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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN BERNARDINO

ANGEL ARMENTA and JAKKOB ROMERO, individually, on behalf of all others similarly situated, and on behalf of the State of California and other aggrieved persons, Plaintiffs, v. BLUE BEACON INTERNATIONAL, INCORPORATED, a corporation; BLUE BEACON U.S.A., L.P., a limited partnership; BLUE BEACON U.S.A. II, L.P., a limited partnership; and DOES 1 through 10, inclusive, Defendants.	Case No.: CIVSB2206415 Assigned for All Purposes to: Hon. Jessica Morgan Dept. S-26 **DECLARATION OF JAMIE K. SERB IN SUPPORT OF MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT AND REQUEST FOR ATTORNEY'S FEES AND COSTS** [Filed concurrently with Notice of Motion and Motion; Memorandum of Points and Authorities; Declarations of Justin F. Marquez and Markus Balthuis; [Proposed] Order] Date: October 4, 2023 Time: 9:00 a.m. Dept. S-26

DECLARATION OF JAMIE K. SERB

I, JAMIE K. SERB, Declare:

1. I am an attorney duly licensed to practice in California and before this Court, and I am a partner with Crosner Legal, P.C., counsel of record for plaintiff Jakkob Romero. I make this declaration in support of Plaintiffs' Motion for Final Approval of Class Action Settlement and Request for Attorney's Fees and Costs. If called to testify as to the within facts, I would and could competently do so.

2. Defendants Blue Beacon International, Incorporated, Blue Beacon U.S.A., L.P., and Blue Beacon U.S.A. II, L.P. (together "Blue Beacon") own, operate, and manage a chain of truck washing facilities throughout the United States, including in California and San Bernardino County. Plaintiffs and the putative class members worked in California as hourly-paid or non-exempt employees for Defendants during the class period.

3. Plaintiffs allege Defendants' payroll, timekeeping, and wage and hour practices resulted in numerous Labor Code violations. Specifically, Plaintiffs allege Defendants failed to, inter alia, pay for all hours worked, provide employees with legally compliant meal and rest periods, indemnify employees for all necessary business expenses, and provide timely wages. Plaintiffs also allege Defendants had a policy and practice of not providing adequate written disclosures to applicants and employees before procuring credit reports or causing credit reports to be procured. Based on these allegations, Plaintiffs assert claims against Defendants for failure to pay minimum and straight time wages, failure to pay overtime wages, failure to provide meal periods, failure to authorize and permit rest periods, failure to indemnify for necessary business expenses, failure to timely pay all final wages at termination, failure to provide accurate itemized wage statements, unfair business practices, civil penalties under PAGA, and failure to conduct lawful background checks.

4. On March 25, 2022, Plaintiff Armenta filed a putative wage and hour class action complaint against Defendants based on the above allegations and, on June 3, 2022, he filed a separate case seeking civil penalties pursuant to PAGA. On June 24, 2022, Plaintiff Romero filed a putative wage and hour class action complaint against Defendants and, after appropriate notice

to the LWDA, he also filed separate case alleging similar wage and hour violations under PAGA on June 17, 2022. On March 29, 2023, the Parties filed a first amended complaint in this matter that added Plaintiff Romero as a party-plaintiff and proposed class representative and combined Plaintiffs' class and representative causes of action.

5. Following the filing of the initial Complaint, the Parties exchanged documents and information before mediating this action. Defendants produced a sample of timekeeping and pay records for the class members. Defendants also provided documents of their wage and hour policies and practices during the class period and information regarding the total number of current and former employees in their informal discovery responses. In total, Defendants produced nearly 18,000 pages of policy documents, time records, wage records, and other relevant documents in advance of the mediation. After reviewing the documents regarding Defendants' wage and hour policies and practices, analyzing Defendants' timekeeping and payroll records, and interviewing Class Members, Class Counsel was able to evaluate the probability of class certification, success on the merits, and Defendants' maximum monetary exposure for all claims. Class Counsel also investigated the applicable law regarding the claims and defenses asserted in the litigation. Class Counsel reviewed these records and prepared a damage analysis prior to mediation.

6. On November 16, 2022, the Parties participated in private mediation with experienced class action mediator Gail A. Glick, Esq The settlement negotiations were at arm's length and, although conducted in a professional manner, were adversarial. The Parties went into the mediation willing to explore the potential for a settlement of the dispute, but each side was also prepared to litigate their position through trial and appeal if a settlement had not been reached. After extensive negotiations and discussions regarding the strengths and weaknesses of Plaintiffs' claims and Defendants' defenses, the Parties reached a settlement following the issuance of a mediator's proposal, the material terms of which were subsequently incorporated in the Parties' proposed Settlement Agreement.

7. Under the settlement, Blue Beacon will pay $1,600,000.00 into a common fund, the Gross Settlement Amount or GSA. Attorney's fees of up to 1/3 of the GSA (533,333.33),

litigation costs of up to $15,000, an enhancement award of $10,000 for each plaintiff ($20,000 total), settlement administration costs of $15,000, and a payment of $50,000 for PAGA civil penalties (of which $37,500 (75%) will go to the Labor & Workforce Development Agency for its share of the PAGA penalties and $12,500 (25%) will be paid to Aggrieved Employees[1]), all will be paid from the GSA. The remainder of approximately $966,667 will be allocated to the Participating Class Members based on their total weeks worked during the Class Period. No portion of the GSA will revert to Blue Beacon.

8. As noted, the settlement obligates Blue Beacon to pay $1,600,000 to resolve the claims of the Settlement Class, inclusive of attorney's fees and costs. Approximately $966,667 from the GSA will be distributed to the Participating Class Members, with additional amounts going to the Aggrieved Employees for their portion of the PAGA payment. This is a cash settlement that does not require Participating Class Members to submit a claim form to receive their settlement share. Participating Class Members will receive their settlement checks automatically via First Class U.S. Mail. One-third of each settlement share will be allocated to wages and the remaining two-thirds will be allocated to penalties, expenses, and interest. Blue Beacon will pay any and all applicable employer-side payroll taxes separately and in addition to the GSA. Subject to the Court's approval, any amounts not cashed, will be forwarded to the State Controller's Unclaimed Property Fund.

9. Each Participating Class Member will receive a share of the Net Settlement Amount based on his or her total weeks worked for Blue Beacon in California during the Class Period while employed in a non-exempt position. Thus, each Class Member's Individual Settlement Share will be calculated using criteria typically used in determining appropriate amounts of unpaid wages, unpaid premium wages for missed meal breaks, unpaid expenses, and potential statutory penalties under applicable law. These methods are intended to ensure each Class Member receives a portion of the available settlement funds corresponding to the relative

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[1] "Aggrieved Employees" means person employed by Blue Beacon in California and classified as a non-exempt employee who worked for Blue Beacon during the PAGA Period of March 25, 2021 to December 31, 2022.

value of his or her potential claims. The proposed allocation provides a reasonable way to compensate Class Members based on the amount of time they worked for Blue Beacon and the number of instances they missed a meal break, were not provided compensation in lieu of such missed breaks, lost wages due to off the clock work, or did not receive expense reimbursement.

10. All Participating Class Members will release Defendants from all claims alleged in the operative complaint, or that could have been brought based on the factual allegations in the operative complaint, including PAGA claims, during the Class Period. The release is limited to the claims that were actually pleaded or could have been pleaded based on the alleged facts in the operative complaint.

11. The Parties allocated $50,000 from the settlement to civil penalties under PAGA, and Plaintiffs respectfully request that the Court approve this amount as fair, reasonable and adequate. Consistent with PAGA, $37,500 from this amount will be paid to the LWDA as the state's share of the civil penalties, and the remaining $12,500 will be distributed to the 890 individuals eligible to receive a PAGA payment. As required by Labor Code section 2699(*l*)(2), my office gave notice of the settlement and the final approval hearing to the LWDA via its online portal, and a true and correct copy of the LWDA's acknowledgment of receipt is attached hereto as Exhibit 1.

12. Prior to settlement, the parties engaged in extensive formal and informal discovery to facilitate settlement discussions. As a result, Plaintiffs reviewed payroll records, personnel policies/handbooks, meal break policies, personnel files, and a random sampling of paystubs and time records produced by Blue Beacon. Defendants provided documents and information reflecting the estimated total number of workweeks and pay periods they worked, and average hourly pay rates, among other relevant data. Plaintiffs also had that information reviewed by a consulting expert to assist with calculating potential violation rates and potential damages. Plaintiffs' counsel are confident they obtained sufficient information to enable them to understand the law and facts of this case and make an informed decision regarding the proposed settlement and whether it is in the best interests of the class.

13. Using that data, Plaintiffs ran various calculations and estimated Blue Beacon's likely maximum exposure on the class claims at approximately approximately $25 million. When the risk of prevailing at certification and trial are factored into the equation, however, Class Counsel estimated Defendants' realistic exposure at about $2,224,000 meaning the Settlement achieves a significant recovery, at roughly 71% of the risk-discounted exposure.

14. On the unpaid wages claim, Plaintiffs allege that Defendants failed to pay for all hours worked, including minimum, straight time, and overtime wages, as Defendants' employees had to work "off the clock." On the other hand, Defendants vigourously disputed this claim and argued their time keeping and payroll policies accurately tracked and paid for all hours worked by employees. Further, Defendants argued that, to the extent any class members worked off the clock it would have been against company policy, and done without Defendants' knowledge. Thus, per Blue Beacon, class certification on this claim would be impossible because individualized inquiries would predominate.

15. With respect to the meal period claim, Plaintiffs allege Defendants required them and similarly situated class members to either work in lieu of taking meal periods, or their meal periods were untimely or shortened. Plaintiffs' expert's analysis of the sample time records produced suggested Defendants failed to accurately record employees' meal periods, the majority of which were synthetically inputted and based on rounded totals. Defendant opposed by claiming they made meal breaks available to Class Members in compliance with California law. Defendants contend their meal and rest break policies and practices comported with the flexibility the *Brinker* court held was integral to California's meal and rest period requirements. Finally, Defendants argue that Plaintiffs' meal and rest break claims are not susceptible to common proof, as the claims would require individualized inquiry, including whether there was an unlawful companywide policy, whether employees had the opportunity to take meal and rest periods, whether they voluntarily chose to forego their meal and rest periods, and whether Defendants ever prevented them from taking meal and rest periods. Accordingly, Defendants contend these claims are vulnerable to a ruling that class treatment is not appropriate.

16. With respect to the rest period claim, Plaintiffs allege Defendants required them

and similarly situated class members to work in lieu of taking rest periods. Defendants argue that Plaintiffs' meal and rest break claims are not susceptible to common proof, as the claims would require individualized inquiry, including whether there was an unlawful companywide policy, whether employees had the opportunity to take rest periods, and whether chose to miss a rest period for personal reasons. Accordingly, Defendants contend these claims are vulnerable to a ruling that class treatment is not appropriate.

17. With respect to the business expense claim, Plaintiffs allege Defendants required them and similarly situated class members to incur costs for work attire, such as personal protective equipment, and equipment, including personal cell phones, in order to perform their job duties. Defendant countered that most likely such expenses did not occur for all class members and, even if the expenses did occur, the costs were not necessary for class members to perform their job duties.

18. Plaintiffs' claims for inaccurate wage statements and waiting time penalties are derivative of the unpaid wage claims. Should those claims fail, the claims for inaccurate wage statements and waiting time penalties would also fail. Defendants also contend they would not be liable for waiting time penalties because a "good faith dispute" exists over the payment of past wages. Further, Defendants contend Plaintiffs would have to prove that Defendants "willfully" failed to pay Class Members appropriate wages due upon separation of employment, and that any failure to pay wages upon separation was not willful.

19. As far as potential PAGA liability, the theoretical civil penalties likely are around $20 million should Plaintiffs prevail on all claims and establish violations of the multiple Labor Code sections at issue. As with the class claims, Plaintiffs discounted the potential PAGA penalties based on Defendants' various defenses on the merits and also accounted for the Court's wide discretion to reduce such penalties, or to decline to award penalties at all. Plaintiffs submit this amount is reasonable under the circumstances and in line with comparable settlements in other wage and hour class actions in California. Additionally, the LWDA has been informed of the terms of the PAGA portion of the settlement, and will be able to weigh in as necessary.

20. If the case had not settled, the risk and expense associated with litigation would have been extremely time consuming and expensive. Merits discovery and trial preparation would have been extensive. For example, our attorneys have been involved in much smaller class/representative cases where the parties undertook merits discovery and eventually took over 40 depositions and interviewed dozens of additional witnesses before the matter finally settled. It is also common now in wage and hour class/representative actions for both sides to retain experts to assess various issues in a case. For instance, it is possible this matter would have required one or more experts, or perhaps a special master, to review and analyze the defendants' time and payroll records in order to calculate the amount of missed meal and rest breaks, to calculate the exact amount of time lost to time rounding, or to undertake an analysis of these issues via a survey and statistical analysis. The cost of such experts easily can run into the tens of thousands of dollars, and we found expert assistance necessary just to prepare for mediation. Finally, even if Plaintiffs certified a class, maintained certification through merits discovery and trial, and prevailed at trial, Defendants would almost certainly appeal, thereby delaying payment to the class for several more years. Plainly continued litigation would substantially delay any recovery with no assurance of recovering significantly more than the proposed settlement. While Plaintiffs, co-counsel and I are confident in the merits of the claims, a legitimate controversy exists as to each claim. We also recognize proving the amount of potential wages and penalties due each Class Member would be an expensive, lengthy, and uncertain proposition.

21. We discounted the value of the class claims consistent with the risks discussed above, and carefully weighed the likelihood of the class receiving substantially greater benefit if the litigation continued. Plaintiffs, co-counsel and I concluded – in light of these very real and substantial risks – settlement on the proposed terms and without prolonged and costly litigation was in the best interests of the class. The overall $1,600,000 recovery represents a significant percentage of Defendants' realistic exposure and, given Defendants' multi-layered defenses and all other potential risks of continued litigation, a total recovery for the class of $1,600,000 is a significant result well within the range of reasonableness considering all potential outcomes, and it will provide direct monetary awards to all Class Members without further delay.

22. Pursuant to the terms of the settlement, Plaintiffs each seek a modest incentive award of $10,000 for their service in bringing these claims on behalf of the Class. Plaintiffs respectfully submit the request is reasonable given the risks they undertook on behalf of the Class Members. By contacting and retaining counsel to pursue these claims, Plaintiffs helped make this settlement possible for the absent Class Members, while shouldering the risk of being liable for Defendants' litigation costs. Plaintiffs also exposed themselves to unwanted notoriety related to filing a public lawsuit (discoverable even through a simple google search) for the benefit of other employees, placing himself at risk of discrimination by future prospective employers. As set forth in more detail in their respective declarations submitted with the preliminary approval motion, among taking many other actions assisting in the successful litigation of this case, Plaintiffs provided substantial factual information and documents to counsel, attended numerous meetings/phone conferences with counsel to discuss the case, and kept abreast of all significant developments.

23. The settlement provides for a payment to Simpluris, Inc. for its services as the Settlement Administrator. As set forth in the Declaration of Markus Balthuis, Simpluris has performed and will continue to perform its required duties through final distribution of the settlement funds and incurred $15,000 in fees and expenses. Plaintiffs accordingly request the Court approve payment of $15,000 to Simpluris from the GSA.

24. Per the terms of the settlement, up to 1/3 of the GSA, or $533,333.33, is allocated to payment of reasonable attorney's fees. Here, the parties did not negotiate the inclusion of attorney's fees until after extensive arms-length bargaining regarding relief to the Class was completed. The requested fee and cost award was a product of these arms-length negotiations and fairly reflects the marketplace value of the services rendered by Class Counsel in this case for the reasons addressed herein.

25. As is fully detailed in the Serb and Marquez Declarations, over the course of this litigation Class Counsel's efforts included: (1) extensive pre-lawsuit investigation of the claims of Plaintiffs and the putative class, including legal research, research into similar claims and claims against other employers in the same industry, and attempts to locate and contact other employees of the Defendant; (2) drafting a PAGA notice lettesr; (3) drafting the initial complaints

and related documents; (4) case management, including communications with defense counsel, meeting and conferring/preparing case management statements, etc.; (5) lengthy discussions with defense counsel regarding settlement/mediation and informal discovery needed for meaningful settlement discussions; (6) engaging in substantial informal discovery, including propounding informal discovery "requests" and reviewing documents and other information produced; (7) working with a consulting expert on the analysis of Defendants' production; (8) drafting a mediation brief and accompanying damages model after review and analysis of defendant's formal and informal discovery production; (9) attending an all-day mediation; (10) negotiating and drafting the settlement agreement and related documents; (11) drafting the motion for preliminary approval, and attending the hearing; (12) administration of the settlement, including communications with the Settlement Administrator and settlement class members; (13) final approval and attorney's fees, and attending the final approval hearing; and (14) extensive communications with the Plaintiffs regarding case status, case investigation and document review, mediation, and settlement terms. Additionally, Class Counsel will incur additional time following final approval to, inter alia, respond to class member inquiries, work with the Settlement Administrator on the distribution of settlement funds, and on the compliance hearing. A true and correct summary of Crosner Legal's time expended and work performed is attached hereto as Exhibit 2.

26. I am a partner and managing attorney of the wage and hour department with Crosner Legal. I graduated from the University of California, San Diego in 2004 and graduated from California Western School of Law in 2013. I have been a member of the California State Bar since 2013. I began working as a wage and hour class action attorney in 2015 at the Mara Law Firm, PC (previously Turley & Mara Law Firm, APLC; Turley Law Firm, APLC). I have handled wage and hour class actions and PAGA lawsuits on behalf of employees for eight (8) years and assisted in recovering millions on behalf of employees. My requested hourly rate has been approved in the following class/PAGA actions: *Matthew Correa, et al v. Fedex Supply Chain, Inc.* (San Bernardino County Superior Court Case No. CIVDS2023369, approved hourly rate of $700); *Xavier Hunter v. 72 Hour, LLC* (Santa Cruz County Superior Court Case No. 22CV00661, approved hourly rate of

$750); *Loretta Cannon v. Pasadena Hospital Association, LTD dba Huntington Hospital* (Los Angeles County Superior Court Case No. 19STCV14554, approved hourly rate of $750); *Maria Michel, et al v. Valley Thrift Store, Inc.* (Los Angeles County Superior Court Case No. 20STCV25886/21STCV00925, approved hourly rate of $750).

27. Zach Crosner is a 2010 graduate of University San Diego School of Law. He has some 13 years of experience as a practicing attorney, all of which have focused on litigation of employment, labor law, consumer, and class action claims. Following my graduation, he immediately began working for a nationally recognized plaintiff's complex litigation firm, CaseyGerry, where he had the fortune of working directly with past presidents of the consumer attorneys and recipients of trial attorneys of the year awards. He also worked for former CAALA and CLAY trial attorney of the year recipient, attorney Conal Doyle, as his sole associate attorney. During my tenure at these firms, he focused on advocating for the rights of consumers and employees in class action litigation, civil rights and employment litigation, catastrophic injuries, insurance bad faith and appellate litigation.

28. In 2013, Mr. Crosner founded the law firm of Crosner Legal, P.C. which since its inception has focused almost exclusively on wage and hour class actions and other labor and employment law cases representing plaintiffs. Currently, over ninety percent (90%) of the firm's practice is dedicated exclusively to the prosecution of wage and hour class actions, and the firm is currently responsible as lead counsel or co-lead counsel for prosecuting well over fifty (50) wage and hour class actions and/or PAGA representative actions in both federal and state courts throughout California.

29. Mr. Crosner currently is an executive board member of the Wage and Hour Committee and the Legislative Committee for the California Employment Lawyers Association; a member of the Grassroots Advocacy Team for the National Employment Lawyers Association; Wage and Hour Committee member and Class Action Committee member for the National Trial Lawyers; a member of the American Association for Justice; and member of the Pound Civil Justice Institute. He was also selected for 2018-20 by Super Lawyers as a "Southern California Rising Star" for employment and labor law.

30. Michael Crosner has over 50 years of experience as a practicing litigation attorney. He began his legal career as a litigation attorney at the Los Angeles City Attorney's Office where he successfully tried approximately 75 cases to jury verdict or judgment. Shortly thereafter, he founded Michael R. Crosner Law Corporation. Throughout his years in private practice, he has handled many plaintiff side complex litigation cases and arbitrations in various areas of law, such as consumer advocacy, catastrophic injury, labor and employment, business disputes, immigration, and criminal defense. In 2015, he was appointed to be a Board Member of Law360's Employment Law Editorial Advisory Committee. He has served as a private mediator and panel arbitrator with the American Arbitration Association, and as judge pro tem.

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

32. Jonathan Stilz graduated from the University of California, San Diego, in 2010, and graduated cum laude from California Western School of Law in 2015. Mr. Stilz has extensive experience in employment matters, including wrongful termination, class action, and representative PAGA lawsuits. Mr. Stilz formerly worked at a national firm defending employers in various employment related matters prior to joining Crosner Legal in October, 2021, as an associate attorney. Mr. Stilz has been litigating for over six years and has vigorously advocated for his clients during his years of practice.

33. Branden Hamilton obtained her undergraduate degree from UCLA in 2004, and her law degree from George Washington University in 2007. She has been affiliated with my firm since 2017 and became Of Counsel with Crosner Legal in 2019, and her practice focuses almost exclusively on wage and hour class and representative actions. She has spent her entire career representing plaintiffs in employment litigation, including several years as an associate at well-known plaintiff's firm Carlin & Buchsbaum

34. Crosner Legal, P.C. has obtained several multi-million dollar wage and hour class action settlements while serving as lead class counsel in recent years, including but not limited to a $1.9 million wage and hour class action settlement in 2015 (*Smith v. Lux Retail North America, Inc.*, Case No. 3:13-cv-01579-WHA (N.D. Cal.)); a $4.1 million wage and hour class action settlement in 2016 (*Aguirre v. Mariani Nut Company, Inc. et al.*, Case No. 34- 2016-00190252 (Sacramento Cty. Super Ct.)); a $1.35 million wage and hour class action settlement in 2017 (*Montelone v. Ocean Cities Pizza, Inc.*, Case No. 56-2014-00458249 (Ventura Cty. Super. Ct.)), a $1.8 million wage and hour class action settlement in 2018 (*Latham v. K.W.P.H. Enterprises, Inc. dba American Ambulance*, Case No. 17C-0162 (Kings Cty. Super Ct.)), a $1.3 million wage and hour class action settlement in 2019 (*Means, et al. v. AirGas USA, LLC*, Case No. 17-CV-2160 JGB (C.D. Cal.)), a $1.5 million wage and hour settlement in 2020 (*Babouchian, et al. v. Wyndham Vacation Ownership, et al.*, Case No. CV18-14601 (San Diego Cty. Super. Ct.), a $1.15 million wage and hour class action settlement in 2020 (*Buford v. Medical Solutions LLC*, Case No. 4:18-CV-04864-YGR (N.D.Cal.)); a $2.2 million wage and hour class action settlement in 2021 (*Ghorchian, et al. v. West Hills Hospital, et al.,* Case No. LS029737 (Los Angeles Cty. Super. Ct.)); a $2.85 million dollar wage and hour settlement in 2021 (*Valencia v. The Original Mowbray's Tree Service, Inc.*, Case No. CIVDS1825518 (San Bernardino Cty. Super. Ct.)); a $1 million wage and hour class action settlement in 2022 (*Duong v. Loan Factory, Inc.*, Case No. 21CV382467 (Santa Clara Cty. Super. Ct.)), a $1.4 million wage and hour class action settlement in 2023 in *Correa, et al. v. FedEx Supply Chain, Inc.*, Case No. CIVDS2023369 (San Bernardino Cty. Super. Ct.), a $2.38 million wage and hour class action settlement in 2023 in *Michel, et al. v. Valley Thrift Store, Inc.*, Case No. 21STCV00925 (Los Angeles Cty. Super. Ct.); and a $2.5

million wage and hour class action settlement in 2023 in *Jajuga v. Pilot Travel Centers*, Case No. CIVDS1931464 (San Bernardino Cty. Super. Ct.).

35. Based upon the qualifications and experience set forth above, the following hourly rates are reasonable for attorneys practicing in this area of the law in California: Zachary M. Crosner $800/hour, Jamie K. Serb $750/hr, J. Kirk Donnelly and Michael Crosner $900/hour; Jonathan Stilz and Branden Hamilton $600/hr.

36 Plaintiff Romero request the Court apply the above hourly billing rates in this case, as these rates are reasonable in the California legal market for attorneys handling wage and hour class actions. I have personal knowledge of the hourly rates charged by a number of plaintiff-side wage and hour class action firms in the Bay Area, Los Angeles and San Diego markets, for partner-level attorneys with experience comparable to mine and to that of my colleagues. These rates have range from $650 to $850 per hour for calendar years 2017-2021. Some examples include attorney Matthew Matern of Matern Law Group in Los Angeles, with approximately 26 years of experience $850/hour (2018); Craig Ackermann of Ackermann & Tilajef, PC with approximately 25 years of experience $850/hour (2021), Michael Malk of Malk APC in Los Angeles, with approximately 16 years of experience $650/hour (2018), Michael Singer and Isam Khoury of Cohelan Khoury & Singer in San Diego, 35 years and 45 years of experience respectively, both $825/hour (2018), Jason Ehrlich of McCormack & Ehrlich LLP in San Francisco, with approximately 17 years of experience $750/hour (2017), and James Kawahito of Kawahito Law Group in Los Angeles, with approximately 16 years of experience $750/hour (2020).

38. The requested rates also comport with the adjusted Laffey Matrix, which provides that reasonable hourly rates for attorneys with 20+ years of experience, such as Messrs. M. Crosner, Jones and Donnelly, is nearly $1000, and a reasonable rate for an attorney with 10+ years of experience, such as myself and Mr. Z. Crosner, is ovr $800. The adjusted Laffey Matrix may be found at http://www.laffeymatrix.com/see.html. Similarly, the December 8, 2008 article, "Billable Hours Aren't the Only Game in Town Anymore," NATIONAL LAW JOURNAL, which set forth the following hourly billing rates as reported by Sheppard, Mullin, Richter & Hampton, a leading

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

39. After the analysis above, Crosner Legal's lodestar is $254,937.50 based on 356.4 attorney hours spent litigating this case through the filing of this motion, while the lodestar for the Wilshire Law Group is $164,000, as detailed in the Marquez Declaration. Thus, the combined lodestar for both firms is $418,937.50, based on a total of 609.4 attorney hours. Further, both firms will almost certainly spend additional time addressing settlement administration matters, responding to class member questions, etc. As compared to the fees requested on a percentage of the recovery basis, the above total lodestar results in a modest upward enhancement of 1.27. I respectfully submit the overall requested fees for Crosner Legal and our co-counsel are reasonable under all of the circumstances of this case as outlined above, and represent a fair return for the contingency assumed. The benefit conferred on the Settlement Class Members and the potential difficulty of the case further bolsters the reasonableness of the requested fee and lodestar enhancement.

40. As noted, Crosner Legal has represented Plaintiff Romero for nearly two years with respect to this matter and has expended a significant amount of time and resources in that representation. The firm agreed to litigate this case on a purely contingent basis and in so doing assumed considerable risk of non-payment for its fees and costs, as discussed above, and as is the case with these cases in general. Under all relevant factors (as outlined herein and in the accompanying memorandum), Plaintiffs respectfully request the Court award their counsel the requested fees of $533,333.33 based on the common fund theory with a corresponding lodestar cross-check and modest lodestar enhancement of 1.27.

41. This case posed considerable contingent risk, for the reasons addressed above; if there had been recovery then Crosner Legal would not have received any fees for the time invested litigating the case. Throughout the pendency of this case, the firm has received no compensation or reimbursement for its efforts representing Plaintiffs and the Class.

42. Crosner Legal assumes a great deal of contingent risk in every wage and hour class

action it undertakes. Our attorneys have been involved in a number of cases where plaintiffs and their counsel invested hundreds of hours to time and tens of thousands in costs with no return. For example, in a matter alleging misclassification on behalf of a putative class of assistant managers at major restaurant chain, after three years of exceptionally adversarial litigation and the investment of over 1,000 hours of attorney time and over $100,000 in costs, the trial court denied plaintiffs' motion for class certification. In another misclassification case on behalf of assistant managers at large restaurant chain, the parties reached a settlement after three years of litigation, secured preliminary approval and completed the notice process to the settlement class, only to have the defendant file for bankruptcy a few days before the final approval hearing. Lastly, in a matter against a large regional bank seeking expense reimbursement of behalf of outside salespersons, after more than a year of combative litigation and shortly before plaintiff's class certification motion was due, the defendant was taken over by federal regulators. In each of these instances the plaintiff's firm received nothing despite the investment of hundreds of hours of attorney time and thousands of dollars in out-of-pocket costs.

43. Class Counsel's litigation costs and expenses are capped at $25,000 under the terms of Settlement Agreement. A true and correct itemization of the costs and expenses incurred by Crosner Legal is set forth below:

Expense Category	Amount
Court Filing Fees/ Service of Process/Attorney Service	$4,073.19
Mediation Fees	$2,575.00
Courtcall	$266.00
Postage/Overnight/Fax	$244.04
PAGA Filing Fee	$75.00
Photocopying	(waived)
Legal Research	(waived)
Total Costs and Expenses	**$7,233.23**

44. As set forth in the Marquez Declaration, the Wilshire Law Group's costs total $7.833.48, for a combined total of $15,066.71. Since that amount exceeds the $15,000 cap

provided for in the Settlement Agreement, I therefore respectfully request the Court approve payment of $15,000 in total litigation costs and expenses to Class Counsel.

45. For all the foregoing reasons, I respectfully request that the Court approve the settlement in all particulars.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 12th day of September, 2023, at San Diego, California.

Declarant

EXHIBIT

1

CROSNER LEGAL
PUBLIC INTEREST RIGHTS

Maria Monterrey <maria@crosnerlegal.com>

Thank you for your Proposed Settlement Submission

1 message

DIR PAGA Unit <lwdadonotreply@dir.ca.gov> Tue, Sep 12, 2023 at 10:52 AM
To: maria@crosnerlegal.com

09/12/2023 10:51:55 AM

Thank you for your submission to the Labor and Workforce Development Agency.

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

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

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

EXHIBIT

2

Romero, et al v. Blue Beacon
Crosner Legal Time Report

Tasks	Michael Crosner	Zachary Crosner	Jamie Serb	Kirk Donnelly	Branden Hamilton	Kiara Bramasco	Jonathan Stilz
Pre-filing Case Investigation	6.8	14.3	0.0	0.0	7.5	2.4	0.0
Pleadings and Law and Motion	5.4	12.6	0.0	7.9	17.1	1.1	0.0
Discovery and Post-Filing Investigation	3.9	8.2	0.0	0.0	0.0	0.0	34.0
Court Appearances	0.0	0.0	1.2	0.0	0.0	0.0	5.3
Case Management; Litigation Strategy & Analysis	10.6	22.1	56.7	0.0	0.0	0.0	69.1
Mediation and Settlement	13.2	17.5	20.8	0.0	0.0	0.0	18.7
Total Hours	39.9	74.7	78.7	7.9	24.6	3.5	127.1
Hourly Rate	$900	$800	$750	$900	$600	$650	$600
Lodestar	**$35,910**	**$59,760**	**$59,025**	**$7,110.00**	**$14,760**	**$2,112.50**	**$76,260**

Total Hours: **356.4**
Total Lodestar: **$254,937.50**