

HAINES LAW GROUP, APC

Paul K. Haines (SBN 248226)
phaines@haineslawgroup.com
Sean M. Blakely (SBN 264384)
sblakely@haineslawgroup.com
Neil M. Larsen (SBN 276490)
nlarsen@haineslawgroup.com
2155 Campus Drive, Suite 180
El Segundo, California 90245
Tel: (424) 292-2350
Fax: (424) 292-2355

Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

MARLON VIRUETE, on behalf of himself and
all others similarly situated,

Plaintiff,

vs.

JON K TAKATA CORPORATION dba
RESTORATION MANAGEMENT COMPANY,
a California Corporation; and DOES 1 through
100,

Defendants.

Case No.: 20STCV36412

*[Assigned for all purposes to the Hon.
Lawrence P. Riff; Dept. SSC-7]*

**DECLARATION OF PAUL K.
HAINES IN SUPPORT OF
PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

Date: January 19, 2023
Time: 10:00 a.m.
Dept.: SSC-7

Action filed: September 23, 2020
Trial date: None set

DECLARATION OF PAUL K. HAINES

I, PAUL K. HAINES, declare as follows:

1. I am the principal of Haines Law Group, APC, and counsel for the named Plaintiff Marlon Viruete (“Plaintiff”) and the proposed Settlement Class in the above-captioned matter. I am a member in good standing of the bar of the State of California and am admitted to practice in this Court. I have personal knowledge of the facts stated in this declaration and could testify competently to them if called upon to do so.

2. I am a 2006 graduate of Pepperdine University School of Law, where I graduated *cum laude*. During law school, I worked as a law clerk for the appellate firm of Horvitz & Levy, located in Encino, California. I also spent a semester in law school working as an extern for the Honorable Edward Rafeedie, District Judge for the United States District Court for the Central District of California.

3. Since graduating from law school, my practice has focused almost exclusively on employment litigation. In September 2007, I began working as an associate attorney at the international law firm of Littler Mendelson, P.C. at its Los Angeles office, which according to its website is the “largest U.S.-based law firm exclusively devoted to representing management in every aspect of labor and employment law.” While at Littler Mendelson, I was primarily staffed on wage and hour class actions in both state and federal courts, and I also worked on a number of single and multi-plaintiff wage and hour matters as well.

4. During my employment at Littler Mendelson, I played a significant role in the class actions that I was staffed on, as I was often the only associate staffed on such cases. In particular, I received a wide array of wage and hour class action experience performing the following types of tasks: drafting demurrers, motions to strike, and motions to dismiss; removing actions from state court to federal court; drafting and responding to written discovery; drafting and opposing discovery related motions; arguing discovery related motions; drafting motions to consolidate related matters; interviewing putative class members and obtaining declarations in connection with class certification; drafting oppositions to motions for class certification; drafting motions for decertification following class certification; conducting exposure analyses to assess

1 the strengths and weaknesses of asserted claims, the likelihood of prevailing at class certification,
2 and potential damages resulting from such claims; drafting mediation briefs; serving as the
3 primary contact to in-house counsel; deposing named plaintiffs and putative class members;
4 deposing retained expert witnesses; and defending the depositions of corporate witnesses. In
5 short, I played an integral role in all aspects of litigation from the inception of a matter through
6 and beyond class certification. I also supervised the work of several junior attorneys who were
7 staffed on the same wage and hour class actions.

8 5. In June 2011, I voluntarily resigned from Littler Mendelson in order to accept an
9 associate attorney position with the international law firm of Morgan, Lewis & Bockius LLP at
10 its Los Angeles office, where I began working in July 2011. During my employment at Morgan,
11 Lewis & Bockius LLP, I worked exclusively on the defense of wage and hour class and collective
12 actions. For the vast majority of these cases, I was the only associate staffed on the matters, and
13 I performed the same job duties as described in the immediately preceding paragraph. In addition
14 to working on wage and hour class actions, at Morgan, Lewis & Bockius I also worked on a
15 number of “hybrid” actions asserting nationwide wage and hour claims under the Fair Labor
16 Standards Act, as well as California-specific claims under Rule 23 of the Rules of Civil Procedure.

17 6. In July 2012, I transitioned into litigating wage and hour class actions from the
18 Plaintiff’s side, first as a Partner with the law firm of Boren, Osher & Luftman, LLP, and since
19 February 2016, as a Shareholder of the Haines Law Group, APC. Currently, over ninety percent
20 (90%) of my practice is dedicated exclusively to the prosecution of wage and hour class actions,
21 and I am currently responsible for prosecuting over thirty (30) wage and hour class actions filed
22 in both State and Federal courts throughout California. Below are some of the matters in which I
23 have been appointed as Class Counsel, all of which have been granted final approval: *Hilberger*
24 *v. Eisenhower Medical Center*, Case No. INC1204915, California Superior Court, County of
25 Riverside, Honorable Judge John G. Evans, presiding, (in which I was approved for an hourly
26 rate of \$500 for work performed in 2012 and 2013); *Lopez v. Cornucopia Tools and Plastics, Inc.*,
27 Case No. CV138049, California Superior Court, County of San Luis Obispo, Honorable Judge
28 Martin J. Tangeman, presiding, (in which I was approved for an hourly rate of \$425 for work

performed in 2013 and 2014); *Tacker v. Compass Health, Inc.*, Case No. CV13-02261 BRO (JCG), United States District Court, Central District of California, Honorable Judge Beverly Reid O’Connell, presiding, (in which I was approved for an hourly rate of \$500 for work performed in 2013 and 2014); *Noell v. American Professional Ambulance Corporation, Inc.*, Case No. BC499345, California Superior Court, County of Los Angeles, Honorable Judge Kenneth R. Freeman, presiding, (in which I was approved for an hourly rate of \$500 for work performed in 2013 and 2014); *Bautista v. Harvest Management Sub LLC*, Case No. CV12-10004 FMO (CWx), United States District Court, Central District of California, Honorable Judge Fernando M. Olguin, presiding (in which I was approved for an hourly rate of \$500 for work performed in 2012, 2013 and 2014); *Davila v. OCB Restaurant Co.*, Case No. CV13-5403 PA (JCG), United States District Court, Central District of California, Honorable Judge Percy Anderson, presiding (in which I was approved for an hourly rate of \$500 for work performed in 2013 and 2014); *Abad v. Waste Connections, Inc.*, Case No. CV12-06708 DDP (PJWx), United States District Court, Central District of California, Honorable Judge Dean D. Pregerson, presiding (in which I was approved for an hourly rate of \$500 for work performed in 2013 and 2014); *Plantillas v. Snap-On Incorporated*, Case No. CV13-05153 DDP (VBKx), United States District Court, Central District of California, Honorable Judge Dean D. Pregerson, presiding (in which I was approved for an hourly rate of \$500 for work performed in 2013 and 2014); *Theodore v. Keyes European, LLC*, Case No. BC521395, California Superior Court, County of Los Angeles, Honorable Judge Elihu Berle, presiding (in which I was approved for an hourly rate of \$500 for work performed in 2013 and 2014); *Morales v. Sunset Tower Hotel LLC*, Case No. BC511924, California Superior Court, County of Los Angeles, Honorable Judge John Shepard Wiley Jr., presiding (in which I was approved for an hourly rate of \$500 for work performed in 2013 and 2014); *Gonzalez v. Universal Alloy Corp.*, Case No. SACV13-00807 JVS (MRWx), United States District Court, Central District of California, Honorable Judge James V. Selna, presiding (in which I was approved for an hourly rate of \$500 for work performed in 2013 and 2014); *Morawski v. Milt Guggia Enterprises, Inc.*, Case No. CV13-2349 ABC (RZx), United States District Court, Central District of California, Honorable Judge Andre Birotte, Jr., presiding (in which I was approved for an

hourly rate of \$500 for work performed in 2013 and 2014); *Thorp v. Alcal Industries, Inc., et al.*, Case No. CV13-02289 YGR, United States District Court, Northern District of California, Honorable Judge Yvonne Gonzalez Rogers, presiding (in which I was approved for an hourly rate of \$500 for work performed in 2013 and 2014); *Myles v. College Hospital*, Case No. BC487206, California Superior Court, County of Los Angeles, Honorable Judge John Shepard Wiley, Jr., presiding (in which I was approved for an hourly rate of \$500 for work performed in 2013, 2014 and 2015); *Sarinana v. DS Waters of America, Inc.*, Case No. C13-0905 EMC, United States District Court, Northern District of California, Honorable Edward M. Chen, presiding (in which I was approved for an hourly rate of \$550 for work performed in 2014 and 2015); *Julio v. Anthony, Inc.*, Case No. CV14-03172 AB (SHx), United States District Court, Central District of California, Honorable Judge Andre Birotte Jr., presiding (in which I was approved for an hourly rate of \$550 for work performed in 2014 and 2015); *Litt v. Western Stone & Metal Corp.*, Case No. 3:14-cv-02804-PJH, United States District Court, Northern District of California, Honorable Judge Phyllis J. Hamilton, presiding (in which I was approved for an hourly rate of \$550 for work performed in 2014 and 2015); *Rubalcava v. United Towing and Transport Burbank, et al.*, Case No. BC518468, California Superior Court, County of Los Angeles, Honorable Judge Kenneth Freeman, presiding (in which I was approved for an hourly rate of \$550 for work performed in 2013, 2014 and 2015); *Sanchez v. Res-Care, Inc.*, Case No. BC526175, California Superior Court, County of Los Angeles, Honorable John S. Wiley, presiding (in which I was approved for an hourly rate of \$550 for work performed in 2013, 2014 and 2015); *Prado v. Warehouse Demo Services, Inc.*, Case No. CV14-3170 JFW (Ex), United States District Court, Central District of California, Honorable Judge John F. Walter, presiding (in which I was approved for an hourly rate of \$550 for work performed in 2014 and 2015); *Rivera Regalado v. Jaguar Farm Labor Contracting*, Case No. CV 130569, California Superior Court, County of San Luis Obispo, Honorable Martin J. Tangeman, presiding (in which I was approved for an hourly rate of \$550 for work performed in 2014 and 2015); *Rodas v. Gateways Hospital and Mental Health Center*, Case No. BC503179, California Superior Court, County of Los Angeles, Honorable Judge Amy D. Hogue, presiding (in which I was approved for an hourly rate of \$550 for work performed in

2014 and 2015); *Escobar v. Century West, LLC*, Case No BC564873, California Superior Court, County of Los Angeles, Honorable Judge Jane L. Johnson, presiding (in which I was approved for an hourly rate of \$550 for work performed in 2014 and 2015 and 2016); *Shaw v. Conant Auto Retail, San Diego*, Case No. 37-2014-00044052-CU-OE-CTL, California Superior Court, County of San Diego, Honorable Judge Joan M. Lewis, presiding (approving an hourly rate of \$575 for work performed in 2014, 2015, and 2016); *Tirado v. Ricon Corp.*, Case No. BC537042, California Superior Court, County of Los Angeles, Honorable John S. Wiley, presiding (approving an hourly rate of \$575 for work performed in 2014, 2015, and 2016); and *Horta v. Searles Valley Minerals, Inc.*, Case No. CIVDS 1507615, California Superior Court, County of San Bernardino, Honorable Donald Alvarez presiding (approving an hourly rate of \$575 for work performed in 2015 and 2016); *Cristobal v. Koos Manufacturing, Inc.*, Case No. BC591484, California Superior Court, County of Los Angeles, Hon. William F. Highberger presiding (approving an hourly rate of \$575 for work performed in 2015 and 2016); *Rodriguez v. Spartan, Inc.*, Case No. BCV-15-100007-DRL, California Superior Court, County of Kern, Honorable David R. Lampe presiding (approving hourly rate of \$575 for work performed in 2015, 2016, and 2017); *Kostyuk, et al. v. Golden State Overnight Delivery Service, Inc.*, Case No. RG14727191, California Superior Court, Alameda County, Honorable Winifred Y. Smith presiding (approving an hourly rate of \$575 for work performed in 2015, 2016, and 2017); *Nunez v. CompuCom Systems, Inc.*, Case No. BC618385, California Superior Court, County of Los Angeles, Honorable Judge John Shepard Wiley, Jr., presiding (approved at an hourly rate of \$600 for work performed in 2016 and 2017); *Mansilla v. Haeco Americas Line Services, LLC, et al*, Case No. BC615310, Superior Court of California, County of Los Angeles, Honorable Judge Elihu M. Berle presiding (approved at an hourly rate of \$600 for work performed in 2016 and 2017); and *Morales v. Caremeridian, LLC, et al.*, Case No. BC593191, California Superior Court, County of Los Angeles, Judge William F. Highberger presiding (granting final approval of settlement on behalf of direct support professionals involving claims for unpaid wages, meal and rest period violations, wage statement violations, and other claims).

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1 7. I have also moved to certify and have received an order certifying a class action
2 and/or conditionally certifying a collective action in the following cases:

- 3 • *Medeiros v. Vortex Financial Management Inc.*, Case No. 30-2013-00644741-CU-OE-
4 CXC, California Superior Court, County of Orange, Honorable Judge Gail A. Andler,
5 presiding (certifying a class of employees who were misclassified as independent
6 contractors);
- 7 • *Javine v. San Luis Ambulance Service, Inc.*, Case No. CV13-07480 BRO (SSx), United
8 States District Court, Central District of California, Honorable Judge Beverly Reid
9 O'Connell, presiding (conditionally certifying an unpaid FLSA overtime wage class);
- 10 • *Prado v. Warehouse Demo Services, Inc.*, Case No. CV14-3170 JFW (Ex), United States
11 District Court, Central District of California, Honorable Judge John F. Walter, presiding
12 (certifying rest period class and conditionally certifying FLSA unpaid overtime class);
- 13 • *Bower v. Cycle Gear, Inc.*, Case No. CV14-2712 HSG, United States District Court,
14 Northern District of California, Honorable Judge Haywood S. Gilliam, Jr., presiding
15 (conditionally certifying an unpaid FLSA overtime wage class);
- 16 • *Vega v. Weatherford U.S., Limited Partnership*, Case No. CV14-1790-JLT, United States
17 District Court, Eastern District of California, Honorable Jennifer L. Thurston, presiding
18 (conditionally certifying an unpaid FLSA overtime wage class);
- 19 • *Galvan v. AMVAC Chemical Corporation*, Case No. 30-2014-00716103-CU-OE-CXC,
20 California Superior Court, County of Orange, Honorable Judge William Claster, presiding
21 (certifying unpaid overtime wage class and waiting time penalty class);
- 22 • *Camacho v. Residential Fire Systems, Inc.*, Case No. 30-2015-775372-CU-OE-CXC,
23 California Superior Court, County of Orange, Honorable Glenda Sanders, presiding
24 (certifying piece rate pay plan classes, expense reimbursement class, wage statement
25 class, and waiting time penalties class);
- 26 • *Ontiveros v. Safelite Fulfillment, Inc., et al*, Case No. CV 15-7118-DMG (RAOx), United
27 States District Court, Central District of California, Honorable Dolly M. Gee presiding
28 (certifying six classes of employees for rest period violations, wage statement violations,

meal period violations, and overtime and double-time violations);

- *Vazquez, et al v. Kraft Heinz Foods Company*, Case No. 16-cv-2749-WQH-BLM, United States District Court, Southern District of California, Honorable William Q. Hayes presiding (certifying six classes of employees for unpaid wages, meal period violations, wage statement violations, and waiting time penalties);
- *Caudle, et al. v. Sprint/United Management Company, et al.* Case No. C 17-06874-WHA, United States District Court, Northern District of California, Honorable William H. Alsup presiding (certifying three classes of employees for unlawful wage deduction violations, wage statement violations, and waiting time violations);
- *Staublein v. Wells Fargo Bank, N.A.*, Case No. CIVDS1712267, California Superior Court, County of San Bernardino, Honorable David Cohn presiding (certifying a wage statement class);
- *Perez v Sunbelt Rentals, Inc.*, Case No. Case No. 37-2018-00026405-CU-OE-CTL, California Superior Court, County of San Diego, Honorable Eddie C. Sturgeon, presiding (certifying wage statement class); and
- *Bowlin-Burdick et al v. Life Care Centers of America*, Case No. BC657139, Los Angeles County Superior Court, Hon. Maren E. Nelson (certifying four classes for meal period violations, rest period violations, wage statement violations, and waiting time penalties).

8. In 2015, 2016, and 2017, Thomson Reuters recognized me as a top young attorney in Southern California in the annual Rising Stars Edition of Super Lawyer. This is an honor awarded to no more than two-and-a-half percent of attorneys under the age of forty in Southern California each year. In 2018, 2019, 2020, and 2021, Thomson Reuters recognized me as a “Super Lawyer” in the annual Super Lawyer magazine, an honor awarded to no more than five percent of all attorneys in Southern California each year.

9. As counsel for Plaintiff and the proposed Settlement Class, I have been intimately involved in all aspects of this litigation, and I believe that the proposed Settlement is an excellent result for the Settlement Class.

10. Defendant Jon K. Takata Corporation dba Restoration Management Company

1 (“RMC”) is a restoration and remediation service provider to residential and commercial
2 customers throughout California. RMC provides restoration services for water damage, fire and
3 smoke damage, mold remediation, and lead and asbestos removal. Plaintiff was employed by
4 RMC as a non-exempt technician from approximately March 2015 until approximately March
5 2019.

6 11. On September 23, 2020, Plaintiff filed his Class Action Complaint in Los Angeles
7 County Superior Court, alleging causes of actions for: (i) failure to pay all overtime wages; (ii)
8 minimum wage violations; (3) meal period violations; (4) rest period violations; (5) waiting time
9 penalties; (6) failure to indemnify all necessary business expenses; and (7) unfair competition in
10 violation of California Business & Professions Code § 17200 *et seq.* As part of the Settlement,
11 the Parties stipulated to the filing of a First Amended Class and Representative Action Complaint
12 (“FAC”), which added causes of action for wage statement violations and civil penalties under
13 the Private Attorneys General Act (“PAGA”). On April 1, 2022, Plaintiff submitted his PAGA
14 notice to RMC and the Labor & Workforce Development Agency (“LWDA”). Attached hereto
15 as **Exhibit B** is a true and correct copy of the Plaintiff’s April 1, 2022 PAGA letter and proof of
16 submission to the LWDA and RMC. On July 18, 2022, Plaintiff filed the operative FAC.

17 12. In connection with mediation, the Parties engaged in extensive informal discovery.
18 RMC produced a 15% sampling of timekeeping and payroll records, as well as its relevant wage
19 and hour written policies/procedures and a detailed Class List which included Settlement Class
20 members’ hire date, termination date (if applicable), and rates of pay. My office hired a labor
21 economist with a Ph.D. in economics to analyze and extrapolate the data produced by RMC to
22 calculate RMC’s potential exposure for each of Plaintiff’s claims at issue. This discovery allowed
23 the Parties to assess the merits and value of Plaintiff’s claims, the chances of certification of
24 Plaintiff’s claims, and RMC’s potential defenses.

25 13. On March 29, 2022, the Parties participated in a full-day mediation with David A.
26 Lowe, Esq., a well-respected wage and hour class action mediator. During mediation, the Parties
27 vigorously debated their opposing legal positions, the likelihood of certification of Plaintiff’s
28 claims, and the legal basis for the claims and defenses. At the conclusion of the mediation, Mr.

1 Lowe issued a mediator’s proposal for a classwide settlement, which was ultimately accepted by
2 both sides. During the months that followed, the parties finalized the terms of the Settlement and
3 executed the long-form Settlement Agreement now before the court. Attached hereto as **Exhibit**
4 **A** is a true and correct copy of the fully-executed Stipulation of Class Action and PAGA
5 Settlement (“Settlement Agreement”). The proposed Notice of Proposed Class Action Settlement
6 (“Class Notice”) and Notice of Estimated Settlement Award are attached to the Settlement as
7 **Exhibits 1, and 2**, respectively.

8 14. The monetary terms of the Settlement are summarized below:

9	• Gross Settlement Fund (“GSF”):	\$1,500,000.00
10	• Minus Court-approved attorneys’ fees:	\$500,000.00
11	• Minus Court-approved verified costs (up to):	\$25,000.00
12	• Minus Court-approved Enhancement Payment:	\$7,500.00
13	• Minus Amount Set Aside as PAGA penalties:	\$40,000.00
14	• <u>Minus estimated settlement administration costs:</u>	<u>\$10,000.00</u>
	Net Settlement Amount (“NSA”):	\$917,500.00
	• PLUS 25% “PAGA Amount” to Settlement Class:	\$10,000.00
	• Total Amount Paid to Settlement Class Members:	\$927,500.00

15 15. Based on information from RMC, Plaintiff understands that there are
16 approximately 350 Settlement Class members during the Class Period. Therefore, the average
17 Individual Settlement Award is projected to be approximately \$2,621.43.

18 16. Plaintiff alleges that RMC utilized a timekeeping policy/practice that resulted in a
19 systematic underpayment of wages through a process of unlawful time-shaving and/or rounding
20 of hours worked. Specifically, Plaintiff alleges that RMC instructed Settlement Class members to
21 record their pre-scheduled shifts times as their hours worked on handwritten timesheets, rather
22 than the actual start and end times of Settlement Class members’ shifts. On other occasions,
23 Plaintiff alleges that RMC’s supervisors would record Settlement Class members’ hours worked
24 in whole-hour or half-hour increments, and failed to accurately record the actual hours worked
25 by Settlement Class members. Plaintiff alleges that RMC’s timekeeping policies/practices were
26 not neutral nor even-handed, and resulted in an underpayment of wages to Settlement Class
27 members. Based on Plaintiff’s analysis, Plaintiff estimates that RMC failed to compensate each
28 employee by approximately 12.5 minutes per shift, which Plaintiff believes is a conservative

1 estimate. Because Settlement Class members generally worked shifts of at least eight (8) hours,
2 the underpaid wages should have been paid at an overtime rate of pay. Therefore, Plaintiff
3 estimates RMC's potential exposure for this claim at approximately \$1,477,659 (12.5 minutes per
4 shift * \$21.99 average rate of pay * 1.5 overtime rate * 215,030 shifts). However, RMC counters
5 that its timekeeping policies/practice complied with California law and that it has always properly
6 compensated Settlement Class members for all hours worked throughout the Class Period. RMC
7 further argues that Settlement Class members were required to accurately record their time
8 worked for RMC, and that RMC paid Settlement Class members for all hours reported on
9 Settlement Class members' timesheets. Moreover, RMC contends that Settlement Class members
10 did not work off-the-clock and that RMC's policies specifically disavow such off-the-clock work.
11 RMC also argues that any unpaid time could have only amounted to a few minutes per day, at
12 most, and was thus *de minimis*. Finally, RMC asserts that Plaintiff would be unable to certify this
13 claim since its timekeeping policies/practices are facially neutral and individualized inquiries
14 would be necessary as to whether employees were in fact underpaid for each workday in question,
15 resulting in an unmanageable series of mini-trials. Based on these defenses, Plaintiff discounted
16 the maximum amount by 60% for risk of non-certification and an additional 60% for risk of losing
17 on the merits or failing to recover the full amount sought, to arrive at an estimated exposure of
18 approximately \$236,426.

19 17. Plaintiff alleges that RMC failed to pay all reporting time wages owed as a result
20 of its failure to pay its on-call employees reporting time wages on those occasions when
21 employees were required to work on-call shifts, but were not called in to work or were furnished
22 with less than half of their usual or scheduled day's work. Plaintiff estimates that at least twenty
23 (20) employees are assigned to work an on-call shift per day, and therefore estimates the total
24 number of on-call shifts to be approximately 43,200. Assuming that employees were not called
25 into work for approximately half of these shifts, Plaintiff calculates RMC's liability for this claim
26 at approximately \$503,712 (43,200 shifts / 2 * 2 hours * \$11.66 hr. weighted minimum wage).
27 However, RMC contends that employees were rarely, if ever, required to be "on-call," and that
28 RMC's "on-call" policies complied with California law and that many technicians, including

1 Plaintiff, were not subject to RMC’s “on-call” policy. RMC further contends that it always paid
2 Settlement Class members at least the minimum wage for all hours worked, including for any
3 hours spent on controlled standby. RMC further contends that Plaintiff would be unable to certify
4 this claim as individualized inquiries would be necessary as to whether employees were required
5 to be on-call for each workday in question, or at all, and whether those employees were furnished
6 with less than half of their scheduled day’s work on those shifts, resulting in an unmanageable
7 series of mini-trials. Based on these defenses, Plaintiff discounted the maximum amount by 60%
8 for risk of non-certification and an additional 60% for risk of losing on the merits or failing to
9 recover the full amount sought, to arrive at an estimated exposure of approximately \$80,594.

10 18. Plaintiff alleges RMC failed to provide legally compliant first meal periods such
11 that first meal periods were regularly late and/or less than 30-minutes. Specifically, Plaintiff
12 alleges that from the beginning of the Class Period through July 2018, RMC failed to maintain a
13 compliant written meal period policy. Plaintiff alleges that RMC’s employee handbook during
14 this time period merely provided, “The timing and duration of lunch and other breaks will be
15 determined by the supervisor and the employee in accordance with the Company policy and
16 applicable state and federal employment laws. At the time of hire, your supervisor will explain
17 your work schedule to you, including you break and lunch periods. Rest and meal periods must
18 be taken as assigned.” Plaintiff alleges that due to work demands and the nature of providing
19 restoration/remediation services, meal periods were regularly provided after the completion of
20 five hours of work. Based on Plaintiff’s review and extrapolation of RMC’s timekeeping records,
21 there were approximately 141,919 first meal period violations, including “late” meal periods
22 (commencing after the end of the fifth hour of work), and/or “short” meal period (less than 30 full
23 minutes). Plaintiff further calculated that the average rate of pay for putative class members during
24 the Class Period at approximately \$21.99. Therefore, Plaintiff estimated total maximum damages
25 for first meal period violations at approximately \$3,120,798 (141,919 first meal period violations
26 * \$21.99 premium). However, RMC argues that it maintained compliant meal period
27 policies/practices throughout the Class Period, including a compliant policy set forth in its
28 Employee Handbook, and that it has always provided compliant first and second meal periods in

line with those policies/practices. RMC further contends that it always *provided* employees with the opportunity to take meal periods and is not required to *ensure* they are taken. Thus, RMC argues any missed or short meal periods were the result of lawful employee choice, rather than any policy and/or practice of RMC. RMC further points to its timesheets, which are filled out by Settlement Class members, which show that RMC provided employees with timely, full 30-minute meal periods. RMC further maintains Plaintiff's meal period claim is not suited for class treatment, as individual inquiries would be needed as to which employees took non-compliant meal periods or missed meal periods, how many meal periods were non-compliant or missed, and why a particular employee did not take a compliant meal period on a particular shift. Based on these defenses, Plaintiff discounted the maximum amount by 70% for risk of non-certification and an additional 65% for risk of losing on the merits or failing to recover the full amount sought, to arrive at an estimated exposure of approximately \$327,684.

19. Plaintiff further alleges that RMC failed to provide second meal periods during shifts in excess of 10.0 hours. Plaintiff's analysis and extrapolation of the timekeeping data showed that during the Class Period there were approximately 92,462 shifts worked in excess of 10.0 hours that did not reflect a compliant second meal period. Therefore, Plaintiff calculates RMC's maximum exposure for second meal period violations at approximately \$2,033,239 (92,462 second meal period violations * \$21.99 premium). However, Plaintiff's theory of liability carried significant risks, based on RMC's arguments that it has always provided employees the opportunity for second meal periods and that Settlement Class members voluntarily waived their second meal period on shifts in excess of 10.0 hours but less than 12.0 hours, as they are entitled to do under Labor Code § 512(a). In addition, as with first meal periods, RMC argued this claim would not be certified as requiring individualized inquiries into both the merits and damages, and whether there was a valid waiver. In light of these risks, Plaintiff discounted the maximum amount that the class could potentially recover for second meal periods by 70% for a risk of non-certification, and an additional 55% for a risk of losing on the merits, or having exposure reduced due to RMC's waiver argument, to arrive at an estimated exposure amount of approximately \$274,488.

20. Plaintiff alleges that RMC failed to authorize and permit all legally compliant off-duty rest periods. Specifically, from the beginning of the Class Period through approximately July 2018, RMC's written rest period policy only provided for two (2) rest periods per shift, irrespective of shift length, and did not authorize a third rest period during shifts in excess of 10.0 hours. Therefore, Plaintiff focused his rest period analysis on shifts over 10.0 hours. Based on Plaintiff's analysis and extrapolation of RMC's timekeeping records, Plaintiff estimates there were approximately 34,655 shifts over 10.0 hours during the time period from April 6, 2016, through approximately July 2018. Therefore, Plaintiff estimates RMC's maximum potential exposure for rest period violations at approximately \$762,063 (34,655 rest period violations * \$21.99 premium). However, RMC contends it has maintained and enforced compliant written rest period policies/practices and has always authorized and permitted employees a 10-minute rest period for each 4 hours worked, or major fraction thereof, as required under the Wage Order, and that any failure to take rest periods was as a result of employee choice, rather than any RMC policy and/or practice. RMC further argues that Plaintiff's rest period claim is not amenable to class treatment, since individual inquiries would be required to determine which employees failed to take rest periods, how many rest periods they failed to take, and the reasons why each employee failed to take rest period(s) on a particular shift. These manageability concerns are especially present with respect to rest period claims, RMC argues, given that rest periods are not, and need not, be recorded. Given these defenses, Plaintiff discounted this maximum amount by 50% for risk of non-certification and an additional 50% for a risk of being unsuccessful on the merits or of failing to recover the full amount sought, to arrive at an estimated realistic exposure of approximately \$190,515.

21. Plaintiff alleges that RMC required Settlement Class members to use their personal cellular phones for work-related purposes, including communicating with RMC's supervisors regarding job assignments, responding to on-call issues, communicating with clients, and for GPS applications to direct them to their various job sites. Despite requiring Plaintiff and Settlement Class members to incur these expenses on a daily basis, Plaintiff alleges that RMC failed to reimburse Settlement Class members for these necessary business expenses. Based on Plaintiff's

analysis and extrapolation of RMC's records, Plaintiff estimates that Settlement Class members have worked a total of approximately 10,296 months during the Class Period. Using a conservative estimate of \$25 per month in reasonable work-related personal cellular phone use, Plaintiff calculates RMC's maximum exposure for this claim at approximately \$257,400 (\$25/month * 10,296 months). RMC maintains that Settlement Class members were not required to use their personal cellular phones as part of their job. RMC further argues that any expenses incurred by Settlement Class members were extremely minimal, given the wide availability of low-cost cellular phone plans. RMC further contends that this claim would require individual inquiries into whether Settlement Class members actually used their personal cellular phones for work purposes, how much expense they incurred, whether they submitted a request for reimbursement, and the reasonableness of that expense, thus precluding class certification. Based on these defenses, Plaintiff discounted the estimated maximum amount by 40% for risk of non-certification, and by an additional 35% to account for risk of losing on the merits or failure to recover the maximal amount sought, to arrive at an estimated exposure of approximately \$100,386.

22. As a result of the unpaid wages and unpaid meal and rest period premium wages described above, Plaintiff alleges that RMC is liable for derivative wage statement penalties. Plaintiff's analysis reflected that there were approximately 223 unique employees and approximately 19,285 weekly pay periods worked during the liability period applicable to Plaintiff's wage statement claim. Those penalties are calculated as \$50 for each "initial" violation and \$100 for each "subsequent" violation, with a maximum of \$4,000 per employee. See Labor Code § 226(e). Plaintiff, therefore, calculated RMC's potential wage statement exposure, using the maximum of \$4,000 per employee at approximately \$892,000 (223 Employees * \$4,000 max. penalty). RMC argues that because Plaintiff's underlying claims fail, any derivative claims for wage statement penalties will similarly fail. RMC further argues any alleged wage statement violations were not "knowing and intentional," and Plaintiff cannot show he or other employees "suffer[ed] injury" due to the alleged wage statement violations, as required by Labor Code § 226(e) for the imposition of penalties. RMC further contends its wage statements always

1 accurately reflected hours worked and amounts paid as well as all other required information. In
2 light of these arguments, Plaintiff discounted the maximum exposure by 50% for risk of non-
3 certification, and by an additional 60% for risk of being unsuccessful on the merits, for an
4 estimated realistic exposure of approximately \$178,400.

5 23. As a further result of the unpaid wages and unpaid meal and rest period premium
6 wages described above, Plaintiff alleges that RMC failed to comply with its final pay obligations
7 set forth in Labor Code §§ 201-203. RMC's records reflected approximately 135 former
8 Settlement Class members who separated from their employment with RMC and are therefore
9 eligible for waiting time penalties. Based on an hourly rate of \$21.99, Plaintiff estimated the
10 average waiting time penalty per former employee to be \$5,278 ($\$21.99 \times 8 \text{ hours per day} \times 30$
11 days). Therefore, Plaintiff calculated RMC's maximum exposure for potential waiting time
12 penalties to be approximately \$712,530 ($135 \text{ former employees} \times \$5,278 \text{ average penalty}$). RMC
13 presented several defenses to this claim, most notably their assertion that because they possessed
14 good-faith defenses to the underlying claims, any failure to pay wages was not "willful" as a
15 matter of law. RMC further asserts Plaintiff's waiting time penalty exposure was grossly inflated
16 as not every former employee experienced the alleged Labor Code violations. Moreover, because
17 the waiting time claim is derivative of Plaintiff's underlying wage claims, Plaintiff would need to
18 overcome RMC's defenses, both as to class certification and on the merits, as to his underlying
19 claims. To account for RMC's defenses, Plaintiff discounted the maximum exposure by 50% for
20 the risk of non-certification, and an additional 60% for risk of losing on the merits, and/or not
21 receiving the maximum penalties sought, to arrive at an estimated exposure of approximately
22 \$142,506.

23 24. As a result of the foregoing Labor Code violations, Plaintiff alleges that RMC is
24 liable for civil penalties under the PAGA. Plaintiff estimated a maximum total PAGA exposure
25 at approximately \$1,074,600 ($10,746 \text{ weekly pay periods} \times \$100 \text{ "initial" penalty}$). Since
26 Plaintiff's PAGA claim is derivative of his underlying claims, RMC asserts the PAGA claim
27 would fail with those claims. RMC also maintains that given its good faith defenses, this Court
28 would exercise its discretion to substantially reduce any PAGA penalties as "confiscatory" if it

were to find RMC liable for any of Plaintiff's claims. Therefore, Plaintiff discounted the maximum figure by 60% for the risk of losing on the merits and/or not recovering a PAGA penalty for every pay period, and an additional 75% to account for the possibility of this Court reducing penalties, to arrive at an estimated exposure of approximately \$107,460.

25. Using these estimated figures for each of the claims described above, Plaintiff predicted that the potential recovery for the Settlement Class would be approximately \$1,638,459. The proposed Settlement of \$1,500,000.00 therefore represents approximately 91.5% of the reasonably forecasted recovery for the Settlement Class. Preliminary approval is appropriate since the Settlement will provide significant monetary relief to the Settlement Class, which is consistent with what Plaintiff's counsel believes could have been recovered had the case proceeded through trial.

26. Class Counsel will also apply for an attorneys' fees award of one-third of the Gross Settlement Fund, which is currently estimated to be \$500,000.00, and up to \$25,000.00 in verified costs reimbursement. Plaintiff submits the requested fee is fair compensation for undertaking complex, risky, expensive, and time-consuming litigation on a purely contingent fee basis. Class Counsel has incurred substantial attorneys' fees conducting pre-filing investigation, analyzing Plaintiff's claims, conducting legal research, conducting extensive formal and informal discovery, interviewing Settlement Class members regarding their work experiences at RMC, analyzing Settlement Class members' timekeeping and payroll records and other data and documents with the help of a retained expert, creating a comprehensive damages model, preparing for and attending mediation, negotiating and preparing the long-form Settlement Agreement, preparing this Motion, and otherwise litigating the case. Class Counsel expect to expend additional attorney time in attending the hearing on this Motion, overseeing the Notice process and fielding questions from Settlement Class members, preparing the final approval papers, and attending the Final Approval hearing.

27. Plaintiff will apply for a Class Representative Enhancement Payment at the time of seeking final approval of the proposed class action settlement in the amount of \$7,500, for his service to the Settlement Class. I believe this is reasonable given Plaintiff's effort in this case as

1 well as the significant risks Plaintiff undertook by agreeing to serve as the named Plaintiff in this
2 case. Plaintiff was integral in the prosecution of this action, by, among other things, providing
3 substantial factual information and documents to Class Counsel, attending multiple meetings with
4 Class Counsel to discuss the claims and theories at issue in the litigation, otherwise actively
5 participating in the prosecution of his claims, and the fact that Plaintiff agreed to a general release
6 of all claims subject to a waiver of Civil Code § 1542.

7 28. Although the Parties engaged in significant informal discovery in advance of
8 mediation, the Parties still had significant formal discovery to complete in litigation had the matter
9 not settled. This would have required expenditure of substantial time and resources by both Parties
10 that would have very likely spanned several years. Even if Plaintiff was to certify the classes, the
11 Parties would incur considerably more attorneys' fees and costs through a possible decertification
12 motion, trial, and possible appeal. This Settlement avoids those risks and the accompanying
13 expense.

14 29. Under the proposed Settlement in this case, uncashed funds will be sent to *cy pres*
15 recipient Leukemia & Lymphoma Society ("LLS"). Neither I nor any attorney at my law firm
16 have any personal or financial interest and/or connection with LLS.

17 I declare under penalty of perjury under the laws of the State of California that the
18 foregoing is true and correct. Executed on October 21, 2022, at El Segundo, California.

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21 Paul K. Haines
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EXHIBIT *A*

STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

This Stipulation of Settlement ("Settlement Agreement" or "Settlement") is reached by and between Plaintiff Marlon Viruete ("Plaintiff"), individually and on behalf of all members of the Settlement Class (defined below), on the one hand, and Defendant Jon K. Takata Corporation dba Restoration Management Company ("Defendant" or "Jon K. Takata") on the other hand. Plaintiff and Defendant are referred to herein collectively as the "Parties." Plaintiff and the Settlement Class are represented by Paul K. Haines, Sean M. Blakely, and Neil Larsen of Haines Law Group, APC ("Class Counsel"). Defendant is represented by Marc L. Jacuzzi and Sean R. Broderick of Simpson, Garrity, Innes & Jacuzzi, PC.

On September 23, 2020, Plaintiff filed a Class Action Complaint against Defendant in Los Angeles County Superior Court in the matter entitled *Marlon Viruete v. Jon K. Takata dba Restoration Management Company*, Los Angeles County Superior Court Case No. 20STCV36412 alleging the following causes of action: (1) failure to pay all overtime wages; (2) minimum wage violations; (3) meal period violations; (4) rest period violations; (5) waiting time penalties; (6) failure to indemnify all necessary business expenditures, and (7) unfair competition.

As a material term of this Settlement, the Parties stipulate to the filing of a First Amended Class and Representative Action Complaint ("FAC"), adding causes of for wage statement violations and civil penalties under the Private Attorneys General Act, Labor Code § 2698 *et seq.* The FAC, and all of the claims alleged therein, shall be referred to herein as the "Action."

Given the uncertainty of litigation and the time and expense associated therewith, Plaintiff and Defendant wish to settle both individually and on behalf of the Settlement Class. Accordingly, Plaintiff and Defendant agree as follows:

1. **Settlement Class.** For purposes of this Settlement Agreement only, Plaintiff and Defendant stipulate to the certification of the following Settlement Class:

All current and former non-exempt technicians who are or were employed by Defendant Jon K. Takata Corporation dba Restoration Management Company in the State of California at any time between April 6, 2016 and the date of preliminary approval of the Settlement (the "Class Period").

The Parties agree that certification for purposes of settlement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure. If for any reason this Settlement Agreement is not approved or is terminated, in whole or in part, this conditional agreement to class certification will be inadmissible and will have no effect in this matter or in any claims brought on the same or similar allegations, and the Parties shall revert to the respective positions they held prior to entering into the Settlement Agreement.

Additionally, the "PAGA Employees" shall be defined as:

All current and former non-exempt technicians who are or were employed by Defendant Jon K. Takata Corporation dba Restoration Management Company in the State of California at any time from April 1, 2021 through the date of preliminary approval of the Settlement (the "PAGA Period").

2. **Release by Settlement Class Members, PAGA Employees, and Plaintiff.** As of the Effective Date (as defined below), and upon Defendant's complete funding of the Gross Settlement Fund, Plaintiff and every member of the Settlement Class (except those who submit a timely and valid Request for Exclusion, as defined below) and every PAGA Employee, fully releases and forever discharges Defendant, and all of its former or present parent companies, subsidiaries, affiliates, investors, partners, owners, related organizations, predecessors or successors, and all agents, employees, officers, directors, shareholders, members, managers, holding companies, insurers, assigns, and attorneys thereof, (collectively, "Released Parties"), as follows:

- A. Release by Settlement Class members: Settlement Class Members, except those who submit a timely and valid Request for Exclusion, release and forever discharge the Released Parties from any and all claims, demands, causes of action, and legal theories alleged or which could have been alleged or otherwise raised based on the facts alleged in the Action, including claims for: (a) failure to pay all overtime wages; (b) failure to pay all wages owed and minimum wages owed; (c) failure to provide all meal periods, or premium pay for non-compliant meal periods; (d) failure to authorize and permit all rest periods, or pay premium pay for non-compliant rest periods; (e) failure to timely pay all wages due or final wages due; (f) failure to indemnify all necessary business expenditures; (g) failure to issue accurate and compliant wage statements; (h) all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories of relief pled in the Action; and (i) all damages, penalties, interest, costs (including attorney's fees) and other amounts recoverable under said claims or causes of action arising out of or based on the facts and/or legal theories alleged in the Action (collectively, the "Released Claims"). The period of the Released Claims shall extend to the limits of the Class Period.
- B. Release By PAGA Employees: PAGA Employees release and forever discharge the Released Parties from all claims, demands, rights, liabilities and causes of action for civil penalties under California Labor Code Private Attorneys General Act of 2004 against the Released Parties arising out of or based on the facts alleged in Plaintiff's letter to the Labor & Workforce Development Agency ("LWDA") dated April 1, 2022 and the operative FAC for: (a) failure to pay all overtime wages owed; (b) failure to pay all wages and minimum wages owed; (c) failure to provide meal periods, or pay premium pay for non-compliant meal periods; (d) failure to authorize and permit all rest periods, or pay premium pay for non-compliant rest periods; (e) failure to provide accurate, itemized wage statements; (f) failure to indemnify all necessary business expenditures; and (g) failure to pay all wages upon termination (collectively, "PAGA Released Claims"). The PAGA Period and the time period of the PAGA Released Claims is defined as April 1, 2021 through the date of preliminary approval of the Settlement ("PAGA Period").
- C. General Release by Plaintiff: Plaintiff as an individual, generally releases and forever discharges the Released Parties from any and all claims, transactions or occurrences arising between Plaintiff and the Released Parties, or any of them, including without limitation, arising from Plaintiff's employment with Defendant, separation of employment from Defendant, or any other matter whatsoever arising

up through the Effective Date, and any acts that have or could have been asserted in any legal action or proceeding against Defendant, whether known or unknown, arising under any federal, state, or local law, or statute, including, *inter alia*, those arising under the California Labor Code, the California Private Attorneys General Act, the Fair Labor Standards Act, Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, Employee Retirement Income Security Act, National Labor Relations Act, California Corporations Code, California Business and Professions Code, California Fair Employment and Housing Act, the United States Constitution, the California Constitution (all as amended), and law of contract and tort, as well as for discrimination, harassment, retaliation, wrongful termination, lost wages, benefits, other employment compensation, emotional distress, medical expenses, other economic and non-economic damages, attorney fees, and costs, arising on or before the date on which this Agreement is executed. Notwithstanding the foregoing, this waiver and release of claims does not extend to any rights which as a matter of law cannot be waived and released by private agreement, including rights to sue to enforce this Agreement and rights to vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits, or other claims that may not be released by law.

Plaintiff understands and agrees that this release includes unknown claims and that Plaintiff is, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

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

Plaintiff therefore waives all unknown, unanticipated, unsuspected and undisclosed claims, liens, demands or liabilities, as well as those which are known, anticipated, suspected or disclosed.

3. **Gross Settlement Fund.** As consideration for the settlement of the Action and the releases contained herein, Defendant agrees to pay a non-reversionary gross settlement amount of One Million Five Hundred Thousand Dollars and Zero Cents (\$1,500,000.00) ("Gross Settlement Fund") in full and complete settlement of the Action, as follows:
 - A. The Parties have agreed to engage Phoenix Settlement Administrators as the "Settlement Administrator" to administer this Settlement.
 - B. The Settlement will become final and effective as of: (a) the date a signed order granting final approval of this Agreement has been filed, provided no motion to vacate the judgment, appeal, writ or other appellate proceeding has been filed; or (b) the seventh (7th) calendar day after any motion to vacate the judgment, appeal, writ, or other appellate proceeding opposing the Agreement has been finally

approved with no material change to the terms of this Agreement and there is no right to pursue further remedies or relief, whichever is later ("Effective Date").

- C. Defendant shall deposit the Gross Settlement Fund with the Settlement Administrator no later than thirty (30) calendar days after the Effective Date.
- D. This is a non-reversionary settlement. The Gross Settlement Fund includes:
 - (1) All individual payments (including interest) to members of the Settlement Class (except those who submit a timely and valid Request for Exclusion, as defined below);
 - (2) All costs of the Settlement Administrator which are anticipated to be no greater than Ten Thousand Dollars and Zero Cents (\$10,000.00);
 - (3) Up to Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) for Plaintiff's Class Representative Enhancement Payment, in recognition of Plaintiff's contributions to the Action and Plaintiff's services to the Settlement Class, and for Plaintiff's individual general release under this Agreement. In the event that the Court reduces or does not approve the requested Class Representative Enhancement Payment, Plaintiff shall not have the right to revoke this settlement, including his individual general release of claims, and it will remain binding;
 - (4) Up to one-third of the Gross Settlement Fund (currently estimated to be \$500,000.00) in Class Counsel's attorneys' fees, plus actual costs and expenses incurred by Class Counsel related to the Action as supported by declaration, which are currently estimated to be no greater than Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00). In the event the Court reduces or does not approve the requested attorneys' fees or costs, Plaintiff and Class Counsel shall not have the right to revoke this Settlement Agreement, and it will remain binding; and
 - (5) Forty Thousand Dollars and Zero Cents (\$40,000.00) of the Gross Settlement Fund has been set aside by the Parties as PAGA civil penalties. Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties (Thirty Thousand Dollars and Zero Cents (\$30,000.00)), will be payable to the Labor & Workforce Development Agency ("LWDA"), and the remaining twenty-five percent (25%) of such penalties (Ten Thousand Dollars and Zero Cents (\$10,000.00)), will be payable to the PAGA Employees as the "PAGA Amount," as described below.

Any difference between these requested amounts and the amounts approved by the Court will revert to the Net Settlement Amount for the benefit of the Settlement Class members who do not opt out.

- E. **Employer Payroll Taxes.** The Gross Settlement Fund does not include Employer Payroll Taxes, which shall be paid by Defendant separate, and in addition to, the Gross Settlement Fund.
 - F. **Escalator Clause.** Defendant estimates that the Settlement Class worked approximately 43,006 total workweeks during the Class Period. If at the time of preliminary approval, the number of workweeks has increased by 15% more than 43,006 (i.e., if there are 49,457 or more workweeks) then Defendant agrees to increase the Gross Settlement Fund on a proportional basis (e.g., if there was a 20% increase in the number of workweeks, Defendant shall increase the Gross Settlement Fund by 20%).
4. **Payments to the Settlement Class.** Settlement Class members are not required to submit a claim form to receive a payment (“Individual Settlement Award”) from the Settlement. Individual Settlement Awards will be determined and paid as follows:
- A. The Settlement Administrator shall first deduct from the Gross Settlement Fund the amounts approved by the Court for Class Counsel’s attorneys’ fees, Class Counsel’s costs and expenses, the Class Representative Enhancement Payment, the Settlement Administrator’s fees and expenses for administration, and the amount designated as civil penalties under the PAGA. The remaining amount shall be known as the “Net Settlement Amount.”
 - B. From the Net Settlement Amount, the Settlement Administrator will calculate each Settlement Class member’s Individual Settlement Award based on the following formula:
 - i. The Net Settlement Amount shall be allocated among Settlement Class members (except those who submit a timely and valid Request for Exclusion) who worked during the Class Period, as follows: each participating Settlement Class member shall receive a proportionate settlement share of the Net Settlement Amount based upon the number of workweeks he/she worked as a non-exempt employee during the Class Period, the numerator of which is the Settlement Class member’s total workweeks worked as a non-exempt employee during the Class Period, and the denominator of which is the total workweeks worked as non-exempt employees by all Settlement Class members (who do not request exclusion from or “opt out” of the Settlement Class) who worked during the Class Period.
 - C. PAGA Amount: Ten Thousand Dollars and Zero Cents (\$10,000.00) of the Gross Settlement Fund has been designated as the “PAGA Amount” as described above. Each PAGA Employee shall receive a share of the PAGA Amount proportionate to the number of workweeks that he or she worked during this PAGA Period, which will be calculated by multiplying the PAGA Amount by a fraction, the numerator of which is the PAGA Employee’s total number of workweeks worked as a non-exempt employee (including those who opt out) during the PAGA period, and the

denominator of which is the total number of workweeks worked by all PAGA Employees (including those who request exclusion from or "opt out" of the Settlement Class) during the PAGA period.

- D. Within ten (10) calendar days following the deposit of the Gross Settlement Fund with the Settlement Administrator by Defendant, the Settlement Administrator will calculate Settlement Award amounts, and provide the same to counsel for review and approval. Within seven (7) calendar days of approval by counsel, the Settlement Administrator will prepare and mail the Individual Settlement Awards, less applicable taxes and withholdings, to participating Settlement Class members. The Settlement Administrator shall simultaneously pay the withholdings to the applicable authorities with the necessary reports, submitting copies to Defendant's counsel. The Settlement Administrator shall pay the amounts approved by the Court for Class Counsel's attorneys' fees and costs, Plaintiff's Class Representative Enhancement Payment, payment to the LWDA, and the settlement administration costs after it mails the Individual Settlement Awards to Settlement Class members.
- E. Each Individual Settlement Award shall be allocated as follows: one-third (33.33%) to wages and two-thirds (66.67%) to penalties and interest. The Settlement Administrator will be responsible for issuing to Settlement Class members an IRS Form W-2 (for amounts paid as wages) and an IRS Form 1099 (for amounts paid as penalties and interest). Notwithstanding the treatment of the above-referenced payments to each Settlement Class member, none of the payments called for by this Settlement Agreement, including the wage portion, are to be treated as earnings, wages, pay or compensation for any purpose of any applicable benefit or retirement plan, unless required by such plans.
- F. Time to Cash Checks and Donation of Residual Funds (Cy Pres). Each member of the Settlement Class who receives an Individual Settlement Award and each PAGA Employee who receives payment for his/her proportionate share of the PAGA Amount must cash the check(s) for these awards and payments within 180 days from the date they are mailed by the Settlement Administrator. Any and all funds payable to Settlement Class members and PAGA Employees for which the checks are not cashed within 180 days after mailing shall be donated to Leukemia & Lymphoma Society (LLS). No amount of unclaimed funds shall revert to Defendant for any reason.

5. **Attorneys' Fees and Costs.** Defendant will not object to Class Counsel's request for a total award of attorneys' fees of up to one-third of the Gross Settlement Fund, which is currently estimated to be Five Hundred Thousand Dollars and Zero Cents (\$500,000.00). Additionally, Class Counsel will request an award of actual costs and expenses as supported by declaration, in an amount not to exceed Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) from the Gross Settlement Fund. These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation: all work performed and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals or response to appeals necessitated by those objections. Class Counsel will be issued

an IRS Form 1099 by the Settlement Administrator when the Settlement Administrator pays the fee award approved by the Court.

6. **Class Representative Enhancement Payment.** Defendant will not object to a request for a Class Representative Enhancement Payment of Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) to Plaintiff, for his time and risk in prosecuting this case and Plaintiff's services to the Settlement Class. This payment will be in addition to Plaintiff's Settlement Award as a Settlement Class member, and shall be reported on an IRS Form 1099 issued by the Settlement Administrator. Even in the event that the Court reduces or does not approve the requested Enhancement Payment, Plaintiff shall not have the right to revoke this Settlement, including his general release of claims, and it will remain binding.

7. **Settlement Administrator.** Defendant will not object to the appointment of Phoenix Settlement Administrators as Settlement Administrator. Defendant will not object to Plaintiff seeking approval to pay up to Ten Thousand Dollars and Zero Cents (\$10,000.00) for its services from the Gross Settlement Fund. The Settlement Administrator shall be responsible for depositing into an account and holding the various payments from Defendant comprising the Gross Settlement Fund, sending Notice Packets to the Settlement Class members, calculating Settlement Awards and preparing all checks and mailings, and other duties as described in this Settlement Agreement. The Settlement Administrator shall be authorized to pay itself from the Gross Settlement Fund only after the Individual Settlement Awards have been mailed to all participating Settlement Class members. The Settlement Administrator shall also give notice of final judgment by posting the final judgment to its website.

8. **Preliminary Approval.** Within a reasonable time after execution of this Settlement Agreement by the Parties, Plaintiff shall apply to the Court for the entry of an Order:

- A. Conditionally certifying the Settlement Class for settlement purposes only;
- B. Appointing Paul K. Haines, Sean M. Blakely, and Neil Larsen of Haines Law Group, APC as Class Counsel;
- C. Appointing Plaintiff Marlon Viruete as Class Representative for the Settlement Class;
- D. Approving Phoenix Settlement Administrators as Settlement Administrator;
- E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;
- F. Approving the form and content of the Notice Packet (which is comprised of the Class Notice (attached hereto as Exhibit A) and Notice of Estimated Settlement Award), and directing the mailing of same in both English and Spanish; and
- G. Scheduling a Final Approval hearing.

9. **Notice to Settlement Class.** Following preliminary approval, the Settlement Class shall be notified as follows:

- A. Within five (5) business days after entry of an order preliminarily approving this Agreement, Defendant will provide the Settlement Administrator with the names, last known addresses, phone numbers, social security numbers, dates of employment, and workweek data ("Class Data") for each Settlement Class Member during the Class Period and for each PAGA Employee during the PAGA Period.
- B. Within ten (10) business days from receipt of this information, the Settlement Administrator shall (i) run the names of all Settlement Class Members through the National Change of Address ("NCOA") database to determine any updated addresses for Settlement Class members; (ii) update the address of any Settlement Class Member for whom an updated address was found through the NCOA search; (iii) calculate the estimated Settlement Award for each Settlement Class Member; and (iv) mail a Notice Packet to each Settlement Class Member at his or her last known address or, if applicable, at the updated address found through the NCOA search, and retain proof of mailing.
- C. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a "skip trace," to obtain an updated mailing address within three (3) business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement Administrator shall resend the Notice Packet to the Settlement Class member immediately, and in any event within three (3) business days of obtaining the updated address. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Settlement Class member. Settlement Class members to whom Notice Packets are re-sent after having been returned as undeliverable to the Settlement Administrator shall have fourteen (14) calendar days from the date of re-mailing, or until the Response Deadline, as defined below, has expired, whichever is later, to mail a Request for Exclusion or Objection or dispute. Notice Packets that are re-sent shall inform the recipient of this adjusted deadline. If a Settlement Class member's Notice Packet is returned to the Settlement Administrator more than once as non-deliverable, then an additional Notice Packet shall not be mailed. Nothing else shall be required of, or done by, the Parties, Class Counsel, or Defendant's Counsel to provide notice of the proposed settlement.
- D. Requests for Exclusion. Any Settlement Class member who wishes to opt out of the Settlement must complete and mail, e-mail or fax a Request for Exclusion (as defined below) to the Settlement Administrator within sixty (60) calendar days of the date of the initial mailing of the Notice Packets (the "Response Deadline").
 - i. The Notice Packet shall state that Settlement Class members who wish to exclude themselves from the Settlement must submit a Request for Exclusion by the Response Deadline. The Request for Exclusion must: (1) contain the name, address, telephone number and the last four digits of the Social Security number of the Settlement Class member; (2) contain a statement that the

Settlement Class member wishes to be excluded from the Settlement; (3) be signed by the Settlement Class member; and (4) be postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion does not contain the information listed in (1)-(3), it will not be deemed valid for exclusion from the Settlement, unless the Settlement Administrator can ascertain the identity of the Settlement Class member and also ascertain that the Settlement Class member indeed desires to exclude himself or herself from the Settlement. The date of the postmark on the Request for Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Settlement Class member who requests to be excluded from the Settlement Class will not be entitled to any recovery under this Settlement Agreement and will not be bound by the terms of the Settlement or have any right to object, appeal or comment thereon.

- ii. The Parties agree there is no statutory or other right for any Settlement Class member/PAGA Employee to opt out or otherwise exclude himself or herself from the PAGA portion of the Settlement. A Settlement Class member/PAGA Employee who submits a valid and timely Request for Exclusion shall still receive his or her proportionate share of the PAGA Amount.

E. Objections. Members of the Settlement Class who do not opt out may object to this Settlement Agreement as explained in the Class Notice by submitting a written objection with the Settlement Administrator by mail, e-mail or fax within the Response Deadline. The Settlement Administrator shall promptly serve all objections received on Class Counsel and Defendant's counsel, as well as file all such objections with the Court. To be valid, any objection should: (1) contain the objecting Settlement Class member's full name and current address, as well as contact information for any attorney representing the objecting Settlement Class member for purposes of the objection; (2) include all objections and the factual and legal bases for same; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence; and (4) be postmarked no later than the Response Deadline. Notwithstanding the foregoing, even if the information above is not all contained in a written objection, it will be deemed valid if the Settlement Administrator can ascertain the identity of the Settlement Class member and also ascertain that the Settlement Class member indeed desires to object. Members of the Settlement Class who do not request exclusion may also object to the Settlement by appearing at the Final Approval Hearing in person or virtually irrespective of whether they submitted any written objections. Neither a written objection nor a notice of appearance is required in order for a Settlement Class member to appear at the hearing on the Motion for Final Approval and object.

F. Notice of Estimated Settlement Award / Disputes. The Settlement Administrator shall determine the eligibility for, and calculate the amounts of, all Individual Settlement Awards under the terms of this Agreement. Each Notice Packet mailed to Settlement Class members shall disclose the amount of the Settlement Class

member's estimated Individual Settlement Award as well as all of the work week information that was used to calculate the Individual Settlement Award. Settlement Class members will have the opportunity, should they disagree with Defendant's records regarding the information stated in the Notice of Estimated Settlement Award, to provide documentation and/or an explanation to show contrary information. Any such dispute, including any supporting documentation, must be mailed, faxed, or e-mailed to the Settlement Administrator and postmarked by the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. If a resolution cannot be reached by and among the Parties and the Settlement Administrator, the Court will render all final decisions on disputes.

10. **Final Approval.** Following preliminary approval and the close of the period for filing requests for exclusion, objections, or disputes under this Settlement Agreement, Plaintiff shall apply to the Court for entry of an Order:

- A. Granting final approval to the Settlement Agreement and adjudging its terms to be fair, reasonable, and adequate;
- B. Approving Plaintiff's and Class Counsel's application for attorneys' fees and costs, Class Representative Enhancement Payment, and settlement administration costs; and
- C. Entering judgment pursuant to California Rule of Court 3.769. Said judgment shall be posted on the website of the Settlement Administrator.

11. **Non-Admission of Liability.** Defendant and the Released Parties deny that they have engaged in any unlawful activity, have failed to comply with the law in any respect, have any liability to anyone under the claims asserted in the Action, and that, but for the Settlement, a class should be certified in the Action. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or wrongdoing or that class certification is appropriate in any context other than this Settlement. Each of the Parties has entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any civil, criminal or administrative action or proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement, or to defend any claims released or barred by this Agreement. If Final Approval of the Settlement does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by California Evidence Code Section 1152.

12. **Waiver and Amendment.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by all of the Parties, and approved by the Court. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

13. **Applicable Law.** All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the State of California.

14. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery and by e-mail at the addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

if to Plaintiff: Paul K. Haines of Haines Law Group, APC
2155 Campus Drive, Suite 180, El Segundo, CA 90245
phaines@haineslawgroup.com

if to Defendant: Marc L. Jacuzzi and Sean R. Broderick of
Simpson, Garrity, Innes & Jacuzzi, APC
2175 N. California Blvd., Suite 710, Walnut Creek, CA 94596
mjacuzzi@sgijlaw.com; sbroderick@sgijlaw.com

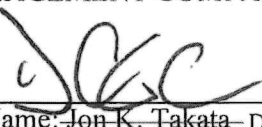
15. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof.

16. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

17. **Enforcement and Continuing Jurisdiction of the Court.** To the extent consistent with class action procedure, this Settlement Agreement shall be enforceable by the Court pursuant to California Code of Civil Procedure section 664.6. The Court shall retain continuing jurisdiction over the Action and over all Parties and Settlement Class members, to the fullest extent to enforce and effectuate the terms and intent of this Settlement Agreement, and to adjudicate any claimed breaches of this Settlement Agreement. The Court shall award reasonable attorneys' fees and costs to the prevailing party in any motion or action taken and based on an alleged violation of any material term of the Settlement Agreement.

DATED: 10/20/2022

DEFENDANT JON K. TAKATA
CORPORATION DBA RESTORATION
MANAGEMENT COMPANY

By: 
Name: ~~Jon K. Takata~~ Dave Glover
Title: ~~President~~ Executive VP, Chief Risk Officer

DATED: 9/24/22

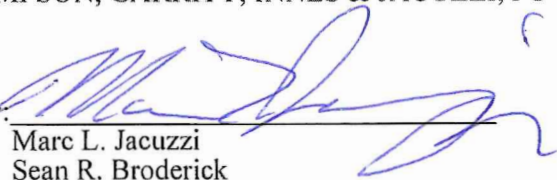
PLAINTIFF MARLON VIRUETE

By: 
Marlon Viruete (Sep 24, 2022 05:22 PDT)
Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED: 10/20/2022

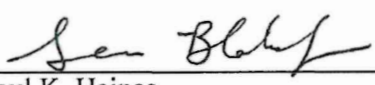
SIMPSON, GARRITY, INNES & JACUZZI, PC

By: 

Marc L. Jacuzzi
Sean R. Broderick
Attorneys for Defendant

DATED: October 21, 2022

HAINES LAW GROUP, APC

By: 

Paul K. Haines
Sean M. Blakely
Attorneys for Plaintiff

EXHIBIT 1

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

MARLON VIRUETE, on behalf of himself all others
similarly situated,

Plaintiff,

vs.

JON K. TAKATA CORPORATION dba
RESTORATION MANAGEMENT COMPANY, a
California corporation; and DOES 1 through 100,

Defendants.

Case No. 20STCV36412

**NOTICE OF PROPOSED CLASS ACTION
SETTLEMENT**

To: All current and former non-exempt technicians who are or were employed by Jon K. Takata Corporation dba Restoration Management Company in the State of California at any time between April 6, 2016 and **[PRELIM APPROVAL DATE]**. Collectively, these employees will be referred to as “Settlement Class Members.”

PLEASE READ CAREFULLY

**THIS NOTICE IS BEING PROVIDED TO YOU IN BOTH ENGLISH AND SPANISH
YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR NOT**

Why should you read this Notice?

The Court has granted preliminary approval of a proposed class action settlement (the “Settlement”) in the matter of *Marlon Viruete v. Jon K. Takata Corporation dba Restoration Management Company*, Los Angeles County Superior Court Case No. 20STCV36412 (the “Lawsuit”). Your rights may be affected by the Settlement, and it is important that you read this Notice carefully.

You may be entitled to money from this Settlement. Jon K. Takata Corporation dba Restoration Management Company’s (“RMC” or “Defendant”) records show that you were employed by RMC as a non-exempt technician in the State of California between April 6, 2016, and **[PRELIM APPROVAL DATE]** (the “Class Period”). The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

The purpose of this Notice is to provide you with a brief description of the Lawsuit, to inform you of the terms of the Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves the Settlement, you will be bound to the terms of the Settlement and any final judgment.

What is this case about?

On September 23, 2020, Plaintiff Marlon Viruete (“Plaintiff”) filed a Complaint on a class action basis on behalf of all current and former non-exempt technicians of RMC who worked in California during the Class Period. The operative First Amended Class and Representative Action Complaint alleges the following causes of action: (1) failure to pay all overtime wages; (2) minimum wage violations; (3) meal period violations; (4) rest period violations; (5) waiting time penalties; (6) failure to indemnify all necessary business expenditures; (7) unfair competition; (8) wage statement violations; and (9) civil penalties under the Private Attorneys General Act (“PAGA”). Plaintiff is known as the “Class Representative,” and his attorneys, who also represent the interests of all Settlement Class members, are known as “Class Counsel.”

RMC denies that it has done anything wrong. RMC denies that it owes Settlement Class members any wages, restitution, penalties, damages, or other amounts. Accordingly, the Settlement constitutes a compromise of disputed

claims and should not be construed as an admission of liability on the part of RMC, by whom all liability is expressly denied.

The Court has not ruled on the merits of Plaintiff's claims. However, to avoid additional expense, inconvenience, and interference with its business operations, RMC has concluded that it is in its best interests to settle the Lawsuit on the terms summarized in this Notice. The Settlement was reached after an exchange of information and documents, a mediation, and arms-length negotiations between the parties.

The Class Representative and Class Counsel support the Settlement. Among the reasons for support are the defenses to liability potentially available to RMC, the risk of denial of class certification, the inherent risk of trial on the merits, and the delays and uncertainties associated with ongoing litigation.

If you are still employed by RMC, your decision about whether to participate in the Settlement will not affect your employment. California law and RMC's policy strictly prohibit unlawful retaliation. RMC will not take any adverse employment action against or otherwise target, retaliate, or discriminate against any Settlement Class member because of his/her decision to either participate or not participate in the Settlement.

Who are the Attorneys?

Attorneys for Plaintiff/Settlement Class: HAINES LAW GROUP, APC Paul K. Haines phaines@haineslawgroup.com Sean M. Blakely sblakely@haineslawgroup.com Neil M. Larsen nlarsen@haineslawgroup.com 2155 Campus Drive, Suite 180 El Segundo, California 90245 Tel: (424) 292-2350 Fax: (424) 292-2355 www.haineslawgroup.com	Attorneys for RMC: SIMPSON, GARRITY, INNES & JACUZZI A Professional Corporation Marc L. Jacuzzi mjacuzzi@sgijlaw.com Sarah E. Lucas slucus@sgijlaw.com Sean R. Broderick sbroderick@sgijlaw.com 2175 N. California Blvd., Suite 710 Walnut Creek, CA 94596 Telephone: (925) 322-8889 Fax: (925) 322-8890
Depending on what action you take in connection with the Settlement, you may need to contact or submit documents to the Settlement Administrator. You can do this as follows: PHOENIX SETTLEMENT ADMINISTRATORS P.O. Box 7208 Orange, CA 92863 [EMAIL ADDRESS] Telephone: (800) 523-5773 Fax: (949) 209-2503 www.phoenixclassaction.com	

What are the terms of the Settlement?

On <<PRELIM APPROVAL DATE>>, the Court preliminarily certified a class, for settlement purposes only, of all current and former non-exempt technicians employed by RMC in California from April 6, 2016 until <<PRELIM APPROVAL DATE>>. Settlement Class members who do not opt out of the Settlement pursuant to the procedures set forth in this Notice will be bound by the Settlement and will release claims against RMC as specifically described below.

RMC has agreed to pay \$1,500,000.00 (the "Gross Settlement Fund") to fully resolve all claims in the Lawsuit, including payments to Settlement Class members, Class Counsel's attorneys' fees and expenses, Settlement administration costs, and the Class Representative's Enhancement Payment.

The following deductions from the Gross Settlement Fund will be requested by the parties and the amount of the deductions will be decided at the Final Approval Hearing:

Attorneys' Fees and Expenses. Class Counsel have been prosecuting the Lawsuit on behalf of Settlement Class members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys' fees, which will be paid from the Gross Settlement Fund. Settlement Class members are not personally responsible for any of Class Counsel's attorneys' fees or expenses. Class Counsel will ask for up to one-third of the Gross Settlement Fund, which is currently estimated at \$500,000.00, as reasonable compensation for the work Class Counsel performed and will continue to perform in the Lawsuit through Settlement finalization. Class Counsel also will ask for reimbursement of up to \$25,000.00 in verified costs incurred in connection with the Lawsuit.

Settlement Administration Costs. The Court has approved Phoenix Settlement Administrators to act as the "Settlement Administrator," who is sending this Notice to you and will perform many other duties relating to the Settlement. The Court has approved setting aside up to \$10,000.00 from the Gross Settlement Fund to pay the settlement administration costs.

Class Representative Enhancement Payment. Class Counsel will ask the Court to award a Class Representative Enhancement Payment in the amount of \$7,500.00 to Plaintiff to compensate him for his services and extra work provided on behalf of the Settlement Class members.

PAGA Payment to the State of California. The parties have agreed to allocate \$40,000.00 of the Gross Settlement Fund as PAGA civil penalties. Per Labor Code Section 2699(i), 75% of such penalties (\$30,000.00) will be payable to the Labor & Workforce Development Agency ("LWDA") for its share of PAGA penalties, and the remaining 25% (\$10,000.00) will be payable to the Settlement Class as the "PAGA Amount."

Calculation of Individual Settlement Class Members' Settlement Awards. After deducting the Court-approved amounts above, the balance of the Gross Settlement Fund will form the Net Settlement Amount, which will be distributed to all Settlement Class members who do not submit a valid and timely Request for Exclusion from the Settlement (described below). The Net Settlement Amount will be divided as follows:

- (i) The Net Settlement Amount shall be allocated to all participating Settlement Class members based on each participating Settlement Class member's proportionate number of workweeks worked for RMC during the Class Period, and will be calculated by multiplying the Net Settlement Amount by a fraction, the numerator of which is the participating Settlement Class member's total workweeks worked during the Class Period, and the denominator of which is the total workweeks worked by all participating Settlement Class members during the Class Period.
- (ii) In addition to the Net Settlement Amount, \$10,000.00 of the Gross Settlement Fund has been designated as the "PAGA Amount" as described above and will be allocated to all Settlement Class members (regardless of whether they opt-out) who worked for RMC at any time between April 1, 2021, through **PRELIM APPROVAL DATE** (the "PAGA Period"), in proportion to the number of workweeks that each Settlement Class member worked for RMC in California as a non-exempt employee during that time period.

Payments to Settlement Class Members. If the Court grants final approval of the Settlement, individual Settlement Awards will be mailed to all Settlement Class members who did not submit a valid and timely Request for Exclusion from the Settlement.

Allocation and Taxes. For tax purposes, each Settlement Award shall be treated as follows: One-third (33.33%) as "wages," for which an IRS Form W-2 will be issued; and two-thirds (66.67%) as penalties and interest, for which an IRS Form 1099 will be issued. The Settlement Administrator will be responsible for issuing to Settlement Class members IRS Forms W-2 for amounts deemed "wages" and IRS Forms 1099 for the amounts allocated as penalties and interest. Settlement Class members are responsible for the proper income tax treatment of the Settlement Awards. The Settlement Administrator, RMC and its counsel, and Class Counsel cannot provide tax advice. Accordingly, Settlement Class members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Release. If the Court approves the Settlement, and as of the Effective Date and upon RMC’s complete funding of the Gross Settlement Fund, each Settlement Class member who has not submitted a timely and valid Request for Exclusion from the Settlement, will fully release and discharge RMC and all of its former or present parent companies, subsidiaries, affiliates, investors, partners, owners, related organizations, predecessors or successors, and all agents, employees, officers, directors, shareholders, members, managers, holding companies, insurers, assigns, and attorneys thereof, (collectively, “Released Parties”) from any and all claims, demands, causes of action, and legal theories alleged or which could have been alleged or otherwise raised based on the facts alleged in the Action, including claims for: (a) failure to pay all overtime wages; (b) failure to pay all wages owed and minimum wages owed; (c) failure to provide all meal periods, or premium pay for non-compliant meal periods; (d) failure to authorize and permit all rest periods, or pay premium pay for non-compliant rest periods; (e) failure to timely pay all wages due or final wages due; (f) failure to indemnify all necessary business expenditures; (g) failure to issue accurate and compliant wage statements; (h) all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories of relief pled in the Action; and (i) all damages, penalties, interest, costs (including attorney’s fees) and other amounts recoverable under said claims or causes of action arising out of or based on the facts and/or legal theories alleged in the Action (collectively, the “Released Claims”). The period of the Released Claims shall extend to the limits of the Class Period.

Additionally, all current and former non-exempt technicians who are or were employed by RMC in the State of California at any time from April 1, 2021 through [PRELIM APPROVAL DATE] (“PAGA Employees”) release and forever discharge the Released Parties from all claims, demands, rights, liabilities and causes of action for civil penalties under California Labor Code Private Attorneys General Act of 2004 against the Released Parties arising out of or based on the facts alleged in Plaintiff’s letter to the Labor & Workforce Development Agency (“LWDA”) dated April 1, 2022 and the operative First Amended Class and Representative Action Complaint for: (a) failure to pay all overtime wages owed; (b) failure to pay all wages and minimum wages owed; (c) failure to provide meal periods, or pay premium pay for non-compliant meal periods; (d) failure to authorize and permit all rest periods, or pay premium pay for non-compliant rest periods; (e) failure to provide accurate, itemized wage statements; (f) failure to indemnify all necessary business expenditures; and (g) failure to pay all wages upon termination (collectively, “PAGA Released Claims”).

Conditions of Settlement. The Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement as fair, reasonable, adequate, and in the best interests of the Settlement Class, and the entry of a Judgment.

How can I claim money from the Settlement?

Do Nothing. If you do nothing, you will be entitled to your share of the Settlement based on the proportionate number of workweeks you worked during the Class Period, and the proportionate number of workweeks you worked during the PAGA Period, as stated in the accompanying Notice of Estimated Settlement Award. You also will be bound by the Settlement, including the release of claims stated above.

Check Cashing Deadline and Donation of Residual Funds (Cy Pres). If you are issued a Settlement Award, you will have one hundred and eighty (180) calendar days after your check is mailed by the Settlement Administrator to cash it. If you do not cash your check within 180 days after mailing, the check will become void, and the funds associated with such voided check will be donated to Leukemia & Lymphoma Society.

What other options do I have?

Dispute Information in Notice of Estimated Settlement Award. Your award is based on the proportionate number of workweeks you worked during the Class Period, and the proportionate number of workweeks worked during the PAGA Period. The information contained in RMC’s records regarding each of these factors, along with your estimated Settlement Award, is listed on the accompanying Notice of Estimated Settlement Award. If you disagree with the information in your Notice of Estimated Settlement Award, you may submit a dispute, along with any supporting documentation, in accordance with the procedures stated in the Notice of Estimated Settlement Award. Any disputes, along with supporting documentation, must be postmarked no later than <<RESPONSE DEADLINE>>. **DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.**

The Parties and the Settlement Administrator will evaluate the evidence submitted and discuss in good faith how to resolve any disputes submitted by Settlement Class members. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. If a resolution cannot be reached by and among the Parties and the Settlement Administrator, the Court will render all final decisions on disputes.

Exclude Yourself from the Settlement. If you **do not** wish to take part in the Settlement, you may exclude yourself by sending to the Settlement Administrator a written Request for Exclusion no later than <<RESPONSE DEADLINE>>, with your name, address, telephone number, last four digits of your social security number, and your signature. The Request for Exclusion should state:

“I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE *MARLON VIRUETE v. JON K. TAKATA CORPORATION DBA RESTORATION MANAGEMENT COMPANY* LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE CLASS SETTLEMENT OF THIS LAWSUIT.”

Send the Request for Exclusion directly to the Settlement Administrator at <<INSERT ADMINISTRATOR CONTACT INFO>>. Any person who submits a valid and timely Request for Exclusion shall, upon receipt, no longer be a Settlement Class member, shall be barred from participating in any portion of the class action Settlement, and shall receive no monetary benefits from the class action Settlement. However, if you were employed by RMC at any time during the PAGA Period, you may not opt out of the PAGA settlement, and you will still be entitled to a portion of the PAGA Amount as described above. **Do not submit both a Dispute and a Request for Exclusion.** If you do, the Request for Exclusion will be invalid, you will be included in the Settlement Class, and you will be bound by the terms of the Settlement.

Objecting to the Settlement. You also have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you should mail a written objection to the Settlement Administrator at <<INSERT ADMINISTRATOR CONTACT INFO>>. Your written objection should include your name, address, as well as contact information for any attorney representing you regarding your objection, the case name and number, each specific reason in support of your objection, any legal or factual support for each objection, and any and all supporting papers, briefs, written evidence, declarations, and/or other evidence. Objections should be in writing and must be postmarked on or before <<RESPONSE DEADLINE>>. Notwithstanding the foregoing, you do not need to object in writing to be heard at the Final Approval Hearing.

You may also appear at the Final Approval Hearing scheduled for <<FINAL APPROVAL HEARING DATE/TIME>> in Department SSC-7 of the Los Angeles County Superior Court, located at 312 N. Spring St., Los Angeles, California 90012. You have the right to appear either in person or through your own attorney at this hearing. All objections or other correspondence must state the name and number of the case, which is *MARLON VIRUETE v. JON K. TAKATA CORPORATION DBA RESTORATION MANAGEMENT COMPANY*, Los Angeles County Superior Court Case No. 20STCV36412. You need not file a written objection in order to appear at the Final Approval Hearing. Any Settlement Class member who does not request exclusion may, if they so desire, enter an appearance through counsel.

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class members who do not object.

What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on <<FINAL APPROVAL HEARING DATE/TIME>>, in Department SSC-7 of the Los Angeles County Superior Court, located at 312 N. Spring St., Los Angeles, California 90012. The Court also will be asked to rule on Class Counsel’s request for attorneys’ fees and reimbursement of documented costs and expenses and the enhancement payment to the Class Representative. The Final Approval Hearing may be postponed without further notice to Settlement Class members. Any Settlement Class member who wishes to attend the Final Approval Hearing may do so by appearing remotely through LA CourtConnect (for a fee unless a fee waiver has been obtained). You can find more information regarding LA CourtConnect at the Court’s website: lacourt.org. You may also contact Class Counsel

using the contact information provided above to confirm the address and time of the hearing. **You are not required to attend the Final Approval Hearing, although any Settlement Class member is welcome to attend the hearing.**

If you plan on attending the hearing or otherwise visiting the Court, please consult the Court's website, www.lacourt.org, for information regarding court operations during COVID-19 as well as face covering and social distancing requirements.

If the Court grants Final Approval, the Court will issue a final judgment which shall be posted on the Settlement Administrator's website (<http://www.phoenixclassaction.com>).

How can I get additional information?

This Notice is only a summary of the Lawsuit and the Settlement. For more information, you may inspect the Court's files and the Settlement Agreement at the Office of the Clerk of the Los Angeles County Superior Court, located at 312 N. Spring St., Los Angeles, California 90012 during regular court hours. You may also contact Class Counsel or the Settlement Administrator using the contact information listed above for more information.

PLEASE DO NOT CALL OR WRITE THE COURT, RMC, OR ITS ATTORNEYS FOR INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS

REMINDER AS TO TIME LIMITS

The deadline for submitting any Disputes, Requests for Exclusion, or Objections is **<<RESPONSE DEADLINE>>**. These deadlines will be strictly enforced.

EXHIBIT 2

NOTICE OF ESTIMATED SETTLEMENT AWARD

MARLON VIRUETE v. JON K. TAKATA CORPORATION dba RESTORATION MANAGEMENT COMPANY
LOS ANGELES COUNTY SUPERIOR COURT CASE NO. 20STCV36412

Please complete and return this Form to <<ADMINISTRATOR CONTACT INFO>> **ONLY IF** (1) your personal contact information has changed, and/or (2) you wish to dispute any of the items listed in Section (III), below. It is your responsibility to keep a current address on file with the Settlement Administrator.

(I) Please type or print your name:

(First, Middle, Last)

(II) Please type or print the following identifying information if your contact information has changed:

Former Names (if any)

New Street Address

City

State

Zip Code

(III) Information Used to Calculate Your Settlement Award:

According to the records of Jon K. Takata Corporation dba Restoration Management Company ("RMC"):

(a) you worked for RMC in California from _____ to _____;

(b) you worked _____ Workweeks between April 6, 2016, and [PRELIM APPROVAL DATE] for RMC;
and

(c) you worked _____ Workweeks between April 1, 2021, and [PRELIM APPROVAL DATE] for RMC.

Based on the above, your Settlement Award is estimated at \$_____.

(IV) If you disagree with items (a), (b), and/or (c) in Section (III) above, please explain why in the space provided below and include copies of any supporting evidence or documentation with this Form:

If you dispute the above information from RMC's records, RMC's records will control unless you are able to provide documentation that establishes otherwise and that RMC's records are mistaken. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. If a resolution cannot be reached by and among the Parties and the Settlement Administrator, the Court will render all final decisions on disputes as described in the "Notice of Proposed Class Action Settlement" that accompanies this Form.

Date: _____

Signature: _____

**ANY DISPUTES, ALONG WITH ANY SUPPORTING DOCUMENTATION, MUST BE POSTMARKED
NO LATER THAN <<RESPONSE DEADLINE>>.**

EXHIBIT B

HAINES LAW GROUP
EMPLOYMENT ATTORNEYS

April 1, 2022

VIA LWDA WEBSITE

Labor and Workforce Development Agency
Attn: PAGA Administrator
1515 Clay Street, Suite 801
Oakland, CA 94612

Re: *Marlon Viruete v. Jon K. Takata Corporation dba Restoration
Management Company*

To Whom It May Concern:

Please be advised that this law firm represents Marlon Viruete (“Mr. Viruete”) in claims arising from his employment with Jon K. Takata Corporation dba Restoration Management Company and Does 1 through 100 (collectively, “Jon K. Takata”). Mr. Viruete is an “aggrieved employee” as defined by Labor Code section 2698, *et seq.* due to Jon K. Takata’s numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code section 2699.3, which requires aggrieved employees to notify their employer and the Labor and Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated. For purposes of this letter, “aggrieved employees” are all current and former non-exempt technicians, or similar title, of Jon K. Takata who worked for Jon K. Takata in California during the one year immediately preceding the date of this letter through the present.

Mr. Viruete was employed by Jon K. Takata as a “technician” from approximately March 2015 until approximately March 2019, when Jon K. Takata terminated his employment. Mr. Viruete’s job duties generally included the restoration of buildings after fire and/or water damage.

Throughout Mr. Viruete’s employment with Jon K. Takata, Jon K. Takata’s business operated twenty-four hours a day, seven days a week. As a result, Mr. Viruete and other aggrieved employees were frequently required to be “on-call” and remain by their cellular phones in order to return to job sites at any time throughout the day to perform restoration following fire and/or water damage to customers’ businesses and/or residences. However, Mr. Viruete and other aggrieved employees were not compensated by Jon K. Takata for their time spent while “on-call.” Additionally, during at least a portion of the relevant time period, Mr. Viruete and other aggrieved employees did not record their hours worked; rather, a project manager and/or supervisor would record the hours worked by Mr. Viruete and other aggrieved employees on pre-populated time sheets in whole-hour or half-hour increments, which did not accurately reflect all hours actually worked. Moreover, Mr. Viruete and other aggrieved employees were not compensated for all time spent traveling to various job sites across Southern California, and were also not compensated

for all time spent traveling between job sites in the same workday; rather, based upon information and belief, they were only paid for time spent working at the job sites. Additionally, Mr. Viruete and other aggrieved employees would be required to unload debris and trash from a jobsite after they clocked out for the day but would not be compensated for the time spent unloading debris and trash. As a result, Mr. Viruete and other aggrieved employees have not been paid for all hours worked, including on workdays when they worked over 8 hours and/or in workweeks when they worked over 40 hours, resulting in unpaid minimum wages and overtime wages.

Jon K. Takata failed to provide Mr. Viruete and other aggrieved employees with all legally compliant meal periods due to Jon K. Takata's meal period policies/practices, which have resulted in missed, late (commencing after the fifth hour of work) and short (less than 30 minutes) first meal periods. Upon information and belief, Mr. Viruete and other aggrieved employees would begin working at 5:00 a.m. but would not receive a meal period until approximately 11:30 a.m. However, Mr. Viruete and other aggrieved employees were instructed to fill out time sheets which stated that their meal period was taken by the fourth hour into their shift, when in fact, the meal period was never taken or taken beyond the fifth hour of work. Furthermore, Mr. Viruete often worked shifts in excess of 10.0 hours but was not provided a second meal period, due to Jon K. Takata's meal period policies/practices, which failed to provide second meal periods for shifts in excess of 10.0 hours. On those occasions when Mr. Viruete was not provided with all legally-required meal periods to which he was entitled, Jon K. Takata failed to compensate Mr. Viruete with the required meal period premium for each workday in which he experienced a meal period violation as mandated by Labor Code § 226.7. Upon information and belief, during at least a portion of the relevant time period, Jon K. Takata maintained no payroll code for paying meal period premiums under Labor Code § 226.7.

Jon K. Takata has also failed to authorize and permit all rest periods to Mr. Viruete and other aggrieved employees. Specifically, rather than authorize and permit a ten-minute rest period for every four hours worked, or major fraction thereof, Jon K. Takata only provide one combined meal and rest period which takes place in the middle of the workday. As a result, Jon K. Takata has failed to authorize and permit all required rest periods. Despite failing to authorize and permit Mr. Viruete and other aggrieved employees to take all rest periods to which they are entitled, upon information and belief, Jon K. Takata maintained no mechanism for the payment of rest period premium payments as required by Labor Code section 226.7 and did not pay Mr. Viruete or other aggrieved employees any rest period premiums during the relevant time period.

Jon K. Takata has also failed to reimburse Mr. Viruete and other aggrieved employees for all necessary business expenses. Specifically, Jon K. Takata required Mr. Viruete and other aggrieved employees to use their personal cellular phones to remain on call for work related purposes, however, Jon K. Takata failed to reimburse Mr. Viruete and other aggrieved employees for the costs associated with their cellular phones. As a result, Jon K. Takata has failed to reimburse Mr. Viruete and other aggrieved employees for expenses incurred in the course of their employment.

As a result of Jon K. Takata's failure to pay all minimum and overtime wages, as well as all meal and rest period premium wages, Jon K. Takata failed to timely pay Mr. Viruete and other aggrieved employees all wages owed at the time of their respective separations from employment, failed to maintain accurate records, and failed to issue accurate, compliant, itemized wage statements.

As described above, Jon K. Takata committed, and continues to commit, the following violations of the Labor Code and Industrial Welfare Commission Wage Order No. 16 ("Wage Order 16"):

Overtime Violations

Jon K. Takata is required to compensate non-exempt employees, including Mr. Viruete and other aggrieved employees, for all overtime hours worked pursuant to Labor Code § 204, 510, 558, 1194, 1198 and Wage Order 16. Wage Order 16, § 3 requires an employer to pay an employee "one and one-half (1½) times [the] employee's regular rate of pay" for work in excess of 8 hours per workday or over 40 hours in a workweek, and for the first eight (8) hours on the seventh (7th) day of work. Wage Order 16, § 3 also requires an employer to pay an employee double the employee's regular rate of pay for work in excess of 12 hours on any workday and for work in excess of eight hours on the seventh consecutive day of work in the workweek.

As alleged above, Jon K. Takata has caused Mr. Viruete and other aggrieved employees to work overtime hours but has not compensated Mr. Viruete or other aggrieved employees at one and one-half times (or two times, in the case of double-time) their "regular rate" of pay for such hours.

Minimum Wage Violations

Jon K. Takata was, and is, required to pay Mr. Viruete and other aggrieved employees an hourly rate at least equal to the minimum wage for each hour actually worked. *See* Labor Code §§ 1182.12, 1194, 1194.2, 1197, 1198, and Wage Order 16, § 4. As alleged above, Jon K. Takata maintained, and continues to maintain, timekeeping policies/practices and pay policies/practices that regularly, systematically, and impermissibly fail to compensate Mr. Viruete and other aggrieved employees for all hours worked. As a result of these policies/practices, Mr. Viruete and other aggrieved employees have been, and continue to be, deprived of all required minimum wages.

Meal Period Violations

As alleged above, Jon K. Takata failed to provide Mr. Viruete and other aggrieved employees with all required and compliant meal periods. *See* Labor Code §§ 226.7 and 512; Wage Order 16, § 10. As a result, Mr. Viruete and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. *See* Labor Code § 226.7 ("If an employer fails to provide an employee a meal or rest or recovery period in accordance with ... [an] order of

the Industrial Welfare Commission ... the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided.”).

Rest Period Violations

As alleged above, Jon K. Takata also failed, and continues to fail, to authorize and permit Mr. Viruete and other aggrieved employees to take all rest periods to which they are legally entitled. Wage Order 16, § 11 and California Labor Code §§ 226.7, 516, 558, and 1198 establish the right of employees to be authorized and permitted to take a paid rest period of at least ten (10) minutes net rest time for each four (4) hour period worked, or major fraction thereof. As a result of Jon K. Takata's failure to authorize and permit rest periods, Mr. Viruete and other aggrieved employees are owed an additional hour of wages at their regular rates of compensation for each workday that they were not authorized and permitted to take all legally required rest periods. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest period is not provided.”).

Failure to Reimburse Employees For Necessary Business Expenses

Jon K. Takata failed to reimburse Mr. Viruete and other aggrieved employees for necessary work expenses incurred due to Jon K. Takata's policy/practice of not providing any reimbursement for cellular phone expenses incurred in the direct discharge of the job duties of such employees. *See* Wage Order 16, § 8; Labor Code §§ 2802 and 2804 (“An employer shall indemnify his or her employees for *all* necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or obedience to the directions of the employer.); *see also Cochran v. Schwan's Home Service, Inc.*, 228 Cal.App.4th 1137 (2014). Accordingly, Mr. Viruete and aggrieved employees are entitled to reimbursement for all expenditures incurred as a direct consequence of the discharge of their duties for Jon K. Takata and/or at the direction of Jon K. Takata.

Failure to Maintain Records

As alleged herein, Jon K. Takata failed to maintain accurate records of employees' hours worked and employee meal periods, in violation of Labor Code §§ 1174, 1198, and 1199 and Wage Order 16, § 6 (“Every employer shall keep accurate information with respect to each employee including...time records showing when the employee begins and ends each work period. Meal periods...and total daily hours worked shall also be recorded.”).

Waiting Time Penalties

Labor Code §§ 201 and 202 require that employees receive all of their final wages

at the time of their separation of employment. As alleged above, Jon K. Takata failed to timely pay aggrieved former employees all of their final wages at the time of separation, including all minimum and overtime wages, and all meal and rest period premium wages. Pursuant to Labor Code § 203, Jon K. Takata's failure to pay all final wages due to aggrieved employees was willful and, consequently, entitles aggrieved former employees to waiting time penalties equal to one day of wages at their standard rate for each day Jon K. Takata failed to pay their final wages after their separation, up to a maximum of thirty days.

Wage Statement Violations

Jon K. Takata has knowingly and intentionally, as a matter of uniform policy and practice, failed to furnish Mr. Viruete and other aggrieved employees with complete and accurate wage statements with respect to their actual regular hours worked, total gross wages earned, total net wages earned, and rest period premium wages earned, in violation of Labor Code § 226 *et seq.* Jon K. Takata's failure in furnishing Mr. Viruete and other aggrieved employees with complete and accurate itemized wage statements resulted in injury, as said failures led to, among other things, the non-payment of all earned wages and deprived them of the information necessary to identify the discrepancies in Jon K. Takata's reported data.

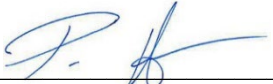
As an "aggrieved employee," Mr. Viruete will initiate a civil action on behalf of himself and other aggrieved employees to recover civil penalties resulting from the wage and hour violations alleged herein. Based on Mr. Viruete's own investigation, and on information and belief, Jon K. Takata committed and continues to commit the following Labor Code violations:

- a. Jon K. Takata violated Labor Code §§ 204, 226.2, 510, 558, 1194, and 1198 by failing to pay Mr. Viruete and other aggrieved employees all overtime compensation earned;
- b. Jon K. Takata violated Labor Code §§ 558, 1182.12, 1194, 1194.2, 1197, and 1198 by failing to pay Mr. Viruete and other aggrieved employees the statutory minimum wage for all hours worked;
- c. Jon K. Takata violated Labor Code §§ 226.7, 512, 558, and 1198 by failing to provide meal periods as required by law and failing to pay meal period premiums to Mr. Viruete and other aggrieved employees at these employees' respective regular rates of compensation for meal period violations;
- d. Jon K. Takata violated Labor Code §§ 226.7, 516, 558, and 1198 by failing to authorize and permit Mr. Viruete and other aggrieved employees all required rest periods and failing to pay rest period premiums to Mr. Viruete and other aggrieved employees at these employees' respective regular rates of compensation for rest period violations;

- e. Jon K. Takata violated Labor Code §§ 2802 and 2804 by failing to reimburse Mr. Viruete and other aggrieved employees for all necessary work expenses incurred;
- f. Jon K. Takata violated Labor Code § 226 by failing to furnish Mr. Viruete and other aggrieved employees with accurate and compliant itemized wage statements;
- g. Jon K. Takata violated Labor Code § 204 by failing to pay Mr. Viruete and other aggrieved employees all wages earned at least twice during each calendar month;
- h. Jon K. Takata violated Labor Code §§ 1174 and 1198 by failing to maintain accurate records on behalf of Mr. Viruete and other aggrieved employees; and
- i. Jon K. Takata has violated Labor Code §§ 201, 202 and 203 by failing to timely pay all final wages due to aggrieved former employees.

Pursuant to Labor Code Section § 2699.3(a)(2)(A), please notify us and Jon K. Takata if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,
HAINES LAW GROUP, APC


Paul K. Haines

cc: Jon K. Takata Corporation dba Restoration Management Company, c/o Marc L. Jacuzzi and Sean R. Broderick of Simpson, Garrity, Innes & Jacuzzi

Mailer: Haines Law Group

Date Produced: 04/11/2022

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Wendy Sanchez

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Sent: Friday, April 01, 2022 4:41 PM
To: Wendy Sanchez
Subject: Thank you for submission of your PAGA Case.

4/1/2022

LWDA Case No. LWDA-CM-876679-22

Law Firm : Haines Law Group

Plaintiff Name : Marlon Viruete

Employer: Jon K. Takata Corporation dba Restoration Management Company Filing Fee : \$75.00 IFP Claimed : No

Item submitted: Initial PAGA Notice

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

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

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

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