24. During the relevant time period, Plaintiff and other aggrieved employees incurred  
8 necessary, business-related expenses and costs that were not reimbursed by CLEAN AUTO.  
9 These costs include, but are not limited to, use of personal cell phone for work purposes as well  
10 as having to purchase black pants and shoes specifically for the job. The only thing CLEAN  
11 AUTO provided was the company shirts, but the rest of the uniform had to be purchased by  
12 Plaintiff and other aggrieved employees. Accordingly, CLEAN AUTO was in violation of  
13 California Labor Code sections 2800 and 2802.

14 25. Furthermore, CLEAN AUTO failed to provide sick pay pursuant to Labor Code sections  
15 232 and 246 and also failed to provide Worker's Compensation coverage for Plaintiff and other  
16 aggrieved employees in violation of Labor Code Section 3700.5.

### 17 **FIRST CAUSE OF ACTION**

#### 18 **FAILURE TO COMPENSATE FOR ALL HOURS WORKED**

19 **(California Industrial Welfare Commission Order 9-2001, California Code of**  
20 **Regulations Title 8 Section 11090, and California Labor Code Section 1198)**

21 **(Plaintiff against all named defendants and all DOE defendants)**

22 26. Plaintiff re-alleges and incorporates by reference each and every allegation in  
23 paragraphs 1 through 25, inclusive, of this Complaint as though fully set forth herein.

24 27. At all times relevant herein, Defendants were required to compensate their employees for  
25 all hours worked upon reporting for work at the appointed time stated by the employer pursuant  
26 to Industrial Welfare Commission Order 9-2001, California Code of Regulations, Title 8, Section  
27 11090.

1 28. For the three (3) years preceding filing of this action, Defendants failed to compensate  
2 Plaintiff for all hours worked.

3 29. Under the aforementioned wage order and regulations, Plaintiff is to recover  
4 compensation for all hours worked but not paid by Defendants for the three (3) years  
5 preceding the filing of this Complaint.

6 30. As a proximate result of the aforementioned violations, Plaintiff has been damaged in  
7 an amount according to proof at time of trial, but in an amount in excess of the jurisdiction of  
8 this Court.

9 31. Defendants' conduct described herein violates Labor Code Section 512, 558, 1194, and  
10 1198. Therefore, pursuant to Labor Code Sections 218.5, 512, 558, and 1194, Plaintiff is  
11 entitled to recover damages for the nonpayment of wages for all hours worked, penalties, plus  
12 reasonable attorney's fees and costs of suit.

13 32. Under this cause of action, Plaintiff prays for penalties due under the statutes alleged  
14 along with any allowable interest, penalties, attorney's fees, and costs which will equal an  
15 amount known to Plaintiff once he has obtained all of his payroll records from  
16 Defendants.

17 **SECOND CAUSE OF ACTION**

18 **FAILURE TO PAY MINIMUM WAGES**

19 **(California Labor Code Sections 1194, 1194.2, 1197)**

20 **(Plaintiff against all named defendants and all DOE defendants)**

21 33. Plaintiff re-alleges and incorporates by reference each and every allegation in  
22 paragraphs 1 through 32, inclusive, of this Complaint as though fully set forth herein.  
23

24 34. Pursuant to Labor Code Sections 1194, 1194.2 and 1197, it is unlawful for an employer  
25 to suffer or permit a California employee to work without paying wages at the minimum wage  
26 rate for all hours worked as required by the applicable Industrial Welfare Commission  
27 (hereinafter "IWC") Wage Order No. 9-2001, codified at California Code of  
28 Regulations, Title 8, Section 11090, subdivision 4.

1 35. Pursuant to IWC Wage Order no. 9-2001, subdivision 2(H), at all relevant times, “hours  
2 worked” included “the time during which an employee is subject to the control of an employer,  
3 and includes all the time the employee is suffered or permitted to work, whether or not required  
4 to do so...”

5 36. During his employment, Plaintiff was regularly required as a matter of uniform  
6 policy and practice to work, and in fact worked, as an employee of Defendants and Plaintiff  
7 was paid less than the minimum wage rate by Defendants for hours worked in violation of  
8 California Labor Code Section 1197 and the applicable California Industrial Wage  
9 Commission wage order(s).

10 37. Plaintiff was, at all relevant times, under the control of Defendants and suffered or  
11 permitted to work by Defendants. Defendants’ acts or omissions in failing to adequately  
12 compensate Plaintiff were not in good faith nor were there reasonable grounds for Defendants  
13 to believe that their acts or omissions were not contrary to California law.

14 38. For all hours worked by Plaintiff for which he was paid less than the minimum wage  
15 rate by Defendants, Plaintiff is entitled to not less than the applicable California minimum  
16 wage rate and, pursuant to Labor Code Section 1194.2(a), liquidated damages in an amount  
17 equal to unpaid minimum wages and interests thereon. Pursuant to Labor Code Section 1194,  
18 Plaintiff is also entitled to attorney’s fees, costs and interests according to proof.

19 39. Under this cause of action, Plaintiff prays for penalties due under the statutes alleged  
20 along with any allowable interest, penalties, attorney’s fees, and costs according to proof at  
21 trial.

22 **THIRD CAUSE OF ACTION**

23 **FAILURE TO PAY OVERTIME**

24 **(California Industrial Welfare Commission Order 9-2001, California Code of**  
25 **Regulations Title 8 Section 11090; California Labor Code Section 510)**  
26 **(Plaintiff against all named defendants and all DOE defendants)**

27 40. Plaintiff re-alleges and incorporates by reference each and every allegation in  
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1 paragraphs 1 through 39, inclusive, of this Complaint as though fully set forth herein.

2 41. Pursuant to Industrial Welfare Commission Order No. 9-2001, Cal. Code of  
3 Regs., Title 8, Section 11090, for the period of Plaintiff's employment, Defendants were  
4 required to compensate Plaintiff for all overtime, which is calculated at one and one-half (1.5)  
5 times the regular rate of pay for hours worked in excess of eight (8) in a day or forty (40) hours  
6 in a week, and two (2) times the regular rate of pay for hours worked in excess of twelve (12)  
7 hours in a day or hours worked in excess of eight (8) on the seventh consecutive work day in a  
8 week.

9 42. Plaintiff was a non-exempt employee entitled to the protections of the California  
10 Industrial Welfare Commission Order No. 9-2001, California Code of Regulations,  
11 Title 8, Section 11090.

12 43. Plaintiff worked more than eight (8) hours in a single workday or forty (40) hours in  
13 a single workweek on numerous occasions.

14 44. Plaintiff was entitled to the above overtime premiums.

15 45. Defendants did not pay Plaintiff premium wages of at least one and one-half times  
16 Plaintiff's regular rate of pay for hours worked past eight (8) in a day.

17 46. Defendants did not pay Plaintiff premium wages of at least one and one-half times  
18 Plaintiff's regular rate of pay for hours worked past forty (40) in a week.

19 47. Plaintiff worked at least one pay period in which he was not properly paid overtime  
20 within the three (3) years prior to the initiation of this lawsuit.

21 48. Defendants know or should know the actual dates of overtime worked, the amount of  
22 overtime worked, and the amount of unpaid overtime due.

23 49. As a proximate result of Defendants' violations, Plaintiff has been damaged in an  
24 amount according to proof at time of trial, but in an amount in excess of the jurisdiction of this  
25 Court.

26 50. Pursuant to California Labor Code Sections 218.6, 510, 1194, and California Code of  
27 Regulations, Title 8, Sections 11090, Plaintiff is entitled to recover damages for the  
28

1 nonpayment of overtime premiums for all overtime hours worked, penalties, interest, plus  
2 reasonable attorney's fees and costs of suit.

3 51. Under this cause of action, Plaintiff prays for penalties due under the statutes alleged  
4 along with any allowable interest, penalties, attorney's fees, and costs according to proof at  
5 trial.

6 **FOURTH CAUSE OF ACTION**

7 **FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS**

8 **(California Labor Code Section 226)**

9 **(Plaintiff against all named defendants and all DOE defendants)**

10 52. Plaintiff re-alleges and incorporates by reference each and every allegation in  
11 paragraphs 1 through 51, inclusive, of this Complaint as though fully set forth herein.

12 53. Pursuant to California Labor Code Section 226, every employer must furnish each  
13 employee an itemized statement of wages and deductions at the time of payment of wages.

14 54. Defendants knowingly and intentionally did not furnish Plaintiff with any pay stubs that  
15 accurately reflected all information required by Labor Code Section 226, including but not  
16 limited to, all hours worked, gross wages earned, including overtime, minimum wages, and  
17 premium pay for missed meal and rest breaks, net wages earned, total hours worked by the  
18 employee, all deductions, and business expense reimbursement. Therefore, Defendants failed  
19 to maintain and provide accurate itemized wage statements to Plaintiff in accordance with  
20 California Labor Code Section 226(a).

21 55. Pursuant to California Labor Code Section 226(e), Plaintiff is entitled to recover the  
22 greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation  
23 occurs and one hundred dollars (\$100) per employee for each violation in a subsequent pay  
24 period, not exceeding an aggregate amount of four thousand dollars (\$4,000), plus costs and  
25 reasonable attorney's fees. Plaintiff only claims damages under this cause of action pursuant to  
26 the 3-year period immediately preceding the date this lawsuit was filed.

27 56. As a direct and proximate result of Defendants' unlawful conduct, Plaintiff has  
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1 sustained damages, including loss of earnings, in an amount to be established at trial. As a  
2 further direct and proximate result of Defendants' unlawful conduct, as set forth herein,  
3 Plaintiff is entitled to recover penalties, in an amount to be established at trial, as well as costs  
4 and attorney's fees pursuant to statute.

5 57. Under this cause of action, Plaintiff prays for penalties due under the statutes alleged  
6 along with any allowable interest, penalties, attorney's fees, and costs according to proof at  
7 trial.

8 **FIFTH CAUSE OF ACTION**

9 **FAILURE TO PAY WAGES WHEN EMPLOYMENT ENDS**

10 **(California Labor Code Sections 201, 203)**

11 **(Plaintiff against all named defendants and all DOE defendants)**

12 58. Plaintiff re-alleges and incorporates by reference each and every allegation in  
13 paragraphs 1 through 57, inclusive, of this Complaint as though fully set forth herein.

14 59. Pursuant to California Labor Code Section 201(a), an employer who discharges an  
15 employee must immediately pay for all compensation due and owing.

16 60. Pursuant to California Labor Code Section 202, when an employee resigns, the  
17 employer must pay all compensation due and owing within 72 hours of resignation, or on the  
18 employee's last day of work, if the employee gives more than 72 hours notice of resignation.

19 61. Pursuant to California Labor Code Section 203, if an employer willfully fails to pay,  
20 without abatement or reduction, any wages of an employee whose employment ends, the wages  
21 of the employee shall continue as a penalty from the due date at the same rate until paid or until  
22 an action is commenced; however, the wages shall not continue for more than 30 days for  
23 failure to pay an employee owed wages.

24 62. After Plaintiff's employment with Defendants ended and after Plaintiff was terminated  
25 from his employment, Defendants willfully refused and continue to refuse to pay his unpaid  
26 wages as required by Labor Code Section 203.

27 63. Under this cause of action, Plaintiff prays for penalties due under the statutes alleged  
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1 along with any allowable interest, penalties, attorney's fees, and costs according to proof at  
2 trial. Moreover, Plaintiff prays for the above-mentioned money from 3 years immediately  
3 preceding the filing of this lawsuit.

4 64. Under this cause of action, Plaintiff also prays for attorney's fees and costs under  
5 California Labor Code Section 218.5 for time spent pursuing the non-payment of wages as set  
6 forth herein. Plaintiff also prays for interest under California Labor Code Section 218.6.

7 65. Under this cause of action, Plaintiff prays for penalties due under the statutes alleged  
8 along with any allowable interest, penalties, attorney's fees, and costs according to proof at  
9 trial.

#### 10 **SIXTH CAUSE OF ACTION**

#### 11 **FAILURE TO PAY WAGES OWED EVERY PAY PERIOD**

12 **(California Labor Code Section 204)**

13 **(Plaintiff against all named defendants and all DOE defendants)**

14 66. Plaintiff re-alleges and incorporates by reference each and every allegation in  
15 paragraphs 1 through 65, inclusive, of this Complaint as though fully set forth herein.

16 67. California Labor Code Section 204 establishes the fundamental right of all employees  
17 in the State of California to be paid wages in a timely fashion for their work.

18 68. At all times relevant during the liability period, Defendants failed to pay Plaintiff the  
19 full amount of all owed wages when due as required by California Labor Code Section 204.

20 69. Defendants failed to pay Plaintiff all wages earned each pay period. Plaintiff is  
21 informed, believes, and thereon alleges, that all times relevant during the liability period,  
22 Defendants maintained a policy or practice of not paying Plaintiff wages for all hours worked,  
23 including overtime hours, the minimum wage, and premium pay for missed meal and rest  
24 breaks.

25 70. As a result of Defendants' unlawful conduct, Plaintiff has suffered damages in an  
26 amount, subject to proof, to the extent he was not paid all wages each pay period. The precise  
27 amount of unpaid wages is not presently known to Plaintiff but can be determined directly  
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1 from Defendants' records or indirectly based on information from Defendants' records.

2 71. Under this cause of action, Plaintiff prays for penalties due under the statutes alleged  
3 along with any allowable interest, penalties, attorney's fees, and costs according to proof at  
4 trial.

5 **SEVENTH CAUSE OF ACTION**  
6 **VIOLATION OF LABOR CODE SECTION 558**  
7 **(California Labor Code Section 558)**

8 **(Plaintiff against all named defendants and all DOE defendants)**

9 72. Plaintiff re-alleges and incorporates by reference each and every allegation in  
10 paragraphs 1 through 71, inclusive, of this Complaint as though fully set forth herein.

11 73. California Labor Code Section 558 states that any person acting on behalf of an  
12 employer who violates, or causes to be violated, a section of this chapter or any provision  
13 regulating hours and days of work in any order of the Industrial Welfare Commission shall be  
14 subject to a civil penalty for any initial violation, fifty dollars (\$50) for each underpaid  
15 employee for each pay period for which the employee was underpaid in addition to an amount  
16 sufficient to recover underpaid wages. The civil penalty for each subsequent violation is one  
17 hundred dollars (\$100) for each underpaid employee for each pay period for which the  
18 employee was underpaid in addition to an amount sufficient to recover underpaid wages.  
19 Plaintiff claims penalties for five (5) years immediately preceding the date this lawsuit was  
20 filed.  
21

22 74. Plaintiff hereby alleges that named Defendants violated Labor Code Section 558. Thus,  
23 Defendants are subject to civil penalties under the following laws:

- 24 a. California Labor Code Section 558. Defendants failed to pay Plaintiff regular  
25 wages, including minimum wages, and overtime wages for overtime hours worked.  
26 Defendants also failed to Plaintiff premium pay for missed meal and rest breaks. As  
27 such, Defendants violated Section 558 under which penalties are due. Plaintiff  
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1 therefore prays for penalties of \$50.00 for the first pay period and \$100.00 for each  
2 subsequent violation for each pay period for which Plaintiff was underpaid in  
3 addition to an amount sufficient to recover underpaid wages.

4 b. California Labor Code Section 218.5 for recovery of costs and attorney's fees for  
5 relief associated with Plaintiff's prosecution of this cause of action under California  
6 Labor Code Sections 200, et seq. Defendants knowingly violated labor laws by not  
7 paying Plaintiff for his overtime hours worked and for all hours worked (including  
8 the minimum wage).

9  
10 c. California Labor Code Section 211 and 218.5 for recovery of costs and attorney's  
11 fees for relief associated with Plaintiff's prosecution of this cause of action under  
12 California Labor Code Sections 200, et seq.

13 75. Under this cause of action, Plaintiff prays for all penalties and pay otherwise due under  
14 the statutes, regulations, and wage orders alleged in this cause of action along with any  
15 allowable interest, penalties, attorney's fees, and costs according to proof at trial.

16 76. Plaintiff also prays for Labor Code Section 211 and 218.5 recovery of costs an  
17 attorney's fees for the time Plaintiff's attorney spent prosecuting this cause of action.

18 **EIGHTH CAUSE OF ACTION**

19 **FAILURE TO MAINTAIN ACCURATE RECORDS**

20 **(California Labor Code Section 1174(d))**

21 **(Plaintiff against all named defendants and all DOE defendants)**

22 77. Plaintiff re-alleges and incorporates by reference each and every allegation in  
23 paragraphs 1 through 76, inclusive, of this Complaint as though fully set forth herein.

24 78. Labor Code section 1174(d) requires that employers, including Defendants, maintain  
25 accurate records showing the hours worked daily by its employees and to whom wages were  
26 paid.  
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1 79. Additionally, the “Records” section of the applicable IWC Wage Order obligates the  
2 employer, including Defendants, to keep accurate information with respect to each one of their  
3 employees including, but not limited to, the total wages paid each payroll period, and time  
4 records showing when the employee begins and ends each work period, meal periods, split  
5 shift intervals; the total daily hours worked; the total hours worked in the payroll period, and  
6 the applicable rates of pay.

7 80. Pursuant to Labor Code section 1174.5, any person employing labor who willfully fails  
8 to maintain accurate and complete records required by Labor Code section 1174(d) is subject  
9 to a penalty. On information and belief, Defendants intentionally failed to maintain accurate  
10 records of Plaintiff’s total daily hours, the total hours worked in the payroll period, the  
11 applicable rates of pay, and total wages earned for the payroll period.

12 81. As a direct result of Defendants’ violations alleged herein, Plaintiff has suffered and  
13 continues to suffer substantial losses related to Defendants’ failure to record and maintain  
14 records of meal and rest periods as well as time records.

15 82. Plaintiff seeks all available remedies for Defendants’ violations including, but not  
16 limited penalties, and costs to the extent permitted by law and according to proof at trial.

17 **NINTH CAUSE OF ACTION**

18 **FAILURE TO GIVE REST BREAKS**

19 **(Plaintiff against all named defendants and all DOE defendants)**

20 83. Plaintiff re-alleges and incorporates by reference each and every allegation in  
21 paragraphs 1 through 82, inclusive, of this Complaint as though fully set forth herein.

22 84. Plaintiff brings this cause of action under the following laws, for the following reasons:

- 23 a. Title 8 of the California Code of Regulations Sections 11090(12)(A), which  
24 provides that every employer shall authorize and permit all employees to take rest  
25 periods, which insofar as practicable shall be in the middle of each work period.  
26

27 The authorized rest period time shall be based on the total hours worked daily at the  
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rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof;

b. Title 8 of the California Code of Regulations Sections 11090(12)(B), which provides that 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 employee's regular rate of compensation for each workday that the rest period is not provided;

c. Title 8 of the California Code of Regulations sections 11090(20)(A), which penalizes the employer \$50.00 for each initial violation, per employee, of any provision of the Wage Order, and \$100.00 for each additional violation thereafter per employee; and

d. California Labor Code section 226.7, which states that (a) no employer shall require any employee to work during any rest period mandated by an applicable order of the Industrial Welfare Commission, and (b) if an employer fails to provide an employee a rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one (1) additional hour of pay at employee's regular rate of compensation for each work day that the rest period is not provided.

85. Plaintiff alleges that he was not authorized and permitted to take a ten (10) minute rest break after every four (4) hours of work or major fraction thereof, as required by California law.

86. Under this cause of action, Plaintiff prays for wages due to him under the statutes, regulations, and wage orders alleged in this cause of action along with any allowable interest, penalties, attorney's fees and costs according to proof at trial. Specifically, Plaintiff prays for the foregoing moneys calculated from 3 years immediately preceding the filing

1 of this lawsuit.

2 87. Plaintiff also prays for Labor Code section 218.5 recovery of costs and attorney's  
3 fees as well as interest under Labor Code section 218.6.

4 88. Under this cause of action, Plaintiff prays for penalties due under the statutes alleged  
5 along with any allowable interest, penalties, attorney's fees, and costs according to proof at  
6 trial.

7 **TENTH CAUSE OF ACTION**

8 **FAILURE TO GIVE MEAL BREAKS**

9 **(Plaintiff against all named defendants and all DOE defendants)**

10 89. Plaintiff re-alleges and incorporates by reference each and every allegation in  
11 paragraphs 1 through 88, inclusive, of this Complaint as though fully set forth herein.

12 90. Plaintiff brings this cause of action under the following laws, for the following reasons:

- 13
- 14 a. California Labor Code section 512(a), which requires that employees be given a 30-  
15 minute uninterrupted meal break after five (5) hours of work, and a second  
16 uninterrupted meal break after ten (10) hours of work;
- 17 b. California Labor Code section 226.7, which states that (a) no employer shall require  
18 any employee to work during any meal period mandated by an applicable order of  
19 the Industrial Welfare Commission, and (b) if any employer fails to provide an  
20 employee a meal period in accordance with an applicable order of the Industrial  
21 Welfare Commission, the employer shall pay the employee one (1) additional hour  
22 of pay at the employee's regular rate of compensation for each workday that the  
23 meal period is not provided;
- 24 c. California Industrial Welfare Commission Order No. 9 section 11(D), as codified  
25 under Title 8 of the California Code of Regulations Section 11090, which states that  
26 if an employer fails to provide an employee a meal period in accordance with the  
27  
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1 applicable provisions of the Wage Order, the employer shall pay the employee one  
2 (1) hour of pay at the employee's regular rate of compensation for each workday  
3 that the meal period is not provided;

- 4 d. California Industrial Welfare Commission Wage Order No. 9 Section 7(A)(3), as  
5 codified under Title 8 of the California Code of Regulations Section 11090, which  
6 requires an employer to maintain records documenting its employees' meal periods;  
7  
8 e. California Industrial Welfare Commission wage order No. 9 Section 20(A), as  
9 codified under California Code of Regulations Section 11090, which penalizes the  
10 employer \$50.00 for each initial violation, per employee, of any provision of the  
11 Wage Order, and \$100.00 for each additional violation thereafter per employee; and  
12  
13 f. California Labor Code section 1171 and 1173, which have given the California  
14 Labor Commission jurisdiction to enact Wage Orders (such as Wage Order no. 9)  
15 as enforceable law.

16 91. Plaintiff alleges that he was not authorized and permitted to take relieved meal breaks  
17 after five (5) hours of work. Plaintiff further alleges that he was not authorized and permitted to  
18 take a second relieved meal break after ten (10) hours of work, as required by California law.  
19 California Labor Code section 512(a) and California Industrial Welfare Commission Order No.  
20 9, as codified under California Code of Regulations Sections 11090 et. seq. requires that  
21 employees receive uninterrupted meal periods every five (5) hours of consecutive work, and  
22 that the meal period be at least 30 minutes in length, wherein employee is relieved of all work  
23 duty. California Labor Code section 226.7 provides that employers may not require their  
24 employees to work through their meal periods. California Labor Code section 226.7 and  
25 California Code of Regulations section 11090 requires that if the employer fails to provide the  
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1 employee with an uninterrupted meal period, the employer must pay the employee one (1) hour  
2 of pay for each work day that the meal period is not given.

3 92. Under this cause of action, Plaintiff prays for wages due to him under the statutes,  
4 regulations, and wage orders alleged in this cause of action along with any allowable interest,  
5 penalties, attorney's fees and costs according to proof at trial. Specifically, Plaintiff prays for  
6 the foregoing moneys calculated from 3 years immediately preceding the filing of this lawsuit.

7 93. Plaintiff also prays for Labor Code section 218.5 recovery of costs and attorney's  
8 fees as well as interest under Labor Code section 218.6.

9 94. Under this cause of action, Plaintiff prays for penalties due under the statutes alleged  
10 along with any allowable interest, penalties, attorney's fees, and costs according to proof at  
11 trial.

12 **ELEVENTH CAUSE OF ACTION**

13 **PRIVATE ATTORNEYS GENERAL ACT**

14 **Individual and Representative Claim for PAGA penalties under California Labor Code**  
15 **sections 201, 202, 203, 204 and/or 204b, 226, 226.3, 226.7, 232, 246, 351, 353, 510, 512, 558,**  
16 **558.1, 1174, 1174.5, 1194, 1197, 1198, 2802, 3700.5)**

17 **(Against all Defendants and all DOE Defendants)**

18 95. Plaintiff re-alleges and incorporates by reference each and every allegation in  
19 paragraphs 1 through 94, inclusive, of this Complaint as though fully set forth herein.

20 96. Pursuant to law, Plaintiff provided the required written notice to the LWDA and  
21 Defendants of the specific violations of the California Labor Code that Defendants and DOE  
22 defendants have violated and continue to violate.

23 97. Pursuant to California Labor code section 2699.3, no response was received from  
24 the LWDA within 65 days of the postmark date of the above-alleged letter.

25 98. Plaintiff therefore has exhausted all administrative remedies required of him under  
26 California Labor Code sections 2698, 2699, and 2699.3, and, as a result, may prosecute this  
27 cause of action and pursue penalties in a representative action for Defendants' violations of the  
28 Labor Code.

99. Pursuant to California Labor Code section 2699, any provisions of the Labor

1 Code that provides for a civil penalty to be assessed and collected by the LWDA or any of its  
2 departments, divisions, commissions, boards, agencies, or employees for violation of the code  
3 may, as an alternative, be recovered through a civil action brought by an aggrieved employee on  
4 behalf of himself or herself and other current or formal employees pursuant to the  
5 procedures specified in California Labor Code section 2699.3.

6 100. Plaintiff is an “aggrieved employee” because Plaintiff was employed by the alleged  
7 violator and had one or more of the alleged violations committed against him, and therefore is  
8 properly suited to represent the interests of other current and former employees, including all  
9 hourly, non-exempt employees who worked for CLEAN AUTO at any of their California  
10 locations during the relevant PAGA period.

11 101. Based on the acts alleged above, Plaintiff, on behalf of himself and others, seeks  
12 penalties under California Labor Code sections 2698 and 2699 because of Defendants’  
13 violations of numerous provisions of the California Labor Code as alleged in this Complaint.

14 102. Plaintiff therefore has exhausted all administrative remedies required of him under  
15 California Labor Code sections 2698, 2699, and 2699.3, and, as a result, may prosecute this  
16 cause of action and pursue penalties in a representative action for Defendants’ violations of the  
17 Labor Code.

18 103. California Labor Code section 2699 et seq. imposes penalties upon culpable  
19 Defendants  
20 for violating the Labor Code.

21 104. California Labor Code section 558 establishes a civil penalty as follows: Any  
22 employer or other person action on behalf of an employer who violates, or causes to be  
23 violated, a section of this chapter or any provision regulating hours and days of work in any  
24 order of the Industrial Welfare Commission (including the “Hours and Days of Work” section  
25 of the Wage Order) shall be subject to a civil penalty of (1) for any initial violation, fifty  
26 dollars (\$50) for each underpaid employee for each pay period for which the employee was  
27 underpaid ...; (2) for each subsequent violation, one hundred dollars (\$100) for each underpaid  
28 employee for each pay period for which the employee was underpaid ...;

105. Plaintiff seeks penalties for Defendants’ misconduct as alleged herein as permitted

1 by law, but only those penalties that are required to be shared with the LWDA as Plaintiff is  
2 not seeking individual/victim specific relief or underpaid wages under this particular cause of  
3 action.

4 106. Plaintiff seeks penalties for Defendants' misconduct as alleged herein as permitted  
5 by law. Specifically, Plaintiff seeks penalties under California Labor Code section 2699, for  
6 the following:

7 Violations of California Labor Code sections 201, 202, 203, 204 and/or 204b, 210, 226,  
8 226.3, 226.7, 232, 246, 351, 353, 510, 512, 558, 558.1, 1174, 1174.5, 1194, 1197, 1198, 2802  
9 via 2698 and 2699, 3700.5, and any other Labor Codes and Industrial Welfare Commission  
10 Wage Orders (Order no. 9) violated based on the facts alleged in this Complaint.

11 107. Pursuant to Labor Code section 2698 et seq., Plaintiff seeks to recover attorney's  
12 fees, costs, and civil penalties on behalf of Plaintiff and other current and former aggrieved  
13 employees as alleged herein in an amount to be shown according to proof at trial and within the  
14 jurisdictional limits of this Court.

#### 15 **TWELFTH CAUSE OF ACTION**

##### 16 **FAILURE TO REIMBURSE FOR BUSINESS EXPENSES**

##### 17 **(Plaintiff against all Defendants and DOE Defendants, and each of them)**

18 108. Plaintiff re-alleges and incorporates by reference each and every allegation in  
19 paragraphs 1 through 107, inclusive, of this Complaint as thought fully set forth herein.

20 109. Labor Code section 2802 provides that "[a]n employer shall indemnify his or her  
21 employee for all necessary expenditures or losses incurred by the employee in direct  
22 consequence of the discharge of his or her duties."

23 110. Beginning at least 3 years prior to the filing of this complaint, in order to discharge  
24 their duties for Defendant, Plaintiff incurred reasonable and necessary expenses in the course  
25 of completing his job duties, which were not reimbursed by Defendants. use of personal cell  
26 phone for work purposes as well as having to purchase black pants and shoes specifically for  
27 the job. The only thing CLEAN AUTO provided was the company shirts, but the rest of the  
28 uniform had to be purchased by Plaintiff and other aggrieved employees.

111. Plaintiff is entitled to reimbursement for these necessary expenditures, plus interest

and attorney's fees and costs, under Labor Code section 2802.

**THIRTEENTH CAUSE OF ACTION**

**VIOLATION OF BUSINESS AND PROFESSIONS CODE SECTION 17200**

**(California Business and Professions Code Section 17200)**

**(Plaintiff against All Defendants and all DOE defendants)**

112. Plaintiff re-alleges and incorporates by reference each and every allegation in paragraphs 1 through 111, inclusive, of this Complaint as though fully set forth herein.

113. By virtue of the foregoing statutes, regulations, and laws, the acts of Defendants constitutes unfair and unlawful business practices under California Business and Professions Code Section 17200, et seq.

114. Defendant's violations of California labor laws and the Labor Code constitutes a business practice because it was done repeatedly over a significant period of time in a systematic manner that was detrimental to Plaintiff.

115. For the four years preceding the filing of this action, Plaintiff has suffered damages and request damages and/or restitution of all monies and profits to be disgorged from Defendants in an amount according to proof at time of trial, but in excess of the jurisdiction of this Court.

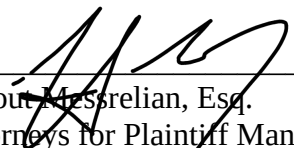
WHEREFORE, Plaintiff prays for Judgment against Defendants and each of them, as follows:

1. For special and consequential damages to the extent allowed by law;
2. For damages for wages and overtime not paid to Plaintiff in an amount subject to proof at trial;
3. For damages and penalties under Labor Code Section 226 for Plaintiff in an amount subject to proof at trial;
4. For damages and penalties pursuant to Labor Code Section 203 in an amount subject to proof at trial;
5. For restitution and disgorgement for all unfair business practices by Defendants against Plaintiff in an amount subject to proof at trial;

6. For an order enjoining Defendants from further unfair and unlawful business practices in violation of Business and Professions Code Sections 17200, et seq.;
7. For one hour of wages due to Plaintiff for each work period of more than five (5) hours when Plaintiff did not receive an uninterrupted thirty (30) minute meal period;
8. For one hour of wages due to Plaintiff for each work period of four (4) hours or major fraction thereof when Plaintiff did not receive a ten (10) minute rest break;
9. For maximum civil penalties available under the Labor Code and applicable Wage Order against Defendants as described more particularly in the Complaint and representative PAGA claim;
10. For all remedies available to Plaintiff under the applicable Wage Order and the Labor Code including an award of unpaid wages, attorney's fees, costs, interest, liquidated damages, damages, penalties, and waiting time penalties according to proof to the extent permitted by law;
11. For the imposition of civil penalties and/or statutory penalties;
12. For all interest as allowed by law;
13. For all costs and disbursements incurred in this suit;
14. Reasonable attorney's fees where available by law, including but not limited to, pursuant to the California Labor Code and/or other applicable laws; and
15. For such other and further relief as this Court may deem proper.

DATED: March 1, 2022

**MESSRELIAN LAW INC.**

By   
Harout Messrelian, Esq.  
Attorneys for Plaintiff Manuel Melendrez

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DATED: March 1, 2022

By Harout Messrelian, Esq.  
Attorneys for Plaintiff Manuel Melendrez

# **EXHIBIT 5**

Treaver K. Hodson, SBN: 179184  
Alexandra M. Asterlin, SBN: 223286  
PALMER KAZANJIAN WOHL HODSON LLP  
2277 Fair Oaks Boulevard, Suite 455  
Sacramento, CA 95825  
Telephone: (916) 442-3552  
Facsimile: (916) 640-1521

Attorneys for Defendants  
CLEAN AUTO, INC. dba SAN MATEO CAR WASH,  
JONATHAN ALFRED LAM, AUTO CLEAN INCORPORATED  
dba REDWOOD CARWASH and  
ALFRED LAM

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
IN AND FOR THE COUNTY OF SAN MATEO

MANUEL MELENDREZ,

Plaintiff,

v.

CLEAN AUTO INC. dba SAN MATEO  
CAR WASH; JONATHAN ALFRED  
LAM; AUTO CLEAN INCORPORATED  
dba REDWOOD CARWASH; ALFRED  
LAM; and DOES 1 to 25, inclusive,

Defendants.

Case No. 22-CIV-01967

DEFENDANTS' ANSWER TO COMPLAINT

Complaint Filed: May 13, 2022  
Trial Date: N/A

Defendants CLEAN AUTO INC. dba SAN MATEO CAR WASH; JONATHAN ALFRED LAM; AUTO CLEAN INCORPORATED dba REDWOOD CARWASH; and ALFRED LAM (hereafter "Defendants") hereby answer Plaintiff MANUEL MELENDREZ (hereafter "Plaintiff")'s Complaint as follows:

**GENERAL DENIAL**

Defendants, pursuant to California Code of Civil Procedure section 431.30(d), deny each and every allegation contained in the Complaint, conjunctively and disjunctively, and further deny that Plaintiff has suffered any damages in the sums alleged or any other sum or at all and further generally and specifically deny Plaintiff is entitled to any relief whatsoever.

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1           10.     AS A TENTH SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
2 Complaint, the claims asserted by Plaintiff are not appropriate for resolution on a collective basis.

3           11.     AS AN ELEVENTH SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
4 Complaint, Defendants allege Plaintiff is estopped from pursuing the Complaint, and each of its causes  
5 of action, by reason of his own actions and course of conduct.

6           12.     AS A TWELFTH SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
7 Complaint, Defendants allege Plaintiff waived any and all causes of action against Defendants.

8           13.     AS A THIRTEENTH SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
9 Complaint, Plaintiff has failed to timely bring the PAGA claim within the applicable one-year statute  
10 of limitations period and his claims are barred on this basis.

11           14.     AS A FOURTEENTH SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
12 Complaint, any violation of Labor Code section 226(a), if found to have occurred, was an inadvertent  
13 mistake and/or clerical error, such that the employer should not be subject to a penalty pursuant to  
14 Labor Code section 226.3.

15           15.     AS A FIFTEENTH SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
16 Complaint, if there is found to be any violation by Defendants as to minimum wage obligations,  
17 although Defendants assert there is none, the violation was not intentionally committed such that there  
18 is no basis for an award of civil penalties pursuant to Labor Code section 1197.1.

19           16.     AS A SIXTEENTH SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
20 Complaint, the Complaint is uncertain.

21           17.     AS A SEVENTEENTH SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
22 Complaint, any claims for civil penalties under PAGA are barred by the applicable one-year statute of  
23 limitations.

24           18.     AS AN EIGHTEENTH SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
25 Complaint, the Complaint and each cause of action attempted to be stated therein are barred by the  
26 applicable statutes of limitations, including but not limited to Code Civ. Proc. §§ 338, 340 and 343  
27 and Bus. & Prof. Code § 17208.  
28

1           19.     AS A NINETEENTH SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
2 Complaint, the Complaint and each cause of action attempted to be stated therein are barred to the  
3 extent Plaintiff has failed to exhaust his administrative remedies, including but not limited to the  
4 written notice required by Lab. Code § 2699.3(a)(1)-(2).

5           20.     AS A TWENTIETH SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
6 Complaint, this Court lacks subject matter jurisdiction over all claims asserted under PAGA because  
7 Plaintiff has failed to satisfy the jurisdictional prerequisites for commencing a suit for civil penalties  
8 under PAGA.

9           21.     AS A TWENTY-FIRST SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
10 Complaint, Plaintiff is not entitled to the equitable relief sought insofar as he has an adequate remedy  
11 at law, and he cannot make the requisite showing to obtain injunctive relief in a labor dispute under  
12 Lab. Code § 1138.1 *et seq.*

13           22.     AS A TWENTY-SECOND SEPARATE AND AFFIRMATIVE DEFENSE to  
14 Plaintiff's Complaint, Plaintiff lacks standing to seek civil penalties given he can be shown to have  
15 suffered no Labor Code violations and is not an aggrieved employee who may bring a claim for civil  
16 penalties under PAGA.

17           23.     AS A TWENTY-THIRD SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
18 Complaint, Plaintiff lacks standing to seek certain civil penalties given he did not suffer some of the  
19 Labor Code violations alleged in the Complaint. *See Magadia v. Wal-Mart Associates, Inc.*, 999 F.3d  
20 668 (9th Cir. 2021).

21           24.     AS A TWENTY-FOURTH SEPARATE AND AFFIRMATIVE DEFENSE to  
22 Plaintiff's Complaint, Plaintiff has failed to satisfy the notice requirements set forth at Labor Code  
23 section 2699.3, including but not limited to on the basis he has not described with sufficient  
24 particularity the acts constituting the Labor Code violations alleged, including factual details and  
25 theories of liability.

26           25.     AS A TWENTY-FIFTH SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
27 Complaint, Plaintiff lacks standing to pursue, on behalf of unnamed third-parties, a claim or claims  
28 for penalties, attorney fees and/or other monetary remedies under PAGA due to his failure to

1 demonstrate even a prima facie case that other similarly aggrieved employees exist, and no similarly  
2 aggrieved employees do exist.

3 26. AS A TWENTY-SIXTH SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
4 Complaint, Plaintiff lacks standing to pursue a claim for civil penalties, attorney fees and/or other  
5 monetary remedies under PAGA due to his failure to demonstrate even a prima facie case that  
6 aggrieved employees exist.

7 27. AS A TWENTY-SEVENTH SEPARATE AND AFFIRMATIVE DEFENSE to  
8 Plaintiff's Complaint, the Complaint is barred by Lab. Code § 2856 to the extent that Plaintiff failed  
9 substantially to comply with all the directions of Defendants, and such failure proximately caused the  
10 alleged losses for which he seeks relief.

11 28. AS A TWENTY-EIGHTH SEPARATE AND AFFIRMATIVE DEFENSE to  
12 Plaintiff's Complaint, PAGA violates the Equal Protection clauses of the California and United States  
13 Constitutions.

14 29. AS A TWENTY-NINTH SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
15 Complaint, imposition of maximum civil penalties pursuant to PAGA would result in an award that is  
16 unjust, arbitrary and oppressive, or confiscatory.

17 30. AS A THIRTIETH SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
18 Complaint, Plaintiff's claims pursuant to Bus. & Prof. Code § 17200 *et seq.* are barred because those  
19 statutes are unconstitutionally vague and overly broad, and the manner in which Plaintiff alleges it  
20 applies to the business practices of Defendants constitute a violation of due process.

21 31. AS A THIRTY-FIRST SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
22 Complaint, Defendants' practices alleged therein are not unfair, unlawful or fraudulent, the public is  
23 not likely to be deceived by any such alleged practices; Defendants gained no competitive advantage  
24 by such practices; and the benefits of the alleged practices outweigh any harm or other impact they  
25 may cause.

26 32. AS A THIRTY-SECOND SEPARATE AND AFFIRMATIVE DEFENSE to  
27 Plaintiff's Complaint, as applied to the allegations set forth in the Complaint, the provisions of Bus.  
28 & Prof. Code § 17200 *et seq.* relied upon by Plaintiff are unconstitutional because they violate

1 Defendants' rights under the Due Process Clause of the Fourteenth Amendment of the United States  
2 Constitution and/or Article I, Section 7 of the California Constitution in that, among other things,  
3 Plaintiff seeks adjudication of the claims of absent parties, relief based upon the claims of absent  
4 parties, and/or remedies or judgments in favor of absent parties, over whom this Court has no  
5 jurisdiction.

6 33. AS A THIRTY-THIRD SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
7 Complaint, the provisions of Bus. & Prof. Code § 17200 *et seq.* relied upon by Plaintiff are  
8 unconstitutionally vague, and thus Plaintiff's claims violate Defendants' rights under the United States  
9 and California Constitutions.

10 34. AS A THIRTY-FOURTH SEPARATE AND AFFIRMATIVE DEFENSE to  
11 Plaintiff's Complaint, even assuming arguendo Plaintiff is entitled to any additional compensation,  
12 Defendants have not willfully or intentionally failed to pay wages as required for an award of waiting  
13 time penalties pursuant to Lab. Code § 203.

14 35. AS A THIRTY-FIFTH SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
15 Complaint, Plaintiff's claims are barred in whole or in part because a good faith dispute has existed  
16 and exists regarding whether the alleged unpaid wages are due. (8 C.C.R. § 13520.)

17 36. AS A THIRTY-SIXTH SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
18 Complaint, if there is any failure to properly maintain or provide wage statements found, although  
19 Defendants contend no such failure occurred, it was both inadvertent and caused Plaintiff no injury.

20 37. AS A THIRTY-SEVENTH SEPARATE AND AFFIRMATIVE DEFENSE to  
21 Plaintiff's Complaint, the Complaint fails to properly state a claim on which prejudgment interest may  
22 be awarded because the amount of damages is not reasonably certain.

23 38. AS A THIRTY-EIGHTH SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
24 Complaint, Plaintiff's claims for unpaid wages are barred because he failed to meet the conditions  
25 precedent for the payment of such wages.

26 39. AS A THIRTY-NINTH SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
27 Complaint, Plaintiff's claims for unpaid wages fail because Plaintiff consented to the alleged conduct  
28 of Defendants alleged in the Complaint.

1           40.     AS A FORTIETH SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
2 Complaint, Plaintiff's claims for unpaid wages are barred because Plaintiff failed to perform all duties  
3 and obligations necessary to earn the subject wages or otherwise failed to provide the consideration  
4 required for payment.

5           41.     AS A FORTY-FIRST SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
6 Complaint, Defendants are entitled to a set-off for amounts overpaid to Plaintiff in the course of his  
7 employment.

8           42.     AS A FORTY-SECOND SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
9 Complaint, Defendants allege Plaintiff's claims are barred in whole or in part because if Plaintiff  
10 suffered or sustained the damages, injury or detriment as alleged in the Complaint, such injury was  
11 caused by his own conduct.

12           43.     AS A FORTY-THIRD SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
13 Complaint, the Complaint and each cause of action therein are barred because Section 226, 226.7, 510,  
14 512, 1194, and 1198 of the California Labor Code and the applicable wage order(s) of the Industrial  
15 Welfare Commission are unconstitutionally vague and ambiguous and violate Defendants' rights  
16 under the United States Constitution and the California Constitution as to, among other things, due  
17 process of law.

18           44.     AS A FORTY-FOURTH SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
19 Complaint, Plaintiff was compensated in full for all of the time during which he was under the control  
20 of or performing services for Defendants.

21           45.     AS A FORTY-FIFTH SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
22 Complaint, Plaintiff's claims for unpaid wages fail because Plaintiff consented to and/or voluntarily  
23 participated in all or some of the alleged conduct of Defendants alleged in the Complaint.

24           46.     AS A FORTY-SIXTH SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
25 Complaint, the Complaint and each cause of action attempted to be stated therein are barred in whole  
26 or in part by the doctrine of waiver.

1 47. AS A FORTY-SEVENTH SEPARATE AND AFFIRMATIVE DEFENSE to  
2 Plaintiff's Complaint, the Complaint and each cause of action attempted to be stated therein are barred  
3 in whole or in part by the doctrine of unclean hands.

4 48. AS A FORTY-EIGHTH SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
5 Complaint, the Complaint and each cause of action attempted to be stated therein are barred in whole  
6 or in part by the doctrine of laches.

7 49. AS A FORTY-NINTH SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
8 Complaint, the Complaint and each cause of action attempted to be stated therein are barred in whole  
9 or in part to the extent that Plaintiff has failed to mitigate or avoid his alleged damages.

10 50. AS A FIFTIETH SEPARATE AND AFFIRMATIVE DEFENSE to Plaintiff's  
11 Complaint, Defendants presently have insufficient knowledge upon which to form a belief as to  
12 whether they may have additional affirmative defenses not stated herein. Defendants expressly reserve  
13 the right to assert additional defenses in the event discovery indicates it would be appropriate.

14 **PRAYER**

15 WHEREFORE, Defendants pray as follows:

- 16 1. Plaintiff takes nothing by way of the Complaint and the Complaint be dismissed with  
17 prejudice;  
18 2. For costs of suit and reasonable attorneys' fees incurred herein; and  
19 3. For such other and further relief as this Court deems proper.

20 Dated: July 12, 2022

PALMER KAZANJIAN WOHL HODSON LLP

21 By: 

22 Treaver K. Hodson  
23 Alexandra M. Asterlin

24 Attorneys for Defendants  
25 CLEAN AUTO, INC. dba SAN MATEO CAR  
26 WASH, JONATHAN ALFRED LAM, AUTO  
27 CLEAN INCORPORATED dba REDWOOD  
28 CARWASH and ALFRED LAM

**PROOF OF SERVICE**

I am employed in the City and County of Sacramento, California. I am over the age of eighteen years and not a party to the within-entitled action. My business address is 2277 Fair Oaks Boulevard, Suite 455, Sacramento, CA 95825.

On Tuesday, July 12, 2022, the following document(s):

**DEFENDANTS' ANSWER TO COMPLAINT**

were served on all parties in this action addressed as follows:

Harout Messrelian  
Messrelian Law  
500 N. Central Ave., Ste. 840  
Glendale, CA 91203  
[hm@messrelianlaw.com](mailto:hm@messrelianlaw.com)

Service was accomplished by:

☒ **MAIL** – I am readily familiar with the firm's practice of collection and processing documents and correspondence for mailing. Under that practice, the envelope would be deposited with the U.S. Postal Service on today's date with postage thereon fully prepaid at Sacramento, California in the ordinary course of business.

☒ **ELECTRONIC MAIL** – I served via electronic mail the above-described documents to the person or persons at the email addresses listed above on the date stated herein. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful. My email address is [sragusa@pkwhlaw.com](mailto:sragusa@pkwhlaw.com).

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on July 12, 2022 in Sacramento, California.

  
Sandi Ragusa

# **EXHIBIT 6**

**MELENDEZ v CLEAN AUTO - ATTORNEY WORK HOURS**

| DATE:      | ATTORNEY:         | DESCRIPTION:                                                                                                                                                          | HOURS: | HOURLY RATE: | ATTORNEY YEARS: | COST OF TIME: |
|------------|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|--------------|-----------------|---------------|
| 11/10/2021 | Harout Messrelian | Reviewed email with client lead details                                                                                                                               | 0.1    | \$500.00     | (10th year)     | \$ 50.00      |
| 11/11/2021 | Harout Messrelian | Sent email to secretary to call potential client in order to get further details on case                                                                              | 0.1    | \$500.00     | (10th year)     | \$ 50.00      |
| 11/11/2021 | Harout Messrelian | Reviewed complete intake from secretary                                                                                                                               | 0.2    | \$500.00     | (10th year)     | \$ 100.00     |
| 11/11/2021 | Harout Messrelian | Sent email to secretary re getting paystub from client                                                                                                                | 0.1    | \$500.00     | (10th year)     | \$ 50.00      |
| 11/11/2021 | Harout Messrelian | Read email back from secretary re getting stub from client                                                                                                            | 0.1    | \$500.00     | (10th year)     | \$ 50.00      |
| 11/11/2021 | Harout Messrelian | Read email from secretary re name of defendant company                                                                                                                | 0.1    | \$500.00     | (10th year)     | \$ 50.00      |
| 11/11/2021 | Harout Messrelian | Researched PAGA database for existing PAGA cases and also researched corporate information on CA secretary of state website                                           | 0.3    | \$500.00     | (10th year)     | \$ 150.00     |
| 11/11/2021 | Harout Messrelian | Emailed secretary to follow up with client re wrongful termination facts                                                                                              | 0.1    | \$500.00     | (10th year)     | \$ 50.00      |
| 11/11/2021 | Harout Messrelian | Received and reviewed paystubs from client and emailed secretary to inform client that we are taking case                                                             | 0.2    | \$500.00     | (10th year)     | \$ 100.00     |
| 11/11/2021 | Harout Messrelian | Read email from secretary that client would like to move forward and have retainer sent                                                                               | 0.1    | \$500.00     | (10th year)     | \$ 50.00      |
| 11/11/2021 | Harout Messrelian | Sent email to secretary regarding mailing out retainer agreement to client                                                                                            | 0.1    | \$500.00     | (10th year)     | \$ 50.00      |
| 11/11/2021 | Harout Messrelian | Read email from secretary confirming that retainer was sent to client via US mail                                                                                     | 0.1    | \$500.00     | (10th year)     | \$ 50.00      |
| 11/14/2021 | Harout Messrelian | Sent email to legal assistant regarding sending retainer to client                                                                                                    | 0.1    | \$500.00     | (10th year)     | \$ 50.00      |
| 11/16/2021 | Harout Messrelian | Read email from secretary stating that client received retainer agreement via mail                                                                                    | 0.1    | \$500.00     | (10th year)     | \$ 50.00      |
| 11/19/2021 | Harout Messrelian | Read email from secretary regarding whether client sent a photo or email of signed retainer                                                                           | 0.1    | \$500.00     | (10th year)     | \$ 50.00      |
| 11/19/2021 | Harout Messrelian | Sent email to secretary that client did send photo of signed retainer and asked secretary to make a new file                                                          | 0.1    | \$500.00     | (10th year)     | \$ 50.00      |
| 11/19/2021 | Harout Messrelian | Sent email to legal assistant re creating new file for client                                                                                                         | 0.1    | \$500.00     | (10th year)     | \$ 50.00      |
| 11/19/2021 | Harout Messrelian | Read email from secretary confirming that new client file was made and dropbox folder was also created                                                                | 0.1    | \$500.00     | (10th year)     | \$ 50.00      |
| 11/19/2021 | Harout Messrelian | Sent email to secretary re calling client to get additional info re car wash owners and length of employment                                                          | 0.1    | \$500.00     | (10th year)     | \$ 50.00      |
| 11/19/2021 | Harout Messrelian | Sent email to secretary re confirming owners' names                                                                                                                   | 0.1    | \$500.00     | (10th year)     | \$ 50.00      |
| 11/19/2021 | Harout Messrelian | Drafted PAGA notice                                                                                                                                                   | 0.8    | \$500.00     | (10th year)     | \$ 400.00     |
| 11/19/2021 | Harout Messrelian | Filed PAGA notice online and drafted and sent request for client's personnel file and pay records                                                                     | 0.3    | \$500.00     | (10th year)     | \$ 150.00     |
| 12/3/2021  | Harout Messrelian | Read automatic email notification from dropbox re new files being uploaded to case file - personnel file and pay records                                              | 0.1    | \$500.00     | (10th year)     | \$ 50.00      |
| 12/3/2021  | Harout Messrelian | Read second automatic notification from dropbox re new files being uploaded to case file - additional docs                                                            | 0.1    | \$500.00     | (10th year)     | \$ 50.00      |
| 12/16/2021 | Harout Messrelian | Read automatic email notification from dropbox re new files being uploaded to case file - additional docs                                                             | 0.1    | \$500.00     | (10th year)     | \$ 50.00      |
| 12/16/2021 | Harout Messrelian | Sent email to legal assistant asking her to send a copy of the PAGA notice to the owner who had reached out to our office and had sent the personnel file/pay records | 0.1    | \$500.00     | (10th year)     | \$ 50.00      |
| 12/30/2021 | Harout Messrelian | Sent email to legal assistant re calendaring 65th day after PAGA was sent out in order to file lawsuit                                                                | 0.1    | \$500.00     | (10th year)     | \$ 50.00      |
| 1/4/2022   | Harout Messrelian | Sent email to Maralle Messrelian, Esq. re drafting the complaint                                                                                                      | 0.1    | \$550.00     | (11th year)     | \$ 55.00      |
| 1/6/2022   | Harout Messrelian | Read email from defense counsel with attached letter of representation                                                                                                | 0.1    | \$550.00     | (11th year)     | \$ 55.00      |
| 1/6/2022   | Harout Messrelian | Read email from legal assistant to defense counsel re adding legal assistant to the email service list                                                                | 0.1    | \$550.00     | (11th year)     | \$ 55.00      |
| 1/10/2022  | Harout Messrelian | Sent email to legal assistant re defense lawyers on the case asking for prior communications between parties                                                          | 0.1    | \$550.00     | (11th year)     | \$ 55.00      |

|            |                   |                                                                                                                                |     |          |             |           |
|------------|-------------------|--------------------------------------------------------------------------------------------------------------------------------|-----|----------|-------------|-----------|
| 1/10/2022  | Harout Messrelian | Read email from legal assistant re defense lawyers on case asking for prior communications between parties                     | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 1/10/2022  | Harout Messrelian | Sent email to legal assistant re defense lawyers on case asking for prior communications between parties                       | 0.1 | \$500.00 | (10th year) | \$ 50.00  |
| 1/12/2022  | Harout Messrelian | Sent email to secretary re getting authority from client to file a lawsuit                                                     | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 1/13/2022  | Harout Messrelian | Read email from secretary confirming that client provided authorization to file a lawsuit                                      | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 2/14/2022  | Harout Messrelian | Read email from Maralle Messrelian, Esq. (MM) re no arbitration agreement in client's personnel file                           | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 2/18/2022  | Harout Messrelian | Read email from MM re adding tip violation issue to complaint                                                                  | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 2/22/2022  | Harout Messrelian | Read email from MM with draft complaint attached for my review                                                                 | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 2/28/2022  | Harout Messrelian | Reviewed complaint for filing                                                                                                  | 0.4 | \$550.00 | (11th year) | \$ 220.00 |
| 3/1/2022   | Harout Messrelian | Sent email to legal assistant re filing complaint in San Mateo County complex division                                         | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 5/13/2022  | Harout Messrelian | Read email from filing company that summons and complaint was rejected for online filing by the clerk                          | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 5/13/2022  | Harout Messrelian | Sent email to legal assistant re how to fix lawsuit filing so that it is accepted by the clerk                                 | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 5/13/2022  | Harout Messrelian | Read email from legal assistant stating that lawsuit error was fixed and it was re-filed                                       | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 6/9/2022   | Harout Messrelian | Read email from legal assistant to defense re accepting service of summons and complaint                                       | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 6/9/2022   | Harout Messrelian | Sent email to legal assistant re including Maralle Messrelian, Esq. on all email chains                                        | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 6/9/2022   | Harout Messrelian | Read email from defense counsel re accepting service of summons and complaint                                                  | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 6/13/2022  | Harout Messrelian | Read email from legal assistant re updating client on case status                                                              | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 6/13/2022  | Harout Messrelian | Read email from legal assistant to defense counsel re accepting service of summons/complaint                                   | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 6/15/2022  | Harout Messrelian | Read email from legal assistant to service company re serving complaint                                                        | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 6/15/2022  | Harout Messrelian | Sent email to legal assistant re potentially cancelling request to serve company if defense attorneys were going to accept NAR | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 6/15/2022  | Harout Messrelian | Read email from legal assistant to service company requesting to cancel service assignment                                     | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 6/15/2022  | Harout Messrelian | Read email from service company acknowledging cancellation of assignment                                                       | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 6/15/2022  | Harout Messrelian | Read email from legal assistant to defense counsel with NAR and summons/complaint attached to email                            | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 6/20/2022  | Harout Messrelian | Read email from defense counsel confirming that they can accept service of summons and complaint without restrictions          | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 7/12/2022  | Harout Messrelian | Read email from defense counsel's office with a copy of the defendant's answer; reviewed answer                                | 0.3 | \$550.00 | (11th year) | \$ 165.00 |
| 7/12/2022  | Harout Messrelian | Forwarded defense email with answer to Maralle Messrelian, Esq. and legal assistant                                            | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 7/13/2022  | Harout Messrelian | Read email from legal assistant to defense counsel re case management order                                                    | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 7/15/2022  | Harout Messrelian | Reviewed CMC statement for filing                                                                                              | 0.2 | \$550.00 | (11th year) | \$ 110.00 |
| 7/17/2022  | Harout Messrelian | Read email from filing company re filing of Case Management Statement                                                          | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 7/17/2022  | Harout Messrelian | Read automated email from the Court re filing of the Case Management Statement                                                 | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 7/17/2022  | Harout Messrelian | read MM email re CMC appearance                                                                                                | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 7/17/2022  | Harout Messrelian | read MM and assistant emails re adding OC to thread                                                                            | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 7/21/2022  | Harout Messrelian | read MM email re status of filing of CMC stmt                                                                                  | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 7/25/2022  | Harout Messrelian | read emails w MM and legal assistant re cmc                                                                                    | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 7/25/2022  | Harout Messrelian | review MM emails w OC re mediation                                                                                             | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 7/25/2022  | Harout Messrelian | review OC email and MM emails                                                                                                  | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 7/26/2022  | Harout Messrelian | read OC emails w MM                                                                                                            | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 7/26/2022  | Harout Messrelian | review MM draft of informal discovery requests                                                                                 | 0.2 | \$550.00 | (11th year) | \$ 110.00 |
| 7/26/2022  | Harout Messrelian | read MM email re mediator/informal discovery                                                                                   | 0.1 | \$550.00 | (11th year) | \$ 55.00  |
| 11/21/2022 | Harout Messrelian | review Defendants CMC statement;                                                                                               | 0.1 | \$550.00 | (11th year) | \$ 55.00  |

|            |                   |                                                                                                                                |     |          |             |             |
|------------|-------------------|--------------------------------------------------------------------------------------------------------------------------------|-----|----------|-------------|-------------|
| 11/21/2022 | Harout Messrelian | read MM email re cmc stmt                                                                                                      | 0.1 | \$550.00 | (11th year) | \$ 55.00    |
| 11/29/2022 | Harout Messrelian | review prose cmc statement                                                                                                     | 0.1 | \$550.00 | (11th year) | \$ 55.00    |
| 11/30/2022 | Harout Messrelian | read MM email re serving Defendants; reply to MM                                                                               | 0.1 | \$550.00 | (11th year) | \$ 55.00    |
| 12/5/2022  | Harout Messrelian | email team re service list                                                                                                     | 0.1 | \$550.00 | (11th year) | \$ 55.00    |
| 12/6/2022  | Harout Messrelian | read MM email re cmc hearing                                                                                                   | 0.1 | \$550.00 | (11th year) | \$ 55.00    |
| 1/10/2023  | Harout Messrelian | read MM and OC emails re mediation                                                                                             | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 1/10/2023  | Harout Messrelian | emails w legal assistant re mediation                                                                                          | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 1/11/2023  | Harout Messrelian | read MM email re notes on call with OC re mediatoion                                                                           | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 1/11/2023  | Harout Messrelian | review legal assistant and MM emails re mediation doc production                                                               | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 1/12/2023  | Harout Messrelian | read email from OC re mediation                                                                                                | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 1/14/2023  | Harout Messrelian | read MM email to OC re sample list duplicates                                                                                  | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 1/16/2023  | Harout Messrelian | read email re payment to mediator                                                                                              | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 1/17/2023  | Harout Messrelian | read MM email to OC re sample record                                                                                           | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 1/20/2023  | Harout Messrelian | read MM and OC emails re status of sample records production                                                                   | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 1/24/2023  | Harout Messrelian | review emails w MM and assistant re mediation invoice/payment                                                                  | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 1/24/2023  | Harout Messrelian | read emails w legal assistant and MM re data analyst                                                                           | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 1/26/2023  | Harout Messrelian | read emails w legal assistant and MM re data analyst                                                                           | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 1/26/2023  | Harout Messrelian | read emails w legal assistant and MM re data analyst                                                                           | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 1/26/2023  | Harout Messrelian | read MM and OC emails re production of handbook and mediation data                                                             | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 1/30/2023  | Harout Messrelian | read data analyst email                                                                                                        | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 1/31/2023  | Harout Messrelian | read emails re payment for mediation                                                                                           | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 1/31/2023  | Harout Messrelian | speak w MM re handwritten records analysis                                                                                     | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 1/31/2023  | Harout Messrelian | read MM and OC emails re mediation data and info                                                                               | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/1/2023   | Harout Messrelian | read emails b/w MM and data analyst status of analysis                                                                         | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/2/2023   | Harout Messrelian | review emails w data analyst re status of analysis                                                                             | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/5/2023   | Harout Messrelian | read emails w data analyst re analysis                                                                                         | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/5/2023   | Harout Messrelian | review data analysis                                                                                                           | 0.2 | \$550.00 | (12th year) | \$ 110.00   |
| 2/5/2023   | Harout Messrelian | emails w MM re data analysis and PAGA exposure spreadsheet                                                                     | 0.2 | \$550.00 | (12th year) | \$ 110.00   |
| 2/5/2023   | Harout Messrelian | review PAGA exposure spreadsheet MM prepared                                                                                   | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/5/2023   | Harout Messrelian | emails w MM re Plaintiff's records                                                                                             | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/5/2023   | Harout Messrelian | emails w MM re PAGA exposure                                                                                                   | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/5/2023   | Harout Messrelian | read MM email to mediator case manager re status of brief                                                                      | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/5/2023   | Harout Messrelian | Prepared for mediation by reviewing Defendant's wage and hour policies and reviewing entire client file, including LWDA letter | 0.5 | \$550.00 | (12th year) | \$ 275.00   |
| 2/6/2023   | Harout Messrelian | read MM email to mediator re information and PAGA exposure spreadhseet                                                         | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/6/2023   | Harout Messrelian | read data analyst email re Bonus payments                                                                                      | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/7/2023   | Harout Messrelian | attend zoom mediation                                                                                                          | 8.0 | \$550.00 | (12th year) | \$ 4,400.00 |
| 2/7/2023   | Harout Messrelian | read MM email to OC re MOU + total EE count                                                                                    | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/8/2023   | Harout Messrelian | read MM email to TPAs for bid requests                                                                                         | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/8/2023   | Harout Messrelian | review bids                                                                                                                    | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/8/2023   | Harout Messrelian | read MM and legal assistant emails re costs to date                                                                            | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/8/2023   | Harout Messrelian | read and reply MM email re MOU                                                                                                 | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/12/2023  | Harout Messrelian | emails w MM re costs                                                                                                           | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/12/2023  | Harout Messrelian | read emails b/w mm and team re MOU signatures                                                                                  | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/16/2023  | Harout Messrelian | read emails from MM about CMC and notice of settlement                                                                         | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/16/2023  | Harout Messrelian | read MM and OC emails re CMC                                                                                                   | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/16/2023  | Harout Messrelian | read emails about obtaining plaintiff signatures                                                                               | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/17/2023  | Harout Messrelian | read MM and OC emails re status of MOU                                                                                         | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/17/2023  | Harout Messrelian | review MM draft long form settlement agreement                                                                                 | 0.3 | \$550.00 | (12th year) | \$ 165.00   |
| 2/17/2023  | Harout Messrelian | read emails re P signature on settlement                                                                                       | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/20/2023  | Harout Messrelian | emails w MM re PAGA settlement agreement                                                                                       | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/23/2023  | Harout Messrelian | read emails re plaintiff signature                                                                                             | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/23/2023  | Harout Messrelian | read team emails re filing NOS                                                                                                 | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/27/2023  | Harout Messrelian | read email to OC re signed MOU                                                                                                 | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/27/2023  | Harout Messrelian | read MM and legal assistant emails re NOS                                                                                      | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/28/2023  | Harout Messrelian | read and reply MM email re CMS filing                                                                                          | 0.1 | \$550.00 | (12th year) | \$ 55.00    |
| 2/28/2023  | Harout Messrelian | read MM and OC emails re filing of CMS                                                                                         | 0.1 | \$550.00 | (12th year) | \$ 55.00    |

|           |                   |                                                               |     |          |             |           |
|-----------|-------------------|---------------------------------------------------------------|-----|----------|-------------|-----------|
| 3/5/2023  | Harout Messrelian | read emails b/w MM and legal assistant re cmc off calendar    | 0.1 | \$550.00 | (12th year) | \$ 55.00  |
| 3/6/2023  | Harout Messrelian | read MM email to OC following up on settlement agreement      | 0.1 | \$550.00 | (12th year) | \$ 55.00  |
| 3/7/2023  | Harout Messrelian | read and reply to MM email re settlement agreement            | 0.1 | \$550.00 | (12th year) | \$ 55.00  |
| 3/7/2023  | Harout Messrelian | read team emails about obtaining plaintiff signature          | 0.1 | \$550.00 | (12th year) | \$ 55.00  |
| 3/27/2023 | Harout Messrelian | read email w/ legal assistant re signatures                   | 0.1 | \$550.00 | (12th year) | \$ 55.00  |
| 4/5/2023  | Harout Messrelian | send email to team re Court dates for approval motion hearing | 0.1 | \$550.00 | (12th year) | \$ 55.00  |
| 4/6/2023  | Harout Messrelian | talk with MM re PAGA Motion/melendrez declaration             | 0.1 | \$550.00 | (12th year) | \$ 55.00  |
| 4/9/2023  | Harout Messrelian | review MM draft Melendrez declaration                         | 0.2 | \$550.00 | (12th year) | \$ 110.00 |
| 4/10/2023 | Harout Messrelian | read MM email to OC re status of signatures                   | 0.1 | \$550.00 | (12th year) | \$ 55.00  |
| 4/10/2023 | Harout Messrelian | read MM and simpluris emails; review simpluris declaration    | 0.2 | \$550.00 | (12th year) | \$ 110.00 |
| 4/12/2023 | Harout Messrelian | review PAGA motion papers                                     | 0.8 | \$550.00 | (12th year) | \$ 440.00 |

|                                       |             |           |                  |
|---------------------------------------|-------------|-----------|------------------|
| <b>Total Hours: Harout Messrelian</b> | <b>25.3</b> | <b>\$</b> | <b>13,710.00</b> |
|---------------------------------------|-------------|-----------|------------------|

**MELENDREZ v. CLEAN AUTO - ATTORNEY HOURS**

| DATE:      | ATTORNEY:          | DESCRIPTION:                                                                                                   | HOURS: | HOURLY RATE: | ATTORNEY YEARS: | COST OF TIME: |
|------------|--------------------|----------------------------------------------------------------------------------------------------------------|--------|--------------|-----------------|---------------|
| 2/14/2022  | Maralle Messrelian | email HM re drafting lawsuit; no arb                                                                           | 0.1    | \$350.00     | 5th year        | \$ 35.00      |
| 2/18/2022  | Maralle Messrelian | review LWDA letter                                                                                             | 0.2    | \$350.00     | 5th year        | \$ 70.00      |
| 2/18/2022  | Maralle Messrelian | emails w HM re complaint                                                                                       | 0.1    | \$350.00     | 5th year        | \$ 35.00      |
| 2/22/2022  | Maralle Messrelian | draft Complaint                                                                                                | 2.0    | \$350.00     | 5th year        | \$ 700.00     |
| 7/12/2022  | Maralle Messrelian | docket look up; review CMO; email HM and legal secretary re CMC/CMO                                            | 0.2    | \$350.00     | 5th year        | \$ 70.00      |
| 7/12/2022  | Maralle Messrelian | review Defendants' Answer                                                                                      | 0.3    | \$350.00     | 5th year        | \$ 105.00     |
| 7/13/2022  | Maralle Messrelian | email OC re Meet and Confer re CMC                                                                             | 0.1    | \$350.00     | 5th year        | \$ 35.00      |
| 7/13/2022  | Maralle Messrelian | call w OC re Meet and Confer re CMC; send follow up email                                                      | 0.5    | \$350.00     | 5th year        | \$ 175.00     |
| 7/13/2022  | Maralle Messrelian | send notes of call w/OC to team                                                                                | 0.2    | \$350.00     | 5th year        | \$ 70.00      |
| 7/13/2022  | Maralle Messrelian | emails w/ legal secretary re signed NARS/CMC stmt                                                              | 0.2    | \$350.00     | 5th year        | \$ 70.00      |
| 7/15/2022  | Maralle Messrelian | draft prose CMC statement/POS and email to HM and legal secretary                                              | 0.5    | \$350.00     | 5th year        | \$ 175.00     |
| 7/17/2022  | Maralle Messrelian | follow up email to HM and legal secretary re filing of CMC statement                                           | 0.1    | \$350.00     | 5th year        | \$ 35.00      |
| 7/17/2022  | Maralle Messrelian | email to HM and legal secretary re CMC appearance                                                              | 0.1    | \$350.00     | 5th year        | \$ 35.00      |
| 7/17/2022  | Maralle Messrelian | review legal secretary email to OC; emails w/ her re including all OC in email thread                          | 0.1    | \$350.00     | 5th year        | \$ 35.00      |
| 7/21/2022  | Maralle Messrelian | email HM re status of filing of CMC stmt                                                                       | 0.1    | \$350.00     | 5th year        | \$ 35.00      |
| 7/25/2022  | Maralle Messrelian | email with legal assistant re cmc appearance                                                                   | 0.1    | \$350.00     | 5th year        | \$ 35.00      |
| 7/25/2022  | Maralle Messrelian | email OC re interest in informal discovery and early mediation                                                 | 0.1    | \$350.00     | 5th year        | \$ 35.00      |
| 7/25/2022  | Maralle Messrelian | review OC email and reply                                                                                      | 0.1    | \$350.00     | 5th year        | \$ 35.00      |
| 7/26/2022  | Maralle Messrelian | read OC email and reply re CMC appearance                                                                      | 0.1    | \$350.00     | 5th year        | \$ 35.00      |
| 7/26/2022  | Maralle Messrelian | draft informal discovery requests                                                                              | 0.4    | \$350.00     | 5th year        | \$ 140.00     |
| 7/26/2022  | Maralle Messrelian | review mediator list; select mediators; email list of proposed mediators and informal discovery requests to OC | 0.3    | \$350.00     | 5th year        | \$ 105.00     |
| 11/21/2022 | Maralle Messrelian | review Defendants CMC statement;                                                                               | 0.1    | \$350.00     | 5th year        | \$ 35.00      |
| 11/21/2022 | Maralle Messrelian | check docket; email team re P cmc stmt and deadline to file                                                    | 0.2    | \$350.00     | 5th year        | \$ 70.00      |
| 11/29/2022 | Maralle Messrelian | draft prose CMC statement/POS and send for filing                                                              | 0.4    | \$350.00     | 5th year        | \$ 140.00     |
| 11/30/2022 | Maralle Messrelian | download and save filed CMC stmt                                                                               | 0.1    | \$350.00     | 5th year        | \$ 35.00      |
| 11/30/2022 | Maralle Messrelian | email HM re electronically serving Defendants                                                                  | 0.1    | \$350.00     | 5th year        | \$ 35.00      |
| 11/30/2022 | Maralle Messrelian | email clerk courtesy copy of cmc stmt                                                                          | 0.1    | \$350.00     | 5th year        | \$ 35.00      |
| 12/5/2022  | Maralle Messrelian | email team re updating service list; reply OC                                                                  | 0.1    | \$350.00     | 5th year        | \$ 35.00      |
| 12/5/2022  | Maralle Messrelian | read email from HM re service list                                                                             | 0.1    | \$350.00     | 5th year        | \$ 35.00      |
| 12/6/2022  | Maralle Messrelian | prep for CMC hearing; zoom CMC hearing; email team hearing notes                                               | 0.8    | \$350.00     | 5th year        | \$ 280.00     |
| 1/10/2023  | Maralle Messrelian | emails w OC re scheduling call; fwd mediation requests email                                                   | 0.2    | \$400.00     | 6th year        | \$ 80.00      |
| 1/10/2023  | Maralle Messrelian | emails w legal assistant re mediation                                                                          | 0.1    | \$400.00     | 6th year        | \$ 40.00      |
| 1/11/2023  | Maralle Messrelian | emails w/OC re scheduling call                                                                                 | 0.1    | \$400.00     | 6th year        | \$ 40.00      |
| 1/11/2023  | Maralle Messrelian | call w OC re mediation and mediation data                                                                      | 0.5    | \$400.00     | 6th year        | \$ 200.00     |
| 1/11/2023  | Maralle Messrelian | type up and email call notes to team                                                                           | 0.2    | \$400.00     | 6th year        | \$ 80.00      |
| 1/11/2023  | Maralle Messrelian | emails w legal assistant re time frame for OC doc production                                                   | 0.1    | \$400.00     | 6th year        | \$ 40.00      |
| 1/12/2023  | Maralle Messrelian | read email from OC re mediation/sample list/next steps                                                         | 0.1    | \$400.00     | 6th year        | \$ 40.00      |
| 1/12/2023  | Maralle Messrelian | reply email to OC re sample ID list and mediation                                                              | 0.1    | \$400.00     | 6th year        | \$ 40.00      |
| 1/13/2023  | Maralle Messrelian | download and review OC sample ID list                                                                          | 0.3    | \$400.00     | 6th year        | \$ 120.00     |
| 1/14/2023  | Maralle Messrelian | email OC re sample list duplicates                                                                             | 0.1    | \$400.00     | 6th year        | \$ 40.00      |
| 1/16/2023  | Maralle Messrelian | select sample IDs; email OC re doc production                                                                  | 0.3    | \$400.00     | 6th year        | \$ 120.00     |
| 1/16/2023  | Maralle Messrelian | email team re mediation invoice                                                                                | 0.1    | \$400.00     | 6th year        | \$ 40.00      |
| 1/17/2023  | Maralle Messrelian | follow up email to OC re sample records production                                                             | 0.1    | \$400.00     | 6th year        | \$ 40.00      |

|           |                    |                                                                                 |     |          |          |             |
|-----------|--------------------|---------------------------------------------------------------------------------|-----|----------|----------|-------------|
| 1/18/2023 | Maralle Messrelian | read and reply OC email re sample records production                            | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 1/20/2023 | Maralle Messrelian | email OC re status of sample records production                                 | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 1/20/2023 | Maralle Messrelian | read OC email and reply re status sample records                                | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 1/24/2023 | Maralle Messrelian | review OC email re documents                                                    | 0.2 | \$400.00 | 6th year | \$ 80.00    |
| 1/24/2023 | Maralle Messrelian | emails w team re mediation invoice/payment                                      | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 1/24/2023 | Maralle Messrelian | emails w legal assistant re sample records and sending to data analyst          | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 1/26/2023 | Maralle Messrelian | send additional sample records to data analyst                                  | 0.2 | \$400.00 | 6th year | \$ 80.00    |
| 1/26/2023 | Maralle Messrelian | emails w/ legal assistant re link for data analyst                              | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 1/26/2023 | Maralle Messrelian | email OC re production of handbook and mediation data                           | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 1/26/2023 | Maralle Messrelian | email OC re doc production                                                      | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 1/30/2023 | Maralle Messrelian | review data analyst email                                                       | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 1/30/2023 | Maralle Messrelian | review sample IDs; email data analyst re IDs and handwritten data               | 0.2 | \$400.00 | 6th year | \$ 80.00    |
| 1/31/2023 | Maralle Messrelian | review mediator email re payment; email team                                    | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 1/31/2023 | Maralle Messrelian | communicate w/HM re handwritten records and email data analyst re data analysis | 0.2 | \$400.00 | 6th year | \$ 80.00    |
| 1/31/2023 | Maralle Messrelian | email OC re pay period info and policies                                        | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 2/1/2023  | Maralle Messrelian | review OC email re pay periods' reply                                           | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 2/1/2023  | Maralle Messrelian | email data analyst status of analysis                                           | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 2/2/2023  | Maralle Messrelian | emails w data analyst re status of analysis                                     | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 2/3/2023  | Maralle Messrelian | emails w data analyst re status of analysis                                     | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 2/5/2023  | Maralle Messrelian | emails w data analyst re analysis                                               | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 2/5/2023  | Maralle Messrelian | review data analysis                                                            | 0.3 | \$400.00 | 6th year | \$ 120.00   |
| 2/5/2023  | Maralle Messrelian | emails w HM re data analysis                                                    | 0.2 | \$400.00 | 6th year | \$ 80.00    |
| 2/5/2023  | Maralle Messrelian | prepare PAGA exposure spreadsheet and email to HM                               | 0.3 | \$400.00 | 6th year | \$ 120.00   |
| 2/5/2023  | Maralle Messrelian | emails w HM re Plaintiff's records                                              | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 2/5/2023  | Maralle Messrelian | emails w HM re PAGA exposure                                                    | 0.2 | \$400.00 | 6th year | \$ 80.00    |
| 2/5/2023  | Maralle Messrelian | email mediator case manager re status of brief                                  | 0.1 | \$400.00 | 6th year | \$ 40.00    |
|           | Maralle Messrelian | review defendants' Employee handbook                                            | 0.3 | \$400.00 | 6th year | \$ 120.00   |
| 2/5/2023  | Maralle Messrelian | draft and send mediation information email to mediator along with PAGA exposure | 0.4 | \$400.00 | 6th year | \$ 160.00   |
| 2/6/2023  | Maralle Messrelian | review data analyst email re Bonus payments                                     | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 2/6/2023  | Maralle Messrelian | attend zoom mediation                                                           | 8.0 | \$400.00 | 6th year | \$ 3,200.00 |
| 2/7/2023  | Maralle Messrelian | follow up email to OC re MOU and final Aggrieved EE count                       | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 2/7/2023  | Maralle Messrelian | email Settlement Administrators re bid requests                                 | 0.2 | \$400.00 | 6th year | \$ 80.00    |
| 2/8/2023  | Maralle Messrelian | review bids reply administrator email re bid                                    | 0.2 | \$400.00 | 6th year | \$ 80.00    |
| 2/8/2023  | Maralle Messrelian | review file for costs/invoices                                                  | 0.2 |          |          | \$ -        |
| 2/8/2023  | Maralle Messrelian | email legal assistant re costs to date                                          | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 2/8/2023  | Maralle Messrelian | review MOU; make redline changes; send to HM                                    | 0.4 | \$400.00 | 6th year | \$ 160.00   |
| 2/8/2023  | Maralle Messrelian | emails w HM re costs                                                            | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 2/12/2023 | Maralle Messrelian | email team re Plaintiff signature for MOU                                       | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 2/12/2023 | Maralle Messrelian | email team re CMC/filing notice of settlement                                   | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 2/16/2023 | Maralle Messrelian | read OC email re CMC                                                            | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 2/16/2023 | Maralle Messrelian | reply OC email re CMC; attach CMO #3                                            | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 2/16/2023 | Maralle Messrelian | email secretary re status of Plaintiff signature MOU                            | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 2/16/2023 | Maralle Messrelian | emails w/ OC re status of MOU                                                   | 0.1 | \$400.00 | 6th year | \$ 40.00    |
| 2/17/2023 | Maralle Messrelian | draft long form PAGA settlement agreement; email to HM for review               | 2.5 | \$400.00 | 6th year | \$ 1,000.00 |

|           |                    |                                                                                  |      |          |          |             |
|-----------|--------------------|----------------------------------------------------------------------------------|------|----------|----------|-------------|
| 2/17/2023 | Maralle Messrelian | follow up email to secretary re P signature                                      | 0.1  | \$400.00 | 6th year | \$ 40.00    |
| 2/17/2023 | Maralle Messrelian | emails w HM re PAGA settlement agreement                                         | 0.2  | \$400.00 | 6th year | \$ 80.00    |
| 2/20/2023 | Maralle Messrelian | finalize and email OC long form PAGA settlement agreement                        | 0.2  | \$400.00 | 6th year | \$ 80.00    |
| 2/20/2023 | Maralle Messrelian | follow up email to secretary re P signature                                      | 0.1  | \$400.00 | 6th year | \$ 40.00    |
| 2/23/2023 | Maralle Messrelian | review secretary email re P signature                                            | 0.1  | \$400.00 | 6th year | \$ 40.00    |
| 2/23/2023 | Maralle Messrelian | emails w legal assistant re filing NOS                                           | 0.1  | \$400.00 | 6th year | \$ 40.00    |
| 2/23/2023 | Maralle Messrelian | email OC re signed MOU                                                           | 0.1  | \$400.00 | 6th year | \$ 40.00    |
| 2/27/2023 | Maralle Messrelian | follow up email to OC re fully executed MOU                                      | 0.1  | \$400.00 | 6th year | \$ 40.00    |
| 2/27/2023 | Maralle Messrelian | email legal assistant re filing NOS                                              | 0.1  | \$400.00 | 6th year | \$ 40.00    |
| 2/27/2023 | Maralle Messrelian | review NOS                                                                       | 0.1  | \$400.00 | 6th year | \$ 40.00    |
| 2/27/2023 | Maralle Messrelian | email HM re CMS necessary                                                        | 0.1  | \$400.00 | 6th year | \$ 40.00    |
| 2/28/2023 | Maralle Messrelian | emails w/OC re CMC and CMS                                                       | 0.2  | \$400.00 | 6th year | \$ 80.00    |
| 2/28/2023 | Maralle Messrelian | docket search; email OC re vacated CMC                                           | 0.2  | \$400.00 | 6th year | \$ 80.00    |
| 2/28/2023 | Maralle Messrelian | emails w legal assistant re CMC vacated                                          | 0.1  | \$400.00 | 6th year | \$ 40.00    |
| 3/5/2023  | Maralle Messrelian | follow up email to OC re long form settlement agreement                          | 0.1  | \$400.00 | 6th year | \$ 40.00    |
| 3/6/2023  | Maralle Messrelian | read email from OC re settlement; review settlement agreement                    | 0.5  | \$400.00 | 6th year | \$ 200.00   |
| 3/6/2023  | Maralle Messrelian | email HM re settlement agreement                                                 | 0.2  | \$400.00 | 6th year | \$ 80.00    |
| 3/7/2023  | Maralle Messrelian | email team re P signatures on long form                                          | 0.1  | \$400.00 | 6th year | \$ 40.00    |
| 3/7/2023  | Maralle Messrelian | email OC re settlement agreement                                                 | 0.1  | \$400.00 | 6th year | \$ 40.00    |
| 3/22/2023 | Maralle Messrelian | follow up email to team re sending settlement agreements to OC for signatures    | 0.1  | \$400.00 | 6th year | \$ 40.00    |
| 3/23/2023 | Maralle Messrelian | email w/ legal assistant re signatures                                           | 0.1  | \$400.00 | 6th year | \$ 40.00    |
| 3/27/2023 | Maralle Messrelian | review HM email re court setting approval motion hearing date                    | 0.1  | \$400.00 | 6th year | \$ 40.00    |
| 4/5/2023  | Maralle Messrelian | follow up email to OC re status on settlement signatures                         | 0.1  | \$400.00 | 6th year | \$ 40.00    |
| 4/6/2023  | Maralle Messrelian | speak w HM re PAGA Motion/melendrez declaration                                  | 0.1  | \$400.00 | 6th year | \$ 40.00    |
| 4/6/2023  | Maralle Messrelian | draft melendrez declaration; email to secretary to obtain signature              | 0.5  | \$400.00 | 6th year | \$ 200.00   |
| 4/9/2023  | Maralle Messrelian | follow up email to OC re settlement signatures                                   | 0.1  | \$400.00 | 6th year | \$ 40.00    |
| 4/10/2023 | Maralle Messrelian | emails w/OC re signatures; fwd settlement                                        | 0.2  | \$400.00 | 6th year | \$ 80.00    |
| 4/10/2023 | Maralle Messrelian | email Simpluris re decl. re PAGA Approval motion; send caption page              | 0.2  | \$400.00 | 6th year | \$ 80.00    |
| 4/10/2023 | Maralle Messrelian | work on PAGA Motion papers                                                       | 3.00 | \$400.00 | 6th year | \$ 1,200.00 |
| 4/11/2023 | Maralle Messrelian | read/review Simpluris declaration; email redline back to Simpluris for execution | 0.3  | \$400.00 | 6th year | \$ 120.00   |
| 4/11/2023 | Maralle Messrelian | emails w legal secretary re melendrez signature for declaration                  | 0.1  | \$400.00 | 6th year | \$ 40.00    |
| 4/11/2023 | Maralle Messrelian | work on PAGA Motion papers                                                       | 4.00 | \$400.00 | 6th year | \$ 1,600.00 |
| 4/12/2023 | Maralle Messrelian | Gather and compile exhibits for PAGA Motion                                      | 1.25 | \$400.00 | 6th year | \$ 500.00   |
| 4/12/2023 | Maralle Messrelian | speak w HM re PAGA Motion                                                        | 0.2  | \$400.00 | 6th year | \$ 80.00    |
| 4/12/2023 | Maralle Messrelian | finalize PAGA Motion papers                                                      | 2.0  | \$400.00 | 6th year | \$ 800.00   |

|                                        |              |                               |
|----------------------------------------|--------------|-------------------------------|
| <b>Total Hours: Maralle Messrelian</b> | <b>42.15</b> | <b>\$ 16,385.00</b>           |
| <b>Total Hours: Harout Messrelian</b>  | <b>25.30</b> | <b>\$ 13,710.00</b>           |
| <b>TOTAL TIME SPENT:</b>               | <b>67.45</b> | <b>FEE TOTAL: \$30,095.00</b> |

|                       |                 |
|-----------------------|-----------------|
| <b>FEES REQUESTED</b> | <b>\$42,000</b> |
| <b>MULTIPLIER</b>     | <b>1.396</b>    |

# **EXHIBIT 7**

***Manuel Melendrez v. Clean Auto, Inc., et al.***

***(Superior Court of California, San Mateo County, Case No.22CIV01967)***

| <b>Messrelian Law Inc. Costs and Expenses</b> | <b>Total</b>        |
|-----------------------------------------------|---------------------|
| LWDA Notice Filing Fee                        | \$ 75.00            |
| Complaint Filing Fee                          | \$ 1,435.00         |
| E-Filing Fees                                 | \$ 80.00            |
| Mediator Fees                                 | \$ 11,000.00        |
| Data Analyst for Mediation                    | \$ 1,850.00         |
| <b>Current Costs through 4/14/2023</b>        | <b>\$ 14,440.00</b> |

# **EXHIBIT 8**

**Larry Kazanjian**

Main: 916.442.3552

Email:

lkazanjian@pkwhlaw.com

Sacramento Office

**Larry M. Kazanjian****LARRY M. KAZANJIAN, MANAGING PARTNER****Practice Focus**

Mr. Kazanjian has practiced employment law for more than 25 years and has represented employers in litigation of discrimination and wrongful termination matters. His litigation experience includes dozens of jury trials in the representation of defendants. Mr. Kazanjian's general employment law practice involves the daily rendering of practical advice assisting clients of all sizes with employment issues including wage and hour law, harassment and discrimination, compliance with ADA/FMLA requirements, compliance with INS regulations governing I-9 forms, preparation of personnel manuals, drug/alcohol policies and other preventative measures.

Mr. Kazanjian also represents management clients in all aspects of labor relations, including proceedings before the National Labor Relations Board involving representation petitions, collective bargaining, unfair labor practice hearings, contract interpretation, employee discipline disputes and Section 301 breach of collective bargaining agreements. Representative clients include construction companies, professional organizations, hospitals, retail businesses, waste disposal companies, advertisers, beverage importers, wholesale distributors, agricultural employers and insurance companies.

**Professional Activities**

Mr. Kazanjian frequently speaks on employment law compliance including harassment/discrimination, wage and hour compliance, alcohol/drug policies and practices, OSHA compliance, ergonomics, discrimination/ harassment and many other employment and labor law topics. Mr. Kazanjian is admitted to practice in all California Courts.

**Education**

J.D., McGeorge School of Law, 1976

M.A., California State University, Fresno, 1972

B.A., University of California, Santa Barbara, 1971

**Languages**

French  
Spanish

**Employment History**

Palmer Kazanjian Wohl  
Hodson LLP – 2000 to  
Present

Littler Mendelson –  
1986-2000

Sacramento County  
Public Defender's  
Office – 1976-1986

## **Emphasis**

Discrimination and  
Wrongful Termination  
Litigation

Wage and Hour Law

ADA/FMLA

Compliance

INS Compliance with  
I-9 Requirements

OSHA and Cal-OSHA  
Compliance

Drug and Alcohol  
Policies and Testing

Unfair Labor Practices  
Personnel Policies and  
Manuals

Collective Bargaining

National Labor  
Relations Board  
Representation

General Advice

Confidentiality and  
Trade Secrets

Alternative Dispute  
Resolution

# **EXHIBIT 9**

**Case Name: Manuel Melendrez v. Auto Clean Incorporated, et al**

Requesting Attorneys Name:

Maralle Messrelian

E-Mail:

[maralle@messrelianlaw.com](mailto:maralle@messrelianlaw.com)

ILYM Contact:

Sean Hartranft

E-Mail:

[Sean@ilymgroup.com](mailto:Sean@ilymgroup.com)

**ASSUMPTIONS**

|                                     |     |
|-------------------------------------|-----|
| Total Number of Aggreived Employees | 75  |
| Certified Spanish Translation       | Yes |
| Case Duration (Years)               | 1   |

**Activity**

**Rate Type**

**Unit Cost**

**Volume**

**Amount**

**CASE STARTUP**

|                                                       |           |          |   |          |
|-------------------------------------------------------|-----------|----------|---|----------|
| Initial Setup - <i>Import and Formatting of Data*</i> | Hourly    | \$150.00 | 2 | \$300.00 |
| Project Manager (Case notification and maintenance)   | Hourly    | \$120.00 | 3 | \$360.00 |
| Toll Free Phone Support                               | Flat Rate | \$20.00  | 1 | \$20.00  |
| NCOA                                                  | Flat Rate | \$10.00  | 1 | \$10.00  |
| Certified Spanish Translation                         | Flat Rate | \$700.00 | 1 | \$700.00 |

*\*ILYM assumes that data will be in a standard format. Client will be notified immediately if not in standard format to correct data or ILYM can convert to standard format @ \$150.00 per hour.*

**Subtotal      \$1,390.00**

**DISTRIBUTION (Includes EIN, Bank Acct /QSF Setup)\***

|                                                  |           |          |    |          |
|--------------------------------------------------|-----------|----------|----|----------|
| Distribution Setup & Management                  | Hourly    | \$150.00 | 2  | \$300.00 |
| Account Reconciliation & Distribution Reporting  | Hourly    | \$125.00 | 2  | \$250.00 |
| Fulfillment of Notice & Check - (including 1099) | Per Check | \$2.50   | 75 | \$187.50 |
| USPS First Class Postage                         | Per Piece | \$0.81   | 75 | \$60.75  |
| Remails (Forward/Skip Trace Undeliverables)      | Per Piece | \$3.00   | 8  | \$22.50  |
| Preparation of Taxes                             | Hourly    | \$125.00 | 5  | \$625.00 |
| Annual Filing of Tax Return                      | Per Year  | \$714.25 | 1  | \$714.25 |

*\*Additional Bank fees may apply*

**Subtotal      \$2,160.00**

**CASE CONCLUSION**

|                                             |           |          |   |          |
|---------------------------------------------|-----------|----------|---|----------|
| Data Manager Final Reporting                | Hourly    | \$100.00 | 2 | \$200.00 |
| Process Unclaimed Funds to State Controller | Flat Rate | \$500.00 | 1 | \$500.00 |
| Declaration                                 | Hourly    | \$125.00 | 2 | \$250.00 |

**Subtotal      \$950.00**

**Will Not Exceed:      \$4,500.00**

# Terms and Conditions

All services to be provided by ILYM Group, Inc. (hereinafter, "ILYM") to Client shall be subject to the following terms and conditions:

**Services:** Subject to the terms hereof, ILYM agrees to provide the Client with Administration Services (hereinafter, "services") as specified in the Proposal provided to Client to which these Terms and Conditions are attached. The estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make provision for any services or class members/size not delineated in the request for proposal or stipulations. Such services do not in any way constitute legal services or advice. ILYM is performing its services as an Independent Contractor and neither it nor its employees shall be deemed to be employees of the Client.

**Mailing and Data Conversion:** ILYM's database administration assumes the Client will provide complete data that includes all information required to send notifications and complete the administration process. Data must be provided in a complete, consistent, standardized electronic format. ILYM's standard format is Microsoft Excel, however, ILYM may accept other formats at its discretion. Further developments or enhancements to non-standardized data will be billed to Client by ILYM on a time and materials basis, according to ILYM's Standard Rates.

**Charges for Services:** Charges to the Client for services shall be on a time and materials basis at our prevailing rates, as the same may change from time to time. Any fee estimates set forth in the proposal are estimates only, based on information provided by Client to ILYM. Actual fees charged by ILYM to Client may be greater or less than such estimate, and Client shall be responsible for the payment of all such charges and expenses in accordance with Section 5 hereof. Charges incurred related to resolving post distribution withholdings and related corrective files due to voids and re-issues of payments and related correspondence with state and federal taxing authorities will not be charged to the Client to the extent that funds are received from the taxing authorities offset these charges. ILYM may derive financial benefits from financial institutions in connection with the deposit and investment of settlement funds with such institutions, including without limitation, discounts on eligible banking services and fees, and loans at favorable rates.

**Indemnification:** Client will indemnify and hold ILYM (and the officers, employees, affiliates and agents harmless against any Losses incurred by ILYM, arising out of, in connection with, or related to (i) any breach of the terms by Client; (ii) the processing and handling of any payment by ILYM in accordance with Client's instructions, including without limitation, the imposition of any stop payment or void payment on any check or the wrongful dishonor of a check by ILYM pursuant to Client's instructions.

**Payment of Charges:** ILYM reserves the right to request payment of postage charges and 50% of the final administration charges at the start of the case. ILYM bills are due upon receipt unless otherwise negotiated and agreed to with the Client. In the event settlement terms provide that ILYM is to be paid out of the Settlement Fund, ILYM will request that Counsel endeavor to make alternate payment arrangements for ILYM charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the Settlement Account is funded by, or no later than the time of disbursement. Decisions of the court and actions of the parties, including disapproval or withdrawal of a settlement, do not affect the Client's liability to ILYM for payment of services. Services are not provided on a contingency fee basis.

**Confidentiality:** ILYM maintains reasonable and appropriate security measures and safeguards to protect the security and confidentiality of Client data provided to ILYM by Client in connection herewith. Should ILYM ever be notified of any judicial order or other proceedings in which a third party seeks to obtain access to the confidential data created by or for the Client, ILYM will promptly notify the Client, unless prohibited by applicable law. The Client shall have the option to (1) provide legal representation at the Client's expense to avoid such access or (2) promptly reimburse ILYM for any of its costs, including attorneys' fees, reasonably incurred in avoiding, attempting to avoid or providing such access and not paid by the entity seeking the data. If ILYM is required, pursuant to a court order, to produce documents, disclose data, or otherwise act in contravention of the obligations imposed by this Agreement, or otherwise, with respect to maintaining the confidentiality, proprietary nature and secrecy of the produced documents or disclosed data, ILYM will not be liable for breach of said obligation.

**Data Rights:** ILYM does not convey nor does the Client obtain any right in the programs, system data, or materials utilized or provided by ILYM in the ordinary course of business in the performance of this Agreement.

**Document Retention:** Unless directed otherwise in writing by Client, ILYM will destroy undeliverable mail on the effective date of the settlement or the date that the disposition of the case is no longer subject to appeal or review, whichever is later. ILYM will maintain claim forms and other correspondence for one year after final distribution of funds or benefits, or until the date that the disposition of the case is no longer subject to appeal or review, whichever is later.

**Limitation of damages:** ILYM is not responsible to the Client for any special, consequential or incidental damages incurred by Client. Any liability of ILYM to the Client shall not exceed the total amount billed to the Client for the particular services that give rise to any loss.

**Termination:** The services to be provided under this Agreement may be terminated, at will by the Client upon at least 30 calendar days' prior written notice to ILYM. The Client's obligation to pay for services or projects in progress at the time of notice of withdrawal shall continue throughout that 30 day period. ILYM may terminate this Agreement (i) with 10 calendar days' prior written notice, if the Client is not current in payment of charges or (ii) in any event, upon at least 3 months' prior written notice to the Client.

**Notice:** Any notice required or permitted hereunder shall be in writing and shall be delivered personally, or sent by registered mail, postage prepaid, or overnight courier service to the responsible officer or principal of ILYM or the Client, as applicable, and shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service.

**Force Majeure:** To the extent performance by ILYM of any of its obligations hereunder is substantially prevented by reason of any act of God or by reason of any other matter beyond ILYM's reasonable control, then such performance shall be excused and this Agreement, at ILYM's option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.

**Waiver of Rights:** No failure or delay on the part of a party in exercising any right hereunder will operate as a waiver of, or impair, any such right. No single or partial exercise of any such right will preclude any other or further exercise thereof or the exercise of any other right. Now a waiver of any such right will be effective unless given in a signed writing.

**Jurisdiction:** The parties hereto submit to the jurisdiction of the Court of the applicable case for purposes of any suit, action or proceeding to enforce any provision of, or based on any right arising out of, this Agreement. The parties hereto hereby waive any objection to the laying of venue of any such suit, action or proceeding in the Court.

**Entire Agreement:** These terms and conditions and the proposal embody the entire agreement between the parties with respect to the subject matter hereof, and cancels and supersedes all prior negotiations, representations, and agreements related thereto, either written or oral, except to the extent they are expressly incorporated herein. No changes in, additions to, or waivers of, the terms and conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.

# **EXHIBIT 10**



# PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

**February 8, 2023**

## CASE ASSUMPTIONS

|                       |                   |
|-----------------------|-------------------|
| Class Members         | 75                |
| Opt Out Rate          | N/A               |
| Opt Outs Received     |                   |
| Total Class Claimants | 75                |
| Subtotal Admin Only   | <b>\$5,507.78</b> |

**Flat Fee Total \$5,000.00**

**For 75 Class Members**

Pricing Good for Scope of Estimate Only

All Aspects of Escheating to the State of CA Included

Spanish Translation, Printing & Mailing Included

## Case: Melendrez v. Auto Clean Incorporated, PAGA Administration

Phoenix Contact: Michael E. Moore

Contact Number: 949.331.0131

Email: mike@phoenixclassaction.com

Requesting Attorney: Maralle Messrelian

Firm: MESSRELIAN LAW INC.

Contact Number: 818.484.6531

Email: maralle@messrelianlaw.com

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

Estimate is based on **75** Class Members. PSA assumes class data will be sent in Microsoft Excel or other usable format with no or reasonable additional formatting needed. A rate of \$150 per hour will be charged for any additional analysis or programming.

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

| Administrative Tasks:        | Rate     | Hours/Units | Line Item | Estimate        |
|------------------------------|----------|-------------|-----------|-----------------|
| Programming Manager          | \$100.00 | 2           |           | \$200.00        |
| Programming Database & Setup | \$100.00 | 1           |           | \$100.00        |
| Toll Free Setup*             | \$100.00 | 1           |           | \$100.00        |
| Call Center & Long Distance  | \$2.50   | 12          |           | \$30.00         |
| NCOA (USPS)                  | \$25.00  | 1           |           | \$25.00         |
| <b>Total</b>                 |          |             |           | <b>\$455.00</b> |

\* Up to 120 days after disbursement

### Data Merger & Scrub / Notice Packet, Check & Postage / Spanish Translation

| Project Action                   | Rate     | Hours/Units | Line Item | Estimate        |
|----------------------------------|----------|-------------|-----------|-----------------|
| Notice Packet Formatting         | \$100.00 | 1           |           | \$100.00        |
| Spanish Translation              | \$150.00 | 1           |           | \$150.00        |
| Data Merge & Duplication Scrub   | \$0.09   | 75          |           | \$6.75          |
| Notice and Check Packet          | \$1.00   | 75          |           | \$75.00         |
| Estimated Postage (up to 1 oz.)* | \$0.61   | 75          |           | \$45.75         |
| <b>Total</b>                     |          |             |           | <b>\$377.50</b> |

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



# PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

| Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables |         |             |           |          |
|---------------------------------------------------------------------------------|---------|-------------|-----------|----------|
| Project Action:                                                                 | Rate    | Hours/Units | Line Item | Estimate |
| Case Associate                                                                  | \$55.00 | 3           |           | \$165.00 |
| Skip Tracing Undeliverables                                                     | \$0.75  | 19          |           | \$14.06  |
| Remail Notice Packets                                                           | \$0.65  | 16          |           | \$10.24  |
| Estimated Postage                                                               | \$0.61  | 16          |           | \$9.61   |
| Programming Undeliverables                                                      | \$50.00 | 1           |           | \$50.00  |
| Total                                                                           |         |             |           | \$248.91 |

| Database Programming        |          |             |           |          |
|-----------------------------|----------|-------------|-----------|----------|
| Project Action:             | Rate     | Hours/Units | Line Item | Estimate |
| Programming Claims Database | \$150.00 | 1           |           | \$150.00 |
| Case Associate              | \$55.00  | 6           |           | \$330.00 |
| Case Manager                | \$85.00  | 4           |           | \$340.00 |
| Total                       |          |             |           | \$820.00 |

| Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks |          |             |           |            |
|--------------------------------------------------------------------------|----------|-------------|-----------|------------|
| Project Action:                                                          | Rate     | Hours/Units | Line Item | Estimate   |
| Programming Calculations                                                 | \$135.00 | 2           |           | \$270.00   |
| Disbursement Review                                                      | \$135.00 | 2           |           | \$270.00   |
| Programming Manager                                                      | \$95.00  | 1           |           | \$95.00    |
| QSF Bank Account & EIN                                                   | \$135.00 | 1           |           | \$135.00   |
| Check Run Setup & Printing                                               | \$135.00 | 3           |           | \$405.00   |
| Total                                                                    |          |             |           | \$1,175.00 |

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



# PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

| Tax Reporting & Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations                |          |             |           |            |
|-------------------------------------------------------------------------------------------------------------|----------|-------------|-----------|------------|
| Project Action:                                                                                             | Rate     | Hours/Units | Line Item | Estimate   |
| Case Supervisor                                                                                             | \$115.00 | 3           |           | \$345.00   |
| Remail Undeliverable Checks<br>(Postage Included)                                                           | \$1.50   | 14          |           | \$21.38    |
| Case Associate                                                                                              | \$55.00  | 3           |           | \$165.00   |
| Reconcile Uncashed Checks                                                                                   | \$85.00  | 4           |           | \$340.00   |
| Conclusion Reports                                                                                          | \$115.00 | 2           |           | \$230.00   |
| Case Manager Conclusion                                                                                     | \$85.00  | 2           |           | \$170.00   |
| Final Reporting & Declarations                                                                              | \$115.00 | 4           |           | \$460.00   |
| QSF Annual Tax Reporting *<br>(State Tax Reporting Included)                                                | \$400.00 | 1           |           | \$400.00   |
| Check to Cy-Pres                                                                                            | \$150.00 | 1           |           | Included   |
| Uncashed Checks to the State of<br>California Controllers Office<br>Estimated <u>10</u> Total Class Members | \$300.00 | 1           |           | \$300.00   |
| Total                                                                                                       |          |             |           | \$2,431.38 |

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

**Estimate Total: \$5,507.78**



# PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

## **TERMS AND CONDITIONS**

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

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

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

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

### **Tax Reporting Requirements**

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

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

# **EXHIBIT 11**



3194-C Airport Loop Drive  
Costa Mesa, CA 92626  
800-779-2104 www.simpluris.com

|                |          |               |                                                                          |
|----------------|----------|---------------|--------------------------------------------------------------------------|
| Estimate #:    | 15712    | Prepared By:  | Kimberly Sutherland                                                      |
| Estimate Date: | 2/8/2023 | Direct Dial # | 321-223-5065                                                             |
|                |          | Email:        | <a href="mailto:ksutherland@simpluris.com">ksutherland@simpluris.com</a> |

Attorney/Client: **Maralle Messrelian**  
Firm: MESSRELIAN LAW INC.  
Email: [maralle@messrelianlaw.com](mailto:maralle@messrelianlaw.com)

Attorney/Client:  
Firm:  
Email:

**Case Name:** Manuel Melendrez v. Auto Clean Incorporated, et al; PAGA Distribution  
Spanish

**Capped Fee\*** **\$4,000**

**Terms:**

1) Capped Fees assume that Simpluris will receive data in a Single Excel file with no substantial change in class size or response rate.

|                            |                 |                     |           |
|----------------------------|-----------------|---------------------|-----------|
| Total Possible Class Size: | 75              | Undeliverable Rate: | 10%       |
| Response Rate:             | N/A             | Call Rate:          | N/A       |
| Mailing Document Language: | English/Spanish | Fund Distribution:  | Simpluris |
| Reminder Postcard:         | No              | Redistribution:     | One       |
| Unclaimed Funds:           | LWDA            | State(s):           | CA        |
|                            |                 | Tax Years           | One       |

### Case Setup

#### Data Compilation - Develop Case Specific Response Tracking - Error Reports

| Category                                 | Unit Value | # of Units | Total    |
|------------------------------------------|------------|------------|----------|
| Project Manager - Case Setup             | \$250.00   | 1          | \$250.00 |
| Document Translation - Spanish           | \$0.25     | 350        | \$87.50  |
| Database Manager - Initial Data Analysis | \$125.00   | 1          | \$125.00 |
|                                          |            | Total      | \$462.50 |

### Distribution

#### Setup a Disbursement Account.

#### Print & Mail Checks with 1 pg Letter to Class Members: 1099's

#### Account Management & Reconciliation

| Category                                  | Unit Value | # of Units | Total      |
|-------------------------------------------|------------|------------|------------|
| Disbursement Data Preparation             | \$140.00   | 1          | \$140.00   |
| Disbursement Manager - Data Validation    | \$125.00   | 0.5        | \$62.50    |
| QSF set up/bank fee                       | \$750.00   | 1          | \$750.00   |
| Print & Mail-Check, 1099                  | \$0.75     | 75         | \$56.25    |
| Postage                                   | \$0.63     | 75         | \$47.25    |
| Process Returned Checks                   | \$0.50     | 8          | \$3.75     |
| Skip Trace Search Undeliverable Checks    | \$1.00     | 8          | \$7.50     |
| Remail Checks                             | \$1.00     | 8          | \$7.50     |
| Postage                                   | \$0.63     | 8          | \$4.73     |
| Individual Federal/State Tax Reporting    | \$250.00   | 1          | \$250.00   |
| QSF Reporting / Declaration               | \$300.00   | 1          | \$300.00   |
| QSF Annual Tax Preparation Fee - One Year | \$1,350.00 | 1          | \$1,350.00 |
| Unclaimed funds to LWDA; Manage           | \$250.00   | 1          | \$250.00   |
| Disbursement Manager                      | \$125.00   | 0.5        | \$62.50    |
|                                           |            | Total      | \$3,291.98 |



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### Case Wrap Up

#### Send Final Reports to Counsel

| Category                             | Unit Value | # of Units | Total    |
|--------------------------------------|------------|------------|----------|
| Data Manager-Final Reporting         | \$140.00   | 1          | \$140.00 |
| Project Manager-Wrap-up Final Issues | \$125.00   | 1          | \$125.00 |
|                                      |            | Total      | \$265.00 |

Postage \$47.25 **Total Case Costs** **\$4,019.48**

# Terms and Conditions

All administration services to be provided by Simpluris to Client, are provided subject to the following terms and conditions ("Agreement"):

- 1. Services:** Simpluris agrees to provide Client those services set forth in the Proposal (the "Services") to which these terms and conditions are attached and which has been provided to Client. As compensation for such Services, Client agrees to pay the fees for Services outlined in the Proposal. Simpluris will often take direction from Client's representatives, employees, agents and or professionals (collectively, the "Client Parties") with respect to the Services. The parties agree that Simpluris may rely upon, and Client agrees to be bound by, any direction, advice or information provided by the Client Parties to the same extent as if provided by Client. Client agrees and understands that Simpluris shall not provide Client or any other party with any legal advice.
- 2. Fee Estimates Not Binding:** Simpluris and Client acknowledge that it is difficult to determine all necessary work required for the Services or the total amount of fees that may be incurred in performing the Services. Client agrees that fees for Services described in the Proposal are estimated based on the requirements provided by Client. Actual fees charged by Simpluris may be greater or less than such estimate. Client specifically agrees that it will be responsible for the payment of all such fees. Simpluris will provide estimates and budgets, but they are not intended to be binding; are subject to unforeseen circumstances, and by their nature are inexact.
- 3. Billing and Payment:** Simpluris will invoice Client on a regular basis unless a specific timeframe is otherwise set forth in the Proposal. Client shall pay all invoices within 30 days of receipt. Amounts unpaid after thirty (30) days are subject to a service charge at the rate of 1.5% per month or, if less, the highest rate permitted by law. Services are not provided on a contingency basis and Client shall remain liable to Simpluris for all fees incurred by Simpluris in performing the Services, regardless of any circumstance that impacts the outcome of Client's matter, including but not limited to, court decisions, actions by the parties, or a failure to consummate a settlement.
- 4. Further Assurances:** Client agrees that it will use its best efforts to include provisions reasonably acceptable to Simpluris in any relevant court order, settlement agreement or similar document that provide for the payment of Simpluris' fees and expenses hereunder. No agreement to which Simpluris is not a party shall reduce or limit the full and prompt payment of Simpluris' fees and expenses as set forth herein and in the Proposal.
- 5. Rights of Ownership:** The parties understand that the software programs and other materials furnished Simpluris to Client and/or developed during the course of the performance of Services are the sole property of Simpluris. The term "program" shall include, without limitation, data processing programs, specifications, applications, routines, and documentation. Client agrees not to copy or permit others to copy the source code from the support software or any other programs or materials furnished to Client. Fees and expenses paid by Client do not vest in Client any rights in such property, it being understood that such property is only being made available for Client's use during and in connection with the Services provided by Simpluris.
- 6. Bank Accounts:** Simpluris will establish a demand deposit checking account (i.e. non-interest bearing) for funds received related to a distribution, unless directed otherwise in writing by the parties or unless the settlement agreement stipulates otherwise. Simpluris may derive financial benefits from financial institutions in connection with the deposit and investment of settlement funds with such institutions, including without limitation, discounts on eligible banking services and fees, and compensation for services Simpluris performs for financial institutions to be eligible for FDIC deposit insurance. The amounts held pursuant to these Terms and Conditions are at the sole risk of Client and, without limiting the generality of the foregoing, Simpluris shall have no responsibility or liability for any diminution of the fund that may result from any deposit made with a financial institution including any losses resulting from a default by such institution or other credit losses. It is acknowledged and agreed that Simpluris will have acted prudently in depositing the fund at such institution.
- 7. Retention of Documents & Data:** Unless otherwise required in writing by the Client or court orders, all returned/undeliverable physical documents will be securely shredded after the data has been confirmed uploaded to our systems. Simpluris will retain bank and tax documents for such period of time as it determines is required to maintain compliance with various federal and state law requirements. Unless otherwise required in writing by the Client or court orders, Simpluris will adhere to the Company's data deletion policies and will destroy all remaining project-related information from our systems three (3) years after the conclusion of the project. Storage beyond three (3) years is available upon request and will be billed as incurred.
- 8. Limitation of Liability; Disclaimer of Warranties:** Simpluris warrants that it will perform the Services diligently, with competence and reasonable care. In no event will Simpluris be liable to Client or any third party for any claims, losses, costs, penalties, fines, judgments, tax activities, lost profits or business opportunities, business interruptions or delay, special, exemplary, punitive, consequential, indirect or incidental damages relating to the performance of the Services, regardless of whether Client's claim is for breach of contract, tort (including negligence and strict liability) or otherwise, regardless of whether such damage was foreseeable and whether such party has been advised of the possibility of such damages. Simpluris' cumulative liability for damages to Client hereunder will be limited to the total fees charged or chargeable to Client for the particular portion of the Services affected by Simpluris' omission or error. THE WARRANTIES SET FORTH IN THIS SECTION ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE.
- 9. Force Majeure:** To the extent performance by Simpluris of any of its obligations hereunder is substantially prevented or delayed by reason of any act of God, flood, fire, earthquake or explosion, war, terrorism, invasion, riot or other civil unrest, embargoes or blockades in effect on or after the date

that Simpluris began performing Services, epidemic, pandemic, quarantine, civil commotion, national or regional emergency, strikes, labor stoppages or slowdowns or other industrial disturbances, passage of Law or any action taken by a governmental or public authority, including imposing an export or import restriction, quota, or other restriction or prohibition or any complete or partial government shutdown, or national or regional shortage of adequate power or telecommunications or transportation or because of any other matter beyond Simpluris' reasonable control, then Simpluris' performance shall be excused and this Agreement, at Simpluris' option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.

**10. Rights in Data:** Client agrees that it will not obtain, nor does Simpluris convey, any rights of ownership in the programs, system data, or materials provided or used by Simpluris in the performance of the Services.

**11. Electronic Communications:** During the provision of the Services, the parties may wish to communicate electronically with each other at a business e-mail address. However, the electronic transmission of information cannot be guaranteed to be secure or error free and such information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete or otherwise be adversely affected or unsafe to use. Accordingly, each party agrees to use commercially reasonable procedures to check for the then most commonly known viruses and to check the integrity of data before sending information to the other electronically, but each party recognizes that such procedures cannot be a guarantee that transmissions will be virus free. It remains the responsibility of the party receiving an electronic communication from the other to carry out a virus check on any attachments before launching any documents whether received on disk or otherwise.

**12. Notice:** Any notice required or permitted hereunder shall be in writing and shall be delivered personally, by, or sent by registered mail, postage prepaid, or overnight courier to the address identified by each Party in the Proposal. Notice shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service. Notice should be addressed to an officer or principal of Client and Simpluris, as the case may be.

**13. Waiver:** Failure or delay on the part of a party to exercise any right, power or privilege hereunder shall not operate as a waiver thereof or any of other subject, right, power or privilege.

**14. Termination:** Client may terminate the Services at any time upon 30 days prior written notice to Simpluris. Termination of Services shall in no event relieve Client of its obligation make any payments due and payable to Simpluris for Services rendered up to the effective date of Termination. Simpluris may terminate this Agreement (i) for any reason upon no less than 60 days prior written notice to the Client; or (ii) upon 15 calendar days' prior written notice if the Client is not current in payment of fees.

**15. Jurisdiction:** These Terms and Conditions will be governed by and construed in accordance with the laws of the state of California, without giving effect to any choice of law principles.

**16. Survival:** Any remedies for breach of this Agreement, this Section and the following Sections will survive any expiration or termination of this Agreement: Section 4 - Limitation of Liability; Disclaimer of Warranties, Section 6 – Rights in Data, and Section 12- Jurisdiction, 14 -Confidentiality, and Section 15 – Indemnification.

**17. Entire Agreement:** These Terms and Conditions and the Proposal embody the entire agreement between the parties with respect to the subject matter hereof, and cancels and supersedes all prior negotiations, representations, and agreements related thereto, either written or oral, except to the extent they are expressly incorporated herein. No changes in, additions to, or waivers of, the terms and conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.

**18. Confidentiality:** Simpluris maintains reasonable and appropriate safeguards to protect the confidentiality and security of data provided by Client to Simpluris in connection with the Services. If, pursuant to a court order or other proceeding, a third-party requests that Simpluris to disclose any confidential data provided by or for Client, Simpluris will promptly notify the Client unless prohibited by applicable law. Client will then have the option to provide Simpluris with qualified legal representation at Client's expense to defend against such request. If, pursuant to a court order, Simpluris is required to disclose data, produce documents, or otherwise act in contravention of the obligation to maintain confidentiality set forth in these terms and conditions, Simpluris will not be liable for breach of said obligation.

**19. Indemnification:** Client will indemnify and hold Simpluris (and the officers, employees, affiliates and agents) harmless against any losses whatsoever incurred by Simpluris, arising out of any action by a third party, including governmental agencies, in connection with, or related to (i) any breach of the terms by Client; (ii) the processing and handling of any payment by Simpluris in accordance with Client's instructions, including without limitation, the imposition of any stop payment or void payment on any check or the wrongful dishonor of a check by Simpluris pursuant to Client's instructions.

**20. Severability:** If any term or condition or provisions of this Agreement shall be held to be invalid, illegal, unenforceable or in conflict with the law of any jurisdiction, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

**21. Database Administration:** Simpluris' database administration for Client assumes that Client will provide complete data that includes all information required to send notifications and calculate and mail settlement payments. Data must be provided in a complete, consistent, standardized electronic format. Simpluris' standardized format is Microsoft Excel, however, Simpluris may accept other formats at its discretion. Further developments or enhancements to non-standardized data will be billed to Client by Simpluris on a time and materials basis according to Simpluris' Standard Rates.

**22. Entire Agreement:** These Terms and Conditions together with the Proposal constitutes the entire agreement between the parties with respect of the subject matter hereof and supersede all prior understandings, agreements, or representations by or among the parties, written or oral, to the extent they relate in any way to the subject matter hereof.

# Security Summary – White Paper



Simpluris is committed to the security and overall protection of its own and its customer's data and information. As demonstration of our commitment, we maintain SOC 2 certification which requires us to adhere to strict policies and procedures surrounding information security including processing and storage of confidential customer data. Simpluris has and maintains a comprehensive, written Information Security Program that complies with all applicable laws and regulations (e.g. HIPAA, Gramm-Leach-Bliley Act, MA 201 CMR 17.00) and that is designed to (a) ensure the security, privacy and confidentiality of Client and Class Member Information, (b) protect against any reasonably anticipated threats or hazards to the security or integrity of Client or Class Member Information, and (c) protect against unauthorized access to, use, deletion, or modification of Class Member Information. Simpluris has designated specific employees to be responsible for the administration of its Information Security Program. In addition, Simpluris regularly monitors, tests, and updates its Information Security Program.

Simpluris uses Client and Class Member Information only for the purposes for which its' clients provide it, as described in any Agreements or Court Orders governing the provision of Simpluris' services in any particular case.

Simpluris has and maintains a process for identifying, assessing, and mitigating the risks to Class Member Information in each relevant area of Simpluris' operations and evaluating the effectiveness of the safeguards for controlling these risks.

Simpluris restricts access to Class Member Information only to those employees, agents, or subcontractors who need to know the information to perform their jobs. Simpluris performs background checks of all its employees that will have access to Sensitive Personal Information, including a review of their references, employment eligibility, education, and criminal background to ensure they do not pose a risk to the security of Client or Class Member Information.

Simpluris adheres to the following industry best practices to safeguard its systems which process, store or transmit Client and Class Member Information:

- Identity and Access Management.
- Complex passwords that must be changed regularly.
- Role-based access control systems to limit individual employee access to network applications and systems based on their specific job role and function.
- Data Loss Prevention and Intrusion Prevention System software at multiple layers to prevent from internal and external threats of data leaks, malicious activity, and policy violations.
- Encryption of Class Member Information in if it is transmitted over public or wireless networks (e.g., via email, ftp, Internet, etc.).
- Implementation of a Secure File Transfer system (using SSL encryption) for transmitting documents back and forth to clients.
- Encryption of servers, portable media, laptops, desktops, smartphones, mobile devices, and new technologies that store Class Member Information.
- Complex password authentication for remote access to Company's networks.
- Upon hire and annually thereafter, training of all employees with access to Class Member Information, (including any agents, and subcontractors with access to Class Member Information) about their obligations to implement the Information Security Program.
- Disciplinary measures for employees who violate the Information Security Program.
- Preventing terminated employees from accessing Class Member Information.
- Appropriately configured and updated firewall, antivirus, and spyware software.
- Prompt application of vendor-recommended security patches and updates to systems and other applications to avoid any adverse impact to Class Member Information.
- Separation of Duties.
- Infrastructure and Physical Security.
- Business Continuity Planning.
- Disaster Recovery Planning.

# Digital Disbursement

## Disbursement Methods

Providing a menu of both digital and traditional disbursement options improves the efficacy of settlement payments.

### PayPal

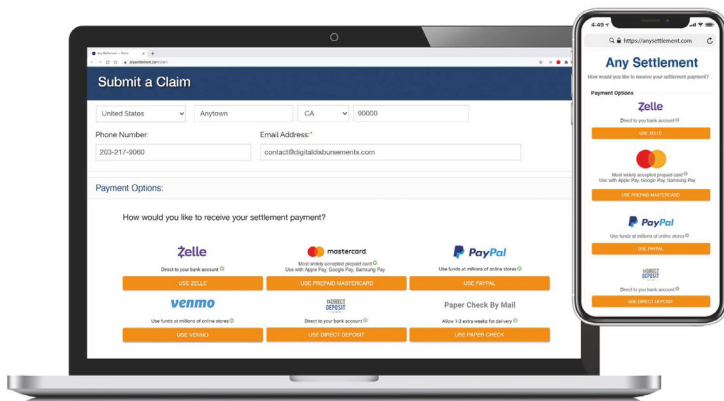
Typically selected by 30-40% of class members (most popular for folks over 35)

### Venmo

Typically selected by 15-20% of class members (second most popular for folks under 35)

### Zelle

Typically selected by 10-20% of class members



## SECURITY

Hosted in Amazon Web Services (AWS), Digital Disbursements is secure and effective. Security infrastructure features include

**Serverless Computing** Digital Disbursements utilizes a serverless approach (AWS Lambda and ECS)

**Databases** Digital Disbursements uses Amazon Aurora - a MySQL-compatible high-performance fully managed database provided by Amazon Relational Database Service (RDS). The service replicates the data across several distinct locations and continuously backs up data to S3. DD also uses AWS DynamoDB to store temporary data, and the DynamoDB database is configured to automatically delete expired data.

**Encryption and Content Delivery** Digital Disbursements utilizes AWS Key Management Service (KMS), AWS CloudFront, and AWS API Gateway Service for content delivery and encryption. All data stored in the system is encrypted on a service level (RDS, S3, and DynamoDB all support encryption at rest). In addition, the most sensitive information, such as account numbers, is encrypted at a field level, before being stored in the database.

|                              |  |  |  |  |
|------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
| Info required                | Phone number or email address                                                       | Email address                                                                       | Phone number                                                                          | Name and address                                                                      |
| Money goes to                | Bank account                                                                        | PayPal account                                                                      | Venmo account                                                                         | USPS mailbox                                                                          |
| Transferable to bank account |  |  |  |  |

**14+**

Years in Business

**85+**

Years of Leadership  
Experience

**6+**

Thousand Matters

**\$5 Billion**

In Funds Distributed

Simpluris Inc. delivers comprehensive corporate, financial and legal administration services across the United States. Since 2007, Simpluris has administered over 6 thousand matters and distributed over \$5 billion in funds. From class action settlements to corporate remediation, our nationwide team handles even the most complex matters with accuracy and transparency. Regardless of scale, Simpluris' project management experts deliver legal administration services with speed, precision and accountability.

## Our capabilities include:

### Notification Campaigns

### Impact Calculations

### Class Action

Customized Interactive Websites

Real-Time Reporting

Digital and Social Media Communications

Data Cleansing and Analytics

Banking and QSF Management

### Claims Administration

### Disbursements

### Collective Action

Print and Mail

Call Center & IVR

Document OCR with AI

Skip Tracing

Workflow and Task Management

Email, SMS, Fax Correspondence

Traditional and ePayment Distributions

### Data Management

### Tax Reporting



## Our Service

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The Simpluris administration team is best known for their dedication to delivering premium service. When you partner with Simpluris, you work alongside a dedicated Client Service representative. This Simpluris team member will guide you through the settlement lifecycle. Your Client Service representative is your administration conductor, adjusting the tempo as your case progresses. With a 360° view of your matter, your Client Service representative can respond swiftly to changes in your case, proactively notify you of upcoming milestones, and most importantly, be accountable for the successful completion of your matter. Our team is available any time of day with offices across the nation, including two corporate hubs in Costa Mesa, CA and Orlando, FL.

## Our Technology

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A standout feature of Simpluris' "white glove" service is our cloud-based reporting tool, LiveCase. With LiveCase, Simpluris clients gain access to real-time reporting, 24 hours a day. See high-level views of your settlement's progress or drill down to the most granular data. LiveCase dashboards provide quick and easy visibility across all matters, action items, and case statistics. With LiveCase, you are able to view production data, track mailings and correspondence, observe call center history and data, subscribe to customizable reports, track disbursements, and more.

## Our Experience

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Simpluris' history is rooted in Class Action Settlement Administration and our management team's experiences are vast and diverse. The Simpluris executive leadership team boasts more than 85 years of experience in corporate, financial and legal administration, including:

- Executive management of the largest legal administration operation in the world that produced 200+ million notifications, 10+ million claims and \$5+ billion funds dispersed per year on average
- A few of the most notable matters our leadership team has presided over include the largest data breach responses, corporate restructures and antitrust settlement administrations in US history
- Oversight of the largest consent orders handed down from OCC, DOJ, CFPB & FTC over the last decade
- Fostering hundreds of client relationships with the premier government entities, law firms and financial institutions in the world

Leveraging our past experiences, Simpluris is prepared to handle matters of every scope and scale. Whether simple or complex, we encourage you to bring us your challenges and make Simpluris your go-to partner for technology-driven administration.

# **EXHIBIT 12**