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Attorneys for Plaintiff
CARRIE LAMBERT, individually, and
on behalf of all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES — SPRING STREET COURTHOUSE

CARRIE LAMBERT, an individual, on behalf
of herself and all others similarly situated,

Plaintiff,

vs.

DUAL DIAGNOSIS TREATMENT CENTER,
INC., a California corporation; SHREYA
HEALTH OF CALIFORNIA, INC., a
California corporation; SATYA HEALTH OF
CALIFORNIA, INC., a California corporation;
SOVEREIGN ASSET MANAGEMENT, INC.,
a California corporation; ATHENA
HEALTHCARE, INC., a California
corporation; ADEONA HEALTHCARE, INC.,
a California corporation; TONMOY
SHARMA, an individual; and DOES 1 through
50, inclusive,

Defendants.

Case No.: BC616149

[Assigned for all purposes to the
Honorable Lawrence Riff, Dept. SSC-7]

**DECLARATION OF MATTHEW J.
MATERN IN SUPPORT OF PLAINTIFF'S
MOTION FOR APPROVAL OF PAGA
SETTLEMENT**

Date: May 16, 2024
Time: 10:00 a.m.
Dept.: SSC-7

Action Filed: April 6, 2016
Trial Date: May 22, 2023

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I, MATTHEW J. MATERN, hereby declare as follows:

1. I am an attorney duly licensed to practice law in the State of California. I am the principal of Matern Law Group, PC (“MLG”), counsel of record for Plaintiff Carrie Lambert (“Plaintiff”), in the above-entitled action, *Carrie Lambert. v. Dual Diagnosis Treatment Center, Inc., et al.* (Case No.: BC616149) (the “Action”). This declaration is based on my personal firsthand knowledge, unless another source of information or belief clearly appears from the context, and as to all such matters I believe them to be true. If called as a witness, I could and would readily and competently testify to all matters stated in this declaration.

2. I submit this declaration in support of Plaintiff's Motion for Approval of PAGA Settlement (the "Motion").

Background

3. On February 29, 2016, pursuant to Labor Code § 2699.3, my office gave written notice on behalf of Plaintiff to the California Labor and Workforce Development Agency (“LWDA”) and Defendants Dual Diagnosis Treatment Center, Inc., Shreya Health of California, Inc., Satya Health of California, Inc., Sovereign Asset Management, Inc., Athena Healthcare, Inc., Adeona Healthcare, Inc., and Tonmoy Sharma (collectively, “Defendants”) of the specific provisions of the Labor Code alleged to have been violated, including the facts and theories to support the alleged violations. A true and correct copy of this February 29, 2016 correspondence is attached hereto as **Exhibit A**. The LWDA did not provide notice to my firm that it intended to investigate the alleged violations.

4. On April 6, 2016, Plaintiff filed a class and representative action against Defendants alleging: (1) failure to provide required meal periods; (2) failure to provide required rest periods; (3) failure to pay overtime wages; (4) failure to pay minimum wages; (5) failure to pay all wages due to discharged and quitting employees; (6) failure to maintain required records; (7) failure to furnish accurate itemized wage statements; (8) failure to indemnify employees for necessary expenditures incurred in discharge of duties; (9) unfair and unlawful business practices; and (10) penalties under the Labor Code Private Attorneys General Act of 2004 (“PAGA”). A true and correct copy of Plaintiff’s

1 complaint filed on April 6, 2016 is attached hereto as **Exhibit B**.

2 5. On January 27, 2017, this Court granted Defendants' motion to compel arbitration as to
3 all of Plaintiff's claims, with the exception of her PAGA cause of action. The Court ordered this
4 Action stayed as to Plaintiff's PAGA cause of action until conclusion of the Parties' arbitration
5 proceedings and dismissed Plaintiff's class allegations.

6 6. On April 4, 2018, defense counsel filed a Motion to be Relieved as Counsel for
7 Defendants, which the Court granted on May 1, 2018.

8 7. Following Defendants' failure to appear at the June 6, 2018 status conference and the
9 July 9, 2018 Order to Show Cause hearing, the Court lifted the stay on Plaintiff's PAGA claim.

10 8. On November 6, 2018, Plaintiff served Defendants with written discovery and, on
11 January 16, 2019, notices of deposition of person(s) most qualified of Defendants. After Defendants
12 failed to obtain new counsel, provide any responses to Plaintiff's written discovery requests, or appear
13 at the properly noticed depositions, Plaintiff filed motions for terminating sanctions against
14 Defendants on July 3, 2019.

15 9. On or about February 28, 2020, Defendants obtained new counsel, and, on July 17,
16 2020, the Court denied Plaintiff's motions for terminating sanctions.

17 10. On December 7, 2020, the Parties stipulated to extend the 5-year deadline to May 7,
18 2024.

19 11. In April 2023, the parties agreed to participate in a private mediation.

20 **Discovery and Investigation**

21 12. Prior to mediation, my office subpoenaed timekeeping and payroll data for
22 approximately 1,099 non-exempt employees for the time period of June 27, 2016 to July 10, 2018. My
23 office hired a data expert to analyze the time and payroll data, which assisted my office in preparing a
24 model of the potential civil penalties prior to the mediation. In addition, Defendants produced relevant
25 written wage-and-hour policies and procedures. Based on this discovery and investigation, my office
26 was able to act intelligently and effectively in negotiating the Settlement.

27 **Settlement Negotiations**

28 13. On May 3, 2023, the Parties participated in a private mediation with Jeffrey

Fuchsman. On May 5, 2023, the parties accepted a mediator's proposal to resolve the Action, subject to the parties entering into a comprehensive written settlement agreement.

14. On November 9, 2023, the Parties fully executed a Joint Stipulation Re: Settlement of PAGA Action and Entry of Judgment ("Settlement" or "Settlement Agreement"). A true and correct copy of the Settlement is attached hereto as **Exhibit C**.

Amount in Controversy and Risks Associated with Proceeding with the Action

15. My office calculated the maximum potential civil penalties against Defendants to be approximately \$8,553,901.00 and believes this amount will be the maximum exposure in an "everything goes right" scenario if the case proceeded to trial. This estimate is based on an analysis of the timekeeping and payroll data subpoenaed by my office. Defendants' counsel estimates that there are **1,099 Aggrieved Employees** who worked **22,047 PAGA Pay Periods**. A detailed explanation of my office's valuation is set forth below:

A. Failure to Provide Meal Periods

Labor Code §§ 226.7, 512:

22,047 pay periods x \$100 per violation = **\$2,204,700.00**

B. Failure to Authorize and Permit Rest Periods

Labor Code § 226.7:

22,047 pay periods x 33% violation rate x \$100 per violation = **\$727,551.00**

C. Failure to Pay Overtime Wages

Labor Code §§ 510, 1194:

22,047 pay periods x \$100 per violation = **\$2,204,700.00**

Labor Code § 558:

22,047 pay periods x \$50 per violation = **\$1,102,350.00**

D. Failure to Furnish Accurate Itemized Wage Statements

Labor Code § 226(a):

22,047 pay periods x \$100 per violation = **\$2,204,700.00**

E. Waiting Time Penalties

Labor Code § 203:

1,099 employees (estimated number of separated employees) x 100 per violation = **\$109,900.00**

TOTAL POTENTIAL LIABILITY: \$8,553,901.00

16. In reaching the Settlement, my office looked at various factors, including significant risks in proceeding with litigation. My office recognizes that proving liability and PAGA penalties at trial would be an expensive, time-consuming, and extremely uncertain proposition. Moreover, continued litigation would very likely reduce and substantially delay any recovery to the state and the Aggrieved Employees. Even if Plaintiff were to obtain a favorable judgment at trial, Defendants would likely appeal the judgment, which would further delay any recovery. Additionally, this area of the law is constantly evolving, creating uncertainty for employees.

17. My office also considered the reality that courts have discretion to substantially reduce any award of civil penalties on the grounds that “to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory,” pursuant to Labor Code § 2699(e)(2).

18. Further, while Plaintiff and MLG remain confident in the merits of the case, a legitimate controversy exists as to each predicate Labor Code claim. For example, Plaintiff contends that, due to Defendants’ practices, Aggrieved Employees did not regularly receive timely, uninterrupted meal and rest periods and were not paid all wages owed. On the other hand, Defendants contends that Aggrieved Employees received meal and rest periods and were paid for all hours worked. Defendants further contend that they maintained lawful meal and rest break policies. As a result, Defendants contend that, throughout the PAGA Period, they complied with applicable California law.

19. In evaluating the claims and the proposed settlement, Plaintiff’s Counsel took these factors into consideration, as well as Defendant’s defenses to the underlying causes of action, the unsettled state of the law, and the risks and costs of continued litigation. The Settlement obviates all of these risks.

20. Indeed, because of the proposed Settlement, the State of California and the Aggrieved Employees will receive timely relief and avoid the risk of an unfavorable judgment. The Net Settlement Amount is currently estimated to be approximately \$478,679.89, if the Court approves the requested attorneys’ fees and costs, enhancement award to Plaintiff, and settlement administration costs. The Settlement provides a substantial benefit to the State of California, with

1 the LWDA receiving approximately \$359,009.92 as 75 percent of the Net Settlement Amount to
2 assist with the enforcement of labor laws. The Settlement also provides a substantial benefit to the
3 Aggrieved Employees, who will share approximately \$119,669.97 as 25 percent of the Net
4 Settlement Amount. Based thereon, it is currently estimated that each Aggrieved Employee, on
5 average, will receive an Individual PAGA Payment of approximately \$108.89 as part of the
6 Settlement. Furthermore, the Gross Settlement Amount of \$880,000.00 is significant enough to
7 deter Defendants from future violations, creating a disincentive for Defendants to engage in
8 unlawful business practices.

9 21. Considering the risks of continued litigation, the burdens of proof necessary to
10 establish liability, the unsettled state of the law, the possibility that the Court would reduce an award
11 of civil penalties, and the probability of appeal of a favorable judgment, it is clear that the non-
12 reversionary settlement amount of \$880,000.00 is fair, adequate, and reasonable in light of PAGA's
13 purpose to remediate present labor law violations, to deter future violations, and to maximize
14 enforcement of the California Labor Code. Plaintiff objectively and knowledgeably balanced the
15 strengths and weaknesses of his claims against the risk of continued litigation and was able to
16 determine a realistic range of settlement recovery for PAGA penalties. Although Plaintiff and my
17 office were prepared to continue to litigate through trial and a possible appeal, we support the
18 proposed Settlement as being in the best interests of the Aggrieved Employees and the State of
19 California.

20 **Service Payment to Plaintiff**

21 22. The Settlement provides that Plaintiff shall receive a Service Payment not to exceed
22 Five Thousand Dollars (\$5,000.00) in recognition of her efforts and risks in prosecuting the Action.
23 The payment is intended to recognize the substantial time and effort that Plaintiff expended on
24 behalf of the State of California and the Aggrieved Employees. Throughout this litigation, Plaintiff
25 cooperated with my office and took actions to protect the interests of the State and the Aggrieved
26 Employees. Plaintiff provided valuable information regarding potential witnesses and Defendants'
27 alleged Labor Code violations. Plaintiff kept informed of the developments in the case and
28 participated in decisions concerning the lawsuit and settlement. The information and documentation

1 provided by Plaintiff was instrumental in establishing the wage and hour violations alleged in the
2 complaint, and the recovery provided for in the Settlement Agreement would have been impossible
3 to obtain without her active participation.

4 23. Plaintiff faced many risks in bringing the Action. Plaintiff assumed the expense and
5 risk in prosecuting this matter and considered the best interests of the State of California and
6 Aggrieved Employees rather than her personal interests in agreeing to mediate and settle the Action.
7 Without the effort and risks taken by Plaintiff, the LWDA and the Aggrieved Employees likely
8 would not have received any financial benefit. Because of Plaintiff's efforts, the State of California
9 and approximately 1,099 Aggrieved Employees will now recover civil penalties for the wage and
10 hour violations they may never have known about on their own or been willing to pursue on their
11 own. If each Aggrieved Employee attempted to pursue civil penalties individually, each person
12 would have been required to expend a significant amount of his or her own monetary resources and
13 time. Plaintiff's willingness to assume the financial risk is significant, as California law provides
14 that the losing party must pay the prevailing party's costs. As such, if Plaintiff would not have
15 prevailed in this case, Defendants could have attempted to recover a cost award in the amount of
16 several thousands of dollars. Additionally, as a result of filing a representative PAGA action against
17 her employers, Plaintiff may face reputational risk among potential future employers that could
18 adversely impact her future job opportunities because she may be viewed as litigious by certain
19 prospective employers. This is a significant concern.

20 24. In short, the Action would not have been possible without the aid of Plaintiff, who put
21 her own time and effort into the litigation, sacrificed the value of her own individual claims, and
22 placed herself at risk for the sake of the other Aggrieved Employees and the State of California. By
23 actively prosecuting the Action, Plaintiff furthered PAGA's purpose of enforcing the State's labor
24 laws. The result of the Settlement is excellent and it will provide substantial penalties to the State of
25 California to enforce the California Labor Code and to deter future violations. The requested service
26 payments do not significantly reduce the total amount of the net settlement fund.

27 25. Furthermore, as part of the Settlement, Plaintiff has agreed to a general release of all
28 claims against the Released Parties and a waiver of California Civil Code § 1542.

1 26. For these reasons, I believe that an enhancement award in the amount of \$5,000.00 to
2 Plaintiff is fair and reasonable to compensate Plaintiff for her active participation in the Action, the
3 risks she faced, and her general release of all claims.

4 27. I am not aware of any conflict of interest between Plaintiff and the Aggrieved
5 Employees or the Settlement Administrator.

6 **Attorneys' Fees**

7 28. The Settlement provides for attorneys' fees to PAGA Counsel in an amount up to one-
8 third of the Gross Settlement Amount, for a maximum fee award of \$293,333.33.

9 29. Based on my extensive experience in wage and hour class actions and PAGA actions, I
10 am informed and believe that the attorneys' fees provision in the Settlement Agreement is reasonable.
11 The fee percentage requested is less than that charged by my office for other employment cases and it
12 is in line with the one-third recovery that was recognized as standard for class actions in the *In re*
13 *Consumer Privacy Cases* (2009) 175 Cal.App.4th 545. The efforts of PAGA Counsel have resulted in
14 substantial benefits to the State and Aggrieved Employees in the form of a significant settlement fund
15 established to assist with the enforcement of labor laws and to deter future Labor Code violations. On
16 information and belief, without the efforts of PAGA Counsel, the claims alleged in the Action would
17 likely have gone without penalties being imposed. My office invested significant time and resources in
18 the case over the course of almost eight years with payment deferred to the end, and then, of course,
19 contingent on the outcome.

20 30. The efforts expended by my firm in prosecuting the Action to achieve the excellent
21 result on behalf of the State and the Aggrieved Employees include, but are not limited to, the
22 following: interviewing Plaintiff and reviewing documents provided by Plaintiff; drafting a PAGA
23 notice letter on behalf of Plaintiff; drafting the complaint; opposing Defendants' motion to compel
24 arbitration, strike class claims, and stay the action; preparing for and attending numerous court
25 hearings and status conferences; preparing Plaintiff for her deposition; propounding 42 sets of
26 discovery on behalf of Plaintiff; responding to written discovery; meeting and conferring with
27 Defendants' counsel to obtain relevant documents and information; filing motions for terminating
28 sanctions following Defendants' failure to respond to written discovery requests, appear at status

1 conferences, and appear at properly noticed depositions; drafting and entering into a stipulation and
2 protective order to facilitate the exchange of discovery; issuing subpoenas and explanatory letters to be
3 served on Defendants' payroll vendors; reviewing time and payroll records and other employment
4 records produced by Defendants and their payroll vendors; deposing Defendant Tonmoy Sharma and
5 the Person Most Knowledgeable at Defendants Dual Diagnosis, Shreya Health, Satya Health,
6 Sovereign, Athena Healthcare, and Adeona Healthcare; retaining a data expert to analyze voluminous
7 time records and corresponding payroll data; performing legal research regarding Plaintiff's claims;
8 drafting a mediation brief and preparing a damages analysis; attending a private mediation session;
9 negotiating, drafting, and revising the Settlement; and drafting the Motion for Approval of PAGA
10 Settlement and accompanying documents.

11 31. The amount of requested attorneys' fees is also reasonable based upon PAGA
12 Counsel's lodestar. As of the filing date, MLG's lodestar for the Action is **\$443,665.00**, which is
13 based upon **541.90 attorney hours** and **126.70 support staff hours** at customary hourly rates. All of
14 the hours were reasonable and necessary to achieve the excellent result on behalf of the State and the
15 Aggrieved Employees. This amount does not include any estimate of the time MLG will invest to
16 complete this case following approval. Based upon my experience, I estimate that MLG will spend
17 another 15-20 hours on this case, including preparing for and attending the hearing on the Motion for
18 Approval of PAGA Settlement, filing any supplemental papers with the Court in support of the
19 motion, monitoring the settlement administration process, and answering questions from Aggrieved
20 and the settlement administrator. We expect to have numerous Aggrieved Employees calling our
21 office to inquire about the settlement payments and to ask for further information. MLG also bears the
22 risk of taking whatever actions are necessary if Defendants fail to pay.

23 32. The regular and customary practice at MLG is for all attorneys to maintain electronic
24 time records setting forth the amount of time spent (rounded to the nearest one-tenth of an hour) on
25 each task in each case, with explanatory descriptions of each task performed. My colleagues and I
26 followed this practice throughout this litigation. To calculate my firm's lodestar for the Action, my
27 bookkeeping department retrieved all of the attorney and support staff time records associated with the
28 case. My office reviewed those records and exercised billing judgment in eliminating any time entries

that may have been duplicative or inefficient. For example, my office excluded the time of all attorneys and support staff who billed fewer than ten hours on the case. A table summarizing MLG's lodestar is as follows:

Name	Year Admitted	Hours	Rate	Fees
Attorneys				
Matthew J. Matern	1992	12.8	\$1,125	\$14,400.00
Debra Tauger	1989	11.90	\$1,050.00	\$12,495.00
Matthew W. Gordon	2009	123.40	\$925.00	\$114,145.00
Vanessa M. Rodriguez	2017	283.90	\$725.00	\$205,792.50
Braunson Virjee	2013	78.90	\$675.00	\$53,257.50
Ellie Goralnick	2019	17.70	\$675.00	\$1,417.50
Kristen Doyan	2022	13.30	550.00	\$7,315.00
Support Staff				
Hannah Ahn	N/A	52.90	\$275.00	\$14,547.50
Jasmin Hidalgo	N/A	40.90	\$275.00	\$11,247.50
Ivette Olguin	N/A	13.80	\$275.00	\$3,795.00
Crystal Owings	N/A	19.10	\$275.00	\$5,252.50
TOTAL LODESTAR:				\$443,665.00

33. MLG is a 25-attorney law firm that is actively and continuously practicing in employment litigation, almost exclusively representing employees in both individual and class actions in both state and federal courts throughout California.

34. MLG is qualified to handle this litigation because the firm is experienced in litigating Labor Code violations in individual actions, class actions, and PAGA actions. MLG has handled, and is currently handling, numerous wage and hour class action and PAGA representative action lawsuits.

35. I received a B.A. with honors in 1986 from Tulane University. I received my J.D. from Southwestern University School of Law in 1991. I became an active member of the State Bar of California in September 1992 and have been an active member in good standing continuously since then. I have been practicing as a litigation attorney in Los Angeles since 1992 and have been concentrating on employment litigation since approximately 1997.

36. In 1992, I founded the general partnership which later became known as Rastegar & Matern, Attorneys at Law, A Professional Corporation. In 2012, I founded the Law Offices of Matthew J. Matern, which changed its name to Matern Law Group in January 2014, and then to

1 Matern Law Group, PC in May 2016. Since 1992, I have been heavily, successfully, and continuously
2 involved in active litigation and trial work, including extensive work in employment litigation and
3 wage and hour class actions.

4 37. Over the course of my career, I have been involved in over 100 class action
5 settlements, with many of them settling in the seven-figure range, including settlements in the
6 amount of \$140 million, \$50 million, \$26 million, \$18 million, \$9.5 million, \$8.5 million, \$8
7 million, \$7.0 million, \$6.5 million, \$6.0 million, \$6.0 million, \$5.5 million, and \$5.0 million. I have
8 represented clients in numerous wage and hour class action lawsuits that settled with per-class-
9 member recoveries in a range similar to the anticipated per-class-member recovery in the instant
10 case. I have also been appointed class counsel in over thirty certified wage and hour class action
11 cases which involved contested certification proceedings.

12 38. I have been counsel in a number of cases which resulted in published appellate
13 victories including two of the leading “me-too” witness cases in California, *Pantoja v. Anton* (2011)
14 198 Cal.App.4th 87 and *Meeks v. AutoZone, Inc.* (2018) 24 Cal.App.5th 855. Recently, we obtained
15 the published reversal of an adverse judgment in a PAGA bench trial, *Zuniga v. Alexandria Care*
16 *Center, LLC* (2021) 67 Cal.App.5th 871. Other published appellate victories include *ABM Industries*
17 *Overtime Cases* (2017) 19 Cal.App.5th 277; *Julian v. Glenair* (2017) 17 Cal.App.5th 853; *Ventura*
18 *v. ABM Industries, Inc.* (2012) 212 Cal.App.4th 258; *Franco v. Arakelian Enterprises, Inc.* (2012)
19 211 Cal.App.4th 314; *Fuentes v. AutoZone, Inc.* (2011) 200 Cal.App.4th 1221; *Gutierrez v.*
20 *California Commerce Club* (2010) 187 Cal.App.4th 969; *Franco v. Athens Disposal Company, Inc.*
21 (2009) 171 Cal.App.4th 1277. Unpublished appellate successes include *Christman v. Apple Am.*
22 *Grp. II, LLC*, No. B271937, 2017 WL 4402124 (Cal. Ct. App. Oct. 4, 2017); *Pauley v. CF Entm’t*,
23 No. 14-55131, 2016 WL 1169425 (9th Cir. Mar. 25, 2016) (two related appeals); *Pauley v. CF*
24 *Entm’t*, No. 17-56057, 2019 WL 2089930 (9th Cir. May 13, 2019) (three related appeals); *Navarro*
25 *v. 4 Earth Farms, Inc.*, No. B28485, 2019 WL 493781 (Cal. Ct. App. Feb. 8, 2019); *Soto v. Superior*
26 *Court of San Bernardino Cty.*, No. E071920, 2019 WL 4254631 (Cal. Ct. App. Sept. 9, 2019) (writ
27 issued), and *Rojas v. Glenair, Inc.*, No. B302402, 2020 WL 4435156, (Cal. Ct. App. Aug. 3, 2020)
28 review den. (Nov. 10, 2020). The California Supreme Court granted our request for depublication of

1 three opinions detrimental to workers: *Cacho v. Eurostar, Inc.*, No. S260295, *Starks v. Vortex*
2 *Industries, Inc.*, No S264854 and *Salazar v. See's Candy Shops, Inc.*, No. S269268.

3 39. Of the attorneys at MLG, I am the attorney with the most active trial and pretrial
4 calendar. I have personally tried approximately 25 cases, including approximately 20 jury trials. My
5 work has led me to be recognized as a Southern California Super Lawyer every year since 2009. My
6 current 2024 billing rate is \$1,125.00 per hour, which I believe is reasonable based upon my skill and
7 experience.

8 40. Debra J. Tauger is a senior associate at MLG. Ms. Tauger heads MLG's law and
9 motion department and is on MLG's Appellate Team. Ms. Tauger graduated from the University of
10 California, Los Angeles in 1981 and received her J.D. from Suffolk University Law School in 1987
11 where she received the American Jurisprudence Award in her Employment Law class and was on the
12 Dean's List. She has been an active member of the California State Bar in good standing since
13 December 1989. She is also admitted to the Massachusetts Bar. Ms. Tauger works on both individual
14 litigation and wage and hour class actions. Ms. Tauger wrote the winning appellate briefs in *Zuniga v.*
15 *Alexandria Care Center, LLC* (2021) 67 Cal.App.5th 871 (reply brief); *Julian v. Glenair* (2017) 17
16 Cal.App.5th 853; *Christman v. Apple Am. Grp. II, LLC*, No. B271937, 2017 WL 4402124 (Cal. Ct.
17 App. Oct. 4, 2017); *Pauley v. CF Entm't*, No. 14-55131, 2016 WL 1169425 (9th Cir. Mar. 25, 2016)
18 (two related appeals); *Pauley v. CF Entm't*, No. 17-56057, 2019 WL 2089930 (9th Cir. May 13, 2019)
19 (three related appeals); *Navarro v. 4 Earth Farms, Inc.*, No. B28485, 2019 WL 493781 (Cal. Ct. App.
20 Feb. 8, 2019); and *Rojas v. Glenair, Inc.*, No. B302402, 2020 WL 4435156, (Cal. Ct. App. Aug. 3,
21 2020) review den. (Nov. 10, 2020) and the successful petition in *Soto v. Superior Court of San*
22 *Bernardino Cty.*, No. E071920, 2019 WL 4254631 (Cal. Ct. App. Sept. 9, 2019) (writ issued). She
23 also defeated the requests for depublication and petition for review in *Zuniga*, and two petitions for
24 review in *Rojas*. Based on her skill and experience, Ms. Tauger's 2024 hourly billing rate of \$1,050.00
25 is reasonable.

26 41. Matthew W. Gordon is a senior associate at MLG. Mr. Gordon graduated *summa*
27 *cum laude* from Princeton University in 1995, and he was elected to Phi Beta Kappa. He received
28 his J.D. from the University of California, Los Angeles School of Law in 2009. He became a

1 member of the State Bar of California in December 2009, and he has been an active member in good
2 standing continuously since then. Mr. Gordon has concentrated his practice exclusively in
3 employment litigation since he was admitted to the Bar. He has worked on numerous motions for
4 class certification in wage and hour cases and obtained approval of dozens of class action and
5 PAGA settlements. Mr. Gordon has argued two appeals in the California Courts of Appeal, both of
6 which resulted in decisions advancing workers' rights, including *Eda Sanchez Olivares v. Fountain*
7 *Valley Regional Hospital and Medical Center*, No. G053514, 2018 WL 330134 (Cal. Ct. App. Jan.
8 9, 2018)), a case in which the Court of Appeal affirmed the denial of a motion to compel arbitration
9 of a wage and hour class action, and *Tellez v. Rich Voss Trucking, Inc.* (2015) 240 Cal.App.4th
10 1052, a published opinion reversing the trial court's order denying class certification. Mr. Gordon
11 was selected to the Southern California Rising Stars list in 2016, 2017, 2018, and 2019. Based on his
12 skill and experience, Mr. Gordon's 2024 hourly billing rate of \$925.00 is reasonable.

13 42. Vanessa M. Rodriguez is an associate attorney at MLG. Ms. Rodriguez received her
14 undergraduate degree from the University of Wisconsin-Madison in 2013 and graduated from the
15 University of Wisconsin Law School in 2017. Ms. Rodriguez was admitted to the California State
16 Bar in November 2017. Ms. Rodriguez is also admitted to the Wisconsin Bar. Since gaining
17 admission to the California Bar, Ms. Rodriguez has focused her practice exclusively in employment
18 litigation. She has handled numerous wage-and-hour cases and also represents employees in single-
19 plaintiff disputes. Ms. Rodriguez was selected to the Southern California Rising Stars list in 2021,
20 2022, 2023, and 2024. Based on her skill and experience, Ms. Rodriguez's 2024 hourly billing rate
21 of \$725.00 is reasonable.

22 43. Braunson C. Virjee is a former associate attorney of MLG. Mr. Virjee received his
23 undergraduate degree from the University of Southern California in 2007 and his J.D. from
24 American University Washington College of Law in 2012. He became a member of the California
25 State Bar in June 2013. He has handled all aspects of wage and hour class actions involving claims
26 relating to overtime, meal and rest breaks, misclassification, and improper wage statements. Mr.
27 Virjee also has represented employees in single-plaintiff disputes involving harassment,
28 discrimination, retaliation, and wrongful termination. Based on his skill and experience, Mr. Virjee's

1 2024 hourly billing rate of \$625.00 is reasonable.

2 44. Ellie Goralnick is an associate attorney at MLG. Ms. Goralnick received her J.D.
3 from Florida State University College of Law in 2017. Her practice involves representing employees
4 in all aspects of employment litigation. Ms. Goralnick handles wage and hour class and
5 representative actions involving claims related to overtime and minimum wages, meal and rest break
6 violations, improper wage statements, the California Private Attorneys General Act and unfair
7 business practices. Ms. Goralnick also represents employees in cases involving claims for
8 harassment, discrimination, and wrongful termination. Ms. Goralnick is a recipient of the Blaise N.
9 Gamba Outstanding Pro Bono Service Award. Based on her skill and experience, Ms. Goralnick's
10 2024 hourly billing rate of \$675.00 is reasonable.

11 45. Kristen Doyan is an associate attorney at MLG. Ms. Doyan received her Bachelor of
12 Arts from the University of California, Davis in 2019 and received her J.D. from UCLA School of
13 Law in 2022. While in law school, Ms. Doyan clerked at the San Francisco District Attorney's
14 Office and under Administrative Law Judge Louis Garcia at the U.S. Equal Employment
15 Opportunity Commission. Ms. Doyan's practice involves representing employees in all aspects of
16 employment litigation. Ms. Doyan handles wage and hour class and representative actions involving
17 claims related to overtime and minimum wages, meal and rest break violations, improper wage
18 statements, the California Private Attorneys General Act and unfair business practices. Ms. Doyan
19 also represents employees in cases involving claims for harassment, discrimination, and wrongful
20 termination. Based on her skill and experience, Ms. Doyan's 2024 hourly billing rate of \$550.00 is
21 reasonable.

22 46. The following MLG support staff members worked on this case:

23 A. Hannah Ahn has been employed by MLG as a legal assistant since 2013. She
24 received her B.A. in English in 2005 from the University of California at Riverside. Ms. Ahn has
25 substantial experience preparing documents for filing in state and federal trial and appellate courts,
26 drafting and responding to discovery, and preparing for trial. Ms. Ahn has attended and assisted
27 attorneys at trial and has experience running trial software. She is knowledgeable about Westlaw and
28 proficient in a broad range of office software including Microsoft Word, Adobe Acrobat, Excel,

1 PowerPoint and ProLaw.

2 B. Jasmin Hidalgo has been a legal assistant at MLG since April 2022. She
3 received her B.S. in Business Administration with the option of Business Law from California State
4 University, Northridge. Ms. Hidalgo has substantial experience preparing documents for filing in
5 state and federal courts, as well as drafting and responding to discovery and preparing pretrial
6 documents. Ms. Hidalgo has experience running trial software, such as Trial Director. She is
7 knowledgeable about Westlaw and proficient in a broad range of office software including Microsoft
8 Word, Adobe Acrobat, Excel, PowerPoint, Litify (Salesforce), and ProLaw. Ms. Hidalgo is bilingual
9 and translates documents and interprets for MLG's Spanish speaking clients.

10 C. Former MLG legal assistant Crystal Owings was employed by MLG for five
11 years. She received her B.A. in Environmental Studies from the University of California, Santa Cruz
12 in 2015. Ms. Owings developed substantial experience preparing documents for filing in state and
13 federal courts and drafting and responding to discovery. Ms. Owings is fluent in Spanish and
14 assisted in preparing clients for depositions and attending client depositions for translation purposes.
15 She is knowledgeable about Westlaw and proficient in a broad range of office software including
16 Microsoft Word, Adobe Acrobat, Excel, PowerPoint and ProLaw.

17 D. Former MLG legal assistant Ivette Olguin was employed by MLG for
18 approximately 7 months. She received her B.A. in Sociology from the University of California,
19 Santa Cruz in 2017. Ms. Olguin developed substantial experience preparing documents for filing in
20 state and federal courts and drafting and responding to discovery. Ms. Olguin is fluent in Spanish
21 and assisted in translating for clients. She is knowledgeable about Westlaw and proficient in a broad
22 range of office software including Microsoft Word, Adobe Acrobat, Excel, PowerPoint, and ProLaw

23 47. The current billing rate for all of the MLG support staff members above is \$275,
24 which I believe is reasonable based on their skill and experience. *See In re Linkedin User Priv.*
25 *Litig.*, 309 F.R.D. 573, 591 (N.D. Cal. 2015) (reasonable rate for litigation support staff from \$150
26 to \$240 in 2015).

27 48. My office requests the foregoing billable rates be applied in this case, as the rates are
28 more than reasonable in the Southern California legal market for attorneys who handle complex

1 class actions and PAGA actions involving hundreds of employees. Throughout my practice as an
2 attorney, I have become familiar with customary billing rates for attorneys of comparable
3 background, training, and experience as mine in California federal and state courts. I have obtained
4 knowledge of the prevailing hourly rates in the community for work of a similar nature and
5 complexity to the work in this case from a variety of sources, including: (a) my communications
6 with other employment law attorneys about their rates; (b) my familiarity with fee applications and
7 orders in other cases; (c) my independent research and knowledge of the prevailing market rates
8 based on fee requests of other counsel and my familiarity with rates charged in other law firms; and
9 (d) my independent reading and research of legal newspapers, journals, and treatises regarding law
10 firms' billing rates. Based on this information, I believe that MLG's current rates are fully
11 consistent with the market rate for attorneys with comparable expertise, experience, and
12 qualifications.

13 49. I am also aware of the fact that partners and associates of well-respected law firms
14 that regularly defend employment cases charge hourly rates greater than the rates sought here. For
15 example, Paul Hastings LLP defends individual and class action employment cases like this one,
16 and, in fact, my firm has litigated numerous wage and hour class action and PAGA cases defended
17 by Paul Hastings over the past decade. By reviewing other court filings, I have located a declaration
18 filed by Paul Hastings attorney Elena R. Baca on May 28, 2019 in support of a fee application in
19 *Charney v. Danziger*, Los Angeles Superior Court Case No. BC585664. Ms. Baca is one of the
20 leading partners in the Employment Law Department at Paul Hastings, and she was lead trial
21 counsel in a wage-and-hour trial my firm lost in 2017 in *Guillen v. Dollar Tree Stores, Inc.*, United
22 States District Court Case No. 2:15-cv-03813-MWF-PJW. In her declaration, Ms. Baca attests that
23 her "2019 standard hourly billable rate is \$1,200.00." Ms. Baca further states that the 2019 hourly
24 billable rate for Jennifer Milazzo (admitted in 2017) is \$735.00, and the 2019 standard hourly
25 billable rate for Daniel Rojas (admitted in 2019) is \$560.00. A true and correct copy of Ms. Baca's
26 May 28, 2019 declaration is attached hereto as **Exhibit D**.

27 50. The hourly rates for MLG attorneys are commensurate with MLG's experience in
28 litigating complex cases. Indeed, MLG has been awarded fees by various courts based on MLG's

1 historical rates, including in the following cases:

2 A. In *Escamilla v. Ono Hawaiian BBQ*, Los Angeles County Superior Court, Case
3 No. BC651992, the court awarded MLG attorneys' fees based on a lodestar crosscheck, based in part
4 on the following 2023 hourly rates: Matthew J. Matern: \$1,075; Matthew W. Gordon: \$875; Vanessa
5 M. Rodriguez: \$675.

6 B. In *Phan v. Marshall Medical Center*, El Dorado County Superior Court, Case
7 No. PC20190029, the court awarded MLG attorneys' fees based on a lodestar crosscheck, with the
8 application of a 4.76 multiplier, based in part on the following 2021 hourly rates: Matthew J. Matern:
9 \$975; Matthew W. Gordon: \$775; Vanessa M. Rodriguez: \$575.

10 C. In *Campos v. Borba Dairy Farms*, Merced County Superior Court, Case No.
11 19CV-03966, the court awarded MLG attorneys' fees based on a lodestar cross-check involving the
12 following MLG attorneys' 2021 hourly rates: Matthew J. Matern: \$975; Matthew W. Gordon: \$775;
13 and Vanessa M. Rodriguez: \$575.

14 D. In *Negrete v. ConAgra Foods, Inc.*, United States District Court for the Central
15 District of California Case No. 2:16-cv-00631-FMO-AJW, the Honorable Fernando M. Olguin
16 awarded MLG attorneys' fees based on a lodestar cross-check, with an approximate multiplier of 1.81,
17 which was supported by my 2021 rate of \$975.00 per hour.

18 E. In *Ayard v. Kuni Redwood Motors, LLC*, Santa Clara Superior Court Case No.
19 20CV367003, the Honorable Drew C. Takaichi entered an order awarding MLG attorneys' fees based
20 on its lodestar, with the application of a 1.63 multiplier, and finding that the following 2021 hourly
21 rates "are reasonable and in line with rates prevailing in the community": Matthew J. Matern, \$975;
22 Matthew W. Gordon, \$775; Vanessa M. Rodriguez, \$575.

23 F. In *Cordova v. St. George Warehouse and Trucking Inc.*, LASC Case No.
24 20STCV04563, the Honorable Robert B. Broadbelt awarded MLG attorneys' fees based on my 2021
25 hourly rate of \$975, with application of a 2.01 multiplier, finding that MLG's rates "are reasonable and
26 in line with rates prevailing in the community."

27 G. In *Viamontes v. Adriana's Insurance Services, Inc.*, LASC Case No. BC502472,
28 the Honorable Kenneth R. Freeman awarded MLG attorneys' fees based in part on my hourly rate of

1 \$975.

2 H. In *Lopez v. Kintetsu World Express (USA), Inc.*, LASC Case No. BC677417, the
3 Honorable Yvette M. Palazuelos awarded MLG attorneys' fees, finding that the requested fees were
4 "well-supported by the lodestar," which was based in part on my 2021 hourly rate of \$975, with
5 application of a 1.49 multiplier.

6 I. In *Wilson v. Hydro Systems, Inc.*, LASC Case No. 19STCV41455, the
7 Honorable Daniel J. Buckley awarded MLG attorneys' fees based on its lodestar with the application
8 of a 3.0 multiplier, which was based in part on my hourly rate of \$975 and Launa Adolph's hourly rate
9 of \$900.

10 J. In *Leon v. Bristol Farms*, LASC Case No. BC597687, the Honorable Elihu M.
11 Berle awarded MLG attorneys' fees based on its lodestar, with the application of a 1.06 multiplier,
12 finding that the following MLG attorneys' 2020 hourly rates are "reasonable and in line with rates
13 prevailing in the community": Matthew J. Matern: \$950; Matthew W. Gordon: \$725; and Vanessa M.
14 Rodriguez: \$525.

15 K. In *Ramirez v. Zepexco, Inc.*, Orange County Superior Court Case Number 30-
16 2019-01095469-CU-OE-CXC, the Honorable Randall J. Sherman entered an order awarding MLG
17 attorneys' fees based on its lodestar, with the application of a 1.208 multiplier, and finding that the
18 following 2020 hourly rates "are reasonable and in line with rates prevailing in the community":
19 Matthew J. Matern, \$950; Matthew W. Gordon, \$725; Vanessa M. Rodriguez, \$525.

20 L. In *Fan v. Delta Air Lines, Inc.*, United States District Court Case No. 2:19-cv-
21 04599-SVW-SS, the Honorable Stephen V. Wilson awarded MLG attorneys' fees with a multiplier of
22 1.78, finding that the following MLG attorneys' 2020 hourly rates were "appropriately justified":
23 Matthew J. Matern: \$950.00 and Matthew W. Gordon: \$725.00.

24 M. In *Kuhia v. California Supply, Inc.*, LASC Case No. BC668430, the Honorable
25 Daniel J. Buckley awarded MLG attorneys' fees based on the following 2019 billing rates: Matthew J.
26 Matern: \$925; Matthew W. Gordon: \$675; Vanessa Rodriguez: \$475.

27 N. In *Ramos-Rios v. Encore Hospitality Services, LLC*, LASC Case No.
28 BC685624, the Honorable Daniel J. Buckley awarded MLG attorneys' fees based on its lodestar,

1 which was based on the following MLG attorneys' 2019 hourly rates: Matthew J. Matern: \$925;
2 Matthew W. Gordon: \$675; and Vanessa M. Rodriguez: \$475.

3 O. In *Garcia v. Clougherty Packing, LLC*, LASC Case No. BC620644, the
4 Honorable Elihu M. Berle awarded MLG attorneys' fees according to MLG's lodestar, which was
5 based on the following 2019 hourly rates: Matthew J. Matern: \$925; Matthew W. Gordon: \$675; and
6 Vanessa M. Rodriguez: \$475.

7 P. In *Espinoza v. Team Blaze*, LASC Case No. BC664645, the Honorable Carolyn
8 B. Kuhl awarded MLG attorneys' fees based on MLG's lodestar which was based on the following
9 2019 hourly rates: Matthew J. Matern: \$925; Matthew W. Gordon: \$675; and Vanessa M. Rodriguez:
10 \$475.

11 Q. In *Lopez Contreras v. CoreCare III LP, et al.*, Orange County Superior Court,
12 Case No. 30-2016-00851086-CU-OE-CXC, the court awarded MLG attorneys' fees based on its
13 lodestar, which was based on the following MLG attorneys' 2019 hourly rates: Matthew J. Matern:
14 \$925; Matthew W. Gordon: \$675.

15 51. MLG's hourly rates are also in line with the rates approved in other cases. *See*
16 *Roberti v. OSI Sys., Inc.*, No. CV1309174MWFMRW, 2015 WL 8329916, at *7 (C.D. Cal. Dec. 8,
17 2015) (finding rates between \$525 and \$975 per hour reasonable); *Rodriguez v. County of Los*
18 *Angeles*, 96 F.Supp.3d 1012, 1023 (C.D. Cal. 2014) (approving attorney rates in 2014 from \$500 to
19 \$975); *Perfect 10, Inc. v. Giganews, Inc.*, No. CV 11-07098-AB SHX, 2015 WL 1746484, at *15-18
20 (C.D. Cal. Mar. 24, 2015), *aff'd*, 847 F.3d 657 (9th Cir. 2017) (finding hourly rates of \$825-\$930 for a
21 senior partner, \$350-\$690 for associates, and \$290 and \$240 for support staff—for work performed in
22 2011 and 2014—to be reasonable and prevailing market rates at that time).

23 52. Additionally, several courts have awarded MLG attorneys' fees in similar cases
24 based upon the common fund method:

25 A. In 2021, in the matter of *Petrelli v. Bakkavor Foods USA, Inc.*, LASC Case No.
26 BC595726, Judge Carolyn B. Kuhl awarded MLG's attorney fee request of one-third of the Maximum
27 Settlement Amount, finding that it is "reasonable under the common fund method."

28 B. In 2020, in the matter of *Lenard v. Buy Buy Baby, Inc.*, LASC Case No.

1 BC647134, Judge Maren E. Nelson awarded MLG’s attorney fee request for one-third of the
2 Maximum Settlement Amount, stating that the request “is reasonable under the common fund
3 method.”

4 C. In 2020, in the matter of *Morales v. Berkley Valley Convalescent Hospital, Inc.*,
5 LASC Case No. BC576116, Judge Daniel J. Buckley approved MLG’s one-third fee request, finding
6 that it is “reasonable under the common fund method.”

7 D. In 2020, in the matter of *Gunn v. Shimadzu Precision Instruments, Inc.*, LASC
8 Case No. BC719424, Judge Daniel J. Buckley approved MLG’s fee request for 33.33% of the
9 Settlement Fund, finding that it is reasonable “as a percentage of the common fund.”

10 E. In 2020, in the matter of *Arzmanians v. Wireless Advocates, LLC*, LASC Case
11 No. BC633344, Judge Amy D. Hogue found that MLG’s requested fee “is reasonable under the
12 common fund...method[.]”

13 53. PAGA Counsel also bear the risk of taking whatever actions are necessary if
14 Defendants fail to pay. In two recent cases, my firm spent over 500 hours post-final approval in efforts
15 to collect on behalf of the class.

16 54. My office took this case on a contingent basis and has put a substantial amount of time
17 and effort into litigating the claims, all while receiving no payment. Because of the significant amount
18 of attorney time devoted to this important case on behalf of approximately 1,099 Aggrieved
19 Employees and the State of California, my office was precluded from working on other employment
20 cases over the course of five years. The risk to my office has been very significant, given that, if the
21 case was unsuccessful, MLG would not have received any compensation for the hundreds of hours it
22 spent litigating the case and almost \$100,000.00 in expenses. For instance, in a pair of de-published
23 opinions, the Court of Appeal affirmed the trial court’s order denying class certification in an action
24 alleging that the defendant failed to provide its restaurant workers with uninterrupted, 30-minute off-
25 duty meal breaks: *Hernandez v. Chipotle Mexican Grill, Inc.* (2012) 208 Cal.App.4th 1487 and
26 *Hernandez v. Chipotle Mexican Grill* (2010) 189 Cal.App.4th 751. Similarly, in *Gonzalez v. Officemax*
27 *North America* (C.D. Cal. Nov. 5, 2012) Nos. SACV F07-00452 JVS (MLGx) and CV 07-04839 JVS
28 MLGx) 2012 WL 5473764, at *4-5, the court issued an order denying certification of plaintiffs’ meal

1 and rest break claims, finding that the reason any particular employee missed any particular break
2 required individualized fact finding. In each of these cases, my firm incurred over \$100,000 in costs
3 and expended over 5,000 hours in attorney time, only to have class certification denied. In *Villegas v.*
4 *Six Flags Entertainment Corp.* (Los Angeles Superior Court Case No. BC505344), the trial court
5 denied class certification in a case in which my firm expended over 2,500 hours and incurred costs
6 totaling over \$340,000.

7 55. Because most individuals cannot afford to pay for representation in litigation on an
8 hourly basis, Matern Law Group, PC represents virtually all of its employment law clients on a
9 contingency fee basis. Pursuant to this arrangement, we are not compensated for our time unless we
10 prevail at trial or successfully settle our clients' cases. Because the firm is taking the risk that we will
11 not be reimbursed for our time unless our client settles or wins his or her case, we cannot afford to
12 represent an individual employee on a contingency basis if, at the end of our representation, all we are
13 to receive is our regular hourly rate for services. It is essential that we recover more than our regular
14 hourly rate when we win if we are to remain in practice so as to be able to continue representing other
15 individuals in civil rights employment disputes.

16 56. The efforts of PAGA Counsel have resulted in substantial benefits to the State of
17 California and Aggrieved Employees in the form of a settlement fund established to penalize
18 Defendants for the alleged violations, to deter future violations, to assist the LWDA with the
19 enforcement of state labor laws, and to compensate Aggrieved Employees for, among other things,
20 noncompliant meal and rest periods and overtime wages. I am informed and believe that, without the
21 efforts of PAGA Counsel, the Labor Code violations alleged in the complaint would have gone
22 without remedy.

23 **PAGA Counsel's Litigation Costs**

24 57. The Settlement provides for reimbursement of PAGA Counsel's litigation costs and
25 expenses not to exceed \$100,000.00. MLG's current litigation costs in the Action total \$92,926.78.
26 MLG expects to incur \$60.00 in future costs for the motion filing fee, for a total of **\$92,986.78** in
27 costs. All of these costs are reasonable expenses which a fee-paying client would ordinarily have to
28 pay, were necessary to prosecute the Action, and were incurred for the benefit of the State of

California and PAGA Members. The following table shows a breakdown of the costs incurred by MLG in this case:

Cost Description	Amount
Court Costs / Filing Fees / Service / Delivery and Postage Fees	\$11,856.34
Court Reporters / Deposition Transcripts/ Videographers	\$37,693.25
Mediation Fees	\$10,000.00
Mileage / Parking / Meals	\$325.33
Investigation Services	\$1,732.63
Expert Services	\$30,910.50
Research Services	\$408.73
Total Current MLG Costs:	\$92,926.78
Projected Future Costs (Filing Fee)	\$60.00
Total Current and Projected MLG Costs:	\$92,986.78

58. I am not aware of any conflict of interest between MLG and the Aggrieved Employees.

Settlement Administration Costs

59. The parties have agreed to use XPand Legal as the third-party Settlement Administrator. No one at MLG has any financial interest in or otherwise has a relationship with XPand Legal which would create a conflict of interest. Given the number of Aggrieved Employees and the scope of the duties to be performed by the Settlement Administrator, I believe that the settlement administration costs, which are estimated not to exceed \$10,000.00, are reasonable.

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I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on February 23, 2024 at Venice, California.

MATTHEW J. MATERN

EXHIBIT A



1230 Rosecrans Avenue, Suite 200
Manhattan Beach, California 90266
www.maternlawgroup.com
Tel: (310) 531-1900 | Fax: (310) 531-1901

February 29, 2016

Via Certified U.S. Mail – Return
Receipt Requested

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

Sovereign Asset Management, Inc.
1211 Puerta Del Sol, Suite 200
San Clemente, CA 92673

Dual Diagnosis Treatment Center, Inc.
1211 Puerta Del Sol, Suite 200
San Clemente, CA 92673

Athena Healthcare, Inc.
1211 Puerta Del Sol, Suite 200
San Clemente, CA 92673

Shreya Health of California, Inc.
1211 Puerta Del Sol, Suite 200
San Clemente, CA 92673

Adeona Healthcare, Inc.
1211 Puerta Del Sol, Suite 200
San Clemente, CA 92673

Satya Health of California, Inc.
1211 Puerta Del Sol, Suite 200
San Clemente, CA 92673

Tonmoy Sharma
1211 Puerta Del Sol, Suite 200
San Clemente, CA 92673

Re: Notice Pursuant to California Labor Code § 2699.3

Employee: Carrie Lambert

Employers: Dual Diagnosis Treatment Center, Inc.; Shreya Health of California, Inc.; Satya Health of California, Inc.; Sovereign Asset Management, Inc.; Athena Healthcare, Inc.; Adeona Healthcare, Inc.; Tonmoy Sharma.

To Whom It May Concern:

This office represents Carrie Lambert (“Ms. Lambert”), who was employed by Dual Diagnosis Treatment Center, Inc.; Shreya Health of California, Inc.; Satya Health of California, Inc.; Sovereign Asset Management, Inc.; Athena Healthcare, Inc.; Adeona Healthcare, Inc.; and Tonmoy Sharma (jointly, “Sovereign Health Group”). Pursuant to the California Labor Code Private Attorneys General Act of 2004 (“PAGA”), Labor Code § 2698 *et seq.*, this letter sets forth the specific provisions of the Labor Code and Industrial Welfare Commission (“IWC”)

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February 29, 2016

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Wage Order No. 5-2001, which Ms. Lambert alleges Sovereign Health Group has violated, including the facts and theories to support the alleged violations. Please be advised that this letter constitutes written notice required by Labor Code §§ 2699.3(a)(1) and 2699.3(c)(1) and may lead to immediate action against Sovereign Health Group in a court of law and/or administrative proceedings, as well as the imposition of substantial penalties and other remedies against Sovereign Health Group. Enclosed herein is a draft of Ms. Lambert's proposed complaint.

We are investigating a potential representative action on behalf of Ms. Lambert and Sovereign Health Group's current and former non-exempt employees in the State of California regarding, among other things, the following violations: failure to provide meal and rest periods to employees in violation of Labor Code §§ 226.7, 510, 512, 1194 and 1197 and Wage Order No. 5-2001, §§ 11-12; failure to pay one additional hour of compensation at the employee's regular rate of pay for each work day that a meal or rest period is not provided in violation of Labor Code § 226.7 and Wage Order No. 5-2001, §§ 11(D) and 12(B); failure to pay employees overtime wages in violation of Labor Code §§ 510, 1194 and 1198 and Wage Order No. 5-2001, § 3; failure to pay employees minimum wages for all hours worked in violation of Labor Code §§ 1194, 1197 and 1197.1 and Wage Order No. 5-2001, § 4; failure to pay employees all minimum wage and overtime wages, including interest, pursuant to Labor Code § 1194; failure to timely pay employees all wages due in violation of Labor Code § 204; willful failure to pay discharged or quitting employees under Labor Code §§ 201-203; failure to provide accurate itemized wage statements to employees in violation of Labor Code §§ 226, 1174 and 1174.5; failure to maintain required records of employees pursuant to Labor Code §§ 1174 and 1174.5 and Wage Order No. 5-2001, § 7; and unlawful deductions and withholdings from employees' wages in violation of Labor Code §§ 221, 223 and 224.

The allegations made by Ms. Lambert on behalf of herself and all other aggrieved current and former non-exempt employees of Sovereign Health Group in the State of California during the four years preceding the date of this notice, are based on the following facts and theories: rest periods were either less than ten minutes, not provided, interrupted, or late, as prescribed by California law; meal periods were either less than thirty minutes, late (starting after the fifth hour of work), not given at all (including second meal periods after ten hours of work), or interrupted; employees were not provided one hour of pay when meal and rest periods were not provided; and employees were not properly paid for all hours worked and they were not paid overtime compensation as required by California law.¹ Given the overtime, meal period and rest period violations and Sovereign Health Group's failure to compensate its employees fully, as set forth above, the paychecks and itemized wage statements of employees were inaccurate and failed to comply with California law. In short, Sovereign Health Group's unlawful employment practices and policies have deprived its employees of earned wages and other compensation.

¹ "[T]he statement that defendant has not provided its employees with proper rest periods states both the facts and the theory." *Gutierrez v. California Commerce Club, Inc.* (2010) 187 Cal.App.4th 969, 979 n.5.

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Failure to Provide Required Meal Periods

Pursuant to Labor Code § 226.7 and 512 and IWC Order No. 5-2001, § 11, employers are required to provide meal periods to their employees. Employers are required to provide a meal period to any employee who works a shift of more than five (5) hours, and a second meal period to any employee who works a shift of more than ten (10) hours. Furthermore, employers are required to pay one extra hour of compensation for each day a meal period is not provided.

Additionally, if an employee is not relieved of all duty during a meal period, the meal period shall be considered an "on duty" meal period and counted as time worked. A paid "on duty" meal period is permitted only when 1) the nature of the work prevents an employee from being relieved of all duty and 2) the parties have a written agreement agreeing to on duty meal periods.

Ms. Lambert and other aggrieved employees are entitled to the protections of California Labor Code § 226.7 and IWC Wage Orders No. 5-2001, § 11. Sovereign Health Group did not allow its employees to take a full thirty minute meal break. In fact, Ms. Lambert's and aggrieved employees' meal periods were short (less than thirty minutes), late (after 5 hours), interrupted and/or missed. Sovereign Health Group consistently failed to provide Ms. Lambert and other aggrieved employees their meal periods because Ms. Lambert and other aggrieved employees were given too much work to perform to take meal breaks.

Sovereign Health Group further violated Labor Code § 226.7 and IWC Wage Order No. 5-2001 by willfully failing to compensate Ms. Lambert and other aggrieved employees who were not provided with a meal period in accordance with California law one additional hour of compensation at each employee's regular rate of pay for each workday that a meal period was not provided. Finally, Sovereign Health Group further violated Labor Code § 226.7, 510, 1194, 1197, and IWC Wage Order No. 5-2001 by failing to compensate Ms. Lambert and other aggrieved employees for all hours worked during their meal periods.

Failure to Provide Required Rest Periods

Sovereign Health Group failed to authorize and permit Ms. Lambert and other aggrieved employees to take rest periods as required under Labor Code §§ 226.7 and 512 and IWC Wage Order No. 5-2001, § 12. Pursuant to Labor Code § 226.7 and IWC Wage Order No. 5-2001, § 12, Employers are required to provide rest periods to their employees. Employers are required to provide a ten (10) minute rest period for every four (4) hours worked or major action thereof. Furthermore, employers are required to pay one extra hour of compensation for each day on which a rest period is not authorized and permitted.

Ms. Lambert and other aggrieved employees are entitled to the protections of Labor Code § 226.7 and IWC Wage Order No. 5-2001. Sovereign Health Group failed to authorize and permit its employees to take required rest periods because Sovereign Health Group did not allow Ms. Lambert and other aggrieved employees to take their rest breaks. Specifically, there was a

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policy of not authorizing and permitting Ms. Lambert and other aggrieved employees to take their first rest periods for each shift that was 3.5 hours or longer, not authorizing and permitting Ms. Lambert and other aggrieved employees to take their second rest periods for each shift that was 6 hours or longer, and not authorizing and permitting Ms. Lambert and other aggrieved employees to take their third rest periods for each shift that was 10 hours or longer. Sovereign Health Group consistently failed to authorize and permit Ms. Lambert and other aggrieved employees to take rest breaks because Ms. Lambert and other aggrieved employees were given too much work to perform to take rest breaks.

Sovereign Health Group further violated Labor Code § 226.7 and IWC Wage Order No. 5-2001, § 12 by failing to pay Ms. Lambert and other aggrieved employees one additional hour of compensation at each employee's regular rate of pay for each workday that a rest period was not provided in accordance with the applicable wage order.

Failure to Pay Overtime Wages

Pursuant to California Labor Code §§ 510 and 1194 and IWC Wage Order No. 5-2001, § 3, employers are required to compensate employees for all overtime, which is calculated at one and one-half (1 ½) times the regular rate of pay for hours worked in excess of eight (8) hours per day and/or forty (40) hours per week, and for the first eight (8) hours on the seventh consecutive work day, with double time for all hours worked in excess of eight (8) hours on the seventh day of any workweek, or after twelve (12) hours in any workday.

Ms. Lambert and other aggrieved employees are entitled to the protections of Labor Code §§ 510 and 1194 and IWC Wage Order No. 5-2001. Sovereign Health Group failed to compensate Ms. Lambert and other aggrieved employees for all overtime hours worked as required under the foregoing provisions of the Labor Code and IWC Wage Order by, among other things: failing to pay overtime at one and one-half (1 ½) times or double the regular rate of pay as provided by Labor Code §§ 510 and 1194 and IWC Wage Order No. 5-2001, § 3; requiring, suffering or permitting Ms. Lambert and other aggrieved employees to work off-the-clock; requiring, suffering or permitting Ms. Lambert and other aggrieved employees to work through meal and rest periods and failing to compensate them for this time; illegally and inaccurately recording time in which Ms. Lambert and other aggrieved employees worked; failing to properly maintain Ms. Lambert's and other aggrieved employees' records through falsifying hours worked; failing to provide accurate itemized statements to Ms. Lambert and other aggrieved employees for each pay period; and other methods to be discovered.

In violation of California law, Sovereign Health Group has refused to perform its obligations to compensate Ms. Lambert and other aggrieved employees for all overtime hours worked. Sovereign Health Group's conduct violates Labor Code §§ 510, 1194 and 1198 and IWC Wage Order No. 5-2001, § 3.

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Failure to Pay Minimum Wages

Pursuant to Labor Code §§ 1194 and 1197 and IWC Wage Order No. 5-2001, § 4, payment to an employee of less than the applicable minimum wage for all hours worked in a payroll period is unlawful.

Sovereign Health Group failed to pay Ms. Lambert and other aggrieved employees minimum wages for all hours worked by, among other things: requiring, suffering or permitting Ms. Lambert and other aggrieved employees to work off-the-clock; requiring, suffering or permitting Ms. Lambert and other aggrieved employees to work through meal and rest break and failing to compensate them for this time; illegally and inaccurately recording time in which Ms. Lambert and other similarly-situated individuals worked; failing to properly maintain Ms. Lambert's and other aggrieved employees records; failing to provide accurate itemized wage statements to Ms. Lambert and other aggrieved employees for each pay period; and other methods to be discovered.

Sovereign Health Group's conduct violates Labor Code §§ 1194 and 1197 and IWC Wage Order No. 5-2001, § 4.

Failure to Timely Pay All Wages Earned

Sovereign Health Group failed to pay the full earned and unpaid wages due to Ms. Lambert and other aggrieved employees on their regularly scheduled payday in violation of Labor Code § 204.

Pursuant to Labor Code § 204, employers must pay employees at least twice a month for all wages earned during the preceding pay period. Labor Code § 204 provides that labor performed between the 1st and 15th days, inclusive, of any calendar month shall be paid for between the 16th and the 26th day of the month during which the labor was performed, and labor performed between the 16th and the last day, inclusive, of any calendar month, shall be paid for between the 1st and 10th day of the following month. Employers using an alternate payday schedule must pay wages within seven calendar days of the end of the payroll period in which the wages were earned.

Sovereign Health Group failed to pay Ms. Lambert and other aggrieved employees on their regularly scheduled payday for all work performed during the preceding pay period. Specifically, Sovereign Health Group required Ms. Lambert and other aggrieved employees to work off-the-clock without compensation and required Ms. Lambert and other aggrieved employees to work through required meal and rest breaks without compensation. Sovereign Health Group additionally failed to pay Ms. Lambert and other aggrieved employees the premium wages for all meal and rest periods that were missed, late, and/or interrupted.

Moreover, Sovereign Health Group failed to pay Ms. Lambert and other aggrieved employees for the overtime wages they earned in violation of Labor Code § 204. Labor Code §

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204 requires employers to pay overtime wages no later than the payday for the next regular payroll period following the payroll period in which the overtime wages were earned. Sovereign Health Group knew that it was required to pay overtime wages, yet on many occasions failed to pay Ms. Lambert and other aggrieved employees overtime wages on any payday.

Failure to Pay All Wages Due Upon Separation

Pursuant to Labor Code § 201, 202 and 203, employers are required to pay all earned and unpaid wages to an employee upon separation. Labor Code § 201 mandates that if an employer discharges an employee, the employee's wages accrued and unpaid at the time of discharge are due and payable immediately. Pursuant to Labor Code § 202, an employer is required to pay all accrued wages due to an employee no later than 72 hours after the employee quits his or her employment, unless the employee provided 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

Labor Code § 203 provides that if an employer willfully fails to pay, in accordance with Labor Code §§ 201 and 202, any wages of an employee who is discharged or who quits, the employer is liable for waiting time penalties in the form of continued compensation to the employee at the same rate for up to thirty (30) days.

Sovereign Health Group willfully failed to pay accrued wages and other compensation to Ms. Lambert and other aggrieved employees in accordance with Labor Code §§ 201 and 202. Because Sovereign Health Group required Ms. Lambert and other aggrieved employees to work off-the-clock without compensation and through required meal and rest breaks without compensation and failed to pay Ms. Lambert and other aggrieved employees the premium wages for all meal and rest periods that were missed, late, and/or interrupted, Sovereign Health Group has failed and continues to fail to pay the full earned and unpaid wages due to Ms. Lambert and other aggrieved employees upon separation.

Failure to Maintain Required Records

Sovereign Health Group failed to maintain records as required under Labor Code §§ 226 and 1174 and IWC Wage Order No. 5-2001, § 7, including but not limited to the following records: total daily hours worked by each employee; applicable rates of pay; all deductions; meal periods; time records showing when each employee begins and ends each work period; and accurate itemized statements.

Specifically, Sovereign Health Group had knowledge that it was not providing its employees with proper rest and meal breaks; nevertheless, Sovereign Health Group knowingly failed to include in employees' wage statements the extra hour for each missed meal break or rest break. As a result, Ms. Lambert and other aggrieved employees lost wages. In addition, Sovereign Health Group had knowledge it was requiring employees to work off-the-clock and was not properly compensating its employees for all hours worked. Sovereign Health Group knowingly failed to include this time worked and compensation in the wage statements. As a

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result, Ms. Lambert and other aggrieved employees lost wages.

Failure to Furnish Accurate Itemized Wage Statements

Sovereign Health Group failed to provide Mr. Lambert and other aggrieved employees with timely and accurate itemized wage statements in writing showing (1) gross wages earned, (2) total hours worked, (3) the number of piece-rate units earned and any applicable piece-rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee, in violation of Labor Code § 226 and IWC Wage Order No. 5-2001, § 7.

Specifically, Sovereign Health Group had knowledge that it was not providing its employees with timely and accurate itemized wage statements in writing, because the wage statements did not include all (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. Specifically, Sovereign Health Group had knowledge that it was not providing its employees with proper rest and meal breaks. Sovereign Health Group knowingly failed to include in the wage statements the extra hour and compensation for each missed meal break or rest break. As a result, Ms. Lambert and other aggrieved employees lost wages. In addition, Sovereign Health Group had knowledge that they were requiring employees to work off-the-clock and were not properly compensating their employees for all hours worked. Sovereign Health Group knowingly failed to include this time worked in the wage statements. As a result, Ms. Lambert and other aggrieved employees have suffered injury because they could not promptly determine from the wage statement alone one or more of the items enumerated in Labor Code § 226(a).

Failure to Indemnify Employees for Necessary Expenditures Incurred in Discharge of Duties

Labor Code § 2802(a) requires an employer to indemnify an employee 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 her obedience to the directions of the employer. Sovereign Health Group failed to indemnify Ms. Lambert and other aggrieved employees for all business expenses and/or

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losses incurred in direct consequence of the discharge of their duties while working under the direction of Sovereign Health Group, including but not limited to mileage and other employment-related expenses, in violation of Labor Code § 2802.

This notice is hereby given to and made against Sovereign Health Group and any and all related and/or alter ego companies, corporations, partnerships, and/or business entities, as well as against any and all officers, owners, directors, managers, managing agents, or entities who are or may be liable under law for any of the violations alleged herein as to any locations or employees who worked at any time in the State of California.

This notice is made on behalf of all persons who are, were, or will be non-exempt employees of Sovereign Health Group, or any related or alter-ego company, corporation, partnership, and/or business entity at any time on or after a date four years prior to the date of this letter and at any location within the State of California.

This notice shall be construed as extending without limitation to any past, present, future, or continuing violation of the Labor Code, applicable IWC wage orders, or regulations thereunder which might be discovered as a result of a reasonable and diligent investigation made pursuant to this notice.

Demand is hereby made that Sovereign Health Group shall agree, in writing received at this office no later than 30 calendar days from the postmark date of this notice, to pay Ms. Lambert and all other aggrieved employees by Sovereign Health Group at any time during the past 12 months, back pay and compensation for the above-referenced violations. Additionally, demand is hereby made that Sovereign Health Group shall agree to comply with all California labor laws and ensure that its non-exempt employees are paid proper overtime compensation and given required meal and rest periods. Furthermore, the following demands are hereby made:

1. Sovereign Health Group shall agree to conduct a survey or interview all current and former non-exempt employees in California during the past 48 months to obtain information from them about the number of rest periods and meal periods each employee missed (including but not limited to a second meal period required to be given after ten hours), and about the number of employees who were required to pay for cell phones or other expenditures in discharging their duties, with the investigation to be completed within 30 days.

2. Sovereign Health Group shall agree to pay each employee one hour of pay for every shift in which he or she was not provided one or more rest periods, as required by Labor Code § 226.7. Sovereign Health Group also shall agree to pay each employee one hour of pay for every shift in which he or she was not provided one or more and meal periods, as required by Labor Code § 226.7. Sovereign Health Group shall agree to reimburse those employees who were forced to pay for any business expenses incurred for the benefit of the company, including but not limited to cell phone expenses. In addition, Sovereign Health Group shall agree to pay a waiting time penalties, equal to thirty days of pay, to each former employee who was not paid all

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wages due as described herein.

3. Sovereign Health Group shall agree to pay accrued interest to all employees at the rate of ten percent per annum for said unpaid wages.

4. Sovereign Health Group shall agree to pay all penalties arising from the violations of the Labor Code and IWC Wage Order sections referenced above and pursuant to PAGA, Labor Code § 2698 *et seq.*, including but not limited to penalties under Labor Code §§ 210, 225.5, 226.3, 558, 1174.5, 1197.1, 1199 and 2699 and Wage Order No. 5-2001, § 20.

If the Labor and Workforce Development Agency intends to investigate the allegations set forth herein, please notify this office of that decision by certified mail addressed to Matern Law Group, 1230 Rosecrans Avenue, Suite 200, Manhattan Beach, California 90266.

Thank you for your prompt attention to this matter.

Very truly yours,

MATERN LAW GROUP



Matthew W. Gordon

MATERN LAW GROUP
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Attorneys for Plaintiff
CARRIE LAMBERT individually, and on
behalf of all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

CARRIE LAMBERT, an individual, on behalf
of herself and all others similarly situated

Plaintiff,

vs.

DUAL DIAGNOSIS TREATMENT
CENTER, INC., a California corporation;
SHREYA HEALTH OF CALIFORNIA,
INC., a California corporation; SATYA
HEALTH OF CALIFORNIA, INC., a
California corporation; SOVEREIGN ASSET
MANAGEMENT, INC., a California
corporation; ATHENA HEALTHCARE,
INC., a California corporation; ADEONA
HEALTHCARE, INC., a California
corporation; TONMOY SHARMA, an
individual; and DOES 1 through 50, inclusive,

Defendants.

CASE NO.:

CLASS ACTION

[DRAFT] COMPLAINT FOR:

1. Failure to Provide Required Meal Periods
2. Failure to Provide Required Rest Periods
3. Failure to Pay Overtime Wages
4. Failure to Pay Minimum Wages
5. Failure to Pay All Wages Due to Discharged and Quitting Employees
6. Failure to Maintain Required Records
7. Failure to Furnish Accurate Itemized Wage Statements
8. Failure to Indemnify Employees for Necessary Expenditures Incurred in Discharge of Duties
9. Unfair and Unlawful Business Practices

REPRESENTATIVE ACTION:

10. Penalties under the Labor Code Private Attorneys General Act, as Representative Action

DEMAND FOR JURY TRIAL

1 Plaintiff CARRIE LAMBERT ("PLAINTIFF") an individual, demanding a jury trial, on
2 behalf of herself and all other persons similarly situated, hereby alleges as follows:

3 **JURISDICTION AND VENUE**

4 1. The Superior Court of the State of California has jurisdiction in this matter because
5 PLAINTIFF is a resident of the State of California, and Defendants DUAL DIAGNOSIS
6 TREATMENT CENTER, INC., a California corporation; SHREYA HEALTH OF
7 CALIFORNIA, INC., a California corporation; SATYA HEALTH OF CALIFORNIA, INC., a
8 California corporation; SOVEREIGN ASSET MANAGEMENT, INC., a California corporation;
9 ATHENA HEALTHCARE, INC., a California corporation; ADEONA HEALTHCARE, INC., a
10 California corporation; TONMOY SHARMA, an individual; and DOES 1 through 50, inclusive
11 (collectively, "DEFENDANTS"), are qualified to do business in California and regularly conduct
12 business in California. Further, no federal question is at issue because the claims are based solely on
13 California law.

14 2. Venue is proper in this judicial district and the County of Los Angeles, California
15 because PLAINTIFF, and other persons similarly situated, performed work for DEFENDANTS
16 in the County of Los Angeles, DEFENDANTS maintain offices and facilities and transact
17 business in the County of Los Angeles, and because DEFENDANTS' illegal payroll policies and
18 practices which are the subject of this action were applied, at least in part, to PLAINTIFF, and
19 other persons similarly situated, in the County of Los Angeles.

20 **PLAINTIFF**

21 3. PLAINTIFF is a female resident and citizen of the State of California and a former
22 employee of DEFENDANTS at times material to this Complaint.

23 4. PLAINTIFF, on behalf of herself and other similarly situated current and former
24 non-exempt employees of DEFENDANTS in the State of California at any time during the four
25 years preceding the filing of this action, and continuing while this action is pending, brings this
26 class action to recover, among other things, wages and penalties from unpaid wages earned and
27 due, including but not limited to unpaid minimum wages, unpaid and illegally calculated overtime
28 compensation, illegal meal and rest period policies, failure to pay all wages due to discharged and

1 quitting employees, failure to indemnify employees for necessary expenditures and/or losses
2 incurred in discharging their duties, failure to provide accurate itemized wage statements, failure
3 to maintain required records, and interest, attorneys' fees, costs, and expenses.

4 5. PLAINTIFF brings this action on behalf of herself and the following similarly
5 situated class of individuals ("CLASS MEMBERS"): all current and former non-exempt
6 employees of DEFENDANTS in the State of California at any time within the period
7 beginning four (4) years prior to the filing of this action and ending at the time this action
8 settles or proceeds to final judgment (the "CLASS PERIOD"). PLAINTIFF reserves the right
9 to name additional class representatives.

10 DEFENDANTS

11 6. PLAINTIFF is informed and believes, and thereon alleges, that DEFENDANT
12 DUAL DIAGNOSIS CENTER, INC. is, and at all times relevant hereto was, a California
13 corporation organized and existing under the laws of the State of California. PLAINTIFF is
14 further informed and believes, and thereon alleges, that DEFENDANT DUAL DIAGNOSIS
15 CENTER, INC. is authorized to conduct business in the State of California and does conduct
16 business in the State of California. Specifically, DEFENDANT DUAL DIAGNOSIS CENTER,
17 INC. maintains offices and facilities and conducts business in, and engages in illegal payroll
18 practices or policies in, the County of Los Angeles, State of California.

19 7. PLAINTIFF is informed and believes, and thereon alleges, that DEFENDANT
20 SHREYA HEALTH OF CALIFORNIA, INC. is, and at all times relevant hereto was, a
21 California corporation organized and existing under the laws of the State of California.
22 PLAINTIFF is further informed and believes, and thereon alleges, that DEFENDANT SHREYA
23 HEALTH OF CALIFORNIA, INC. is authorized to conduct business in the State of California
24 and does conduct business in the State of California. Specifically, DEFENDANT SHREYA
25 HEALTH OF CALIFORNIA, INC. maintains offices and facilities and conducts business in, and
26 engages in illegal payroll practices or policies in, the County of Los Angeles, State of California.

27 8. PLAINTIFF is informed and believes, and thereon alleges, that DEFENDANT
28 SATYA HEALTH OF CALIFORNIA, INC. is, and at all times relevant hereto was, a California

1 corporation organized and existing under the laws of the State of California. PLAINTIFF is
2 further informed and believes, and thereon alleges, that DEFENDANT SATYA HEALTH OF
3 CALIFORNIA, INC. is authorized to conduct business in the State of California and does
4 conduct business in the State of California. Specifically, DEFENDANT SATYA HEALTH OF
5 CALIFORNIA, INC. maintains offices and facilities and conducts business in, and engages in
6 illegal payroll practices or policies in, the County of Los Angeles, State of California.

7 9. PLAINTIFF is informed and believes, and thereon alleges, that DEFENDANT
8 SOVEREIGN ASSET MANAGEMENT, INC. is, and at all times relevant hereto was, a
9 California corporation organized and existing under the laws of the State of California.
10 PLAINTIFF is further informed and believes, and thereon alleges, that DEFENDANT
11 SOVEREIGN ASSET MANAGEMENT, INC. is authorized to conduct business in the State of
12 California and does conduct business in the State of California. Specifically, DEFENDANT
13 SOVEREIGN ASSET MANAGEMENT, INC. maintains offices and facilities and conducts
14 business in, and engages in illegal payroll practices or policies in, the County of Los Angeles,
15 State of California.

16 10. PLAINTIFF is informed and believes, and thereon alleges, that DEFENDANT
17 ATHENA HEALTHCARE, INC. is, and at all times relevant hereto was, a California corporation
18 organized and existing under the laws of the State of California. PLAINTIFF is further informed
19 and believes, and thereon alleges, that DEFENDANT ATHENA HEALTHCARE, INC. is
20 authorized to conduct business in the State of California and does conduct business in the State of
21 California. Specifically, DEFENDANT ATHENA HEALTHCARE, INC. maintains offices and
22 facilities and conducts business in, and engages in illegal payroll practices or policies in, the
23 County of Los Angeles, State of California.

24 11. PLAINTIFF is informed and believes, and thereon alleges, that DEFENDANT
25 ADEONA HEALTHCARE, INC. is, and at all times relevant hereto was, a California corporation
26 organized and existing under the laws of the State of California. PLAINTIFF is further informed
27 and believes, and thereon alleges, that DEFENDANT ADEONA HEALTHCARE, INC. is
28 authorized to conduct business in the State of California and does conduct business in the State of

1 California. Specifically, DEFENDANT ADEONA HEALTHCARE, INC. maintains offices and
2 facilities and conducts business in, and engages in illegal payroll practices or policies in, the
3 County of Los Angeles, State of California.

4 12. PLAINTIFF is informed and believes, and thereon alleges, that DEFENDANT
5 TONMOY SHARMA ("SHARMA") is, and at times relevant hereto was, a male resident of the
6 State of California. At all times material to this complaint, DEFENDANT SHARMA was the
7 owner and President of DEFENDANTS DUAL DIAGNOSIS CENTER, INC.; SHREYA
8 HEALTH OF CALIFORNIA, INC.; SATYA HEALTH OF CALIFORNIA, INC.; SOVEREIGN
9 ASSET MANAGEMENT, INC.; ATHENA HEALTHCARE, INC.; and ADEONA
10 HEALTHCARE, INC. ("ENTITY DEFENDANTS") and a joint employer of PLAINTIFFS and
11 CLASS MEMBERS. On information and belief, DEFENDANT SHARMA directly or
12 indirectly employed or exercised control over the wages, hours, and working conditions of
13 PLAINTIFFS and CLASS MEMBERS, and DEFENDANT SHARMA caused the wage and
14 hour violations alleged herein, including but not limited to violations of the California Labor
15 Code, the California Business and Professions Code, and the applicable Industrial Welfare
16 Commission ("IWC") wage order.

17 13. On information and belief, ENTITY DEFENDANTS are, and at all times
18 material to this complaint were, the alter egos of DEFENDANT SHARMA. On further
19 information and belief, the factors supporting the alter ego status of ENTITY DEFENDANTS
20 include but are not limited to the following: DEFENDANT SHARMA owns or controls a
21 majority of the shares of ENTITY DEFENDANTS such that there is a unity of interests
22 between DEFENDANT SHARMA and ENTITY DEFENDANTS; DEFENDANT SHARMA
23 improperly disregards the separate corporate forms of ENTITY DEFENDANTS, and he treats
24 the assets of the entities as his own; ENTITY DEFENDANTS are undercapitalized,
25 commingle assets, share the same employees, and are essentially shell entities created by
26 DEFENDANT SHARMA to attempt to avoid personal liability, such that it would be
27 inequitable to hold only ENTITY DEFENDANTS liable for certain acts and omissions
28 described herein.

1 14. The true names and capacities of DOES 1 through 50, inclusive, are unknown to
2 PLAINTIFF at this time, and PLAINTIFF therefore sues such DOE Defendants under fictitious
3 names. PLAINTIFF is informed and believes, and thereon alleges, that each Defendant
4 designated as a DOE is in some manner highly responsible for the occurrences alleged herein, and
5 that PLAINTIFF and CLASS MEMBERS' injuries and damages, as alleged herein, were
6 proximately caused by the conduct of such DOE Defendants. PLAINTIFF will seek leave of the
7 court to amend this Complaint to allege their true names and capacities of such DOE Defendants
8 when ascertained.

9 15. At all relevant times herein, DEFENDANTS were the joint employers of
10 PLAINTIFF and CLASS MEMBERS. PLAINTIFF is informed and believes, and thereon
11 alleges, that at all times material to this complaint, DEFENDANTS were the alter egos, divisions,
12 affiliates, integrated enterprises, joint employers, subsidiaries, parents, principals, related entities,
13 co-conspirators, authorized agents, partners, joint venturers, and/or guarantors, actual or
14 ostensible, of each other. Each Defendant was completely dominated by his, her or its co-
15 Defendant, and each was the alter ego of the other.

16 16. At all relevant times herein, PLAINTIFF and CLASS MEMBERS were employed
17 by DEFENDANTS under employment agreements that were partly written, partly oral, and partly
18 implied. In perpetrating the acts and omissions alleged herein, DEFENDANTS, and each of them,
19 acted pursuant to, and in furtherance of, their policies and practices of not paying PLAINTIFF
20 and CLASS MEMBERS all wages earned and due, through methods and schemes which include,
21 but are not limited to, failing to pay overtime premiums; failing to provide rest and meal periods;
22 failing to properly maintain records; failing to provide accurate itemized statements for each pay
23 period; failing to properly compensate PLAINTIFF and CLASS MEMBERS for necessary
24 expenditures; and requiring, permitting or suffering the employees to work off the clock, in
25 violation of the California Labor Code and the applicable Welfare Commission ("IWC") Orders.

26 17. PLAINTIFF is informed and believes, and thereon alleges, that each and every one
27 of the acts and omissions alleged herein were performed by, and/or attributable to, all
28 DEFENDANTS, each acting as agents and/or employees, and/or under the direction and control

1 of, each of the other DEFENDANTS, and that said acts and failures to act were within the course
2 and scope of said agency, employment and/or direction and control.

3 18. As a direct and proximate result of the unlawful actions of DEFENDANTS,
4 PLAINTIFF and CLASS MEMBERS have suffered, and continue to suffer, from loss of earnings
5 in amounts as yet unascertained, but subject to proof at trial, and within the jurisdiction of this
6 Court.

7 **CLASS ACTION DESIGNATION**

8 19. This action is appropriately suited for a class action because:

9 a. The potential class is a significant number. Joinder of all current and
10 former employees individually would be impractical.

11 b. This action involves common questions of law and fact to the potential
12 class because the action focuses on DEFENDANTS' systematic course of illegal payroll practices
13 and policies, which was applied to all non-exempt employees in violation of the Labor Code, the
14 applicable IWC wage order, and the Business and Professions Code which prohibits unfair
15 business practices arising from such violations.

16 c. The claims of PLAINTIFF are typical of the class because DEFENDANTS
17 subjected all non-exempt employees to identical violations of the Labor Code, the applicable
18 IWC wage order, and the Business and Professions Code.

19 d. PLAINTIFF is able to fairly and adequately protect the interests of all
20 members of the class because it is in his best interests to prosecute the claims alleged herein to
21 obtain full compensation due to them for all services rendered and hours worked.

22 **FIRST CAUSE OF ACTION**

23 **Failure to Provide Required Meal Periods**

24 **[Cal. Labor Code §§ 226.7, 510, 512, 1194, 1197; IWC Wage Order No. 5-2001, § 11]**

25 **(Against all DEFENDANTS)**

26 20. PLAINTIFF incorporates herein by specific reference, as though fully set forth, the
27 allegations in paragraphs 1 through 19.

28 21. During the CLASS PERIOD, as part of DEFENDANTS' illegal payroll policies

1 and practices to deprive their non-exempt employees all wages earned and due, DEFENDANTS
2 required, permitted or otherwise suffered PLAINTIFF and CLASS MEMBERS to take less than
3 the 30-minute meal period, or to work through them, and have failed to otherwise provide the
4 required meal periods to PLAINTIFF and CLASS MEMBERS pursuant to California Labor Code
5 § 226.7, 512 and IWC Order No. 5-2001, § 11.

6 22. DEFENDANTS further violated California Labor Code §§ 226.7 and IWC Wage
7 Order No. 5-2001, § 11 by failing to compensate PLAINTIFF and CLASS MEMBERS who were
8 not provided with a meal period, in accordance with the applicable wage order, one additional
9 hour of compensation at each employee's regular rate of pay for each workday that a meal period
10 was not provided.

11 23. DEFENDANTS further violated California Labor Code §§ 226.7, 510, 1194,
12 1197, and IWC Wage Order No. 5-2001 by failing to compensate PLAINTIFF and CLASS
13 MEMBERS for all hours worked during their meal periods.

14 24. As a proximate result of the aforementioned violations, PLAINTIFF and CLASS
15 MEMBERS have been damaged in an amount according to proof at trial, and seek all wages
16 earned and due, interest, penalties, expenses, and costs of suit.

17 **SECOND CAUSE OF ACTION**

18 **Failure to Provide Required Rest Periods**

19 **[Cal. Labor Code §§ 226.7, 512; IWC Wage Order No. 5-2001, § 12]**

20 **(Against all DEFENDANTS)**

21 25. PLAINTIFF incorporates herein by specific reference, as though fully set forth, the
22 allegations in paragraphs 1 through 24.

23 26. At all times relevant herein, as part of DEFENDANTS' illegal payroll policies and
24 practices to deprive their non-exempt employees all wages earned and due, DEFENDANTS
25 failed to provide rest periods to PLAINTIFF and CLASS MEMBERS as required under
26 California Labor Code §§ 226.7 and 512, and IWC Wage Order No. 5-2001, § 12.

27 27. DEFENDANTS further violated California Labor Code § 226.7 and IWC Wage
28 Order No. 5-2001, § 12 by failing to pay PLAINTIFF and CLASS MEMBERS who were not

1 provided with a rest period, in accordance with the applicable wage order, one additional hour of
2 compensation at each employee's regular rate of pay for each workday that a rest period was not
3 provided.

4 28. As a proximate result of the aforementioned violations, PLAINTIFF and CLASS
5 MEMBERS have been damaged in an amount according to proof at trial, and seek all wages
6 earned and due, interest, penalties, expenses, and costs of suit.

7 **THIRD CAUSE OF ACTION**

8 **Failure to Pay Overtime Wages**

9 **[Cal. Labor Code §§ 510, 1194, 1198; IWC Wage Order No. 5-2001, § 3]**

10 **(Against all DEFENDANTS)**

11 29. PLAINTIFF incorporates herein by specific reference, as though fully set forth, the
12 allegations in paragraphs 1 through 28.

13 30. Pursuant to California Labor Code §§ 510, 1194, and IWC Wage Order No. 5-
14 2001, § 3, DEFENDANTS are required to compensate PLAINTIFF and CLASS MEMBERS for
15 all overtime, which is calculated at one and one-half (1 ½) times the regular rate of pay for all
16 hours worked in excess of eight (8) hours per day and/or forty (40) hours per week, and for the
17 first eight (8) hours on the seventh consecutive workday, with double time for all hours worked in
18 excess of twelve (12) hours in any workday and for all hours worked in excess of eight (8) hours
19 on the seventh consecutive day of work in any workweek.

20 31. PLAINTIFF and CLASS MEMBERS are current and former non-exempt
21 employees entitled to the protections of California Labor Code §§ 510, 1194, and IWC Wage
22 Order No. 5-2001. During the CLASS PERIOD, DEFENDANTS failed to compensate
23 PLAINTIFF and CLASS MEMBERS for all overtime hours worked as required under the
24 foregoing provisions of the California Labor Code and IWC Wage Order by, among other things:
25 failing to pay overtime at one and one-half (1 ½) or double the regular rate of pay as provided by
26 California Labor Code §§ 510, 1194, and IWC Wage Order No. 5-2001, § 3; requiring, permitting
27 or suffering PLAINTIFF and CLASS MEMBERS to work off the clock; requiring, permitting or
28 suffering PLAINTIFF and CLASS MEMBERS to work through meal and rest breaks; illegally

1 and inaccurately recording time in which PLAINTIFF and CLASS MEMBERS worked; failing to
2 properly maintain PLAINTIFF's and CLASS MEMBERS' records; failing to provide accurate
3 itemized wage statements to PLAINTIFF for each pay period; and other methods to be
4 discovered.

5 32. In violation of California law, DEFENDANTS have knowingly and willfully
6 refused to perform their obligations to compensate PLAINTIFF and CLASS MEMBERS for all
7 wages earned and all hours worked. As a proximate result, PLAINTIFF and CLASS MEMBERS
8 have suffered, and continue to suffer, substantial losses related to the use and enjoyment of such
9 wages, lost interest on such wages, and expenses and attorneys' fees in seeking to compel
10 DEFENDANTS to fully perform their obligations under state law, all to their respective damages
11 in amounts according to proof at time of trial, and within the jurisdiction of this Court.

12 33. DEFENDANTS' conduct described herein violates California Labor Code §§ 510,
13 1194, 1198 and IWC Wage Order No. 5-2001, § 3. Therefore, pursuant to California Labor Code
14 §§ 200, 203, 226, 558, 1194, 1197.1, and other applicable provisions under the California Labor
15 Code and IWC Wage Orders, PLAINTIFF and CLASS MEMBERS are entitled to recover the
16 unpaid balance of wages owed to them by DEFENDANTS, plus interest, penalties, attorneys'
17 fees, expenses, and costs of suit.

18 **FOURTH CAUSE OF ACTION**

19 **Failure to Pay Minimum Wages**

20 **[Cal Labor Code §§ 1194, 1197; IWC Wage Order No. 5-2001, § 4]**

21 **(Against all DEFENDANTS)**

22 34. PLAINTIFF incorporates herein by specific reference, as though fully set forth, the
23 allegations in paragraphs 1 through 33.

24 35. Pursuant to California Labor Code §§ 1194, 1197, and IWC Wage Order No. 5-
25 2001, § 4, payment to an employee of less than the applicable minimum wage for all hours
26 worked in a payroll period is unlawful.

27 36. During the CLASS PERIOD, DEFENDANTS failed to pay PLAINTIFF and
28 CLASS MEMBERS minimum wages for all hours worked by, among other things: requiring,

1 permitting or suffering PLAINTIFF and CLASS MEMBERS to work off the clock; requiring,
2 permitting or suffering PLAINTIFF and CLASS MEMBERS to work through meal and rest
3 breaks; illegally and inaccurately recording time in which PLAINTIFF and CLASS MEMBERS
4 worked; failing to properly maintain PLAINTIFF's and CLASS MEMBERS' records; failing to
5 provide accurate itemized wage statements to PLAINTIFF and CLASS MEMBERS for each pay
6 period; and other methods to be discovered.

7 37. DEFENDANTS' conduct described herein violates California Labor Code
8 §§ 1194, 1197, and IWC Wage Order No. 5-2001, § 4. As a proximate result of the
9 aforementioned violations, PLAINTIFF and CLASS MEMBERS have been damaged in an
10 amount according to proof at trial. Therefore, pursuant to California Labor Code §§ 200, 203,
11 226, 558, 1194, 1197.1, and other applicable provisions under the Labor Code and IWC Wage
12 Orders, PLAINTIFF and CLASS MEMBERS are entitled to recover the unpaid balance of wages
13 owed to them by DEFENDANTS, plus interest, penalties, attorneys' fees, expenses, and costs of
14 suit.

15 **FIFTH CAUSE OF ACTION**

16 **Failure to Pay All Wages Due to Discharged and Quitting Employees**

17 **[Cal. Labor Code §§ 201, 202, 203]**

18 **(Against all DEFENDANTS)**

19 38. PLAINTIFF incorporates herein by specific reference, as though fully set forth, the
20 allegations in paragraphs 1 through 36.

21 39. Pursuant to California Labor Code § 201, 202, and 203, DEFENDANTS are
22 required to pay all earned and unpaid wages to an employee who is discharged. California Labor
23 Code § 201 mandates that if an employer discharges an employee, the employee's wages accrued
24 and unpaid at the time of discharge are due and payable immediately.

25 40. Furthermore, pursuant to California Labor Code § 202, DEFENDANTS are
26 required to pay all accrued wages due to an employee no later than 72 hours after the employee
27 quits his or her employment, unless the employee provided 72 hours previous notice of his or her
28 intention to quit, in which case the employee is entitled to his or wages at the time of quitting.

47. As a proximate result of DEFENDANTS' unlawful actions and omissions, PLAINTIFF and CLASS MEMBERS have been damaged in an amount according to proof at trial, and are entitled to all wages earned and due, plus interest thereon. Additionally, PLAINTIFF and CLASS MEMBERS are entitled to all available statutory penalties, including but not limited to civil penalties pursuant to California Labor Code §§ 226(e), 226.3, and 1174.5, and an award of costs, expenses, and reasonable attorneys' fees, including but not limited to those provided in California Labor Code § 226(e), as well as other available remedies.

SEVENTH CAUSE OF ACTION

Failure to Furnish Accurate Itemized Wage Statements

[Cal. Labor Code §§ 226; IWC Wage Order No. 5-2001, § 7]

(Against all DEFENDANTS)

48. PLAINTIFF incorporates herein by specific reference, as though fully set forth, the allegations in paragraphs 1 through 47.

49. During the CLASS PERIOD, DEFENDANTS routinely failed to provide PLAINTIFF and CLASS MEMBERS with timely, accurate, and itemized wage statements in writing showing each employee's gross wages earned, total hours worked, all deductions made, net wages earned, the name and address of the legal entity or entities employing PLAINTIFF and CLASS MEMBERS, and all applicable hourly rates in effect during each pay period and the corresponding number of hours worked at each hourly rate, in violation of California Labor Code § 226 and IWC Wage Order No. 5-2001, § 7.

50. During the CLASS PERIOD, DEFENDANTS knowingly and intentionally failed to provide PLAINTIFF and CLASS MEMBERS with timely, accurate, and itemized wage statements in accordance with California Labor Code § 226(a).

51. As a proximate result of DEFENDANTS' unlawful actions and omissions, PLAINTIFF and CLASS MEMBERS have been damaged in an amount according to proof at trial, and seek all wages earned and due, plus interest thereon. Additionally, PLAINTIFF and CLASS MEMBERS are entitled to all available statutory penalties, including but not limited to civil penalties pursuant to California Labor Code §§ 226(e), 226.3, and 1174.5, and an award of

1 costs, expenses, and reasonable attorneys' fees, including but not limited to those provided in
2 California Labor Code § 226(e), as well as other available remedies.

3 **EIGHTH CAUSE OF ACTION**

4 **Failure to Indemnify Employees for Necessary Expenditures**

5 **Incurred in Discharge of Duties**

6 **[Cal. Labor Code § 2802]**

7 **(Against all DEFENDANTS)**

8 52. PLAINTIFF incorporates herein by specific reference, as though fully set forth, the
9 allegations in paragraphs 1 through 51.

10 53. California Labor Code § 2802(a) requires an employer to indemnify an employee
11 for all necessary expenditures or losses incurred by the employee in direct consequence of the
12 discharge of her his or her duties, or of his or her obedience to the directions of the employer.

13 54. During the CLASS PERIOD, DEFENDANTS knowingly and willfully failed to
14 indemnify PLAINTIFF and CLASS MEMBERS for all business expenses and/or losses incurred
15 in direct consequence of the discharge of their duties while working under the direction of
16 DEFENDANTS, including but not limited to expenses for uniforms, mileage, and other
17 employment-related expenses, in violation of California Labor Code § 2802.

18 55. As a proximate result of DEFENDANTS' unlawful actions and omissions,
19 PLAINTIFF and CLASS MEMBERS have been damaged in an amount according to proof at
20 trial, and seek reimbursement of all necessary expenditures, plus interest thereon pursuant to
21 California Labor Code § 2802(b). Additionally, PLAINTIFF and CLASS MEMBERS are
22 entitled to all available statutory penalties and an award of costs, expenses, and reasonable
23 attorneys' fees, including those provided in California Labor Code § 2802(c), as well as other
24 available remedies.

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1 **NINTH CAUSE OF ACTION**

2 **Unfair and Unlawful Business Practices**

3 **[Cal. Bus. & Prof. Code §§ 17200 et. seq.]**

4 **(Against all DEFENDANTS)**

5 56. PLAINTIFF incorporates herein by specific reference, as though fully set forth, the
6 allegations in paragraphs 1 through 55.

7 57. Each and every one of DEFENDANTS' acts and omissions in violation of the
8 California Labor Code and/or the applicable IWC Wage Order as alleged herein, including but
9 not limited to DEFENDANTS' failure and refusal to provide required meal periods,
10 DEFENDANTS' failure and refusal to provide required rest periods, DEFENDANTS' failure and
11 refusal to pay overtime compensation, DEFENDANTS' failure and refusal to pay minimum
12 wages, DEFENDANTS' failure and refusal to pay all wages due to discharged or quitting
13 employees, DEFENDANTS' failure and refusal to furnish accurate itemized wage statements;
14 DEFENDANTS' failure and refusal to maintain required records, DEFENDANTS' failure and
15 refusal to indemnify PLAINTIFF and CLASS MEMBERS for necessary expenditures and/or
16 losses incurring in discharging their duties, constitutes an unfair and unlawful business practice
17 under California Business and Professions Code § 17200 et seq.

18 58. DEFENDANTS' violations of California wage and hour laws constitute a business
19 practice because DEFENDANTS' aforementioned acts and omissions were done repeatedly over
20 a significant period of time, and in a systematic manner, to the detriment of PLAINTIFF and
21 CLASS MEMBERS.

22 59. DEFENDANTS have avoided payment of wages, overtime wages, meal periods,
23 rest periods, and other benefits as required by the California Labor Code, the California Code of
24 Regulations, and the applicable IWC Wage Order. Further, DEFENDANTS have failed to
25 record, report, and pay the correct sums of assessment to the state authorities under the California
26 Labor Code and other applicable regulations.

27 60. As a result of DEFENDANTS' unfair and unlawful business practices,
28 DEFENDANTS have reaped unfair and illegal profits during the CLASS PERIOD at the expense

1 of PLAINTIFF, CLASS MEMBERS, and members of the public. DEFENDANTS should be
2 made to disgorge their ill-gotten gains and to restore them to PLAINTIFF and CLASS
3 MEMBERS.

4 61. DEFENDANTS' unfair and unlawful business practices entitle PLAINTIFF and
5 CLASS MEMBERS to seek preliminary and permanent injunctive relief, including but not
6 limited to orders that DEFENDANTS account for, disgorge, and restore to PLAINTIFF and
7 CLASS MEMBERS the wages and other compensation unlawfully withheld from them.
8 PLAINTIFF and CLASS MEMBERS are entitled to restitution of all monies to be disgorged
9 from DEFENDANTS in an amount according to proof at the time of trial, but in excess of the
10 jurisdiction of this Court.

11 **TENTH CAUSE OF ACTION**

12 **Representative Action for Civil Penalties**

13 **[Cal. Labor Code §§ 2698–2699.5]**

14 **(Against All DEFENDANTS)**

15 60. PLAINTIFF incorporates herein by specific reference as though fully set forth the
16 allegations in all preceding paragraphs, with exception of the allegations in paragraph 19 and the
17 subparagraphs thereto.

18 61. PLAINTIFF is an “aggrieved employee” within the meaning of California Labor
19 Code § 2699(c), and a proper representative to bring a civil action on behalf of herself and all
20 other current and former non-exempt employees of DEFENDANTS pursuant to the procedures
21 specified in California Labor Code § 2699.3, because PLAINTIFF was employed by
22 DEFENDANTS and the alleged violations of the California Labor Code were committed against
23 PLAINTIFF and other aggrieved employees of DEFENDANTS.

24 62. Pursuant to the California Private Attorneys General Act of 2004 (“PAGA”),
25 Labor Code §§ 2698–2699.5, PLAINTIFF, on behalf of herself and all other similarly aggrieved
26 employees, seeks to recover civil penalties, including but not limited to penalties under California
27 Labor Code §§ 2699, 210, 226.3, 558, 1174.5, 1197.1, and IWC Wage Order No. 5-2001, § 20,
28 from DEFENDANTS in a representative action for the violations set forth above, including but

1 not limited to violations of California Labor Code §§ 201, 202, 203, 204, 226, 226.7, 510, 512,
2 1174, 1194, 1197, 1198, and 2802. PLAINTIFF and CLASS MEMBERS are also entitled to an
3 award of reasonable attorneys' fees and costs pursuant to California Labor Code § 2699(g)(1).

4 63. Pursuant to California Labor Code §§ 2699.3, PLAINTIFF gave written notice by
5 certified mail to the California Labor and Workforce Development Agency ("LWDA") and
6 DEFENDANTS of the specific provisions of the California Labor Code and IWC Wage Orders
7 alleged to have been violated, including the facts and theories to support the alleged violations.
8 [Insert when LWDA responded to letter, or if did not respond within thirty-three (33) calendar
9 days of the postmark date of the PAGA letter].

10 64. Therefore, PLAINTIFF has complied with all of the requirements set forth in
11 California Labor Code § 2699.3 to commence a representative action under PAGA.

12 **PRAYER FOR RELIEF**

13 **WHEREFORE**, PLAINTIFF, individually and on behalf of all other persons similarly
14 situated, respectfully prays for relief against DEFENDANTS as follows:

- 15 1. For compensatory damages in an amount to be ascertained at trial;
- 16 2. For restitution of all monies due to PLAINTIFF and CLASS MEMBERS, as well
17 as disgorged profits from the unfair and unlawful business practices of DEFENDANTS;
- 18 3. For meal and rest period compensation pursuant to California Labor Code § 226.7
19 and IWC Wage Order No. 5-2001;
- 20 4. For liquidated damages pursuant to California Labor Code §§ 1194.2 and 1197.1;
- 21 5. For preliminary and permanent injunctive relief enjoining DEFENDANTS from
22 violating the relevant provisions of the California Labor Code and the IWC Wager Orders, and
23 from engaging in the unlawful business practices complained of herein;
- 24 6. For waiting time penalties pursuant to California Labor Code § 203;
- 25 7. For statutory and civil penalties according to proof, including but not limited to all
26 penalties authorized by the California Labor Code §§ 226(e) and 2698-2699.5;
- 27 8. For interest on the unpaid wages at 10% per annum pursuant to California Labor
28 Code §§ 218.6, 1194, 2802, California Civil Code §§ 3287, 3288, and/or any other applicable

1 provision providing for pre-judgment interest;

2 9. For reasonable attorneys' fees and costs pursuant to California Labor Code §§
3 1194, 2699, 2802, California Civil Code § 1021.5, and/or any other applicable provisions
4 providing for attorneys' fees and costs;

5 10. For declaratory relief;

6 11. For an order requiring and certifying the First, Second, Third, Fourth, Fifth, Sixth,
7 Seventh, Eighth, and Ninth Causes of Action as a class action;

8 12. For an order appointing PLAINTIFF as class representative and PLAINTIFF's
9 counsel as class counsel; and

10 13. For such further relief that the Court may deem just and proper.

11
12 DATED: _____, 2016

13 Respectfully submitted,

14 MATERN LAW GROUP

15
16 By: _____

17 MATTHEW J. MATERN
18 MATTHEW W. GORDON
19 AMANDA S. NAOUFAL
20 Attorneys for Plaintiff
21 CARRIE LAMBERT
22 individually, and on behalf of all other
23 persons similarly situated
24
25
26
27
28

DEMAND FOR JURY TRIAL

PLAINTIFF hereby demands a jury trial with respect to all issues triable of right by jury.

DATED: _____, 2016

Respectfully submitted,

MATERN LAW GROUP

By: _____

MATTHEW J. MATERN
MATTHEW W. GORDON
AMANDA S. NAOUFAL
Attorneys for Plaintiff
CARRIE LAMBERT
individually, and on behalf of other persons
similarly situated

EXHIBIT B

1 MATERN LAW GROUP
2 MATTHEW J. MATERN (SBN 159798)
3 AMANDA S. NAOUFAL (SBN 295625)
4 1230 Rosecrans Avenue, Suite 200
5 Manhattan Beach, CA 90266
6 Telephone: (310) 531-1900
7 Facsimile: (310) 531-1901

8 Attorneys for Plaintiff
9 CARRIE LAMBERT individually, and on
10 behalf of all others similarly situated

11 SUPERIOR COURT OF THE STATE OF CALIFORNIA
12 COUNTY OF LOS ANGELES

13 CARRIE LAMBERT, an individual, and on
14 behalf of herself and all others similarly
15 situated

16 Plaintiff,

17 vs.

18 DUAL DIAGNOSIS TREATMENT
19 CENTER, INC., a California corporation;
20 SHREYA HEALTH OF CALIFORNIA,
21 INC., a California corporation; SATYA
22 HEALTH OF CALIFORNIA, INC., a
23 California corporation; SOVEREIGN ASSET
24 MANAGEMENT, INC., a California
25 corporation; ATHENA HEALTHCARE,
26 INC., a California corporation; ADEONA
27 HEALTHCARE, INC., a California
28 corporation; TONMOY SHARMA, an
individual; and DOES 1 through 50, inclusive,

Defendants.

CONFORMED COPY
OF ORIGINAL FILED
Los Angeles Superior Court

APR 06 2016

Sherri R. Carter, Executive Officer/Clerk
By: Moses Soto, Deputy

CASE NO.: **BC 6 1 6 1 4 9**

CLASS ACTION

COMPLAINT FOR:

1. Failure to Provide Required Meal Periods
2. Failure to Provide Required Rest Periods
3. Failure to Pay Overtime Wages
4. Failure to Pay Minimum Wages
5. Failure to Pay All Wages Due to Discharged and Quitting Employees
6. Failure to Maintain Required Records
7. Failure to Furnish Accurate Itemized Wage Statements
8. Failure to Indemnify Employees for Necessary Expenditures Incurred in Discharge of Duties
9. Unfair and Unlawful Business Practices

REPRESENTATIVE ACTION:

10. Penalties under the Labor Code Private Attorneys General Act, as Representative Action

DEMAND FOR JURY TRIAL

1 Plaintiff CARRIE LAMBERT ("PLAINTIFF") an individual, demanding a jury trial, on
2 behalf of herself and all other persons similarly situated, hereby alleges as follows:

3 **JURISDICTION AND VENUE**

4 1. The Superior Court of the State of California has jurisdiction in this matter because
5 PLAINTIFF is a resident of the State of California, and Defendants DUAL DIAGNOSIS
6 TREATMENT CENTER, INC., a California corporation; SHREYA HEALTH OF
7 CALIFORNIA, INC., a California corporation; SATYA HEALTH OF CALIFORNIA, INC., a
8 California corporation; SOVEREIGN ASSET MANAGEMENT, INC., a California corporation;
9 ATHENA HEALTHCARE, INC., a California corporation; ADEONA HEALTHCARE, INC., a
10 California corporation; TONMOY SHARMA ("SHARMA"), an individual; and DOES 1
11 through 50, inclusive (collectively, "DEFENDANTS"), are qualified to do business in California
12 and regularly conduct business in California. Further, no federal question is at issue because the
13 claims are based solely on California law.

14 2. Venue is proper in this judicial district and the County of Los Angeles, California
15 because PLAINTIFF, and other persons similarly situated, performed work for DEFENDANTS
16 in the County of Los Angeles, DEFENDANTS maintain offices and facilities and transact
17 business in the County of Los Angeles, and because DEFENDANTS' illegal payroll policies and
18 practices which are the subject of this action were applied, at least in part, to PLAINTIFF, and
19 other persons similarly situated, in the County of Los Angeles.

20 **PLAINTIFF**

21 3. PLAINTIFF is a female resident and citizen of the State of California and a former
22 employee of DEFENDANTS at times material to this Complaint.

23 4. PLAINTIFF, on behalf of herself and all other similarly situated current and
24 former non-exempt employees of DEFENDANTS in the State of California at any time during
25 the four years preceding the filing of this action, and continuing while this action is pending,
26 brings this class action to recover, among other things, wages and penalties from unpaid wages
27 earned and due, including but not limited to unpaid minimum wages, unpaid and illegally
28 calculated overtime compensation, illegal meal and rest period policies, failure to pay all wages

1 due to discharged and quitting employees, failure to indemnify employees for necessary
2 expenditures and/or losses incurred in discharging their duties, failure to provide accurate
3 itemized wage statements, failure to maintain required records, and interest, attorneys' fees, costs,
4 and expenses.

5 5. PLAINTIFF brings this action on behalf of herself and the following similarly
6 situated class of individuals ("CLASS MEMBERS"): all current and former non-exempt
7 employees of DEFENDANTS in the State of California at any time within the period
8 beginning four (4) years prior to the filing of this action and ending at the time this action
9 settles or proceeds to final judgment (the "CLASS PERIOD"). PLAINTIFF reserves the right
10 to name additional class representatives.

11 DEFENDANTS

12 6. PLAINTIFF is informed and believes, and thereon alleges, that DEFENDANT
13 DUAL DIAGNOSIS CENTER, INC. is, and at all times relevant hereto was, a California
14 corporation organized and existing under the laws of the State of California. PLAINTIFF is
15 further informed and believes, and thereon alleges, that DEFENDANT DUAL DIAGNOSIS
16 CENTER, INC. is authorized to conduct business in the State of California and does conduct
17 business in the State of California. Specifically, DEFENDANT DUAL DIAGNOSIS CENTER,
18 INC. maintains offices and facilities and conducts business in, and engages in illegal payroll
19 practices or policies in, the County of Los Angeles, State of California.

20 7. PLAINTIFF is informed and believes, and thereon alleges, that DEFENDANT
21 SHREYA HEALTH OF CALIFORNIA, INC. is, and at all times relevant hereto was, a
22 California corporation organized and existing under the laws of the State of California.
23 PLAINTIFF is further informed and believes, and thereon alleges, that DEFENDANT SHREYA
24 HEALTH OF CALIFORNIA, INC. is authorized to conduct business in the State of California
25 and does conduct business in the State of California. Specifically, DEFENDANT SHREYA
26 HEALTH OF CALIFORNIA, INC. maintains offices and facilities and conducts business in, and
27 engages in illegal payroll practices or policies in, the County of Los Angeles, State of California.

28 8. PLAINTIFF is informed and believes, and thereon alleges, that DEFENDANT

1 SATYA HEALTH OF CALIFORNIA, INC. is, and at all times relevant hereto was, a California
2 corporation organized and existing under the laws of the State of California. PLAINTIFF is
3 further informed and believes, and thereon alleges, that DEFENDANT SATYA HEALTH OF
4 CALIFORNIA, INC. is authorized to conduct business in the State of California and does
5 conduct business in the State of California. Specifically, DEFENDANT SATYA HEALTH OF
6 CALIFORNIA, INC. maintains offices and facilities and conducts business in, and engages in
7 illegal payroll practices or policies in, the County of Los Angeles, State of California.

8 9. PLAINTIFF is informed and believes, and thereon alleges, that DEFENDANT
9 SOVEREIGN ASSET MANAGEMENT, INC. is, and at all times relevant hereto was, a
10 California corporation organized and existing under the laws of the State of California.
11 PLAINTIFF is further informed and believes, and thereon alleges, that DEFENDANT
12 SOVEREIGN ASSET MANAGEMENT, INC. is authorized to conduct business in the State of
13 California and does conduct business in the State of California. Specifically, DEFENDANT
14 SOVEREIGN ASSET MANAGEMENT, INC. maintains offices and facilities and conducts
15 business in, and engages in illegal payroll practices or policies in, the County of Los Angeles,
16 State of California.

17 10. PLAINTIFF is informed and believes, and thereon alleges, that DEFENDANT
18 ATHENA HEALTHCARE, INC. is, and at all times relevant hereto was, a California corporation
19 organized and existing under the laws of the State of California. PLAINTIFF is further informed
20 and believes, and thereon alleges, that DEFENDANT ATHENA HEALTHCARE, INC. is
21 authorized to conduct business in the State of California and does conduct business in the State of
22 California. Specifically, DEFENDANT ATHENA HEALTHCARE, INC. maintains offices and
23 facilities and conducts business in, and engages in illegal payroll practices or policies in, the
24 County of Los Angeles, State of California.

25 11. PLAINTIFF is informed and believes, and thereon alleges, that DEFENDANT
26 ADEONA HEALTHCARE, INC. is, and at all times relevant hereto was, a California corporation
27 organized and existing under the laws of the State of California. PLAINTIFF is further informed
28 and believes, and thereon alleges, that DEFENDANT ADEONA HEALTHCARE, INC. is

1 authorized to conduct business in the State of California and does conduct business in the State of
2 California. Specifically, DEFENDANT ADEONA HEALTHCARE, INC. maintains offices and
3 facilities and conducts business in, and engages in illegal payroll practices or policies in, the
4 County of Los Angeles, State of California.

5 12. PLAINTIFF is informed and believes, and thereon alleges, that DEFENDANT
6 SHARMA is, and at times relevant hereto was, a male resident of the State of California. At all
7 times material to this complaint, DEFENDANT SHARMA is, and at times relevant hereto was,
8 the owner and President of DEFENDANTS DUAL DIAGNOSIS TREATMENT CENTER,
9 INC.; SHREYA HEALTH OF CALIFORNIA, INC.; SATYA HEALTH OF CALIFORNIA,
10 INC.; SOVEREIGN ASSET MANAGEMENT, INC.; ATHENA HEALTHCARE, INC.;
11 ADEONA HEALTHCARE, INC. ("ENTITY DEFENDANTS"), and a joint employer of
12 PLAINTIFFS and CLASS MEMBERS. On information and belief, DEFENDANT SHARMA
13 directly or indirectly employed or exercised control over the wages, hours, and working
14 conditions of PLAINTIFFS and CLASS MEMBERS, and DEFENDANT SHARMA caused
15 the wage and hour violations alleged herein, including but not limited to violations of the
16 California Labor Code, the California Business and Professions Code, and the applicable
17 Industrial Welfare Commission ("IWC") wage order.

18 13. On information and belief, ENTITY DEFENDANTS are, and at all times
19 material to this complaint were, the alter egos of DEFENDANT SHARMA. On further
20 information and belief, the factors supporting the alter ego status of ENTITY DEFENDANTS
21 include but are not limited to the following: DEFENDANT SHARMA owns or controls a
22 majority of the shares of ENTITY DEFENDANTS such that there is a unity of interests
23 between DEFENDANT SHARMA and ENTITY DEFENDANTS; DEFENDANT SHARMA
24 dictates the day-to-day business of ENTITY DEFENDANTS and he controls the
25 implementation of company policies and procedures; DEFENDANT SHARMA improperly
26 disregards the separate corporate forms of ENTITY DEFENDANTS, and he treats the assets of
27 the entities as his own; ENTITY DEFENDANTS are undercapitalized, commingle assets,
28 share the same employees, and are essentially shell entities created by DEFENDANT

1 SHARMA to attempt to avoid personal liability, such that it would be inequitable to hold only
2 ENTITY DEFENDANTS liable for certain acts and omissions described herein.

3 14. The true names and capacities of DOES 1 through 50, inclusive, are unknown to
4 PLAINTIFF at this time, and PLAINTIFF therefore sues such DOE Defendants under fictitious
5 names. PLAINTIFF is informed and believes, and thereon alleges, that each Defendant
6 designated as a DOE is in some manner highly responsible for the occurrences alleged herein, and
7 that PLAINTIFF and CLASS MEMBERS' injuries and damages, as alleged herein, were
8 proximately caused by the conduct of such DOE Defendants. PLAINTIFF will seek leave of the
9 court to amend this Complaint to allege their true names and capacities of such DOE Defendants
10 when ascertained.

11 15. At all relevant times herein, DEFENDANTS were the joint employers of
12 PLAINTIFF and CLASS MEMBERS. PLAINTIFF is informed and believes, and thereon
13 alleges, that at all times material to this complaint, DEFENDANTS were the alter egos, divisions,
14 affiliates, integrated enterprises, joint employers, subsidiaries, parents, principals, related entities,
15 co-conspirators, authorized agents, partners, joint venturers, and/or guarantors, actual or
16 ostensible, of each other. Each Defendant was completely dominated by his, her or its co-
17 Defendant, and each was the alter ego of the other.

18 16. At all relevant times herein, PLAINTIFF and CLASS MEMBERS were employed
19 by DEFENDANTS under employment agreements that were partly written, partly oral, and partly
20 implied. In perpetrating the acts and omissions alleged herein, DEFENDANTS, and each of them,
21 acted pursuant to, and in furtherance of, their policies and practices of not paying PLAINTIFF
22 and CLASS MEMBERS all wages earned and due, through methods and schemes which include,
23 but are not limited to, failing to pay overtime premiums; failing to provide rest and meal periods;
24 failing to properly maintain records; failing to provide accurate itemized statements for each pay
25 period; failing to properly compensate PLAINTIFF and CLASS MEMBERS for necessary
26 expenditures; and requiring, permitting or suffering the employees to work off the clock, in
27 violation of the California Labor Code and the applicable Welfare Commission ("IWC") Orders.

28 17. PLAINTIFF is informed and believes, and thereon alleges, that each and every one

1 of the acts and omissions alleged herein were performed by, and/or attributable to, all
2 DEFENDANTS, each acting as agents and/or employees, and/or under the direction and control
3 of, each of the other DEFENDANTS, and that said acts and failures to act were within the course
4 and scope of said agency, employment and/or direction and control.

5 18. As a direct and proximate result of the unlawful actions of DEFENDANTS,
6 PLAINTIFF and CLASS MEMBERS have suffered, and continue to suffer, from loss of earnings
7 in amounts as yet unascertained, but subject to proof at trial, and within the jurisdiction of this
8 Court.

9 **CLASS ACTION DESIGNATION**

10 19. This action is appropriately suited for a Class Action because:

11 a. The potential class is a significant number. Joinder of all current and
12 former employees individually would be impractical.

13 b. This action involves common questions of law and fact to the potential
14 class because the action focuses on DEFENDANTS' systematic course of illegal payroll practices
15 and policies, which was applied to all non-exempt employees in violation of the Labor Code, the
16 applicable IWC wage order, and the Business and Professions Code which prohibits unfair
17 business practices arising from such violations.

18 c. The claims of PLAINTIFF are typical of the class because DEFENDANTS
19 subjected all non-exempt employees to identical violations of the Labor Code, the applicable
20 IWC wage order, and the Business and Professions Code.

21 d. PLAINTIFF is able to fairly and adequately protect the interests of all
22 members of the class because it is in his best interests to prosecute the claims alleged herein to
23 obtain full compensation due to them for all services rendered and hours worked.

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1 **FIRST CAUSE OF ACTION**

2 **Failure to Provide Required Meal Periods**

3 **[Cal. Labor Code §§ 226.7, 510, 512, 1194, 1197; IWC Wage Order No. 5-2001, § 11]**

4 **(Against all DEFENDANTS)**

5 20. PLAINTIFF incorporates herein by specific reference, as though fully set forth, the
6 allegations in paragraphs 1 through 19.

7 21. During the CLASS PERIOD, as part of DEFENDANTS' illegal payroll policies
8 and practices to deprive their non-exempt employees all wages earned and due, DEFENDANTS
9 required, permitted or otherwise suffered PLAINTIFF and CLASS MEMBERS to take less than
10 the 30-minute meal period, or to work through them, and have failed to otherwise provide the
11 required meal periods to PLAINTIFF and CLASS MEMBERS pursuant to California Labor Code
12 § 226.7, 512 and IWC Order No. 5-2001, § 11.

13 22. DEFENDANTS further violated California Labor Code §§ 226.7 and IWC Wage
14 Order No. 5-2001, § 11 by failing to compensate PLAINTIFF and CLASS MEMBERS who were
15 not provided with a meal period, in accordance with the applicable wage order, one additional
16 hour of compensation at each employee's regular rate of pay for each workday that a meal period
17 was not provided.

18 23. DEFENDANTS further violated California Labor Code §§ 226.7, 510, 1194,
19 1197, and IWC Wage Order No. 5-2001 by failing to compensate PLAINTIFF and CLASS
20 MEMBERS for all hours worked during their meal periods.

21 24. As a proximate result of the aforementioned violations, PLAINTIFF and CLASS
22 MEMBERS have been damaged in an amount according to proof at trial, and seek all wages
23 earned and due, interest, penalties, expenses, and costs of suit.

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1 **SECOND CAUSE OF ACTION**

2 **Failure to Provide Required Rest Periods**

3 **[Cal. Labor Code §§ 226.7, 512; IWC Wage Order No. 5-2001, § 12]**

4 **(Against all DEFENDANTS)**

5 25. PLAINTIFF incorporates herein by specific reference, as though fully set forth, the
6 allegations in paragraphs 1 through 24.

7 26. At all times relevant herein, as part of DEFENDANTS' illegal payroll policies and
8 practices to deprive their non-exempt employees all wages earned and due, DEFENDANTS
9 failed to provide rest periods to PLAINTIFF and CLASS MEMBERS as required under
10 California Labor Code §§ 226.7 and 512, and IWC Wage Order No. 5-2001, § 12.

11 27. DEFENDANTS further violated California Labor Code § 226.7 and IWC Wage
12 Order No. 5-2001, § 12 by failing to pay PLAINTIFF and CLASS MEMBERS who were not
13 provided with a rest period, in accordance with the applicable wage order, one additional hour of
14 compensation at each employee's regular rate of pay for each workday that a rest period was not
15 provided.

16 28. As a proximate result of the aforementioned violations, PLAINTIFF and CLASS
17 MEMBERS have been damaged in an amount according to proof at trial, and seek all wages
18 earned and due, interest, penalties, expenses, and costs of suit.

19 **THIRD CAUSE OF ACTION**

20 **Failure to Pay Overtime Wages**

21 **[Cal. Labor Code §§ 510, 1194, 1198; IWC Wage Order No. 5-2001, § 3]**

22 **(Against all DEFENDANTS)**

23 29. PLAINTIFF incorporates herein by specific reference, as though fully set forth, the
24 allegations in paragraphs 1 through 28.

25 30. Pursuant to California Labor Code §§ 510, 1194, and IWC Wage Order No. 5-
26 2001, § 3, DEFENDANTS are required to compensate PLAINTIFF and CLASS MEMBERS for
27 all overtime, which is calculated at one and one-half (1 ½) times the regular rate of pay for all
28 hours worked in excess of eight (8) hours per day and/or forty (40) hours per week, and for the

1 first eight (8) hours on the seventh consecutive workday, with double time for all hours worked in
2 excess of twelve (12) hours in any workday and for all hours worked in excess of eight (8) hours
3 on the seventh consecutive day of work in any workweek.

4 31. PLAINTIFF and CLASS MEMBERS are current and former non-exempt
5 employees entitled to the protections of California Labor Code §§ 510, 1194, and IWC Wage
6 Order No. 5-2001. During the CLASS PERIOD, DEFENDANTS failed to compensate
7 PLAINTIFF and CLASS MEMBERS for all overtime hours worked as required under the
8 foregoing provisions of the California Labor Code and IWC Wage Order by, among other things:
9 failing to pay overtime at one and one-half (1 ½) or double the regular rate of pay as provided by
10 California Labor Code §§ 510, 1194, and IWC Wage Order No. 5-2001, § 3; requiring, permitting
11 or suffering PLAINTIFF and CLASS MEMBERS to work off the clock; requiring, permitting or
12 suffering PLAINTIFF and CLASS MEMBERS to work through meal and rest breaks; illegally
13 and inaccurately recording time in which PLAINTIFF and CLASS MEMBERS worked; failing to
14 properly maintain PLAINTIFF's and CLASS MEMBERS' records; failing to provide accurate
15 itemized wage statements to PLAINTIFF for each pay period; and other methods to be
16 discovered.

17 32. In violation of California law, DEFENDANTS have knowingly and willfully
18 refused to perform their obligations to compensate PLAINTIFF and CLASS MEMBERS for all
19 wages earned and all hours worked. As a proximate result, PLAINTIFF and CLASS MEMBERS
20 have suffered, and continue to suffer, substantial losses related to the use and enjoyment of such
21 wages, lost interest on such wages, and expenses and attorneys' fees in seeking to compel
22 DEFENDANTS to fully perform their obligations under state law, all to their respective damages
23 in amounts according to proof at time of trial, and within the jurisdiction of this Court.

24 33. DEFENDANTS' conduct described herein violates California Labor Code §§ 510,
25 1194, 1198 and IWC Wage Order No. 5-2001, § 3. Therefore, pursuant to California Labor Code
26 §§ 200, 203, 226, 558, 1194, 1197.1, and other applicable provisions under the California Labor
27 Code and IWC Wage Orders, PLAINTIFF and CLASS MEMBERS are entitled to recover the
28 unpaid balance of wages owed to them by DEFENDANTS, plus interest, penalties, attorneys'

1 fees, expenses, and costs of suit.

2 **FOURTH CAUSE OF ACTION**

3 **Failure to Pay Minimum Wages**

4 **[Cal Labor Code §§ 1194, 1197; IWC Wage Order No. 5-2001, § 4]**

5 **(Against all DEFENDANTS)**

6 34. PLAINTIFF incorporates herein by specific reference, as though fully set forth, the
7 allegations in paragraphs 1 through 33.

8 35. Pursuant to California Labor Code §§ 1194, 1197, and IWC Wage Order No. 5-
9 2001, § 4, payment to an employee of less than the applicable minimum wage for all hours
10 worked in a payroll period is unlawful.

11 36. During the CLASS PERIOD, DEFENDANTS failed to pay PLAINTIFF and
12 CLASS MEMBERS minimum wages for all hours worked by, among other things: requiring,
13 permitting or suffering PLAINTIFF and CLASS MEMBERS to work off the clock; requiring,
14 permitting or suffering PLAINTIFF and CLASS MEMBERS to work through meal and rest
15 breaks; illegally and inaccurately recording time in which PLAINTIFF and CLASS MEMBERS
16 worked; failing to properly maintain PLAINTIFF's and CLASS MEMBERS' records; failing to
17 provide accurate itemized wage statements to PLAINTIFF and CLASS MEMBERS for each pay
18 period; and other methods to be discovered.

19 37. DEFENDANTS' conduct described herein violates California Labor Code
20 §§ 1194, 1197, and IWC Wage Order No. 5-2001, § 4. As a proximate result of the
21 aforementioned violations, PLAINTIFF and CLASS MEMBERS have been damaged in an
22 amount according to proof at trial. Therefore, pursuant to California Labor Code §§ 200, 203,
23 226, 558, 1194, 1197.1, and other applicable provisions under the Labor Code and IWC Wage
24 Orders, PLAINTIFF and CLASS MEMBERS are entitled to recover the unpaid balance of wages
25 owed to them by DEFENDANTS, plus interest, penalties, attorneys' fees, expenses, and costs of
26 suit.

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FIFTH CAUSE OF ACTION

Failure to Pay All Wages Due to Discharged and Quitting Employees

[Cal. Labor Code §§ 201, 202, 203]

(Against all DEFENDANTS)

38. PLAINTIFF incorporates herein by specific reference, as though fully set forth, the allegations in paragraphs 1 through 37.

39. Pursuant to California Labor Code § 201, 202, and 203, DEFENDANTS are required to pay all earned and unpaid wages to an employee who is discharged. California Labor Code § 201 mandates that if an employer discharges an employee, the employee's wages accrued and unpaid at the time of discharge are due and payable immediately.

40. Furthermore, pursuant to California Labor Code § 202, DEFENDANTS are required to pay all accrued wages due to an employee no later than 72 hours after the employee quits his or her employment, unless the employee provided 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or wages at the time of quitting.

41. California Labor Code § 203 provides that if an employer willfully fails to pay, in accordance with California Labor Code §§ 201 and 202, any wages of an employee who is discharged or who quits, the employer is liable for waiting time penalties in the form of continued compensation to the employee at the same rate for up to 30 workdays.

42. During the CLASS PERIOD, DEFENDANTS have willfully failed to pay accrued wages and other compensation to PLAINTIFF and CLASS MEMBERS in accordance with California Labor Code §§ 201 and 202.

43. As a result, PLAINTIFF and CLASS MEMBERS are entitled to all available statutory penalties, including the waiting time penalties provided in California Labor Code § 203, together with interest thereon, as well as other available remedies.

44. As a proximate result of DEFENDANTS' unlawful actions and omissions, PLAINTIFF and CLASS MEMBERS have been deprived of compensation in an amount according to proof at the time of trial, but in excess of the jurisdiction of this Court, and are

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1 entitled to recovery of such amounts, plus interest thereon, and attorneys' fees and costs, pursuant
2 to California Labor Code §§ 1194 and 2699.

3 **SIXTH CAUSE OF ACTION**

4 **Failure to Maintain Required Records**

5 **[Cal. Labor Code §§ 226, 1174; IWC Wage Order No. 5-2001, § 7]**

6 **(Against all DEFENDANTS)**

7 45. PLAINTIFF incorporates herein by specific reference, as though fully set forth, the
8 allegations in paragraphs 1 through 44.

9 46. During the CLASS PERIOD, as part of DEFENDANTS' illegal payroll policies
10 and practices to deprive PLAINTIFF and CLASS MEMBERS of all wages earned and due,
11 DEFENDANTS knowingly and intentionally failed to maintain records as required under
12 California Labor Code §§ 226, 1174, and IWC Wage Order No. 5-2001, § 7, including but not
13 limited to the following records: total daily hours worked by each employee; applicable rates of
14 pay; all deductions; meal periods; time records showing when each employee begins and ends
15 each work period; and accurate itemized statements.

16 47. As a proximate result of DEFENDANTS' unlawful actions and omissions,
17 PLAINTIFF and CLASS MEMBERS have been damaged in an amount according to proof at
18 trial, and are entitled to all wages earned and due, plus interest thereon. Additionally,
19 PLAINTIFF and CLASS MEMBERS are entitled to all available statutory penalties, including
20 but not limited to civil penalties pursuant to California Labor Code §§ 226(e), 226.3, and 1174.5,
21 and an award of costs, expenses, and reasonable attorneys' fees, including but not limited to those
22 provided in California Labor Code § 226(e), as well as other available remedies.

23 **SEVENTH CAUSE OF ACTION**

24 **Failure to Furnish Accurate Itemized Wage Statements**

25 **[Cal. Labor Code §§ 226; IWC Wage Order No. 5-2001, § 7]**

26 **(Against all DEFENDANTS)**

27 48. PLAINTIFF incorporates herein by specific reference, as though fully set forth, the
28 allegations in paragraphs 1 through 47.

1 49. During the CLASS PERIOD, DEFENDANTS routinely failed to provide
2 PLAINTIFF and CLASS MEMBERS with timely, accurate, and itemized wage statements in
3 writing showing each employee's gross wages earned, total hours worked, all deductions made,
4 net wages earned, the name and address of the legal entity or entities employing PLAINTIFF and
5 CLASS MEMBERS, and all applicable hourly rates in effect during each pay period and the
6 corresponding number of hours worked at each hourly rate, in violation of California Labor Code
7 § 226 and IWC Wage Order No. 5-2001, § 7.

8 50. During the CLASS PERIOD, DEFENDANTS knowingly and intentionally failed
9 to provide PLAINTIFF and CLASS MEMBERS with timely, accurate, and itemized wage
10 statements in accordance with California Labor Code § 226(a).

11 51. As a proximate result of DEFENDANTS' unlawful actions and omissions,
12 PLAINTIFF and CLASS MEMBERS have been damaged in an amount according to proof at
13 trial, and seek all wages earned and due, plus interest thereon. Additionally, PLAINTIFF and
14 CLASS MEMBERS are entitled to all available statutory penalties, including but not limited to
15 civil penalties pursuant to California Labor Code §§ 226(e), 226.3, and 1174.5, and an award of
16 costs, expenses, and reasonable attorneys' fees, including but not limited to those provided in
17 California Labor Code § 226(e), as well as other available remedies.

18 **EIGHTH CAUSE OF ACTION**

19 **Failure to Indemnify Employees for Necessary Expenditures**

20 **Incurred in Discharge of Duties**

21 **[Cal. Labor Code § 2802]**

22 **(Against all DEFENDANTS)**

23 52. PLAINTIFF incorporates herein by specific reference, as though fully set forth, the
24 allegations in paragraphs 1 through 51.

25 53. California Labor Code § 2802(a) requires an employer to indemnify an employee
26 for all necessary expenditures or losses incurred by the employee in direct consequence of the
27 discharge of her his or her duties, or of his or her obedience to the directions of the employer.

28 54. During the CLASS PERIOD, DEFENDANTS knowingly and willfully failed to

1 indemnify PLAINTIFF and CLASS MEMBERS for all business expenses and/or losses incurred
2 in direct consequence of the discharge of their duties while working under the direction of
3 DEFENDANTS, including but not limited to expenses for uniforms and other employment-
4 related expenses, in violation of California Labor Code § 2802.

5 55. As a proximate result of DEFENDANTS' unlawful actions and omissions,
6 PLAINTIFF and CLASS MEMBERS have been damaged in an amount according to proof at
7 trial, and seek reimbursement of all necessary expenditures, plus interest thereon pursuant to
8 California Labor Code § 2802(b). Additionally, PLAINTIFF and CLASS MEMBERS are
9 entitled to all available statutory penalties and an award of costs, expenses, and reasonable
10 attorneys' fees, including those provided in California Labor Code § 2802(c), as well as other
11 available remedies.

12 NINTH CAUSE OF ACTION

13 **Unfair and Unlawful Business Practices**

14 **[Cal. Bus. & Prof. Code §§ 17200 et. seq.]**

15 **(Against all DEFENDANTS)**

16 56. PLAINTIFF incorporates herein by specific reference, as though fully set forth, the
17 allegations in paragraphs 1 through 55.

18 57. Each and every one of DEFENDANTS' acts and omissions in violation of the
19 California Labor Code and/or the applicable IWC Wage Order as alleged herein, including but
20 not limited to DEFENDANTS' failure and refusal to provide required meal periods,
21 DEFENDANTS' failure and refusal to provide required rest periods, DEFENDANTS' failure and
22 refusal to pay overtime compensation, DEFENDANTS' failure and refusal to pay minimum
23 wages, DEFENDANTS' failure and refusal to pay all wages due to discharged or quitting
24 employees, DEFENDANTS' failure and refusal to furnish accurate itemized wage statements;
25 DEFENDANTS' failure and refusal to maintain required records, DEFENDANTS' failure and
26 refusal to indemnify PLAINTIFF and CLASS MEMBERS for necessary expenditures and/or
27 losses incurring in discharging their duties, constitutes an unfair and unlawful business practice
28 under California Business and Professions Code § 17200 et seq.

1 58. DEFENDANTS' violations of California wage and hour laws constitute a business
2 practice because DEFENDANTS' aforementioned acts and omissions were done repeatedly over
3 a significant period of time, and in a systematic manner, to the detriment of PLAINTIFF and
4 CLASS MEMBERS.

5 59. DEFENDANTS have avoided payment of wages, overtime wages, meal periods,
6 rest periods, and other benefits as required by the California Labor Code, the California Code of
7 Regulations, and the applicable IWC Wage Order. Further, DEFENDANTS have failed to
8 record, report, and pay the correct sums of assessment to the state authorities under the California
9 Labor Code and other applicable regulations.

10 60. As a result of DEFENDANTS' unfair and unlawful business practices,
11 DEFENDANTS have reaped unfair and illegal profits during the CLASS PERIOD at the expense
12 of PLAINTIFF, CLASS MEMBERS, and members of the public. DEFENDANTS should be
13 made to disgorge their ill-gotten gains and to restore them to PLAINTIFF and CLASS
14 MEMBERS.

15 61. DEFENDANTS' unfair and unlawful business practices entitle PLAINTIFF and
16 CLASS MEMBERS to seek preliminary and permanent injunctive relief, including but not
17 limited to orders that DEFENDANTS account for, disgorge, and restore to PLAINTIFF and
18 CLASS MEMBERS the wages and other compensation unlawfully withheld from them.
19 PLAINTIFF and CLASS MEMBERS are entitled to restitution of all monies to be disgorged
20 from DEFENDANTS in an amount according to proof at the time of trial, but in excess of the
21 jurisdiction of this Court.

22 **TENTH CAUSE OF ACTION**

23 **Representative Action for Civil Penalties**

24 **[Cal. Labor Code §§ 2698–2699.5]**

25 **(Against All DEFENDANTS)**

26 60. PLAINTIFF incorporates herein by specific reference as though fully set forth the
27 allegations in all preceding paragraphs, with exception of the allegations in paragraph 19 and the
28 subparagraphs thereto.

61. PLAINTIFF is an "aggrieved employee" within the meaning of California Labor Code § 2699(c), and a proper representative to bring a civil action on behalf of herself and other current and former non-exempt employees of DEFENDANTS pursuant to the procedures specified in California Labor Code § 2699.3, because PLAINTIFF was employed by DEFENDANTS and the alleged violations of the California Labor Code were committed against PLAINTIFF and other aggrieved employees of DEFENDANTS.

62. Pursuant to the California Private Attorneys General Act of 2004 (“PAGA”), Labor Code §§ 2698–2699.5, PLAINTIFF, on behalf of herself and all other similarly aggrieved employees, seeks to recover civil penalties, including but not limited to penalties under California Labor Code §§ 2699, 210, 226.3, 558, 1174.5, 1197.1, and IWC Wage Order No. 5-2001, § 20, from DEFENDANTS in a representative action for the violations set forth above, including but not limited to violations of California Labor Code §§ 201, 202, 203, 204, 226, 226.7, 510, 512, 1174, 1194, 1197, 1198, and 2802. PLAINTIFF and CLASS MEMBERS are also entitled to an award of reasonable attorneys’ fees and costs pursuant to California Labor Code § 2699(g)(1).

63. Pursuant to Labor Code § 2699.3, PLAINTIFF gave written notice by certified mail postmarked February 29, 2016 to the California Labor and Workforce Development Agency (“LWDA”) and DEFENDANTS of the specific provisions of the Labor Code and applicable IWC Wage Order alleged to have been violated, including the facts and theories to support the alleged violations. PLAINTIFF has not received any response from the LWDA. Because PLAINTIFF has waited more than thirty-three (33) days from the February 29, 2016 postmark date of PLAINTIFF’s written notice before filing this action, PLAINTIFF has complied with all of the requirements set forth in Labor Code § 2699.3 to commence a representative action under PAGA.

PRAYER FOR RELIEF

WHEREFORE, PLAINTIFF, individually and on behalf of all other persons similarly situated, respectfully prays for relief against DEFENDANTS as follows:

1. For compensatory damages in an amount to be ascertained at trial;
2. For restitution of all monies due to PLAINTIFF and CLASS MEMBERS, as well as disgorged profits from the unfair and unlawful business practices of DEFENDANTS;

1 3. For meal and rest period compensation pursuant to California Labor Code § 226.7
2 and IWC Wage Order No. 5-2001;

3 4. For liquidated damages pursuant to California Labor Code §§ 1194.2 and 1197.1;

4 5. For preliminary and permanent injunctive relief enjoining DEFENDANTS from
5 violating the relevant provisions of the California Labor Code and the IWC Wager Orders, and
6 from engaging in the unlawful business practices complained of herein;

7 6. For waiting time penalties pursuant to California Labor Code § 203;

8 7. For statutory and civil penalties according to proof, including but not limited to all
9 penalties authorized by the California Labor Code §§ 226(e) and 2698-2699.5;

10 8. For interest on the unpaid wages at 10% per annum pursuant to California Labor
11 Code §§ 218.6, 1194, 2802, California Civil Code §§ 3287, 3288, and/or any other applicable
12 provision providing for pre-judgment interest;

13 9. For reasonable attorneys' fees and costs pursuant to California Labor Code §§
14 1194, 2699, 2802, California Civil Code § 1021.5, and/or any other applicable provisions
15 providing for attorneys' fees and costs;

16 10. For declaratory relief;

17 11. For an order requiring and certifying the First, Second, Third, Fourth, Fifth, Sixth,
18 Seventh, Eighth, and Ninth Causes of Action as a class action;

19 12. For an order appointing PLAINTIFF as class representative and PLAINTIFF's
20 counsel as class counsel; and

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13. For such further relief that the Court may deem just and proper.

DATED: April 5, 2016

Respectfully submitted,

MATERN LAW GROUP

By:

MATTHEW J. MATERN

AMANDA S. NAOUFAL

Attorneys for Plaintiff

CARRIE LAMBERT

individually, and on behalf of other persons
similarly situated

DEMAND FOR JURY TRIAL

PLAINTIFF hereby demands a jury trial with respect to all issues triable of right by jury.

DATED: April 5, 2016

Respectfully submitted,

MATERN LAW GROUP

By:

MATTHEW J. MATERN

AMANDA S. NAOUFAL

Attorneys for Plaintiff

CARRIE LAMBERT

individually, and on behalf of other persons
similarly situated

EXHIBIT C

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Attorneys for Defendants

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES — SPRING STREET COURTHOUSE

CARRIE LAMBERT, an individual, on behalf
of herself and all others similarly situated,
Plaintiff,

vs.

DUAL DIAGNOSIS TREATMENT
CENTER, INC., a California corporation;
SHREYA HEALTH OF CALIFORNIA, INC.,
a California corporation; SATYA HEALTH
OF CALIFORNIA, INC., a California
corporation; SOVEREIGN ASSET
MANAGEMENT, INC., a California
corporation; ATHENA HEALTHCARE,
INC., a California corporation; ADEONA
HEALTHCARE, INC., a California
corporation; TONMOY SHARMA, an
individual; and DOES 1 through 50, inclusive,
Defendants.

Case No.: BC616149

[Assigned for all purposes to the
Honorable Lawrence Riff, Dept. SSC-7]

**JOINT STIPULATION RE: SETTLEMENT
OF PAGA ACTION AND ENTRY OF
JUDGMENT**

Action Filed: April 6, 2016
Trial Date: May 22, 2023

1 IT IS HEREBY STIPULATED by and between Plaintiff Carrie Lambert (“Plaintiff”) and
2 Defendants Dual Diagnosis Treatment Center, Inc.; Shreya Health Of California, Inc.; Satya Health
3 Of California, Inc.; Sovereign Asset Management, Inc.; Athena Healthcare, Inc.; Adeona Healthcare,
4 Inc.; and Tonmoy Sharma (“Defendants” and collectively with Plaintiff as the “Parties”), through
5 their respective counsel of record, as follows:

6 WHEREAS, on February 29, 2016, Plaintiff Carrie Lambert mailed a PAGA notice letter to
7 Defendants and the Labor and Workforce Development Agency (“LWDA”), setting forth the alleged
8 Labor Code violations and the facts and theories supporting the alleged violations (“PAGA Notice”);

9 WHEREAS, this action was filed on April 6, 2016, alleging a cause of action pursuant to
10 Labor Code § 2698 *et seq.* (“PAGA”) for alleged violations of Labor Code §§ 201, 202, 203, 204,
11 226(a), 226.7, 510, 512, 1174(d), 1194, 1197, 1198, 2802 (the “Action”);

12 WHEREAS, Plaintiff deposed Defendant Tonmoy Sharma and the Person Most
13 Knowledgeable at Defendants Dual Diagnosis Treatment Center, Inc.; Shreya Health Of California,
14 Inc.; Satya Health Of California, Inc.; Sovereign Asset Management, Inc.; and Athena Healthcare,
15 Inc.; Adeona Healthcare, Inc.;

16 WHEREAS, the parties attended private mediation with Jeffrey Fuchsman on May 3, 2023;

17 WHEREAS, following mediation, the parties accepted a mediator’s proposal, pursuant to
18 which Defendants have agreed to enter into a stipulated judgment for a total of \$880,000.00;

19 WHEREAS, the parties believe and agree that this Stipulation provides for a fair, adequate,
20 and reasonable resolution of this action, and arrived at the Stipulation after extensive, arms-length
21 negotiations, taking into account all relevant factors, present and potential;

22 NOW, THEREFORE, THE PARTIES HEREBY STIPULATE:

23 **1. DEFINITIONS.**

24 1.1. “Action” means Plaintiff’s PAGA lawsuit alleging wage and hour violations against
25 Defendants in the above captioned matter initiated on April 6, 2016 and pending in
26 Superior Court of the State of California, County of Los Angeles.

27 1.2. “Administrator” means XPand Legal Consulting, LLC, the neutral entity the Parties have
28 agreed to appoint to administer the Settlement.

- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval of this Settlement.
- 1.4. “Aggrieved Employee” means any and all former non-exempt employees of Defendants during the PAGA Period.
- 1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendants’ possession and/or the possession of Defendants’ payroll vendors during the PAGA Period, including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.
- 1.6. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.
- 1.7. “Court” means the Superior Court of California, County of Los Angeles.
- 1.8. “Defense Counsel” means Brown Gitt Law Group, ALC.
- 1.9. “Effective Date” means the date on which the Court enters a Judgment on its Order Approving the PAGA Settlement.
- 1.10. “Gross Settlement Amount” means \$880,000.00 which is the total amount Defendants agree to pay under the Settlement. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment.
- 1.11. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.

- 1.12. “Judgment” means the judgment entered by the Court.
- 1.13. “LWDA” means the California Labor and Workforce Development Agency.
- 1.14. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.15. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Plaintiff’s Service Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments and to the LWDA as the LWDA PAGA Payment.
- 1.16. “PAGA Counsel” means Matern Law Group, PC, the attorneys representing the Plaintiff in the Action.
- 1.17. “PAGA Counsel Fees Payment” and “PAGA Counsel Litigation Expenses Payment” mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.18. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.19. “PAGA Period” means the period from March 4, 2015 to July 31, 2018.
- 1.20. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.21. “PAGA Notice” means Plaintiff’s February 29, 2016 letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.22. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount after deducting the Administration Expenses Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and Plaintiff’s Service Payment, allocated 25% to the Aggrieved Employees and the 75% to LWDA in settlement of PAGA claims.
- 1.23. “Plaintiff” means Carrie Lambert, the named plaintiff in the Action.
- 1.24. “Plaintiff’s Service Payment” means the amount awarded to Plaintiff as a service payment, which will not exceed five thousand dollars (\$5,000.00).

1.25. “Approval Order” means the Order Approving the Joint Stipulation Re: Settlement of
PAGA Action and Entry of Judgment.

1.26. “Released PAGA Claims” means all claims for PAGA penalties during the PAGA
Period that were alleged, or reasonably could have been alleged, based on the facts stated
in the Operative Complaint and the PAGA Notice filed by Plaintiff.

1.27. “Released Parties” means: Defendants and each of their former and present directors,
officers, shareholders, owners, members, attorneys, insurers, predecessors, successors,
assigns, subsidiaries, and affiliates.

1.28. “Stipulation” or “Settlement” means the Joint Stipulation Re: Settlement of PAGA
Action and Entry of Judgment.

1.29. “Defendants” means named Defendants Dual Diagnosis Treatment Center, Inc.; Shreya
Health Of California, Inc.; Satya Health Of California, Inc.; Sovereign Asset
Management, Inc.; Athena Healthcare, Inc.; Adeona Healthcare, Inc.; and Tonmoy
Sharma.

2. RECITALS.

2.1. On April 6, 2016, Plaintiff commenced this Action by filing a Complaint (the “Operative
Complaint”) alleging a cause of action against Defendants pursuant to Labor Code §
2698 *et seq.* (“PAGA”) for alleged violations of Labor Code §§ 201, 202, 203, 204,
226(a), 226.7, 510, 512, 1174(d), 1194, 1197, 1198, 2802.¹ Defendants deny the
allegations in the Operative Complaint, deny any failure to comply with the laws
identified in in the Operative Complaint and deny any and all liability for the causes of
action alleged.

2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to
Defendant and the LWDA by sending the PAGA Notice.

¹ Plaintiff’s Operative Complaint also contains class action allegations; however,
Plaintiff’s class allegations were stricken by the Court when the Court granted Defendant’s
motion to compel arbitration as to all of Plaintiff’s claims, with the exception of her PAGA cause
of action.

1 2.3. On May 3, 2023, the Parties participated in an all-day mediation presided over by Jeffrey
2 Fuchsman which led to this Stipulation.

3 2.4. Prior to mediation, Plaintiff obtained, through formal discovery, aggrieved employees'
4 time and payroll records and Defendants' policy documents.

5 **3. MONETARY TERMS.**

6 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below,
7 Defendants promise to pay \$880,000.00 and no more as the Gross Settlement Amount.
8 Defendants have no obligation to pay the Gross Settlement Amount prior to the Effective
9 Date. The Administrator will disburse the entire Gross Settlement Amount without
10 asking or requiring Aggrieved Employees to submit any claim as a condition of payment.
11 None of the Gross Settlement Amount will revert to Defendants.

12 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct
13 the following payments from the Gross Settlement Amount, in the amounts specified by
14 the Court in the Judgment.

15 3.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than
16 \$293,333.33, or one-third of the Gross Settlement Amount, and PAGA Counsel
17 Litigation Expenses Payment of not more than \$100,000.00. Defendants will not oppose
18 requests for Court approval of these payments provided that they do not exceed these
19 amounts. Plaintiff and/or PAGA Counsel will file an application or motion for PAGA
20 Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a
21 PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less
22 than the amounts requested, the Administrator will allocate the remainder to the Net
23 Settlement Amount. The Administrator will pay the PAGA Counsel Fees Payment and
24 PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel
25 assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees
26 Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendants
27 harmless, and indemnifies Defendants, from any dispute or controversy regarding any
28 division or sharing of any of these Payments.

1 3.2.2. To Plaintiff: Plaintiff's Service Payment not to exceed \$5,000.00. Should the
2 Court approve a lesser amount, the remainder shall be allocated to the Net Settlement
3 Amount. An IRS Form 1099 will be issued to Plaintiff for her Service Payment.
4 Defendants agree not to dispute or otherwise object to Plaintiff's request for a Service
5 Payment in the amount of \$5,000.00.

6 3.2.3. To the Administrator: An Administration Expenses Payment not to exceed
7 \$10,000.00 except for a showing of good cause and as approved by the Court. To the
8 extent the Administration Expenses are less or the Court approves payment less than
9 \$10,000.00, the Administrator will retain the remainder in the Net Settlement Amount.

10 3.2.4. To the LWDA and Aggrieved Employees: PAGA Penalties to be paid from the
11 Net Settlement Amount, with 75% allocated to the LWDA PAGA Payment and 25%
12 allocated to the Individual PAGA Payments.

13 3.2.4.1. The Administrator will calculate each Individual PAGA Payment by (a)
14 dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties by the
15 total number of PAGA Period Pay Periods worked by all Aggrieved Employees during
16 the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA
17 Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any
18 taxes owed on their Individual PAGA Payment.

19 3.2.4.2. The Administrator will report the Individual PAGA Payments on IRS 1099
20 Forms.

21 **4. SETTLEMENT FUNDING AND PAYMENTS.**

22 4.1. Aggrieved Employee Pay Periods. Based on a review of their records to date, Defendants
23 estimate there are 1,099 Aggrieved Employees who worked a total of 22,047 PAGA Pay
24 Periods.

25 4.2. Aggrieved Employee Data. Within 14 days after entry of Judgment, Defendants will
26 deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft
27 Excel spreadsheet. To protect Aggrieved Employees' privacy rights, the Administrator
28 must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee

1 Data only for purposes of this Settlement and for no other purpose, and restrict access to
2 the Aggrieved Employee Data to Administrator employees who need access to the
3 Aggrieved Employee Data to effect and perform under this Agreement. Defendants have
4 a continuing duty to immediately notify PAGA Counsel if they discover that the
5 Aggrieved Employee Data omitted employee identifying information and to provide
6 corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without
7 any extension of the deadline by which Defendants must send the Aggrieved Employee
8 Data to the Administrator, the Parties and their counsel will expeditiously use best
9 efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or
10 omitted Aggrieved Employee Data.

11 4.3. Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement
12 Amount by transmitting the funds to the Administrator no later than 21 days after the
13 Effective Date.

14 4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendants fund the
15 Gross Settlement Amount, the Administrator will mail checks and/or wire payment for
16 all Individual PAGA Payments, the LWDA PAGA Payment, Plaintiff's Service Payment,
17 the Administration Expenses Payment, PAGA Counsel Fees Payment, and the PAGA
18 Counsel Litigation Expenses Payment. Disbursement of the PAGA Counsel Litigation
19 Expenses Payment and PAGA Counsel Fees Payment shall not precede disbursement of
20 Individual PAGA Payments.

21 4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send
22 them to the Aggrieved Employees via First Class U.S. Mail. The face of each check
23 shall prominently state the date (not less than 180 days after the date of mailing)
24 when the check will be voided. The Administrator will cancel all checks not cashed
25 by the void date. Before mailing any checks, the Settlement Administrator must
26 update the recipients' mailing addresses using the National Change of Address
27 Database.

28 4.4.2. The Administrator must conduct an Aggrieved Employee Address Search for all

Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

4.4.4. The payment of Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Stipulation.

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

5.1 Plaintiff's Release. Plaintiff and her respective former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the PAGA Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint and the PAGA Notice ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose

1 at any time, or based on occurrences outside the PAGA Period. Plaintiff acknowledges
2 that Plaintiff may discover facts or law different from, or in addition to, the facts or law
3 that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's
4 Release shall be and remain effective in all respects, notwithstanding such different or
5 additional facts or Plaintiff's discovery of them.

6 5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For
7 purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the
8 provisions, rights, and benefits, if any, of section 1542 of the California Civil
9 Code, which reads:

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

14 5.2 Release by Aggrieved Employees:

15 All Aggrieved Employees are deemed to release, on behalf of themselves and their
16 respective former and present representatives, agents, attorneys, heirs, administrators,
17 successors, and assigns, the Released Parties from all claims for PAGA penalties
18 during the PAGA Period that were alleged, or reasonably could have been alleged,
19 based on the facts stated in the Operative Complaint and the PAGA Notice.

20 5.3 Release by PAGA Counsel:

21 PAGA Counsel release on behalf of their present and former attorneys, employees,
22 agents, successors and assigns the Released Parties from all claims for PAGA Fees
23 incurred in connection with the Operative Complaint and the PAGA Period facts stated
24 in the Operative Complaint and the PAGA Notice.

25 **6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.**

26 6.1 Responsibilities of PAGA Counsel. PAGA Counsel will prepare all documents
27 necessary for obtaining approval of this Settlement under Labor Code Section 2699,
28 subd. (f)(2)). PAGA Counsel is responsible for delivering the Court's Preliminary

Approval to the Administrator.

6.2 Duty to Cooperate. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected Xpand Legal Consulting, LLC to serve as the Administrator and verified that, as a condition of appointment, Xpand Legal Consulting, LLC agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

8. AGGRIEVED EMPLOYEE SIZE ESTIMATES

Based on its the records of the time and payroll companies Defendants used during the PAGA Period records, the Parties estimate that, as of the date of this Stipulation, there are 1,099 Aggrieved Employees who worked 22,047 Pay Periods during the PAGA Period.

9. CONTINUING JURISDICTION OF THE COURT. The Parties agree that, after entry of

Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Stipulation and/or the Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

9.1 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties, their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10. ADDITIONAL PROVISIONS.

10.1 No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Stipulation, Defendants reserve all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendants' defenses. The Stipulation and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

10.2 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement

1 together with its attached exhibits shall constitute the entire agreement between the
2 Parties relating to the Settlement, superseding any and all oral representations,
3 warranties, covenants, or inducements made to or by any Party.

4 10.3 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and
5 represent that they are authorized by Plaintiff and Defendants, respectively, to take all
6 appropriate action required or permitted to be taken by such Parties pursuant to this
7 Agreement to effectuate its terms, and to execute any other documents reasonably
8 required to effectuate the terms of this Agreement including any amendments to this
9 Agreement.

10 10.4 Cooperation. The Parties and their counsel will cooperate with each other and use their
11 best efforts, in good faith, to implement the Stipulation by, among other things
12 modifying the Stipulation, submitting supplemental evidence and supplementing points
13 and authorities as requested by the Court. In the event the Parties are unable to agree
14 upon the form or content of any document necessary to implement the Stipulation, or
15 on any modification of the Stipulation that may become necessary to implement the
16 Settlement, the Parties will seek the assistance of a mediator and/or the Court for
17 resolution.

18 10.5 No Prior Assignments. The Parties separately represent and warrant that they have not
19 directly or indirectly assigned, transferred, encumbered, or purported to assign,
20 transfer, or encumber to any person or entity and portion of any liability, claim,
21 demand, action, cause of action, or right released and discharged by the Party in this
22 Stipulation.

23 10.6 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendants nor Defense Counsel
24 are providing any advice regarding taxes or taxability, nor shall anything in this
25 Stipulation be relied upon as such within the meaning of United States Treasury
26 Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

27 10.7 Modification of Agreement. This Stipulation, and all parts of it, may be amended,
28 modified, changed, or waived only by an express written instrument signed by all

Parties or their representatives, and approved by the Court.

10.8 Agreement Binding on Successors. This Stipulation will be binding upon, and inure to the benefit of, the successors of each of the Parties.

10.9 Applicable Law. All terms and conditions of this Stipulation and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

10.10 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Stipulation. This Stipulation will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

10.11 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Stipulation relating to the confidentiality of information shall survive the execution of this Stipulation.

10.12 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Stipulation, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendants unless, prior to the Administrator's payment of all Settlement Funds, Defendants make a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.

10.13 Headings. The descriptive heading of any section or paragraph of this Stipulation is inserted for convenience of reference only and does not constitute a part of this Stipulation.

10.14 Calendar Days. Unless otherwise noted, all reference to "days" in this Stipulation shall be to calendar days. In the event any date or deadline set forth in this Stipulation

falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

10.15 Notice. All notices, demands or other communications between the Parties in connection with this Stipulation will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Matern Law Group, PC
c/o Matthew J. Matern, Matthew W. Gordon, Vanessa M. Rodriguez
1230 Rosecrans Avenue, Suite 200
Manhattan Beach, CA 90266

To Defendants:

Brown Gitt Law Group, ALC
c/o Cynthia Gitt
35 N. Lake Avenue, Suite 710
Pasadena, CA 91101

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

10.17 Stay of Litigation. The Parties agree that, upon the execution of this Stipulation, the litigation shall be stayed except to effectuate the terms of this Stipulation. The Parties further agree that upon the signing of this Agreement, pursuant to CCP section 583.330, the time within which this Action must be brought to trial under CCP section 583.310 shall be extended for the entire period of the settlement process.

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IT IS SO STIPULATED.

DATED: 25/10/2023 2023

By: 
Carrie Lambert (Oct 25, 2023 17:02 PDT)
CARRIE LAMBERT

DATED: 2023

By:
DUAL DIAGNOSIS TREATMENT CENTER,
INC.

DATED: 2023

By:
SHREYA HEALTH OF CALIFORNIA, INC.

DATED: 2023

By:
SATYA HEALTH OF CALIFORNIA, INC.

DATED: 2023

By:
SOVEREIGN ASSET MANAGEMENT, INC.

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IT IS SO STIPULATED.

DATED: 2023

By: CARRIE LAMBERT

DATED: Nov. 7, 2023

By: Tonmoy Sharma
DUAL DIAGNOSIS TREATMENT
CENTER, INC., Authorized Signer

DATED: Nov. 7, 2023

By: Tonmoy Sharma
SHREYA HEALTH OF CALIFORNIA, INC.
Authorized Signer

DATED: Nov. 7, 2023

By: Tonmoy Sharma
SATYA HEALTH OF CALIFORNIA, INC
Authorized Signer

DATED: Nov. 7, 2023

By: Tonmoy Sharma
SOVEREIGN ASSET MANAGEMENT, INC.
Authorized Signer

1 DATED: Nov. 7, 2023

2
3 By: Tonmoy Sharma
4 ATHENA HEALTHCARE, INC.
5 Authorized Signer

6 DATED: Nov. 7, 2023

7
8 By: Tonmoy Sharma
9 ADEONA HEALTHCARE, INC.
10 Authorized Signer

11 DATED: Nov. 7, 2023

12
13 By: Tonmoy Sharma
14 TONMOY SHARMA, Authorized Signer

15
16
17 DATED: Nov, 9 2023

MATERN LAW GROUP, PC

18
19 By: Vanessa M. Rodriguez
20 MATTHEW W. GORDON
21 VANESSA M. RODRIGUEZ
22 Attorneys for Plaintiff
23 CARRIE LAMBERT, individually, and on behalf
24 of all others similarly situated

25 DATED: Nov. 7, 2023

BROWN GITT LAW GROUP, ALC

26
27 By: Cynthia E. Gitt
28 CYNTHIA GITT
Attorneys for Defendants

EXHIBIT D

1 PAUL HASTINGS LLP
ELENA R. BACA (SB# 160564)
2 elenabaca@paulhastings.com
JENNIFER L. MILAZZO (SB# 318356)
3 jennifermilazzo@paulhastings.com
515 South Flower Street
4 Twenty-Fifth Floor
Los Angeles, CA 90071-2228
5 Telephone: (213) 683-6000
Facsimile: (213) 627-0705

6
7 Attorneys for Defendant
David Danziger

8
9 SUPERIOR COURT OF THE STATE OF CALIFORNIA
10 COUNTY OF LOS ANGELES
11

12 DOV CHARNEY, an individual,

13 Plaintiff,

14 v.

15 DAVID DANZIGER, an individual; and
DOES 1 to 50, inclusive,

16 Defendants.
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CASE NO. BC585664

**SUPPLEMENTAL DECLARATION OF
ELENA R. BACA IN SUPPORT OF DAVID
DANZIGER'S MOTION FOR
ATTORNEYS' FEES**

Date: June 4, 2019
Time: 8:45 a.m.
Dept.: 14
Judge: Hon. Terry A. Green

RESERVATION ID: 181026360333

DECLARATION OF ELENA R. BACA

I, Elena R. Baca, hereby declare and state as follows:

1. I am an attorney duly admitted to practice law before all the Courts of the State of California and this Court. I am a partner at the law firm of Paul Hastings LLP, and counsel of record for Defendant David Danziger (“Danziger”). I make this supplemental declaration in support of Danziger’s Motion for Attorneys’ Fees (“Fees Motion”). I have personal knowledge of the facts set forth below, and if called as a witness, I would and could competently testify thereto.

2. On October 29, 2018, Danziger filed his Fees Motion. Plaintiff Dov Charney (“Plaintiff”) opposed the Fees Motion on May 21, 2019, which was not served on Danziger until May 23, 2019, at approximately 1:25 p.m. Plaintiff was required to serve his Opposition no later than the close of business on May 22, 2019. See Cal. Civ. Proc. Code § 1005.

3. Danziger’s requested fee award seeks additional recovery for the approximately 37.2 hours that attorneys from Paul Hastings billed on work related to Danziger’s Motion for Attorneys’ Fees (the “Fees Motion”). I billed 3.1 hours on such work, including drafting and revising the Fees Motion and supporting declarations. Scott Klausner, a mid-level associate at Paul Hastings at the time, billed 6 hours to the Fees Motion, including drafting and revising the Fees Motion. Paul Kind, a mid-level associate at Paul Hastings at the time, billed 5.5 hours on work related to the Fees Motion, including revising the Fees Motion and preparing the supporting declarations and related filings. Jennifer L. Milazzo, a junior associate, spent 14.9 hours on work related to the Fees Motion, including revising the Fees Motion, reviewing the supporting invoices, performing legal research, and finalizing the Fees Motion and relating filings. Daniel Rojas, a junior associate, spent 7.7 hours on work related to the Fees Motion, including revising the Fees Motion and performing legal research in support of the Fees Motion. Attached hereto as “Exhibit A” is a true and correct copy of redacted invoices prepared by Paul Hastings that reflect time spent and billed from October 1, 2018 through December 31, 2018, in connection with Paul Hastings’ preparation of the Fees Motion. Exhibit A has been redacted to preserve attorney-client

1 and attorney work product information, while providing sufficient support for the fees sought to
2 be recovered by the Fees Motion.

3 4. I have reviewed the billing statements submitted to Danziger by Paul Hastings in
4 connection with the preparation of the Fees Motion and found them to be accurate. Paul
5 Hastings' monthly billing statements are maintained in the ordinary course of business and
6 establish that Paul Hastings attorneys spent 37.2 hours preparing the Fees Motion. Any time that
7 was determined to be excessive, redundant, or otherwise unnecessary, was "written off" and not
8 billed. Paul Hastings' customary standard billing rates are commensurate with the rates of
9 attorneys of similar skill, experience, and expertise in the same area. The hourly billing rates
10 submitted herewith are the standard and customary hourly rates charged by Paul Hastings to other
11 clients for attorneys' work. Applying the standard hourly rates charged annually to the hours
12 worked since October 1, 2018 results in the aggregated value for 37.2 hours worked.

13 5. Danziger's requested fee award also seeks additional recovery for the
14 approximately 15.66 hours that attorneys from Paul Hastings billed on work related to Danziger's
15 Reply to Plaintiff's Opposition to the Fees Motion (the "Reply"). Paul Hastings has not yet
16 finalized bills for its services related to the preparation of the Reply in support of the Fees
17 Motion. Nevertheless, I have diligently tracked the time I have billed in connection with the
18 Reply. To date, I have billed 0.6 hours on such work. This time was spent reviewing and
19 analyzing Plaintiff's Opposition, reviewing and revising the Reply, and drafting and revising the
20 supporting declarations and related filings. I have also reviewed the time records of Ms. Milazzo,
21 which she has recorded using Paul Hastings' attorney time-tracker software. Ms. Milazzo has
22 billed 15.6 hours in connection with the Reply. This work has consisted of reviewing and
23 analyzing Plaintiff's Opposition to the Fees Motion, conducting legal research regarding the
24 arguments raised in the Opposition and authorities cited in support thereof, drafting and revising
25 the Reply, and drafting and revising the supporting declarations and related filings.

26 6. Attached hereto as "Exhibit B" is a summary of the time and aggregate value of
27 time based on the standard hourly rates, organized by billing attorney, contained in the redacted
28 invoices attached as Exhibit A and the time entered into Paul Hastings' time-tracker software.

1 Exhibit B was prepared by Paul Hastings in the regular course of business at my direction after
2 my review of Paul Hastings' invoices in this matter. Exhibit B reflects a true and accurate
3 summary of the time spent and billed from October 1, 2018 through December 31, 2018, in
4 connection with Paul Hastings' preparation of the Fees Motion and a true and accurate summary
5 of the time spent on the Reply from May 23, 2019 to May 28, 2019.

6 7. Paul Kind received his J.D. from Loyola Law School, where he graduated Order of
7 the Coif. While in law school, Mr. Kind served as a Note & Comment Editor of the *Loyola of*
8 *Los Angeles Law Review*, and he won the award for the best published comment. Mr. Kind also
9 served as a judicial extern to the Honorable Stephen R. Reinhardt of the United States Court of
10 Appeals for the Ninth Circuit and to R. Gary Klausner of the United States District Court for the
11 Central District of California.

12 8. Daniel Rojas graduated from the University of Chicago Law School. While in law
13 school, Mr. Rojas was an in-house legal intern at Microsoft. In 2018, Mr. Rojas' hourly billable
14 rate was \$560.00.

15 9. The rates for Daniel Rojas and Paul Kind are commensurate with rates of other top
16 law firms in the Los Angeles area and are therefore reasonable.

17 10. My 2019 standard hourly billable rate is \$1,200.00.

18 11. Ms. Milazzo's 2019 standard hourly billable rate is \$735.00.

19
20 I declare under penalty of perjury under the laws of the United States and the State of
21 California that the foregoing is true and correct.

22
23 Executed this 28th day of May 2019, at Los Angeles, California.

24
25
26 By: _____

27 Elena R. Baca
28

EXHIBIT A

November 26, 2018

SUMMARY SHEET

Charney Litigation (Danzinger)

Legal fees for professional services
for the period ending October 31, 2018

Costs incurred and advanced

Current Fees and Costs Due

Prior Balance Due

Total Balance Due - Due Upon Receipt

November 26, 2018

REMITTANCE COPY

Charney Litigation (Danzinger)

Legal fees for professional services
for the period ending October 31, 2018

Costs incurred and advanced

Current Fees and Costs Due

Prior Balance Due

Total Balance Due - Due Upon Receipt



REMITTANCE COPY (cont.)

Summary of Prior Balance Due

<u>Invoice Date</u>	<u>Invoice Number</u>	<u>Amount</u>	<u>Payments/ Trust Appl.</u>	<u>Credits</u>	<u>Balance Due</u>
07/31/2017					
09/25/2017					
10/25/2017					
11/21/2017					
12/20/2017					
01/15/2018					
03/26/2018					
04/23/2018					
05/30/2018					
06/21/2018					
07/27/2018					
08/21/2018					
09/26/2018					
10/19/2018					

Total Prior Balance Due

Total Balance Due

November 26, 2018

FOR PROFESSIONAL SERVICES RENDERED
for the period ending October 31, 2018

Charney Litigation (Danzinger)

<u>Date</u>	<u>Timekeeper Name</u>	<u>Activity</u>	<u>Description</u>	<u>Hours</u>

<u>Date</u>	<u>Timekeeper Name</u>	<u>Activity</u>	<u>Description</u>	<u>Hours</u>
10/09/2018	Jennifer L. Milazzo	A104	Manage the preparation of invoices for motion for attorney fees	0.40
10/10/2018	Daniel Rojas	A102	Legal research regarding motion for attorneys fees	1.00
10/11/2018	Daniel Rojas	A102	Legal research regarding motion for attorneys fees	1.00
10/12/2018	Daniel Rojas	A102	Legal research regarding motion for attorneys fees	1.00

 
Date Timekeeper Name Activity Description Hours
 10/26/2018 Elena R. Baca A103 Review transcript for motion for attorney fees 0.50

 
Date Timekeeper Name Activity Description Hours
    
 10/22/2018 Scott M. Klausner A103 Prepare motion for attorneys' fees and supporting documents 3.00
 10/23/2018 Scott M. Klausner A103 Prepare motion for attorneys' fees and supporting documents 3.00
 10/25/2018 Elena R. Baca A103 Prepare motion for attorneys fee 0.20
 10/26/2018 Elena R. Baca A103 Prepare motion for fees 0.20
 10/26/2018 Elena R. Baca A103 Revise motion for attorneys' fees 0.80
 10/26/2018 Elena R. Baca A103 Prepare attorneys' fee motion 0.40
 10/26/2018 Paul D. Kind A103 Prepare notice of motion and motion for fees 2.00
 10/26/2018 Paul D. Kind A103 Prepare E. Baca declaration in support of motion for fees 3.50
 10/28/2018 Elena R. Baca A103 Prepare motion for attorneys' fees 0.50
 10/29/2018 Elena R. Baca A103 Prepare fees motion 0.40

 
Date Timekeeper Name Activity Description Hours
    
    

11/11/2016

Elena R. Baca	3.10	hours at	
Scott M. Klausner	6.00	hours at	
Paul D. Kind	7.00	hours at	
Daniel Rojas	7.70	hours at	
Jennifer L. Milazzo	14.90	hours at	

[illegible]

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January 16, 2019

SUMMARY SHEET

Charney Litigation (Danzinger)

Legal fees for professional services
for the period ending December 31, 2018

Current Fees and Costs Due

Prior Balance Due

Total Balance Due - Due Upon Receipt

January 16, 2019

REMITTANCE COPY

Charney Litigation (Danzinger)

Legal fees for professional services
for the period ending December 31, 2018

Current Fees and Costs Due

Prior Balance Due

Total Balance Due - Due Upon Receipt



REMITTANCE COPY (cont.)

Summary of Prior Balance Due					
<u>Invoice Date</u>	<u>Invoice Number</u>	<u>Amount</u>	<u>Payments/ Trust Appl.</u>	<u>Credits</u>	<u>Balance Due</u>
07/31/2017					
09/25/2017					
10/25/2017					
11/21/2017					
12/20/2017					
01/15/2018					
03/26/2018					
04/23/2018					
05/30/2018					
06/21/2018					
07/27/2018					
08/21/2018					
09/26/2018					
10/19/2018					
11/26/2018					
12/20/2018					
Total Prior Balance Due					
Total Balance Due					

January 16, 2019

FOR PROFESSIONAL SERVICES RENDERED
for the period ending December 31, 2018

Charney Litigation (Danzinger)

<u>Date</u>	<u>Timekeeper Name</u>	<u>Activity</u>	<u>Description</u>	<u>Hours</u>
12/11/2018	Elena R. Baca	A104	Review status of clerk's award of attorneys fees and costs as prevailing party	0.10

Timekeeper Summary

Elena R. Baca 0.10 hours at

Current Fees and Costs

Prior Balance Due

Total Balance Due - Due Upon Receipt

EXHIBIT B

Date	Timekeeper	Description	Hours
10/10/2018	Daniel Rojas	Legal research regarding motion for attorneys fees	1.00
10/11/2018	Daniel Rojas	Legal research regarding motion for attorneys fees	1.00
10/12/2018	Daniel Rojas	Legal research regarding motion for attorneys fees	1.00
10/15/2018	Daniel Rojas	Draft and revise motion for attorney's fees	3.50
10/27/2018	Daniel Rojas	Legal research relating to motion for attorney's fees	1.20
10/25/2018	Elena R. Baca	Prepare motion for attorneys fee	0.20
10/26/2018	Elena R. Baca	Prepare attorneys' fee motion	0.40
10/26/2018	Elena R. Baca	Revise motion for attorneys' fees	0.80
10/26/2018	Elena R. Baca	Prepare motion for fees	0.20
10/26/2018	Elena R. Baca	Review transcript for motion for attorney fees	0.50
10/28/2018	Elena R. Baca	Prepare motion for attorneys' fees	0.50
10/29/2018	Elena R. Baca	Prepare fees motion	0.40
12/11/2018	Elena R. Baca	Review status of clerk's award of attorneys fees and costs as prevailing party	0.10
10/9/2018	Jennifer L. Milazzo	Manage the preparation of invoices for motion for attorney fees	0.40
10/25/2018	Jennifer L. Milazzo	Prepare notice of motion and motion for attorneys' fees	0.30
10/26/2018	Jennifer L. Milazzo	Prepare notice of motion and motion for attorneys' fees	5.00
10/27/2018	Jennifer L. Milazzo	Prepare and revise motion for attorneys' fees and supporting declaration	1.30
10/28/2018	Jennifer L. Milazzo	Prepare and revise motion for attorneys' fees and supporting declaration	2.90
10/29/2018	Jennifer L. Milazzo	Revise and finalize motion for attorneys' fees	2.40
10/29/2018	Jennifer L. Milazzo	Manage filing of motion for attorneys fees	2.40
10/30/2018	Jennifer L. Milazzo	Attend to management of upcoming deadlines pertaining to attorneys' fee motion	0.20
10/26/2018	Paul D. Kind	Prepare E. Baca declaration in support of motion for fees	3.50
10/26/2018	Paul D. Kind	Prepare notice of motion and motion for fees	2.00
10/22/2018	Scott M. Klausner	Prepare motion for attorneys' fees and supporting documents	3.00
10/23/2018	Scott M. Klausner	Prepare motion for attorneys' fees and supporting documents	3.00

Timekeeper	Total Additional Hours for 2018	Billing Rate	Grand Total
Daniel Rojas	7.70	\$560.00	\$4,312.00
Elena R. Baca	3.10	\$1,110.00	\$3,441.00
Jennifer L. Milazzo	14.90	\$635.00	\$9,461.50
Paul D. Kind	5.50	\$765.00	\$4,207.50
Scott M. Klausner	6.00	\$875.00	\$5,250.00

Timekeeper	Total Additional Hours for 2019 (Reply Brief)	Billing Rate	Grand Total
Elena R. Baca	0.06	\$1,200.00	\$72.00

Jennifer L. Milazzo	15.60	\$735.00	\$11,466.00
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EXHIBIT E