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individually and on behalf of similarly situated employees

8
9 **SUPERIOR COURT OF CALIFORNIA**
10 **FOR THE COUNTY OF SACRAMENTO**

11 DANIEL PEREZ, individually and on behalf
12 of all other similarly situated employees,

13 Plaintiff,

14 vs.

15 METRO MAILING SERVICE INC., a
16 California Corporation; and DOES 1 to 100,
17 inclusive,

18 Defendants.

Case No. 34-2022-00323567

*Assigned for All Purposes to Hon. Jill H. Talley
Department 8A*

**PLAINTIFF'S NOTICE OF MOTION AND
MOTION TO APPROVE PRIVATE
ATTORNEYS GENERAL ACT SETTLEMENT**

Date: October 2, 2026

Time: 9:00 a.m.

Dept.: 8A

Judge: Hon. Jill H. Talley

Filed: July 18, 2022

FAC Filed: September 1, 2022

Trial Date: None Set

1 TO ALL PARTIES AND THEIR COUNSEL OF RECORD:

2 PLEASE TAKE NOTICE that on October 2, 2026, at 9:00 a.m., or as soon thereafter as the
3 matter may be heard in Department 8A of the above-entitled Court, Plaintiff Daniel Perez (“Plaintiff”)
4 will move for entry of an Order for the following:

- 5 1. Finding that Plaintiff exhausted administrative remedies under the Private Attorneys General
6 Act (“PAGA”) and, as such, became authorized to enter into this settlement on behalf of the
7 Labor and Workforce Development Agency (“LWDA”);
- 8 2. Approving the \$87,500 PAGA Settlement, which is incorporated by reference as if stated
9 here in full;
- 10 3. Approving the application for payment to Plaintiff’s Counsel of reasonable attorneys’ fees in
11 the amount of \$57,500;
- 12 4. Approving the application for payment to Plaintiff’s Counsel of reasonable costs in the
13 amount of \$7,025.32;
- 14 5. Approving the appointment of ILYM Group, Inc., as the Settlement Administrator and for
15 payment to ILYM Group, Inc., for administering said settlement in an amount not to exceed
16 \$2,000;
- 17 6. Dismissing without prejudice the class allegations and PAGA claims relating to any
18 individuals from Plaintiff’s June 24, 2022, notice to the LWDA that are not within the
19 defined scope of PAGA Employee under the Agreement;
- 20 7. Approving as to form and content the proposed Notice of Settlement, which provides PAGA
21 Employees information regarding the nature and scope of the Settlement;
- 22 8. Approving the proposed procedures to notify, and deliver payment to, PAGA Employees;
- 23 9. Directing Defendant to report employment information, as set forth in the Agreement, to the
24 Settlement Administrator to administer the settlement proceeds;
- 25 10. Directing that any funds from settlement checks that were not cashed by the check cashing
26 deadline be donated equally, *i.e.* 50/50, to Capital Pro Bono, Inc., and the Center for Workers
27 Rights under the doctrine of *cy pres*; and
28

1 11. Approving and adopting the Proposed Order and its implementation schedule, which is filed
2 herewith and incorporated by reference.

3 This Motion is being made pursuant to California Labor Code section 2699(1)(2)¹ on the grounds
4 that the proposed PAGA settlement is fair, reasonable, and adequate and furthers the purpose behind the
5 asserted California Labor Code statutes in deterring non-compliance. As a result, the PAGA settlement
6 should be approved by the Court. This Motion will be based on the notice of motion, memorandum of
7 points and authorities, the Declaration of Justin P. Rodriguez, the Declaration of Daniel Perez, exhibits,
8 the record and files of this case, and any further oral or documentary evidence introduced at the hearing
9 of this Motion.

10 **Pursuant to Local Rule 1.06 (A), the court will make a tentative ruling on the merits of this matter**
11 **by 2:00 p.m., the court day before the hearing. The complete text of the tentative rulings for the**
12 **department may be downloaded off the court's website. If the party does not have online access,**
13 **they may call the dedicated phone number for the department as referenced in the local telephone**
14 **directory between the hours of 2:00 p.m. and 4:00 p.m. on the court day before the hearing and**
15 **receive the tentative ruling. If you do not call the court and the opposing party by 4:00 p.m. the**
16 **court day before the hearing, no hearing will be held.**

17 Dated: September 9, 2026

Shimoda & Rodriguez Law, PC

18 By: 
19 Galen T. Shimoda
20 Justin P. Rodriguez
21 Renald Konini
22 Attorneys for Plaintiff

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25
26
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28 ¹Although the PAGA was recently amended, the amendments specifically state they are applicable to cases filed after June 19, 2024. See Cal. Lab. Code § 2699(v)(1). Because the PAGA notice in this case predates this, all further references to the PAGA in this Motion will be based on the statutory numbering applicable prior to the July 1, 2024, amendment.

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14 vs.

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17 Defendants.
18

Case No. 34-2022-00323567

*Assigned for All Purposes to Hon. Jill H. Talley
Department 8A*

**MEMORANDUM OF POINTS &
AUTHORITIES IN SUPPORT OF PLAINTIFF'S
MOTION TO APPROVE PRIVATE
ATTORNEYS GENERAL ACT SETTLEMENT**

Date: October 2, 2026

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Judge: Hon. Jill H. Talley

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I. INTRODUCTION AND OPENING SUMMARY OF ARGUMENT

Plaintiff Daniel Perez (“Plaintiff”) seeks approval of a non-reversionary Private Attorneys General Act (“PAGA”) Settlement in the gross amount of \$87,500. *See generally* Exhibit A (Proposed PAGA Settlement [“Agreement”]). This Settlement is the result of substantial litigation regarding class and PAGA claims over the course of more than four (4) years. Ultimately, after litigating the matter and evaluating the ability to certify the class claims, Plaintiff determined class certification was unlikely and it was more appropriate to pursue only the PAGA claims and Plaintiff’s individual claims. Given the substantial litigation that had occurred in order to reach this conclusion and that there was relatively nominal damage at issue based on the theory of the case, continuing the matter to trial would only increase attorney’s fees and costs. Rather than allow the tail to wag the dog, Plaintiff engaged in resolution discussions focused on the PAGA claims and Plaintiff’s individual claims. Plaintiff believes the PAGA settlement before the Court is fair, reasonable, and adequate given the circumstances of this case. The Settlement provides a recovery that acts as a substantial deterrent to any potential future non-compliance, furthering the purpose of the Labor and Workforce Development Agency (“LWDA”). Under the Settlement, the class allegations and any PAGA claims for individuals outside the definition of PAGA Employee will be dismissed without prejudice.

Plaintiff has alleged that Defendant Metro Mailing Service, Inc. (“Defendant”) (Plaintiff and Defendant collectively referred to as the “Parties”) 1) failed to pay overtime wages, 2) failed to provide meal periods or pay premiums in lieu thereof, 3) failed to provide rest periods or pay premiums in lieu thereof, 4) failed to provide accurate wage statements, 5) failed to pay final wages, 6) failed to pay reimbursements for expenses, 7) violated Labor Code sections 558, 558.1 regarding provisions regulating hours and days of work in any Industrial Welfare Commission Order, and 8) failed to provide sick leave. *See generally* Exhibit B (Plaintiff’s Operative Complaint); *see also* Declaration of Justin P. Rodriguez (“Decl. Rodriguez”), ¶¶ 2, 6, 10-11. Defendant has denied all of Plaintiff’s allegations and any liability or wrongdoing of any kind. *See* Decl. Rodriguez, ¶ 4. However, subject to Court approval, the Parties have been able to compromise and settle the PAGA claims for “all individuals who have, or continue to, work for Defendant in California who received the second shift pay differential and who worked overtime, received a meal/rest period premium, and/or received sick leave pay that would have

1 been subject to that differential” during the PAGA Claim Period. *See* Exhibit A, ¶¶ 1.2, 1.16, 1.23. The
2 Agreement was entered into in good faith by the Parties to resolve heavily contested claims and
3 guarantees a reasonable recovery for PAGA Employees and the LWDA.

4 Accordingly, Plaintiff is requesting that the Court: (1) make a finding that Plaintiff has exhausted
5 all administrative remedies and that Plaintiff is authorized to enter into the proposed Agreement on
6 behalf of the LWDA; (2) approve the proposed Agreement as fair, reasonable, and adequate; (3) set
7 dates for, and direct distribution of, payment and the Notice of Settlement (Exhibit E) to PAGA
8 Employees as set forth in the Agreement and (4) adopt the implementation schedule contained in the
9 proposed order.

10 **II. PROCEDURAL AND LITIGATION HISTORY**

11 On June 24, 2022, Plaintiff gave written notice to the LWDA and Defendant, providing facts and
12 the legal basis for all claims asserted in the Complaint and being resolved under the Agreement. *See*
13 Exhibit C (Plaintiff’s Ltr. to the LWDA). Plaintiff also submitted the \$75.00 filing fee. *See* Decl.
14 Rodriguez ¶ 3. The June 24, 2022, notice was also sent via certified mail to Defendant on the same day.
15 *See* Exhibit C. The LWDA did not provide any response to Plaintiff’s notice correspondence within the
16 statutorily required time frame and, as a result, Plaintiff became authorized to act as a Private Attorney
17 General for the asserted claims. *See* Decl. Rodriguez ¶ 3; Cal. Lab. Code § 2699.3(a), (c)¹. Plaintiff
18 filed this lawsuit on July 18, 2022, and uploaded a copy of the filed Complaint to the LWDA on
19 September 21, 2022. *See* Decl. Rodriguez ¶ 3. A motion for class certification was set to be heard on
20 October 2, 2026. However, prior to Plaintiff’s filing a motion for certification, the Parties were able to
21 resolve the matter as set forth in the Agreement. The certification hearing was converted to a hearing on
22 Plaintiff’s motion to approve a PAGA settlement. *See id.* at ¶¶ 5-6.

23 **III. INVESTIGATION AND DISCOVERY CONDUCTED**

24 Plaintiff thoroughly investigated the merits of the claims and potential damages for such claims.
25 *See id.* at ¶¶ 2-3, 5-6, 8-11; Declaration of Daniel Perez (“Decl. Perez”), ¶¶ 3, 5-7. Plaintiff worked
26 during the time all of Defendant’s policies and practices at issue in the Complaint were in effect and
27

28 ¹ Although the PAGA was recently amended, the amendments specifically state they are applicable to cases filed after June 19, 2024. *See* Cal. Lab. Code § 2699(v)(1). Because the PAGA notice in this case predates this, all further references to the PAGA will be based on the statutory numbering applicable prior to the July 1, 2024, amendment.

provided information regarding these policies and practices, enabling pre-filing investigations to take place. *See* Decl. Perez, ¶¶ 2-3, 5-7. The Parties engaged in formal and informal discovery and exchange of documents, including employee data, such as timecards, paystubs, payroll data and relevant policies for the entirety of the statute of limitations applicable to the asserted claims. The discovery covered all aspects of the asserted claims, including merits issues, damages, the scope and configuration of PAGA Employees, the content and implementation of the wage and hour policies at issue, issues relating to manageability concerns at trial, among other relevant areas. *See* Decl. Rodriguez ¶ 8. The information allowed Plaintiff to determine the extent and frequency of any violations in accordance with Plaintiff's contentions and create an accurate damages model to assess the reasonableness of any settlement. *See id.* at ¶¶ 5-6, 8-11.

IV. NEGOTIATION AND PROPOSED SETTLEMENT

a. Plaintiff and Defendant Engaged in Extensive Arm's Length Negotiations

The final settlement occurred only after extended, arm's length negotiations. Over the course of more than four (4) years, Plaintiff has been investigating the claims and discussing with Defendant's counsel the merits of the claims and issues present in this case. *See id.* at ¶¶ 5-6, 8-9. The Parties exchanged substantial amounts of information and legal analysis in connection with these discussions. *See id.* It was only after these extended discussions, that the Parties were able resolve all claims and enter into the Agreement. *See id.* at ¶¶ 6, 9. The Settlement resolves only the PAGA claims for those individuals falling under the definition of PAGA Employee. The class allegations and the PAGA allegations for all other individuals are being dismissed without prejudice under the Agreement. *See id.* at ¶ 6; Exhibit A, ¶ 9.1.

b. The Terms of the Agreement

1. The scope of PAGA Employees covered under the Agreement includes all individuals who have, or continue to, work for Defendant in California who received the second shift pay differential and who worked overtime, received a meal/rest period premium, and/or received sick leave pay that would have been subject to that differential, from June 24, 2021, up to either (1) the Final Approval Date, or (2) 30 days after settlement agreement was signed, whichever is earlier. *See* Exhibit A, ¶ 1.2.

2. Defendant will pay the Gross Settlement Amount of \$87,500. *See id.* at ¶ 5.1. No portion of the Gross Settlement Amount will revert to Defendant. *See id.* at ¶ 5.4. The Net Settlement Amount resolving the PAGA claim is approximately \$20,974.68. *See id.* at ¶¶ 5.1-5.3; Decl. Rodriguez, ¶ 12.

3. Subject to Court approval, the Parties have selected ILYM Group, Inc. to act as the Settlement Administrator, who has provided a maximum cost estimate of \$2,000. *See* Exhibit D (ILYM Group, Inc. Bid); Exhibit A, ¶ 1.25; Decl. Rodriguez, ¶ 27.

4. Plaintiff will request \$57,500 for attorney's fees and costs incurred in the litigation of this case. Defendant will not oppose Plaintiff's request for attorneys' fees so long as it is within this threshold. *See id.* at ¶ 5.2. Additionally, the Parties agree that Plaintiff will also be entitled to the actual litigation costs, which are \$7,025.32. *See id.*; *see also* Decl. Rodriguez ¶ 24; Exhibit G (Plaintiff's Itemized Costs).

5. Any allocated amounts under the Agreement for attorney's fees and costs, and Settlement Administrator Costs that are not ultimately awarded by the Court will remain part of the Net Settlement Amount and be paid out to the LWDA and PAGA Employees as set forth in the Agreement. *See* Exhibit A, ¶¶ 5.1-5.3, 5.7. These amounts will be paid from the Gross Settlement Amount, not in addition to the Gross Settlement Amount. *See id.*

6. Any and all claims for civil penalties under the PAGA for the PAGA Employees that were asserted in Plaintiff's notice letter to the LWDA and any additional claims for civil penalties under the PAGA that could have been brought based on the facts alleged therein will be deemed fully, finally, and forever released against the Released Parties. *See* Exhibit A, ¶¶ 1.16, 1.23-1.24, 6.1.

7. The Settlement Administrator will perform searches to locate PAGA Employees based on the last contact information in Defendant's possession. *See id.* at ¶¶ 7.1, 7.2, 7.5-7.7. The searches will include reference to the U.S. Postal Service's National Change of Address Database and, for any notice returned as undeliverable, skip tracing using the individual's social security number and other pertinent identifying information. *See id.* Although not required to provide a notice of settlement to PAGA Employees in connection with the Individual Settlement Amount, the Agreement provides that PAGA Employees will receive a notice giving them information concerning all material terms of the settlement.

1 *See id.* at ¶ 7.5; Exhibit E; *Ochoa-Hernandez v. Cjaders Foods, Inc.*, 2010 WL 1340777, *5 (N.D. Cal.
2 2010) (“Unnamed employees need not be given notice of the PAGA claim, nor do they have the ability
3 to opt-out of the representative PAGA claim”); *see also Arias v. Superior Ct.*, 46 Cal.4th 969, 984-988
4 (2009) (rejecting a defendant’s due process argument that PAGA employees must be given notice
5 similar to class members in class actions).

6 8. For any portion of the Net Settlement Amount allocated to PAGA Employees that is not
7 claimed by them by cashing their respective settlement checks within 180 days of issuance, the
8 remaining amount shall be donated equally, *i.e.* 50/50, to Capital Pro Bono, Inc., and the Center for
9 Workers’ Rights under the doctrine of *cy pres*. *See* Exhibit A, at ¶ 5.4. Because the Agreement
10 provides for the distribution of all funds such that there is no residue, the provisions of California Civil
11 Procedure Code section 384 are inapplicable. *See In re Microsoft I-V Cases*, 135 Cal.App.4th 706, 718,
12 720 (2006). The designated beneficiaries clearly promote the law consistent with the objectives and
13 purposes underlying the lawsuit, as they are non-profits aimed at assisting employees with wage and
14 hour claims who cannot afford legal representation, including providing representation for employees in
15 wage claims before the California Labor Commissioner. *See In re Microsoft I-V Cases*, 135
16 Cal.App.4th 706, 718, 720, 722-724 (2006); *see also* Decl. Rodriguez, ¶¶ 28-38.

17 **c. Allocation of Settlement Funds**

18 A Net Settlement Amount will be determined by subtracting from the Gross Settlement Amount
19 any attorneys’ fees and costs, and/or Settlement Administrator Costs awarded by the Court. *See* Exhibit
20 A, ¶¶ 1.10, 1.13, 5.7. The Net Settlement Amount shall be divided between the PAGA Payment and
21 payment to PAGA Employees. The PAGA Payment to the LWDA will be 75% of the Net Settlement
22 Amount. *See* Cal. Lab. Code § 2699(i). 25% of the Net Settlement Amount will be paid to PAGA
23 Employees *See id.* Each Individual Settlement Amount shall be determined by taking the Qualifying
24 Pay Periods for the individual PAGA Employee and dividing that by the Qualifying Pay Periods for all
25 PAGA Employees and multiplying that fraction by the 25% share of the Net Settlement Amount. *See*
26 Exhibit A, ¶¶ 1.2, 1.11, 1.13, 5.7. The payment to PAGA Employee’s will be characterized as 1099
27 income for tax reporting purposes. *See id.* at ¶ 5.6.1.
28

1 **V. THE AGREEMENT SHOULD BE APPROVED AS PLAINTIFF MET ALL**
2 **STATUTORY REQUIREMENTS FOR PROCEEDING WITH THE PAGA CLAIM AND**
3 **THE AGREEMENT IS FAIR, REASONABLE, AND ADEQUATE**

4 A PAGA settlement is not effective unless the statutory requirements for becoming an authorized
5 representative of the LWDA have been complied with and the Court has reviewed and approved the
6 terms of the PAGA settlement. *See* Cal. Lab. Code §§ 2699(1)(2), 2699.3(a), (c). The Court has broad
7 discretion in making the decision to approve or reject a settlement for civil penalties as the statutory
8 scheme authorizes the Court to determine whether, in certain circumstances, penalties should be
9 assessed and, if assessed, the appropriate amount of penalties based on the facts and circumstances of
10 the case. *See id.* at § 2699(e)(1)-(2). In evaluating a PAGA settlement, the Court must determine
11 “whether it is fair, reasonable, and adequate in view of PAGA’s purposes to remediate present labor law
12 violations, deter future ones, and to maximize enforcement of state labor laws.” *Moniz v. Adecco USA,*
13 *Inc.*, 72 Cal.App.5th 56, 77 (2021). In setting this standard, the *Moniz* Court invoked the same
14 established framework Courts use to evaluate whether class action settlements are fair, reasonable, and
15 adequate. *See id.*; *see also Chamberlain v. Baker Hughes, a GE Co., LLC*, 2020 WL 4350207, *4 n.5
16 (E.D. Cal. 2020) (expressly incorporating the multi-factor test used in class cases); *O’Connor v. Uber*
17 *Technologies, Inc.*, 201 F.Supp.3d 1110, 1132-1134 (N.D. Cal. 2016) (evaluating the settlement by
18 comparing the amount paid in relation to the likely available damages and risks of litigation); *Jordan v.*
19 *NCI Group, Inc.*, 2018 WL 1409590, *2 (C.D. Cal. 2018) (same). This framework has been used many
20 times over by multiple Courts. *See, e.g., Kabasele v. Salon*, 2023 WL 4747691, *2 (E.D. Cal. 2023);
21 *Ramirez v. Benito Valley Farms, LLC*, 2017 WL 3670794, *3 (N.D. Cal. Aug. 25, 2017); *Gutilla v.*
22 *Aerotek, Inc.*, 2017 WL 2729864, *3, n.4 (E.D. Cal. 2017); *Rincon v. W. Coast Tomato Growers, LLC*,
23 2018 WL 828104, *2 (S.D. Cal. 2018); *Patel v. Nike Retail Services, Inc.*, 2019 WL 2029061, *2 (N.D.
24 Cal. 2019). An important difference in the analysis, however, is that the evaluation should focus on the
25 amount of the settlement as a whole rather than any individual PAGA employee’s share because a
26 PAGA lawsuit is fundamentally a law enforcement action where the “relief is designed to protect the
27 public[,] not to benefit private parties.” *See Moniz*, 72 Cal.App.5th at 74 (internal quotation and
28 citations omitted).

1 **a. Plaintiff has Met All Statutory Requirements For Proceeding With A PAGA Claim**

2 An PAGA employee must give written notice of the facts, theories, and statutes supporting the
3 violations to the LWDA by online filing and by certified mail to the employer as well as pay a filing fee
4 of \$75.00. *See* Cal. Lab. Code §§ 2699.3(a)(1)(A)-(B), (c)(1)(A)-(B). An “‘PAGA employee’ means
5 any person who was employed by the alleged violator and against whom one or more of the alleged
6 violations was committed.” *Id.* at § 2699(c). If the LWDA does not provide notice of its intent to
7 investigate within 65 calendar days of the notice, the PAGA employee may commence a civil action.
8 *See id.* at §§ 2699.3(a)(2)(A), 2699.5. For alleged violations of the Labor Code sections not enumerated
9 in section 2699.5, an PAGA employee may commence a civil action if the employer has not cured the
10 alleged violations within 33 calendar days of the notice. *See id.* at § 2699.3(c)(2)(A). An PAGA
11 employee must also submit a copy of any proposed PAGA settlement to the LWDA at the same time the
12 agreement is submitted to Court. *See id.* at § 2699(l)(2).

13 As set forth above, Plaintiff complied with all statutory requirements to commence a civil action.
14 *See* Decl. Rodriguez ¶ 3; Exhibit C. The notice letter to the LWDA sets forth all claims and theories of
15 liability stated in the Complaint as well as supporting facts. *See* Exhibit C. Plaintiff also paid the
16 \$75.00 filing fee. *See* Decl. Rodriguez ¶ 3. As the LWDA did not provide any notice of its intent to
17 investigate within the required time frame and no cure under the statute took place, Plaintiff is
18 authorized resolve those claims contained in the notice letters. *See id.*; Exhibit B; Exhibit C.
19 Furthermore, Plaintiff has provided a copy of the Agreement *and* this entire motion for approval to the
20 LWDA for its consideration at the same time this motion was filed. *See* Rodriguez ¶ 26; Exhibit F
21 (Proof of Submission of Proposed Settlement Agreement to LWDA).

22 **b. The Terms of The Settlement Are Fair, Reasonable, and Adequate**

23 Factors to consider in determining whether the PAGA Settlement Agreement is fair, reasonable,
24 and adequate include the strength of the case, the risk, expense, complexity and likely duration of further
25 litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the
26 extent of discovery completed and the stage of the proceedings, and the experience and views of
27 counsel. *See Chamberlain*, 2020 WL 4350207, *4 n.5; *Dunk v. Ford Motor Co.*, 48 Cal.App.4th 1794,
28 1801 (1996). However, this Court should begin its analysis with a presumption that the proposed

1 settlement is fair. “A presumption of fairness exists where: (1) the settlement is reached through arm’s
2 length bargaining; (2) investigation and discovery are sufficient to allow counsel and the court to act
3 intelligently; (3) counsel is experienced in similar litigation” *Dunk*, 48 Cal.App.4th at 1802.
4 Indeed, the law favors settlement of lawsuits, particularly complex litigation cases where substantial
5 resources can be conserved by avoiding the time, expense, and rigors of formal litigation. *See Neary v.*
6 *Regents of Univ. of Cal.*, 3 Cal.4th 273, 277-81 (1992); *In re Synacor ERISA Litigation*, 516 F.3d 1095,
7 1101 (9th Cir. 2008).

8 **i. The Agreement is a Result of Extensive, Non-Collusive Arm’s Length Negotiations**
9 **Between the Parties**

10 Settlement of the PAGA claims was reached only after substantial litigation and extensive arm’s
11 length negotiations lasting over four (4) years. *See Decl. Rodriguez*, ¶¶ 5-6, 8-9. At all times, the
12 negotiations were adversarial, although still professional in nature. *See id.*

13 **ii. The Extent of Investigation and Discovery Completed Provided Ample**
14 **Information to Enter into an Informed and Reasonable Settlement**

15 The Parties were in possession of all necessary information during the negotiations. The Parties
16 engaged in substantial formal and informal discovery, which included all necessary components for
17 evaluating the claims and creating an accurate damages model. *See id.* at ¶¶ 5-6, 10-11. Plaintiff was in
18 possession of this information prior to calculating any damages in this case. *See id.* As a result, Plaintiff
19 was able to make a reasonable estimation of Defendant’s potential liability. *See id.* For these reasons,
20 the settlement now before the Court was reached at a stage where the parties “have a clear view of the
21 strengths and weaknesses of their cases” sufficient to support the settlement. *See Kang v. Credit Bureau*
22 *Connection, Inc.*, 2023 WL 6811994, *5 (E.D. Cal. 2023); *Monterrubio v. Best Buy Stores, L.P.*, 291
23 F.R.D. 443, 454 (E.D. Cal. 2013).

24 **iii. Plaintiff’s Counsel are Experienced in Similar Litigation**

25 Plaintiff’s Counsel have considerable experience in complex litigation such as class and PAGA
26 actions. *See Decl. Rodriguez*, ¶¶ 15-21. Thus, Plaintiff’s Counsel are qualified to evaluate the PAGA
27 claims, the value of settlement versus moving forward with litigation, and viability of possible
28 affirmative defenses. Plaintiff’s Counsel believe that the Agreement is fair, reasonable, and adequate in

light of the risks associated with the claims, the uncertainties of complex litigation, and the secured benefit to PAGA Employees and the LWDA that the Agreement provides. *See id.* at ¶¶ 5-6.

iv. The Settlement is Fair and Reasonable Based on the Strength of Plaintiff's Case and the Risks and Costs of Further Litigation

Plaintiff's claims and the manageability of the litigation proceeding as a PAGA action were heavily disputed by Defendant. *See Decl. Rodriguez*, ¶¶ 3-6, 8, 10-11. Based on the records and facts of this case, the \$20,974.68 Net Settlement Amount resolving the PAGA claim is approximately 8.6% of the maximum value of the claims in this matter and between 23% and 252% of the more realistic range of recovery, which equates to approximately \$13.98 per pay period. *See Decl. Rodriguez*, ¶¶ 10-12. The \$20,974.68 to resolve the PAGA claim is a reasonable compromise and exceeds approved settlement ranges in other PAGA cases whether comparing either absolute numbers or as a percentage of total available damages. *See Nordstrom Com. Cases*, 186 Cal.App.4th 576, 589 (2010) (approving \$0 allocation to the resolution of PAGA claims based on their being disputed and being part of a class settlement which was evaluated based on the terms of the agreement overall); *Junkersfeld v. Med. Staffing Sols., Inc.*, 2022 WL 2318173, *8 n.2 (E.D. Cal. 2022) (collecting cases with PAGA settlement values ranging from .037%-1%); *Jennings v. Open Door Marketing, LLC*, 2018 WL 4773057, *9 (N.D. Cal. 2018) (approving settlement of PAGA claims at 0.6% of total estimated value due to risk of no recovery); *Ruch v. AM Retail Grp., Inc.*, 2016 WL 5462451, *7 (N.D. Cal. 2016) (approving \$10,000 PAGA settlement allocation where total PAGA penalty exposure was approximately \$5.2 million, or 0.2% of total estimated value); *Davis v. Cox Commc 'ns California, LLC*, 2017 WL 1496407, *1 (S.D. Cal. 2017) (preliminarily approving \$4,000 PAGA allocation in \$275,000 settlement); *Moore v. Fitness Int'l, LLC*, 2014 WL 12571448, *5 (S.D. Cal. 2014) (approving \$2,500 PAGA allocation when attorneys' fees award alone amounted to \$200,000); *Jack v. Hartford Fire Ins. Co.*, 2011 WL 4899942, *6 (S.D. Cal. 2011) (approving \$3,000 PAGA allocation in \$1,200,000 settlement); *Singer v. Becton Dickinson & Co.*, 2010 WL 2196104, *2 (S.D. Cal. 2010); *Hopson v. Hanesbrands Inc.*, 2009 WL 928133, *1, *9 (N.D. Cal. 2009) (approving \$1,500 PAGA allocation in \$1,026,000 settlement); *Syed v. M-I, L.L.C.*, 2017 WL 714367, *13 (E.D. Cal. 2017) (approving \$100,000 PAGA allocation in \$3,950,000 gross settlement amount allocated to California class even though PAGA exposure was

1 calculated at \$53,600,000, or 0.2% of total estimated potential value); *Garcia v. Gordon Trucking, Inc.*,
2 2012 WL 5364575, *6-*7 (E.D. Cal. 2012) (approving \$10,000 PAGA allocation in a \$3,700,000
3 settlement); *Franco v. Ruiz Food Prod., Inc.*, 2012 WL 5941801, *14 (E.D. Cal. 2012) (\$10,000 PAGA
4 allocation from \$2,500,000 settlement fund); *Chu v. Wells Fargo Investments, LLC*, 2011 WL 672645,
5 *1 (N.D. Cal. 2011) (\$10,000 PAGA allocation from \$6,900,000 settlement fund).

6 **v. The Proposed Settlement is a Reasonable Compromise of Claims**

7 In *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116 (2008), the Court required additional
8 information be presented in representative action settlements “to ensure that the recovery represents a
9 reasonable compromise, given the magnitude and apparent merit of the claims being released,
10 discounted by the risks and expenses of attempting to establish and collect on those claims by pursuing
11 the litigation” *Id.* at 129. *Munoz v. BCI Coca-Cola Bottling Co. of Los Angeles*, 186 Cal.App.4th
12 399 (2010), clarified that *Kullar* does not require an illusory prediction of the outer reaches of exposure
13 without taking into account the actual risks of litigation such as dispositive motions and trial. *Kullar*
14 also does not require an explicit statement of the maximum amount to be recovered if Plaintiff prevailed
15 on all the claims, provided there is a record that allows “an understanding of the amount that is in
16 controversy and the realistic range of outcomes of the litigation.” *Id.* at 409.

17 Plaintiff has thoroughly set forth the realistic range of outcomes in this litigation as well as the
18 data points relied upon in reaching these ranges. *See* Decl. Rodriguez ¶¶ 10-12. The record
19 demonstrates that the compromises made by Plaintiff were reasonable and have resulted in a settlement
20 with recovery percentage well within the range of what has been found to be sufficient in several other
21 cases. *See, supra*, Section V.b.iv; *see also Linney v. Cellular Alaska P’ship*, 151 F.3d 1234, 1242 (9th
22 Cir. 1998) (“The fact that a proposed settlement may only amount to a fraction of the potential recovery
23 does not, in and of itself, mean that the proposed settlement is grossly inadequate and should be
24 disapproved”); *City of Detroit v. Grinnell Corp.*, 495 F.2d 448, 455 (2d Cir. 1974) (“In fact there is no
25 reason, at least in theory, why a satisfactory settlement could not amount to a hundredth or even a
26 thousandth part of a single percent of the potential recovery”).

1 **c. Plaintiff's Individual Settlement Agreement Reasonably Compensates**
2 **Him In Exchange For A General Release Of His Individual Claims And Objective**
3 **Criteria Demonstrates That No Improper Preference Was Given To the Individual**
4 **Claims Over The PAGA Claims In Resolving The Action**

5 Plaintiff has entered into a separate individual settlement agreement for \$10,000 in exchange for
6 a waiver of all their individuals claims, including a waiver of the protections under Code of Civil
7 Procedure section 1542. *See* Decl. Rodriguez ¶ 39; Decl. Perez ¶ 9. The individual settlement was not
8 contingent on Court approval of the PAGA settlement, the dismissal of class allegations, or on
9 Plaintiff's support of the Agreement. Based on his payroll information and experience working for
10 Defendant, Plaintiff's individual damages were calculated to be \$11,676.15. *See* Decl. Rodriguez ¶ 39.
11 Given the facts of the individual claims, \$10,000 represents a reasonable compromise of Plaintiff's
12 individual claims and the compromise demonstrates that no preferential treatment was given to
13 Plaintiff's individual claims over the PAGA claims. *See id.*

14 **VI. THE AMOUNTS REQUESTED FOR ATTORNEY'S FEES AND COSTS, AND**
15 **SETTLEMENT ADMINISTRATION COSTS ARE REASONABLE AND SHOULD BE**
16 **APPROVED**

17 This is a unique case where, ultimately, the potential damages at issue ended up being much less
18 than anticipated during the outset of the litigation. Because the case was aggressively defended,
19 Plaintiff had to aggressively litigate the matter in kind. *See Serrano v. Unruh ("Serrano IV")*, 32 Cal.3d
20 621, 638 (1982) (noting a party cannot "litigate tenaciously and then be heard to complain about the
21 time necessarily spent by the plaintiff in response"). This has resulted in Plaintiff incurring substantial
22 attorney's fees exceeding the more realistic value of the claims had Plaintiff proceeded to trial and
23 obtained a verdict in his favor. Plaintiff seeks attorney's fees based on a lodestar analysis rather than a
24 common fund analysis. Under the facts of this case, a common fund analysis would be inappropriate as
25 the time required to litigate this case exceeds the maximum available damages that could be awarded at
26 trial. Applying a common fund analysis for attorney's fees in this scenario would incentivize plaintiffs
27 to not settle cases that otherwise should settle. If the matter were brought to trial, the statutory basis for
28 fees do not have any limitation based on a certain percentage of the amount recovered in judgment. *See,*
e.g., Cal. Lab. Code §§ 2699(k)(1), 1194, and 218.5. Furthermore, an attorney fee award should
ordinarily include compensation for all hours reasonably spent, so that the purpose behind statutory fee
authorizations (to encourage attorneys to vindicate important rights affecting the public interest) are not

1 frustrated or nullified altogether by diluted awards. *See Serrano IV*, 32 Cal.3d at 639. In the context of
2 a motion for fees after trial, fee awards not anchored to the lodestar methodology are an abuse of
3 discretion and will be reversed. *See, e.g., Serrano v. Priest* (“*Serrano III*”), 20 Cal.3d 25, 48, n.23
4 (1977). For example, in *Serrano III*, the Supreme Court stated:

5 The starting point of every fee award . . . must be a calculation of the
6 attorney’s services in terms of the time he has expended on the case.
7 Anchoring the analysis to this concept is the only way of approaching the
8 problem that can claim objectivity, a claim which is obviously vital to the
9 prestige of the bar and the courts.

10 *See id.*; accord *Ketchum v. Moses*, 24 Cal.4th 1122, 1132 (2001); *see also Gramajo v. Joe's Pizza on*
11 *Sunset, Inc.*, 100 Cal.App.5th 1094, 1102-1105 (2024) (rejecting argument that amount of fees awarded
12 should be limited based on amount of recovery where there is a mandatory fee statute at issue such as
13 Labor Code section 1194). The lodestar analysis is a two-step process. The first step is calculation of
14 the lodestar, or base figure, *i.e.*, the product of the number of hours reasonably expended on the
15 litigation multiplied by the reasonable hourly rate. *See e.g. Press v. Lucky Stores, Inc.*, 34 Cal.3d 311,
16 321-322 (1983). Using this figure as a base, the Court then considers other factors to determine a
17 reasonable fee, increasing as applicable (the multiplier) in order to fix the attorneys’ fees at the “fair
18 market value” for the particular action. *See Serrano III*, 20 Cal.3d at 49; *Ketchum*, 24 Cal.4th at 1132.
19 To determine the “market value” of counsel’s services, the court “must take into consideration ... that a
20 failure to fully compensate for the enormous risk in bringing even a wholly meritorious case would
21 effectively immunize large or politically powerful defendants from being held to answer for
22 constitutional deprivations, resulting in harm to the public.” *Horsford v. Board of Trustees*, 132
23 Cal.App.4th 359, 399-400 (2005).

24 Plaintiff’s counsel will have spent more than 182.6 hours litigating this action by the time the
25 settlement is fully implemented and monitoring the settlement through the complete distribution of all
26 funds and reporting at a compliance hearing is done. *See Decl. Rodriguez*, ¶ 22. Plaintiff’s counsel
27 reasonably spent a substantial amount of time pursuing the ultimate result obtained in this case. *See*
28 *Hensley v. Eckerhart*, 461 U.S. 424, 431 (1983); Exhibit H (Plaintiff’s Attorney’s Fee Summary Chart);
Syers Props. III, Inc. v. Rankin, 226 Cal.App.4th 691, 699 (2014) (“Because time records are not
required under California law ... , there is no required level of detail that counsel must achieve.”)

(internal quotations omitted). At Plaintiff's counsel's hourly rates, this equates to a combined lodestar of approximately \$145,425. *See* Decl. Rodriguez, ¶¶ 22-23. Judicial determinations of an attorney's rates based their level of experience are satisfactory evidence that those rates are reasonable, prevailing market rates. *See United Steelworkers of Am. v. Phelps Dodge Corp.*, 896 F.2d 403, 407 (9th Cir. 1990) ("rate determinations in other cases, particularly those setting a rate for the plaintiffs' attorney, are satisfactory evidence of the prevailing market rate"); Exhibit I at pg. 10 (Minute Order Re: Final Approval in *Worthy, et al. v. Malwarebytes, Inc.*, Sacramento County Superior Court, Case No. 25CV006631) (approving hourly rates of \$800 for counsel with 14 years' experience and \$600 for counsel with 6-7 years' experience); *Children's Hosp. and Med. Ctr. v. Bonta*, 97 Cal.App.4th 740, 783 (2002) (noting rates were reasonable where they were "within the range of reasonable rates charged by and judicially awarded comparable attorneys for comparable work").

An award of \$57,500 for attorney's fees would result in a negative multiplier, representing only 39.5% of the total lodestar. Although appropriate attorney's fee awards should include a multiplier to account for the contingent nature and risk associated with fee, the fact that the attorney's fee award in this case would result in a negative multiplier is further evidence of the reasonableness of the requested fee. *See Ketchum*, 24 Cal.4th at 1138 ("The adjustment to the lodestar figure, *e.g.*, to provide a fee enhancement reflecting the risk that the attorney will not receive payment if the suit does not succeed, constitutes earned compensation; unlike a windfall, it is neither unexpected nor fortuitous"). Indeed, the recovery for PAGA Employees is potentially 250% of the realistic value had the matter gone to trial.

Plaintiff's Counsel seeks reimbursement of \$7,025.32 for the expenses they have and will continue to incur while prosecuting this litigation through any compliance hearing(s). This is less than the \$8,000 provided for in the Agreement. An itemization for these costs is being filed with this motion as Exhibit G. All expenses were necessarily incurred to properly litigate this case. *See id.* The appropriate analysis in determining whether particular costs are compensable is whether they are of the type typically billed by attorneys to paying clients in the marketplace. *Harris v. Marhoefer*, 24 F.3d 16, 19 (9th Cir. 1994) ("Harris may recover as part of the award of attorney's fees those out-of pocket expenses that 'would normally be charged to a fee paying client.'"); *Abrams v. Lightolier, Inc.*, 50 F.3d 1204, 1225 (3d Cir. 1995) (expenses recoverable if customary to bill clients for them); *Bratcher v.*

1 *Bray-Doyle Indep. Sch. Dist. No. 42*, 8 F.3d 722, 725-26 (10th Cir. 1993) (expenses reimbursable if
2 normally billed to client). The categories of expenses for which Plaintiff's counsel seek reimbursement
3 here are categories normally charged to hourly clients and, therefore, should be reimbursed out of the
4 common fund. *See* Decl. Rodriguez, ¶ 24.

5 The \$2,000 in Settlement Administrator Costs is also within ranges approved by Courts and
6 should be approved in this case. *See Patel*, 2019 WL 2029061, *2 (\$5,261 for settlement administrator's
7 fees was not excessive where PAGA group consisted of 40 employees); Exhibit D; Decl. Rodriguez, ¶
8 25.

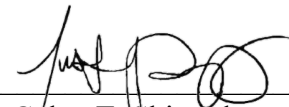
9 VII. CONCLUSION

10 For all of the foregoing reasons, Plaintiff respectfully requests that this Court find that Plaintiff
11 has met all statutory requirements to commence a PAGA civil action; approve the Agreement, including
12 Plaintiff's Counsel's application for reasonable attorneys' fees and costs, and Settlement Administrator
13 Costs; approve the Notice of Settlement and payment distribution procedures; and adopt the
14 implementation schedule identified in the proposed order, which is being filed concurrently herewith.

15
16
17 Dated: September 9, 2026

Shimoda & Rodriguez Law, PC

18
19 By: _____



20 Galen T. Shimoda
21 Justin P. Rodriguez
22 Renald Konini
23 Attorneys for Plaintiff
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27
28

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7 Attorneys for Plaintiff DANIEL PEREZ
individually and on behalf of similarly situated employees
8

9 **SUPERIOR COURT OF CALIFORNIA**
10 **FOR THE COUNTY OF SACRAMENTO**

11 DANIEL PEREZ, individually and on behalf
12 of all other similarly situated employees,

13 Plaintiff,

14 vs.

15 METRO MAILING SERVICE INC., a
California Corporation; and DOES 1 to 100,
16 inclusive,

17 Defendants.
18
19
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21
22

Case No. 34-2022-00323567

*Assigned for All Purposes to Hon. Jill H. Talley
Department 8A*

**DECLARATION OF JUSTIN P. RODRIGUEZ
IN SUPPORT OF PLAINTIFF'S MOTION TO
APPROVE PRIVATE ATTORNEYS GENERAL
ACT SETTLEMENT**

Date: October 2, 2026

Time: 9:00 a.m.

Dept.: 8A

Judge: Hon. Jill H. Talley

Filed: July 18, 2022

FAC Filed: September 1, 2022

Trial Date: None Set

1 I, Justin P. Rodriguez, declare:

2 1. I am an attorney at law duly admitted to practice before all the courts of the State of
3 California and an attorney of record for Plaintiff Daniel Perez (“Plaintiff”) herein. I am making this
4 declaration on behalf of Plaintiff, and in support of Plaintiff’s Motion to Approve Private Attorneys
5 General Act Settlement. Pursuant to the Rule 2.99.05 of the Local Rules for the Superior Court of
6 California, County of Sacramento, I have reviewed the Court’s class action and PAGA settlement
7 checklist and believe I have prepared the moving papers in compliance with the checklist as well as the
8 California Rules of Court. A true and correct copy of the Private Attorneys General Act Settlement is
9 being filed with this Motion as Exhibit A.

10 2. This case was originally brought as a Class Action and Private Attorneys General Act
11 (“PAGA”) lawsuit based on Plaintiff’s contention that Defendant Metro Mailing Service Inc.
12 (“Defendant”), violated California law by failing to pay overtime wages, failing to provide meal
13 periods or pay premiums in lieu thereof, failing to provide rest periods or pay premiums in lieu thereof,
14 failing to provide accurate wage statements, failing to pay final wages, failing to pay reimbursements
15 for expenses, violating Labor Code sections 558, 558.1 regarding provisions regulating hours and days
16 of work in any Industrial Welfare Commission Order, and failing to provide sick leave. These claims
17 stemmed from Plaintiff’s allegations that Defendant violated California law by 1) not taking into
18 account the second shift differential pay into the regular rate of pay when calculating overtime
19 premiums, meal and rest period premiums, and sick leave pay premiums for all individuals who
20 received the second shift pay differential and who worked overtime, received a meal/rest period
21 premium, and/or received sick leave that would have been subject to that differential, during the PAGA
22 Period, resulting in unpaid overtime, meal and rest period premiums, and sick leave pay premiums, and
23 2) not paying reimbursement for using personal cell phone for work purposes. However, as explained
24 below, after conducting substantial discovery and preparing to file a motion for certification, we felt
25 class certification was unlikely. At that point, we believed pursuing the matter based on Plaintiff’s
26 individual claims and as a PAGA action was more appropriate.

27 3. Plaintiff is the only named representative in this matter. We began investigating the
28 claims on February 17, 2022, which included interviewing Plaintiff, reviewing their documents, and

1 seeking out potential witnesses to corroborate the claims. From our initial investigations of Plaintiff's
2 claims and documents, we believed these claims had merit and could be maintained as a class and
3 PAGA action. Plaintiff filed the original complaint on July 18, 2022. Plaintiff exhausted
4 administrative remedies through the Labor and Workforce Development Agency ("LWDA") prior to
5 filing the Complaint in order to pursue penalties under the PAGA. Plaintiff filed a notice with the
6 LWDA on June 24, 2022, setting forth the facts and theories of liability. A true and correct copy of the
7 notice filed with the LWDA is being filed with this Motion as Exhibit C. A copy of the notice was also
8 sent to Defendant via certified mail and the \$75.00 filing fee was remitted to the LWDA at that time.
9 There was no response by the LWDA regarding its intent to investigate the claims alleged in Plaintiff's
10 notice for more than 65 days and Defendant did not utilize the cure procedures under the statute. As
11 such, Plaintiff became authorized to commence a civil action under the PAGA. A copy of the
12 Complaint was uploaded to the LWDA after we received a file stamped copy back from Court. A true
13 and correct copy of Plaintiff's operative Complaint is being filed with this Motion as Exhibit B.

14 4. Defendant is represented in this matter by Boutin Jones, Inc. From the beginning,
15 Defendant has aggressively contested the certifiability and merits of the claims, the manageability of
16 the case at trial, and Plaintiff's ability to prove a violation in each pay period for each employee among
17 other defenses and contentions they made challenging the propriety of this action. Defendant further
18 contended that, even assuming there was a finding supporting the imposition of PAGA penalties, the
19 Court would likely exercise its discretion to substantially reduce any such penalties owed based on
20 evidence of good faith attempts to comply with Labor Code obligations by Defendant. Notwithstanding
21 the agreement to settle this matter, Defendant believes the practices Plaintiff is contending are unlawful
22 either do not exist or, to the extent they do exist, fully comply with all state and federal employment
23 laws with respect to Plaintiff and PAGA Employees.

24 5. We have reviewed a substantial number of documents and engaged in substantial
25 informal and formal discovery during our investigation of the claims over the past four (4) years. The
26 Court set a motion hearing for class certification to take place on October 2, 2026. We interviewed a
27 substantial number of current and former employees regarding the claims to evaluate the likelihood of
28 certification and the potential damages at issue in addition to conducting written discovery and deposing

1 Defendant's Person Most Knowledgeable regarding its wage and hour practices. Based on the expected
2 testimony from Plaintiff and similarly situated employees, a review of Defendant's policies and
3 procedures and other documents relating to the alleged claims, information on the number of similarly
4 situated employees, their total pay periods, and payroll data for all individuals that were within the
5 scope of the class and PAGA claims, the scope of the potential penalties at issue in light of the claims
6 alleged, the Court's statutorily authorized discretion to reduce any penalties assessed, and the
7 negotiations that have taken place, I am convinced that the proposed settlement is fair, reasonable, and
8 adequate.

9 6. Our primary theory of recovery was based on Defendant's alleged failure to incorporate
10 the value of shift differentials into the regular rate of pay when making premium payments such as
11 overtime, meal and rest period premiums, and sick leave. However, this affected a maximum of 19
12 individuals and some of those individuals only had one (1) to two (2) pay periods affected out of 90 or
13 more total pay periods during their employment. Additionally, the underlying cause for the meal, rest,
14 and/or overtime premiums were heavily contested, resulting from work scheduling circumstances that
15 varied from employee to employee rather than a defective policy uniformly applied. Defendant also had
16 a practice of paying meal period premiums automatically whenever time records showed a potential
17 violation, removing any substantive recovery for those potential violations. The use of personal cell
18 phones appeared to vary substantially from individual to individual, with many employees not having to
19 use their personal cell phones at all. The number of interviews we were able to conduct increased
20 substantially leading up to our class certification motion filing deadline of July 31, 2026. Based on
21 these interviews, the written policies, and expected testimony, I felt it was very unlikely that class
22 certification would be granted. But, because PAGA does not require meeting those certification
23 standards I believed that continuing to pursue those claims and Plaintiff's individual claims was
24 appropriate. While we had been open to trying to resolve the PAGA claims before, Defendant did not
25 indicate any desire to settle the claims. Thus, we continued to litigate the matter. However, in July
26 2026, Defendant indicated it was interested in attempting to resolve the PAGA claim. Because of the
27 low frequency of the violations based on our theory of the case, the damages were nominal and the
28 attorney's fees and costs incurred by that time vastly outstripped the value of the claims. Rather than

1 have the tail wag the dog, I felt it was more appropriate to try and resolve the claims rather than proceed
2 to trial and attempt to obtain 100% of the fees incurred as authorized by statute. I believe the ability to
3 secure recovery of civil penalties to remedy violations in an amount that has been found more than
4 adequate in prior cases to be the better course of action. Additionally, the length and risk of continued
5 litigation and trial, as well as other normal perils of complex litigation that impact the value of the
6 claims, were also considered and weighed in reaching the Agreement. I further considered the fact that
7 penalties under the PAGA could be substantially cut at the discretion of the Court even if Plaintiff was
8 successful on proving those claims. Overall, I believe it is more beneficial to secure a guaranteed
9 benefit to PAGA Employees and the LWDA now rather than to proceed with litigation and potentially
10 obtain zero funds due to legal or factual issues. The claims of putative class members and the PAGA
11 claims for individuals outside of the defined PAGA Employee are also being preserved under the
12 Agreement as they are being dismissed without prejudice. The Parties stipulated to having the
13 certification motion hearing be converted to a hearing on Plaintiff's motion to approve a PAGA
14 settlement.

15 7. Because the settlement is a PAGA only settlement, no certification procedures need to
16 occur in the context of approving the Agreement pursuant to *Arias v. Superior Court*, 46 Cal.4th 969,
17 975 (2009) and California Labor Code section 2699(1)(2). The settlement notice being provided to
18 employees within the PAGA settlement identifies the scope of the settlement.

19 8. My office, including my partner, Galen T. Shimoda, our paralegals, and myself, along
20 with Plaintiff's assistance, thoroughly investigated the merits of the claims and potential damages for
21 such claims. The parties engaged in formal and informal discovery and exchange of documents that
22 included, but was not limited to, employee data for approximately 192 individuals falling within the
23 scope of the class and PAGA claims, including, but not limited to, time records, paystubs, and payroll
24 summaries, relevant handbooks, bulletins, and memoranda containing Defendant's policies for the
25 entirety of the statute of limitations applicable to the alleged claims. Documents produced by Defendant
26 included more than 8,518 pages of paystubs and timecards including thousands of rows of timecard data
27 covering the pay periods for all the individuals within the original class and PAGA group. Review of
28 this data included comparing the time records and payroll data with unique pay codes and Defendant's

1 wage and hour policies pay period by pay period, which evolved over the course of the claim period.
2 From this production we were able to determine information critical to a reliable damages analysis such
3 as the average hourly rate, average daily hours worked, shifts eligible for meal and rest periods and the
4 number of potential shifts that may correspond to liability under our theories of liability, average number
5 of pay periods that had potential violations based on the asserted claims, and the number of former
6 employees. This information allowed my office to assess both liability and damages and create an
7 accurate damages model. Plaintiff assisted in all aspects of this litigation including providing factual
8 information relating to Defendant's employment conditions, potential witness information, and
9 answered questions regarding Defendant's factual contentions in this matter. This was important
10 because it directly related to our ability to maintain this case as a representative action and our ability to
11 obtain a favorable settlement for PAGA Employees and the LWDA.

12 9. Throughout this litigation, our office had numerous communications with Defendant's
13 Counsel discussing our respective positions. It was only after more than four (4) years of extensive,
14 arm's length litigation that the parties were able to reach a settlement. The negotiations were, at all
15 times, contentious, adversarial, and at arms-length, though still professional in nature.

16 10. Based on my office's analysis of the formal and informal discovery outlined above,
17 there were approximately 19 PAGA Employees who worked a maximum of 1,500 pay periods during
18 the PAGA Claim Period. This also represents the entirety of individuals affected by the wage and hour
19 practices alleged to be unlawful from 192 total individuals whose records were produced in discovery.
20 We did not find any prior Labor Commissioner or Court decisions stating Defendant's practices and/or
21 policies were improper. As such, a "subsequent violation" may not be found for penalty calculation
22 purposes, and the penalty exposure analysis herein is based on an "initial violation" valuation being
23 adopted by any fact finder if this matter went to trial. *See Amaral v. Cintas Corp. No. 2*, 163
24 Cal.App.4th 1157, 1207-1209 (2008). We also interviewed several employees, covering their work
25 experiences in relation to the asserted claims and have incorporated that information into the damages
26 analysis. The following represents the maximum recovery as well as the more realistic range of
27 recovery for each of the PAGA violations alleged by Plaintiff:
28

- 1 a) Failure to Pay Overtime: This claim was based on the failure to incorporate the value of
2 shift differentials into the regular rate of pay. Approximately 14% of pay periods
3 included a shift differential and an overtime premium payment. The maximum damages
4 for this claim are \$10,500 (210 pay periods affected x \$50 per pay period per Labor
5 Code section 558);
- 6 b) Failure to Provide Meal Periods: This claim was based on the failure to incorporate the
7 value of shift differentials into the regular rate of pay. Approximately 3% of pay periods
8 included a shift differential and a meal period premium. The maximum damages for this
9 claim are \$2,250 (45 pay periods affected x \$50 per pay period per Labor Code section
10 558);
- 11 c) Failure to Provide Rest Breaks: This claim was based on the failure to incorporate the
12 value of shift differentials into the regular rate of pay. While Defendant regularly paid
13 meal period premiums that would have been subject to the regular rate of pay theory of
14 liability, the payroll records did not show any rest period premiums being paid. As a
15 result, none of the pay periods were affected. Thus, the value of this claim is \$0;
- 16 d) Failure to Pay Sick Leave: This claim was based on the failure to incorporate the value
17 of shift differentials into the regular rate of pay. While Defendant regularly paid sick
18 leave wages that would have been subject to the regular rate of pay theory of liability,
19 the payroll records did not show any sick leave wages being paid in the same pay period
20 that shift differentials were paid. As a result, none of the pay periods were affected.
21 Thus, the value of this claim is \$0;
- 22 e) Failure to Pay Reimbursement: This portion of the PAGA claim is based on Plaintiff's
23 contention that PAGA Employees were required to use their personal cell phones to
24 communicate with their supervisors, managers, and to communicate with vendors. The
25 maximum exposure for this claim is \$150,000 (1,500 pay periods x default \$100 per pay
26 period per Labor Code section 2699(f)). This amount does not take into account any
27 potential risks with respect to Plaintiff proving the merits or proving a violation occurred
28 in every pay period for every employee. Defendant heavily disputed whether use of

personal cell phones was required given the availability of phones at the worksite and in each individual's work area as well as its policies specifically prohibiting use of personal cell phones. As noted above, our investigation also revealed that the majority of individuals did not use their personal cell phone for work purposes at all. Based on these risks, I believe a more realistic range of recovery for this claim would be between \$22,500 to \$37,500 (75% to 85% reduction based on risk);

f) Wage Statement Violations: This portion of the PAGA claim is derivative of Plaintiff's overtime, meal and rest period, and sick leave claims. The maximum exposure for this claim is \$10,500 (210 pay periods affected x default \$100 per pay period per Labor Code section 2699(f));

g) Waiting Time Penalties: This portion of the PAGA claim is derivative of the overtime, meal and rest period, and sick leave claims. The maximum damages for this claim are \$70,200 (approximately 15 former employees within the penalty statute of limitations. Calculated the same as waiting time penalties pursuant to Labor Code section 256 [\$19.50 average hourly rate x 8-hour day x 30 days = \$4,680. 15 former employees x \$4,680 = \$70,200]). Defendant disputed whether penalties under this provision should be calculated under the default PAGA penalty or the amount provided by Labor Code section 256 and 203. To the extent the Court agreed with Defendant on the correct penalty valuation, the available damages for this claim would be reduced to \$1,500; and

h) Failure to Maintain Accurate Records: This portion of the PAGA claims is entirely derivative of and overlapping with the PAGA claims identified above, *e.g.* the failure to pay overtime wages, failure to provide meal and rest periods, failure to provide sick leave. The maximum damages for this claim are \$9,500 (\$500 x 19 employees within the penalty statute of limitations per Labor Code section 1174.5)

11. In total, the maximum exposure for PAGA penalties in this case is \$242,450.

Considering the risks associated with proving the claims and the potential per penalty value for each claim, a more realistic range of liability is \$46,250 to \$129,950. However, in addition to the risks on the merits and disputes regarding the proper valuation of the penalty amounts, I believe the Court may

1 exercise its discretion to reduce PAGA penalties in this case because some of the asserted violations are
2 due to technical non-compliance with the Labor Code rather than substantive wage loss, *e.g.* wage
3 statement violations, several of the violations under different statutes arise from the same, singular
4 conduct, *i.e.* failure to incorporate the value of shift differentials into the regular rate of pay forms the
5 basis for the overtime, wage statement, and record keeping violations, Defendant produced wage and
6 hour policies and other documents related to attempts at complying with the California Labor Code that
7 a Court may find demonstrates a good faith attempt at compliance, and there were several instances
8 where the actual substantive loss experienced by PAGA Employees was substantially less per pay
9 period than the potential maximum penalty that could be imposed. For example, the unpaid overtime
10 premiums due to the regular rate of pay was often less than \$10.00 per occurrence, yet the full penalty
11 value is \$50. Courts are statutorily authorized to use discretion to reduce penalties and the range of
12 discretion used varies substantially and I believe the Court is likely to exercise this discretion to reduce
13 civil penalties in this case if it were to go to trial.

14 12. The range of civil penalty reductions applied by Courts varies substantially. *See*
15 *Thurman v. Bayshore Transit Mgmt., Inc.*, 203 Cal.App.4th 1112, 1135 (2012) (30% reduction);
16 *Fleming v. Covidien Inc.*, 2011 WL 7563047, *3–4 (C.D. Cal. 2011) (82% reduction); *Magadia v. Wal-*
17 *Mart Associates, Inc.*, 384 F.Supp.3d 1058, 1104 (N.D. Cal. 2019) (80% reduction); *Hamilton v. Juul*
18 *Labs, Inc.*, 2021 WL 5331451, *9-*10 (N.D. Cal. 2021). The 82% reduction equates to roughly \$9-\$18
19 worth of civil penalties per pay period per employee depending on the total potential value of the civil
20 penalty (*i.e.* \$50-\$100), which is more in line with actual awards based on my experience and review of
21 awards in other cases. Thus, the more realistic range of damages that may be ultimately awarded could
22 be reduced to approximately \$8,325 (82% reduction) to \$90,965 (30% reduction). The Net Settlement
23 Amount, approximately \$20,974.68, to resolve the PAGA claims represents approximately 8.6% of the
24 maximum possible damages, and represents approximately 23% to 252% of the more realistic range of
25 potential damages that may be awarded if the matter went to trial. The value of the \$20,974.68 Net
26 Settlement Amount is approximately \$13.98 per pay period.

27 13. I believe the Settlement is fair, reasonable, and adequate based on the legal and factual
28 disputes, and potential damages, at issue in this case. The Settlement is a reasonable compromise that I

believe will also further the purpose of the Labor Code and LWDA, creating an effective, substantial deterrent to any potential future non-compliance. The reasonableness of the Settlement is also supported when considering amounts that Courts have approved as reasonable PAGA valuations in other cases. *See Nordstrom Com. Cases*, 186 Cal.App.4th 576, 589 (2010) (approving \$0 allocation to the resolution of PAGA claims based on their being disputed and being part of a class settlement which was evaluated based on the terms of the agreement overall); *Junkersfeld v. Med. Staffing Sols., Inc.*, 2022 WL 2318173, *8 n.2 (E.D. Cal. 2022) (collecting cases with PAGA settlement values ranging from .037%-1%); *Jennings v. Open Door Marketing, LLC*, 2018 WL 4773057, *9 (N.D. Cal. 2018) (approving settlement of PAGA claims at 0.6% of total estimated value due to risk of no recovery); *Ruch v. AM Retail Grp., Inc.*, 2016 WL 5462451, *7 (N.D. Cal. 2016) (approving \$10,000 PAGA settlement allocation where total PAGA penalty exposure was approximately \$5.2 million, or 0.2% of total estimated value); *Davis v. Cox Commc'ns California, LLC*, 2017 WL 1496407, *1 (S.D. Cal. 2017) (preliminarily approving \$4,000 PAGA allocation in \$275,000 settlement); *Moore v. Fitness Int'l, LLC*, 2014 WL 12571448, *5 (S.D. Cal. 2014) (approving \$2,500 PAGA allocation when attorneys' fees award alone amounted to \$200,000); *Jack v. Hartford Fire Ins. Co.*, 2011 WL 4899942, *6 (S.D. Cal. 2011) (approving \$3,000 PAGA allocation in \$1,200,000 settlement); *Singer v. Becton Dickinson & Co.*, 2010 WL 2196104, *2 (S.D. Cal. 2010); *Hopson v. Hanesbrands Inc.*, 2009 WL 928133, *1, *9 (N.D. Cal. 2009) (approving \$1,500 PAGA allocation in \$1,026,000 settlement); *Syed v. M-I, L.L.C.*, 2017 WL 714367, *13 (E.D. Cal. 2017) (approving \$100,000 PAGA allocation in \$3,950,000 gross settlement amount allocated to California class even though PAGA exposure was calculated at \$53,600,000, or 0.2% of total estimated potential value); *Garcia v. Gordon Trucking, Inc.*, 2012 WL 5364575, *6-*7 (E.D. Cal. 2012) (approving \$10,000 PAGA allocation in a \$3,700,000 settlement); *Franco v. Ruiz Food Prod., Inc.*, 2012 WL 5941801, *14 (E.D. Cal. 2012) (\$10,000 PAGA allocation from \$2,500,000 settlement fund); *Chu v. Wells Fargo Investments, LLC*, 2011 WL 672645, *1 (N.D. Cal. 2011) (\$10,000 PAGA allocation from \$6,900,000 settlement fund).

14. In agreeing to represent Plaintiff and take on the case on a representative basis, our office agreed to take this case on a contingency basis. We took a risk that we would not recover any money in this matter if we were unsuccessful at trial. We also took on the risk that the case may be

subject to an unfavorable summary judgment ruling. However, we believe it is important to make sure employees are able to find affordable representation in order to ensure that employers are complying with all their legal obligations towards employees and paying employees all their hard-earned wages.

15. I am a shareholder at Shimoda & Rodriguez Law, PC. My law firm is a boutique law practice that focuses primarily in employment litigation, emphasizing wage and hour litigation. I attended and graduated college from U.C. Davis, receiving a Bachelor of Arts in Philosophy and the Departmental Citation for Academic Achievement in the Philosophy program. I was one of only two recipients of this award out of the entire Philosophy Department. After U.C. Davis, I attended the University of the Pacific, McGeorge School of Law, graduating in 2011 and receiving a Juris Doctorate. I graduated in the top 20% of my class and was a member of the Traynor Honor Society at McGeorge. Other academic achievements of mine include receiving a Witkin Award (top grade) in my legal research and writing course, a Witkin Award in complex civil litigation, being a member of the Dean's List from 2008 to 2011, being a Legislative Staff Writer for the *McGeorge Law Review* from 2009–2010, being an Associate Comment Editor for the *Pacific McGeorge Global Business & Development Law Journal* from 2010–2011, and being selected as a Sacramento County Bar Association Diversity Fellow in 2009. I was also a member of the Employment and Labor Law Society and an officer for the Latino Law Students Association from 2009 to 2010.

16. I have been practicing law since 2011. From 2011 to 2016, I worked with the Shimoda Law Corp. as an Associate. I became a Shareholder/Partner in the firm in 2017. Shimoda Law Corp. became Shimoda & Rodriguez Law, PC, in 2022. Since 2017, I have received an AV Preeminent rating from Martindale-Hubbell for my legal ability and ethical standards. From 2018 to 2024, I have been recognized as a Super Lawyer (Rising Star). From 2024 to present I have been recognized as a Super Lawyer. I have been a panel speaker and presented a number of seminars covering issues in wage and hour litigation in general and complex class and PAGA litigation in particular. These engagements include the following: (1) *Epic Systems*, PAGA, and the Future of Employment Arbitration in California (Sacramento County Bar Assoc., Sept. 2018); (2) Class Actions and PAGA Claims (Assoc. of Defense Counsel of Northern California & Nevada, Jul. 2020); (3) Mediation: The Experienced Trial Lawyers Perspective (Sacramento County Bar Assoc., Sept. 2020); (4) How to

1 Become a Pivotal Part of Any Wage and Hour Practice Group (Sacramento County Bar Assoc., Mar.
2 2021); (5) Emerging Trends and Issues Relating to Arbitration and PAGA Claims in a Post-*Viking*
3 *River Cruises* World (Sacramento County Bar Assoc., Nov. 2022). I was elected to the Sacramento
4 County Bar Association Labor and Employment Law Section's executive committee in 2019 and was
5 the Chair of the executive committee for 2022. I have also been a member of the Presiding Judge Civil
6 Law Advisory Committee for Sacramento County Superior Court since August 2020. My practice
7 focuses on complex civil litigation, including wage and hour class actions, PAGA claims, and Fair
8 Labor Standards Act ("FLSA") claims. I am actively involved in most all of the complex litigation
9 handled by our firm. Class and/or PAGA actions I have litigated or am currently litigating, including
10 the instant case, includes, but is not limited to, the following:

- 11 • *Aanerud v. Neumann Ltd., et al.*, Case No. 34-2014-00169324 (Sac. Sup. Ct.);
- 12 • *Adams-Anguy v. Placer Title Company, et al.*, Case No. SCV0040845 (Placer Sup. Ct.);
- 13 • *Adewumi v. GHS Interactive Security, LLC*, Case No. 34-2017-00210768 (Sac. Sup. Ct.);
- 14 • *Arrington v. Capital Express Lines, Inc., et al.*, Case No. 34-2012-00134195 (Sac. Sup.
15 Ct.);
- 16 • *Aslam v. American Custom Private Security, Inc.*, Case No. STK-CV-UOE-2018-
17 0012080 (San Joaquin Sup. Ct.);
- 18 • *Aslam v. Cypress Security, LLC*, Case No. 34-2017-00220143 (Sac. Sup. Ct.);
- 19 • *Aslam v. Surveillance, Security, Inc.*, Case No. 34-2017-00220142 (Sac. Sup. Ct.);
- 20 • *Azzolino v. Brake Masters of Sacramento, LLC, et al.*, Case No. 34-2017-00218293 (Sac.
21 Sup. Ct.);
- 22 • *Barkhausen v. Bank of Stockton*, Case No. STK-CV-UOE-2019-17145 (San Joaquin Sup.
23 Ct.);
- 24 • *Benak v. MDStat Urgent Care, Inc.*, Case No. 34-2015-00188181 (Sac. Sup. Ct.);
- 25 • *Bigornia v. Quest Diagnostics Clinical Laboratories, Inc., et al.*, Case No. 34-2019-
26 00271174 (Sac. Sup. Ct.);
- 27 • *Blig v. Medical Management International, Inc.*, Case No. 34-2017-00213906 (Sac. Sup.
28 Ct.);

- 1 • *Caguioa, et al. v. Fortune Senior Enterprises, et al.*, Case No. 34-2014-00171831 (Sac.
2 Sup. Ct.);
- 3 • *Camacho, et al. v. Z Street, Inc., d.b.a. Tower Café, et al.*, Case No. 34-2014-00163880
4 (Sac. Sup. Ct.);
- 5 • *Castorena v. Flowmaster, Inc.*, Case No. CV18-2191 (Yolo Sup. Ct.);
- 6 • *Cannon v. Miller Event Management, Inc., et al.*, Case No. 34-2014-00168103 (Sac. Sup.
7 Ct.);
- 8 • *Carr, et al. v. CableCom, LLC*, Case No. 34-2017-00212739 (Sac. Sup. Ct.);
- 9 • *Chace v. Daisy Holdings, LLC, dba Pine Creek Care Center, et al.*, Case No. 34-2017-
10 00209613 (Sac. Sup. Ct.);
- 11 • *Clamens-Hollenback v. Atterro, Inc.*, Case No. 17-CV-305535 (Santa Clara Sup. Ct.);
- 12 • *Cress, et al. v. Mitsubishi Chemical Carbon Fiber and Composites, Inc.*, Case No. 34-
13 2017-00222101 (Sac. Sup. Ct.);
- 14 • *De Arcos v. Amware Pallet Services, LLC*, Case No. CV-17-629 (Yolo Sup. Ct.);
- 15 • *Ferreyra v. Point Digital Finance, Inc., et al.*, Case No. 20CV373776 (Santa Clara Sup.
16 Ct.);
- 17 • *Foye v. The Golden 1 Credit Union*, Case No. 34-2018-00235003 (Sac. Sup. Ct.);
- 18 • *Garcia v. A-L Financial Corp.*, Case No. 34-2014-00171831 (Sac. Sup. Ct.);
- 19 • *Garcia v. Royal Plywood Company, LLC, et al.*, Case No. 34-2017-00221627 (Sac. Sup.
20 Ct.);
- 21 • *Gomes v. Progressive Casualty Insurance Company*, Case No. 34-2018-00241979 (Sac.
22 Sup. Ct.);
- 23 • *Gomez v. Mayflower Farms Incorporated, et al.*, Case No. CV24157 (Colusa Sup. Ct.);
- 24 • *Gilliam v. Matrix Energy Services, Inc.* Case No. RG 11592345 (Alameda Sup. Court);
- 25 • *Gonzalez v. Northcentral Pizza, LLC, et al.*, Case No. 34-2019-00252018 (Sac Sup. Ct.);
- 26 • *Gordon, et al. v. Hospice Source, LLC, et al.*, Case No. 34-2019-00250022 (Sac. Sup.
27 Ct.);
- 28 • *Gotts v. John L. Sullivan Chevrolet, Inc.*, Case No. 34-2018-00231576 (Sac Sup. Ct.);

- 1 • *Hartwell v. Techforce Telecom, Inc.*, Case No. 39-2014-00307197 (San Joaquin Sup.
- 2 Ct.);
- 3 • *Hellum v. AI Protective Services, LLC, et al.*, Case No. 34-2018-00234449 (Sac. Sup.
- 4 Ct.);
- 5 • *Hercules v. Maximus Services, LLC, et al.*, Case No. 34-2019-00268385 (Sac Sup. Ct.);
- 6 • *Hernandez v. Snyir, Inc.*, Case No. 34-2017-00207641 (Sac. Sup. Ct.);
- 7 • *Heinz v. Wright Tree Services*, Case No. 34-2012-00131949 (Sac. Sup. Ct.);
- 8 • *Hoover v. Mom365*, Case No. 2:17-cv-01328-TLN-CKD (E.D. Cal.);
- 9 • *Insixiengmay v. Hyatt Corporation, et al.*, Case No. 2:18-cv-02993-TLN-DB (E.D. Cal.);
- 10 • *Josol v. Dial Medical Corp.*, Case No. 34-2008-00010040 (Sac. Sup. Ct.);
- 11 • *McMahon v. Airco Mechanical, Inc.*, Case No. 34-2019-00259269 (Sac. Sup. Ct.);
- 12 • *Muhieddine v. KBA Docusys, Inc.*, Case No. 34-2014-00164720 (Sac. Sup. Ct.);
- 13 • *Nguyen v. Cardinal Health Pharmacy Services, LLC, et al.*, Case No. 2:19-cv-01939-
- 14 KJM-EFB (E.D. Cal.);
- 15 • *Prasad v. D. G. Smith Enterprises, Inc.*, Case No. 34-2017-00215046 (Sac. Sup. Ct.);
- 16 • *Ralston v. JMJ Incorporated, Inc. et al.*, Case No. 34-2017-00217047 (Sac. Sup. Ct.);
- 17 • *Roberts v. CableCom, LLC*, Case No. 34-2017-00212739 (Sac. Sup. Ct.);
- 18 • *Robinson v. West of Chicago Restaurants, Inc., dba Chicago Fire*, Case No. 34-2010-
- 19 00082201 (Sac Sup. Ct.);
- 20 • *Salas, et al. v. Joint Ventures, LLC, et al.*, Case No. 34-2018-00227493 (Sac. Sup. Ct.);
- 21 • *Salmon v. Ovarions Fanfare, L.P., et al.*, Case No. 34-2018-00244749 (Sac. Sup. Ct.) ;
- 22 • *Scarano v. J.R. Putman, Inc.*, Case No. 34-2018-00244753 (Sac. Sup. Ct.) ;
- 23 • *Smith v. Greyhound Lines, Inc.*, Case No. 34-2017-00219188 (Sac. Sup. Ct.);
- 24 • *Sullivan v. National Response Corporation*, Case No. 34-2018-00244757 (Sac. Sup. Ct.);
- 25 • *Talent v. Leslie's Poolmart, Inc.*, Case No. 34-2012-00128539 (Sac. Sup. Ct.);
- 26 • *Thornton v. McConnell Jones Lanier & Murphy LLP*, Case No. No. 34-2017-00211553
- 27 (Sac. Sup. Ct.);
- 28 • *Watson v. Quarter At A Time, LLC*, Case No. 34-2017-00217570 (Sac. Sup. Ct.); and

- *Willis v. Premier Pools, Incorporated*, Case No. 34-2017-00211710 (Sac. Sup. Ct.).

17. The preceding list does not include those cases where, for various reasons, the case was filed as a class action and/or PAGA action, but did not maintain that status through the end of the case.

18. My partner, Galen T. Shimoda, Esq., worked with me on this matter and was critical in assisting with all aspects of the litigation of this case. Mr. Shimoda and I are some of only a handful of plaintiff attorneys located in Sacramento who handle wage and hour class actions. Mr. Shimoda attended and graduated from the University of Utah in 2000 with a B.S. in Business Management and a B.A. in Asian Studies, with a minor in Japanese language. He then attended and graduated from the University of the Pacific, McGeorge School of Law and received his J.D. degree in 2003. He graduated from McGeorge in the top 5% of his class and was a member of the Order of the Coif and Traynor Honor Society. Since graduating from McGeorge, Mr. Shimoda has authored a number of employment law articles for journals and our firm regularly publishes articles on our firm's website. Mr. Shimoda has been a regular panel speaker for the CEB (Continuing Education of the Bar) Employment Review seminars from 2014 to the present. His speaking engagements include the following: 1) Lorman Military Leave Law Speaker; 2) Restaurant Association Speaker at Annual Seminar (Los Angeles); 3) Federal Bar Association, Sacramento Chapter: 2015 Amendments to the Federal Rules of Civil Procedure (Mar. 30, 2016); 4) CEB – Employment Law Practice: 2016 Year in Review (Jan. 20, 2017); 5) CEB – Employment Law Practice: 2015 Year in Review (Jan. 22, 2016); 6) CEB – Employment Law Practice: Year in Review (2014) (Jan. 9, 2015); 7) CEB - Employment Law Practice: Year in Review (2013) (Jan. 10, 2014); 8) Sacramento County Bar Association - Class Actions from the Trenches: Real World Experiences from the Plaintiff and Defense Bar (Feb. 21, 2012); 9) Sacramento Employer Advisory Council – Wage and Hour Workshop: Going Beyond the Exemption Discussion (Apr. 7, 2016); 10) Sacramento Employer Advisory Council - Wage & Hour Panel and AB 1825 Training: Updates on California's New Wage Laws and Manager Compliance Training (Apr. 25, 2017); 11) Sacramento County Bar Association, Labor and Employment Section – PAGA Representative Litigation: Emerging Trends and Issues (May 17, 2016); 12) Sacramento Business Journal Panel – Overtime Rules (Jun. 23, 2016); 13) Association of Defense Counsel of Norther California & Nevada - Employment Law Update – Do the Math: Calculation Exposure and

1 Damages in Wage and Hour Cases (Aug. 12, 2016); 14) California Employment Lawyers Association -
2 PAGA Today and PAGA Tomorrow: Moderate-Advanced Issues In PAGA Litigation (Oct. 20, 2017);
3 15) California Employment Lawyers Association Advanced Wage and Hour Seminar – Better Know a
4 Venue Roundup (May 17, 2019). Mr. Shimoda has been AV rated by Martindale Hubbell since 2013,
5 was recognized as a Super Lawyer (Rising Star) from approximately 2009 to 2013 and was recognized
6 as a Super Lawyer from 2014 to present.

7 19. Mr. Shimoda has practiced law in California since being admitted to the State Bar in
8 2003, litigating wage and hour class actions and individual wage and hour litigation among other cases.
9 Mr. Shimoda began practicing class action law on the defense side at the firm of Orrick, Herrington &
10 Sutcliffe LLP. He then switched to plaintiff class action work in 2005. His class action experience is
11 in wage and hour law. Mr. Shimoda has litigated several class action cases in California State and
12 Federal Courts, including up to certification, settlement, preliminary and final approval, and
13 disbursement of monies, and has been found to be satisfy the adequacy requirements for class counsel.
14 Some of the class action and/or PAGA cases he is litigating and/or has litigated as lead or co-counsel
15 include the following:

- 16 • *Aanerud v. Neumann Ltd., et al.*, Case No. 34-2014-00169324 (Sac. Sup. Ct.);
- 17 • *Acosta v. Acosta Sales, LLC, et al.*, Case No. 2:11-CV-01796 (C.D. Cal.);
- 18 • *Atchley v. Blaggs Food Service, LLC*, 34-2017-0215930 (Sac. Sup. Ct.);
- 19 • *Adewumi v. GHS Interactive Security, LLC*, Case No. 34-2017-00210768 (Sac. Sup. Ct.);
- 20 • *Arnall v. North American Merchandising Service Inc.*, Case No. 06AS01439 (Sac. Sup. Ct.);
- 21 • *Arrington v. Capital Express Lines, Inc., et al.*, Case No. 34-2012-00134195 (Sac. Sup. Ct.);
- 22 • *Aslam v. Cypress Security, LLC*, Case No. 34-2017-00220143 (Sac. Sup. Ct.);
- 23 • *Aslam v. Surveillance, Security, Inc.*, Case No. 34-2017-00220142 (Sac. Sup. Ct.);
- 24 • *Azzolino v. Brake Masters of Sacramento, LLC, et al.*, Case No. 34-2017-00218293 (Sac.
25 Sup. Ct.);
- 26 • *Benak v. MDStat Urgent Care, Inc.*, No. 34-2015-00188181 (Sac. Sup. Ct.);
- 27 • *Blig v. Medical Management International, Inc.*, Case No. 34-2017-00213906 (Sac. Sup.
28 Ct.);

- 1 • *Caguioa, et al. v. Fortune Senior Enterprises, et al.*, Case No. 34-2014-00171831 (Sac. Sup.
- 2 Ct.);
- 3 • *Camacho, et al. v. Z Street, Inc., d.b.a. Tower Café, et al.*, Case No. 34-2014-00163880 (Sac.
- 4 Sup. Ct.);
- 5 • *Carlos v. Abel Mendoza, Inc., et al.*, Case No. 34-2016-00195806 (Sac. Sup. Ct.);
- 6 • *Cannon v. Miller Event Management, Inc., et al.*, Case No. 34-2014-00168103 (Sac. Sup.
- 7 Ct.);
- 8 • *Carr et al. v. CableCom, LLC*, Case No. 34-2017-00212739 (Sac. Sup. Ct.);
- 9 • *Chace v. Daisy Holdings, LLC, dba Pine Creek Care Center, et al.*, Case No. 34-2017-
- 10 00209613 (Sac. Sup. Ct.);
- 11 • *Clamens-Hollenback v. Atterro, Inc.*, Case No. 17-CV-305535 (Santa Clara Sup. Ct.);
- 12 • *Colbert v. American Home Craft Inc.*, Case No. 05AS05012 (Sac. Sup. Ct.);
- 13 • *De Arcos v. Amware Pallet Services, LLC*, Case No. CV-17-629 (Yolo Sup. Ct.)
- 14 • *Diosdado v. Nor-Cal Venture Group, Inc., et al.*, Case No. STK-CV-UOE-2020-0008242
- 15 (San Joaquin Sup. Ct.);
- 16 • *Dugue v. Sierra Forever Families, et al.*, Case No. 34-2017-00210770 (Sac. Sup. Ct.);
- 17 • *Fadhl v. Siemens Healthcare Diagnostics, Inc., et al.*, Case No. 34-2017-00209518 (Sac.
- 18 Sup. Ct.);
- 19 • *Fujimoto v. Nabe-Ya, Inc., et al.*, Case No. 20CV01255 (Butte Sup. Ct.);
- 20 • *Garcia v. A-L Financial Corp.*, Case No. 34-2014-00171831 (Sac. Sup. Ct.);
- 21 • *Gerard v. Les Schwab Tires Center of California, Inc.*, Case No. 34-2007-300000003 (Sac.
- 22 Sup. Ct.);
- 23 • *Gomez v. Mayflower Farms Incorporated, et al.*, Case No. CV24157 (Colusa Sup. Ct.);
- 24 • *Gilliam v. Matrix Energy Services, Inc.* Case No. RG 11592345 (Alameda Sup. Court);
- 25 • *Hartwell v. Techforce Telecom, Inc.*, Case No. 39-2014-00307197 (San Joaquin Sup. Ct.);
- 26 • *Hernandez et al. v. MP Nexlevel, LLC et al*, Case No. 3 :16-cv-03015-JCS (N.D. Cal.);
- 27 • *Hernandez v. Snyir, Inc.*, Case No. 34-2017-00207641 (Sac Sup. Ct.);
- 28 • *Heinz v. Wright Tree Services*, Case No. 34-2012-00131949 (Sac. Sup. Ct.);

- *Hoover v. Mom365*, Case No. 2:17-cv-01328-TLN-CKD (E.D. Cal.);
- *James v. Language World Services, Inc., et al.*, Case No. 34-2020-00279929 (Sac. Sup. Ct.);
- *Josol v. Dial Medical Corp.*, Case No. 34-2008-00010040 (Sac. Sup. Ct.);
- *Koretsky v. Furniture USA, Inc.*, Case No. 34-2014-00172142 (Sac. Sup. Ct.);
- *Muhieddine v. KBA Docusys, Inc.*, Case No. 34-2014-00164720 (Sac. Sup. Ct.);
- *Massey v. V3 Electric, Inc., et al.*, Case No. 34-2019-00263666 (Sac. Sup. Ct.);
- *Miller v. Caldwell Transportation Company, LLC, et al.*, Case No. 34-2018-00234954 (Sac. Sup. Ct.);
- *Miller v. Leaders in Community Alternatives*, Case No. FCSO47249 (Solano Sup. Ct.);
- *Pickens v. Elica Health Centers*, Case No. 34-2016-00200382 (Sac. Sup. Ct.);
- *Prasad v. D. G. Smith Enterprises, Inc.*, Case No. 34-2017-00215046 (Sac. Sup. Ct.);
- *Ralston v. JMJ Incorporated, Inc. et al.*, Case No. 34-2017-00217047 (Sac. Sup. Ct.);
- *Rickwalt v. Direct Reconditioning, LLC, et al.*, Case No. 34-2015-00175642 (Sac. Sup. Ct.);
- *Robinson v. West of Chicago Restaurants, Inc., dba Chicago Fire*, Case No. 34-2010-00082201 (Sac Sup. Ct.);
- *Rogers v. Les Scwhab Tires Center of California, Inc.*, Case No. 34-2009-00066320 (Sac. Sup. Ct.);
- *Schechter et al. v. Isys Solutions, Inc.*, Case No. RG10550517 (Alameda Sup. Ct.);
- *Smith v. Greyhound Lines, Inc.*, Case No. 34-2017-00219188 (Sac. Sup. Ct.);
- *Talent v. Leslie's Poolmart, Inc.*, Case No. 34-2012-00128539 (Sac. Sup. Ct.);
- *Thornton v. McConnell Jones Lanier & Murphy LLP*, Case No. No. 34-2017-00211553 (Sac. Sup. Ct.);
- *Valencia v. Lowbrau Bier Garten, LLC, et al.*, Case No. 34-2019-00258038 (Sac Sup. Ct.);
- *Watson v. Quarter At A Time, LLC*, Case No. 34-2017-00217570 (Sac. Sup. Ct.);
- *Williams v. Civic Development Group*, Case No. 06AS00267 (Sac. Sup. Ct.); and
- *Willis v. Premier Pools, Incorporated*, Case No. 34-2017-00211710 (Sac. Sup. Ct.).

1 20. The preceding list of cases does not include those where, for a variety of reasons, the
2 case was initially filed as a class and/or PAGA action, but did not maintain that status through the end
3 of the case.

4 21. My associate, Renald Konini, Esq., also worked with me on this case. In May 2011, Mr.
5 Konini graduated from Seton Hall University School of Law. Prior to moving to California, he
6 practiced law in New Jersey. While working for my firm, Mr. Konini has worked on a variety of
7 individual and class action cases, including those involving wage and hour claims, Private Attorney
8 General Act claims, wrongful termination claims, discrimination claims, retaliation claims, and
9 harassment claims. Mr. Konini passed the July 2016 California Bar Examination and started practicing
10 as an associate at my firm from approximately April 2019 to February 2021. He rejoined my firm in
11 September 2022. Mr. Konini has experience drafting written discovery, taking and defending
12 depositions, calculating class-wide damages, interviewing putative class members, drafting motions
13 and briefs on complex class action procedures, negotiating class and individual damages claims, and
14 communicating with opposing counsel regarding these items in navigating the litigation. Mr. Konini
15 has also worked on other class and/or PAGA wage and hour actions that my firm has filed, namely
16 *Bertelli v. Air Products and Chemicals, Inc.*, Case No. 34-2018-00236898 (Sac. Sup. Ct.), *Carr v.*
17 *Howroyd-Wright Employment Agency, Inc.*, Case No. 34-2018-00228290 (Sac. Sup. Ct.), *Gomez v.*
18 *Vander Schaaf Dairy, et al.*, Case No. STK-CV-UOE-2020-0003954 (San Joaquin Sup. Ct.), *Haggins*
19 *v. Kelly Services, Inc.*, Case No. 34-2017-00220473 (Sac. Sup. Ct.), *Hussaini v. Integrated Resources,*
20 *Inc., et al.*, Case No. 34-2021-00297152 (Sac. Sup. Ct.), *Kee, et al. v. Dr. Jeffrey A. Saladin, Dental*
21 *Corporation (D/B/A Children's Choice Pediatric Dental Care), et al.*, Case No. 34-2020-00290072
22 (Sac. Sup. Ct.), *Lear v. Raxium, Inc.*, Case No. 21CV004358 (Alameda Sup. Ct.), *Serrano v. Cool*
23 *Time, LLC*, Case No. 34-2021-00312356 (Sac. Sup. Ct.), *Grebe v. Mary Ann's Baking Co., Inc.*, Case
24 No. 34-2020-00285254-CU-OE-GDS (Sac. Sup. Ct.), *Fujimoto v. Nabe-Ya, Inc., et al.*, Case No.
25 20CV01255 (Butte Sup. Ct.), *Massey v. V3 Electric, Inc., et al.*, Case No. 34-2019-00263666 (Sac.
26 Sup. Ct.), *Miller v. Caldwell Transportation Company, LLC, et al.*, Case No. 34-2018-00234954 (Sac.
27 Sup. Ct.), *Pek, et al v. Varris Management, Inc.*, Case No. STK-CV-UOE-2020-3954 (San Joaquin Sup.
28

Ct.), *Valencia v. Lowbrau Bier Garten, LLC, et al.*, Case No. 34-2019-00258038 (Sac Sup. Ct). Mr. Konini's practice largely revolves around wage and hour matters, including class and PAGA claims.

22. My office is requesting attorneys' fees and costs pursuant to California Labor Code sections 2699(k)(1), 1194, and 218.5. I believe an analysis of our lodestar more than supports the \$57,500 fee request. My firm's total lodestar is approximately \$145,425 based on approximately 182.6 total hours over the past four (4) years, which includes an estimated 10 hours of time for myself preparing for and attending the approval hearing, speaking with the Settlement Administrator and reviewing the formatted notice, estimated distribution calculations, and reports from the Settlement Administrator, ensuring compliance, and the disbursement of funds consistent with an approval order, and preparing for and attending a compliance hearing. The total hours do not include time spent working on the motion for class certification or time spent by my former associate, Ms. Brittany Berzin, who is no longer with our firm, because I was not able to review the billing records with her. I have reviewed our firm's billing records with Mr. Shimoda and Mr. Konini and have created a summary chart showing the task categories and hours worked by each billing attorney in each category. A true and correct copy of the summary chart is being filed with this Motion as Exhibit H. In reviewing the entries, I believe the hours reported are accurate. To the extent we believe it appropriate to do so in any given assignment, we attempt to assign tasks to the billing attorney with the lower rate in order to reduce costs that otherwise might inhibit the likelihood a case will resolve. Our firm uses billing software, which tracks the entries by day and time. Our billing software also records time in 1/10 of an hour increments. A summary of the entries in Exhibit H by timekeeper is as follows:

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Lodestar</u>
Galen T. Shimoda	44.2	\$900	\$39,780
Justin P. Rodriguez	109.4	\$800	\$87,520
Renald Konini	29	\$625	\$18,125
Total:	182.6	--	\$145,425

23. I believe the requested rates are within the prevailing market rates for Sacramento County. I have recently surveyed final approval orders issued by the Sacramento County Superior

1 Court to determine the general prevailing hourly rates for wage and hour representative litigation in
2 Sacramento County. On January 9, 2026, the Court issued a minute order granting final approval of a
3 wage and hour class action and PAGA settlement in the case of *Worthy, et al. v. Malwarebytes, Inc.*,
4 Sacramento County Superior Court Case No. 25CV006631 (“*Worthy Order*”). A true and correct copy
5 of this minute order is being filed with this Motion as Exhibit I. In the *Worthy Order*, the Court
6 identified hourly rates that better reflect prevailing rates in this region, including “\$800 for attorneys
7 with approximately 14 years’ experience, \$600 for attorneys with 6-7 years’ experience, \$550 for
8 attorneys with 5 years’ experience, \$400 for attorneys with 1 year experience” Mr. Shimoda has
9 approximately 22 years’ experience, all of which have been focused in the area of employment law
10 generally and complex wage and hour class and representative actions more specifically. I have 14
11 years’ experience litigating complex wage and hour class, PAGA, and collective actions, and Mr.
12 Konini has approximately 10 years’ experience in civil litigation with approximately 7 of those years
13 being focused on complex wage and hour class action and representative cases. As a result, I believe
14 hourly rates of \$900 for Galen T. Shimoda, \$800 for myself, and \$625 for Renald Konini are
15 appropriate and in line with the prevailing rates the Court identified in the *Worthy Order*. These rates
16 are the reasonable and usual hourly rates we are charging for our services. Awarding fees at the hourly
17 rate in effect at the time of the fee request is an appropriate and judicially approved method. *See*
18 *Missouri v. Jenkins by Agyei*, 491 U.S. 274, 283 (1989).

19 24. My firm has advanced all costs for the case and has not received any compensation
20 whatsoever for our time expended in this case. Although the Agreement set out a maximum of
21 \$8,000.00 for potential attorney’s costs, the total costs incurred or that will be incurred through a
22 compliance hearing is anticipated to be \$7,025.32. A true and correct copy of my firm’s itemized costs
23 incurred prior to the filing of this Motion and the expected costs incurred through the compliance
24 hearing(s) is attached to this declaration as Exhibit G. The difference in the actual costs and the
25 maximum amount allocated under the Agreement will be added to the Net Settlement Amount and
26 disbursed to PAGA Employees.

27 25. I have used several settlement administrator companies in the wage and hour class
28 actions and PAGA actions I have resolved in the past and believe ILYM Group, Inc. will provide the

best service to administer the proposed class settlement. A true and correct copy of a cost estimate provided by ILYM Group, Inc. is filed with this Motion as Exhibit D. Any difference in the actual costs and the allocated amounts to cover costs will be redistributed to PAGA Employees pro rata per the terms of the Agreement.

26. A copy of the proposed Agreement and the entire Motion to Approve the PAGA Settlement was submitted to the LWDA at the same time the Motion was submitted to the Court pursuant to California Labor Code section 2699(1)(2). A true and correct copy of documents demonstrating the settlement documents were provided to the LWDA and that the LWDA has confirmed receipt are being filed with this Motion as Exhibit F.

27. A true and correct copy of the proposed Notice of Settlement to be distributed to PAGA Employees informing them of the settlement and all material terms is being filed with this Motion as Exhibit E.

28. The designated *cy pres* beneficiaries in this case are Capital Pro Bono, Inc. (“CPB”) and The Center For Workers Rights (“CFWR”). Only those funds that remain from uncashed settlement checks will be sent to the *cy pres* beneficiaries pursuant to section 5.4 of the Agreement.

29. CPB is a 501(c)(3) nonprofit in good standing with the State of California that was established in 1981 and incorporated in 1986 to provide free civil legal services to the indigent, primarily through the use of volunteer attorneys. The formal service area includes Sacramento, Yolo, San Joaquin, El Dorado and Placer counties, however it also regularly provides assistance, whether in person or by phone, to individuals residing outside those counties, including Solano, Nevada, Merced, Sutter, Yuba, and Stanislaus counties. CPB changed its name in 2020 from Voluntary Legal Services Program of Northern California (“VLSP”) to Capital Pro Bono, Inc. CPB has been the recipient of *cy pres* funds from several jurisdictions in the State of California, including from Sacramento County Superior Court.

30. If CPB is approved as a *cy pres* beneficiary, any funds received will be dedicated to the Employment Law Clinic and Advice Line project, which assists the indigent with legal matters related to their current or former employment. This assistance regularly includes, but is not limited to, free legal advice regarding claims for unpaid wages, failure to provide meal and rest periods, failure to pay

1 reimbursement, and waiting time penalty claims. CPB provides legal advice, assistance with legal
2 forms, and direct representation in administrative hearings, including administrative hearings in front of
3 the California Labor Commissioner for unpaid wages. CPB has a staff attorney and clinic coordinator
4 who provide assistance, along with experienced employment law attorney volunteers. These services
5 have been a focus of the Employment Law Clinic and Advice Line project since its inception with VLSP
6 and continuing through today under CPB.

7 31. CFWR is also a qualified *cy pres* designee in class actions, under section 384, as it is a
8 501(c)(3) nonprofit in good standing with the State of California providing free civil legal services to the
9 indigent. Since its inception in 2014 and in partnership with Legal Aid at Work, the CFWR offers one-
10 on-one legal consultations for low-wage workers. The CFWR discusses employment issues with
11 workers and advises them as to the available legal remedies. In addition to individual counseling on
12 employment issues, the CFWR educates workers, unions, and community members about workplace
13 laws and remedies through “Know-Your-Rights” trainings conducted by the CFWR staff and volunteers.

14 32. The CFWR provides limited representation for low-wage workers in wage claims before
15 the California Labor Commissioner. The CFWR has provided services to low-wage workers in a variety
16 of industries across the entire state of California. CFWR primarily focuses on the enforcement of basic
17 workplace protections, including claims for unpaid wages, minimum wage violations, failure to pay
18 overtime, failure to pay reimbursement, waiting time penalties, and meal and rest period violations. The
19 CFWR helps workers navigate the wage claim process before the California Labor Commissioner
20 through advice given at its legal consultation clinics and/or, in some cases, through representing workers
21 in these claims. If the CFWR is approved as a *cy pres* beneficiary, the funds received will be dedicated
22 towards assisting low-wage workers with wage claims and enforcing the California Labor Code with
23 respect to those wage claims.

24 33. I believe the services provided by CPB and the CFWR promote the law consistent with
25 the objective of wage and hour class actions in general and in this case specifically.

26 34. I have spoken with every other attorney at my firm to determine whether they have any
27 relationship with either of the proposed *cy pres* beneficiaries.
28

1 35. I have volunteered for both organizations numerous times over the past several years,
2 either directly in the advice clinics or by presenting seminars on wage and hour laws for law students
3 seeking to also volunteer at advice clinics. I have also volunteered by sitting on CPB's advisory
4 committee. These organizations are non-profits that assist low-income workers throughout California,
5 giving free legal advice regarding employment law issues and representing employees with wage claims
6 before the California Labor Commissioner. I have witnessed firsthand the quality service and attention
7 these entities provide to individuals in need of employment law advice and representation at the
8 California Labor Commissioner.

9 36. Galen T. Shimoda has volunteered for both organizations on and off over the past several
10 years through either presenting wage and hour seminars to law students who staff the free advice clinics
11 or helping at the advice clinics themselves. However, Mr. Shimoda has not performed any volunteer
12 work with either organization since approximately March 2020. Mr. Shimoda has never received
13 payment or compensation of any kind in connection with any work he's done with either of the proposed
14 *cy pres* beneficiaries.

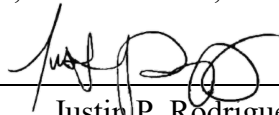
15 37. Renald Konini has volunteered many times for the Center for Workers' Rights., by
16 assisting at a free advice clinic for low-wage workers who needed advice regarding potential disputes
17 with their employers. Ms. Konini has never volunteered for Capital Pro Bono, Inc.

18 38. Neither my firm, myself, Mr. Konini, nor Mr. Shimoda have ever received any
19 compensation, direct or indirect, for designating CFWR or CPB as *cy pres* beneficiaries or in connection
20 with any of the volunteer work we have done with the organizations.

21 39. Plaintiff has entered into a separate individual settlement agreement resolving his
22 individual claims for failure to pay overtime wages, failure to provide meal periods or pay premiums in
23 lieu thereof, failure to provide rest periods or pay premiums in lieu thereof, failure to provide accurate
24 wage statements, failure to pay final wages, failure to pay reimbursements for expenses, failure to pay
25 sick leave, and engaging in unfair competition, in exchange for a waiver of all his individual, non-
26 PAGA claims. The amount of the individual settlement is \$10,000, which is separate and apart from the
27 Gross Settlement Amount and not contingent on Plaintiff's support of the PAGA settlement, on the
28 dismissal of class allegations, or Court approval of the PAGA settlement. Based on Plaintiff's \$21

1 hourly rate, 124 workweeks within the four-year statutory claim period for his individual claims, his
2 average unpaid hours and overtime hours per week, and average missed meal and rest periods per week,
3 we calculated Plaintiff's individual damages for the asserted wage and hour violations to be
4 approximately \$11,676.15. Given the facts of the individual claims, I believe \$10,000 to be a reasonable
5 compromise of Plaintiff's individual claims. His individual claims are not subject to any discretionary
6 reduction by the Court like civil penalties under the PAGA and many of the issues negatively affecting
7 liability and damages for PAGA Employees did not affect Plaintiff. For example, Plaintiff had one of
8 the highest instances of overtime and shift differentials occurring in the same pay period, triggering the
9 regular rate of pay theory of liability. Plaintiff also consistently used his personal cell phone for work
10 purposes such as calling tech support regarding printer issues and frequently worked during his meal
11 periods to complete assignments which had very tight deadlines. The majority of the value for
12 Plaintiff's individual claims comes from waiting time penalties and wage statement violations
13 (approximately \$9,480 in total). I do not believe a good faith defense argument would apply to these
14 claims given the nature of the regular rate violation. Thus, I do not believe there should be a discount
15 applied to these claims just as there was no discount applied to the merits of those PAGA claims based
16 on any good faith argument. Given that Plaintiff's individual settlement (\$10,000) is less than the total
17 value of his claims (\$11,676.15), it is clear that there was no inappropriate preferential treatment for
18 Plaintiff's individual claims over the PAGA claims in any way.

19 I declare under penalty of perjury under the laws of the State of California that the foregoing is
20 true and correct. Executed on September 9, 2026, in Sacramento, California.

21 
22 _____
Justin P. Rodriguez

1 Galen T. Shimoda (Cal. State Bar No. 226752)
Justin P. Rodriguez (Cal. State Bar No. 278275)
2 Renald Konini (Cal. State Bar No. 312080)
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jrodriguez@shimodalaw.com
6 rkonini@shimodalaw.com

7 Attorneys for Plaintiff DANIEL PEREZ
individually and on behalf of similarly situated employees
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9
10 **SUPERIOR COURT OF CALIFORNIA**
11 **FOR THE COUNTY OF SACRAMENTO**

12 DANIEL PEREZ, individually and on behalf
13 of all other similarly situated employees,

14 Plaintiff,

15 vs.

16 METRO MAILING SERVICE INC., a
17 California Corporation; and DOES 1 to 100,
inclusive,

18 Defendants.
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Case No. 34-2022-00323567

*Assigned for All Purposes to Hon. Jill H. Talley
Department 8A*

**DECLARATION OF DANIEL PEREZ IN
SUPPORT OF PLAINTIFF'S MOTION TO
APPROVE PRIVATE ATTORNEYS GENERAL
ACT SETTLEMENT**

Date: October 2, 2026

Time: 9:00 a.m.

Dept.: 8A

Judge: Hon. Jill H. Talley

Filed: July 18, 2022

FAC Filed: September 1, 2022

Trial Date: None Set

1 I, Daniel Perez, declare:

2 1. I am a competent adult and I have personal knowledge of the facts set forth in this
3 declaration. I am making this declaration on behalf of myself, as a named plaintiff, and in support of
4 Plaintiff's Motion To Approve Private Attorneys General Act Settlement.

5 2. I worked for Defendant Metro Mailing Service Inc. ("Defendant") from approximately
6 September 2019 to January 14, 2022, as a non-exempt employee. I was subject to all of Defendant's
7 policies and practices that have been alleged as unlawful in the complaint and the notice sent to the
8 Labor and Workforce Development Agency ("LWDA"), including the following: failure to pay
9 overtime, failure to provide accurate wage statements, failure to timely pay final wages, failure to
10 provide meal and rest periods or pay premiums in lieu thereof, failure to pay reimbursements for
11 expenses, failure to pay sick leave and violation of Labor Code section 558.

12 3. I have actively participated in the litigation of this case. Prior to obtaining an attorney, I
13 contacted several law offices and researched potential attorneys to bring the claims. I wanted to make
14 sure the law firm chosen to bring the claims had attorneys with experience and skill in bringing those
15 types of claims. I also researched the typical issues raised when litigating the potential claims. I
16 wanted to make sure I could have an informed discussion with an attorney about the claims and have a
17 better idea of what to expect moving forward in litigation and how to help the case proceed. After
18 securing Shimoda & Rodriguez Law, PC, I continued to be actively involved in the case to help ensure
19 a positive outcome. I began working with Shimoda & Rodriguez Law, PC, to investigate the claims on
20 February 17, 2022, discussing the facts of the case, showing and explaining the context behind the
21 documents I had to support the claims, and discussing potential witnesses to corroborate the
22 information I was providing.

23 4. My attorneys explained to me the risks and benefits of bringing a representative claim. I
24 understood that pursuing the case as a representative action meant that it would take substantially
25 longer than pursuing individual claims and that the claims being pursued were for the benefit of all
26 those we sought to represent, not for individual claims. I understood that I risked getting nothing in the
27 end, but I believed it was important to make sure that Defendant followed the law for everyone. I
28 undertook a professional and financial risk in pursuing the case as a representative action because my

1 name would be on a publicly available document showing that I had sued a former employer at a time
2 when I was unemployed and searching for a new job and, if unsuccessful in bringing the claims, I
3 would be obligated to pay Defendant's costs incurred over the course of this complex litigation. My
4 understanding is that this is a substantial risk because the costs associated with litigation, in general, are
5 very high and this cost is multiplied many times over in complex litigation like class and Private
6 Attorneys General Act ("PAGA") cases.

7 5. During the course of this litigation, I have given detailed accounts of all the facts related
8 to my employment. I provided my attorneys with extensive documentation that I believe supported the
9 claims brought against Defendant. I met with and assisted my attorneys in understanding these
10 documents and providing context for Defendant's payroll process as it applied to me and how I
11 believed it applied to Defendant's other employees within the scope of the claims.

12 6. The work I performed for this case included an extensive review of documents and
13 payroll practices to show and explain to my attorneys what was happening and why I thought it was
14 unlawful. For example, I explained to my attorneys my job duties and responsibilities, the type of tasks
15 and work performed in a typical day and any circumstances that would cause relevant differences to my
16 daily work that affected the claims. We reviewed payroll and personnel file documents to see whether
17 and how any of the documents corroborated the validity of the claims and listed potential witnesses
18 related to any issues raised by the documents. Additionally, I provided my attorneys with text
19 messages, photographs of paystubs and documents that support the claims. Also, I had to produce the
20 text messages, documents, and phone records in response to formal discovery. Moreover, I spent a
21 significant amount of time responding to written discovery requests and having my deposition taken. I
22 also explained the job duties of the various positions held by other employees within the scope of the
23 claims, the types of tasks and work performed, how these raised wage and hour issues, estimates of the
24 total number of employees for each position during my time working there, typical schedules, and the
25 policies of the Defendants and how they affected myself and other employees. This addressed all the
26 claims alleged and we continued to discuss and review these items throughout the case as more
27 information was provided by Defendant. I also spent a substantial amount of time working to identify
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1 potential witnesses and speaking to others who could be interviewed by my attorneys and provide
2 declarations.

3 7. I participated in the negotiations and settlement discussions in this case, speaking with
4 my attorneys to answer questions, provide any additional information needed to assist the negotiations,
5 and discussing the potential terms of the Agreement to evaluate its adequacy. Throughout the course of
6 this litigation I have asked questions when I needed clarification about various aspects of this case to
7 make sure steps were continually taken to advance the interests of the employees we sought to
8 represent and the LWDA. I have reviewed the final Private Attorneys General Act Settlement,
9 discussed the terms with my attorneys, and asked my attorneys any questions I had. I believe the terms
10 of the Settlement and allocations are fair and reasonable given the facts of the case.

11 8. To date, I estimate that I have spent approximately 115-135 hours assisting my attorneys
12 in litigating this case. I expect that the amount of time I spend on this case will increase if the
13 Settlement is approved because PAGA Employees will likely reach out to me about the Settlement and
14 the nature of the claims that were asserted.

15 9. I have experienced substantial burdens as a result of filing this lawsuit that other PAGA
16 Employees were not subject to. As noted above, I took on the professional risk of lengthening my
17 unemployment after working for Defendant because future employers were able to see, from publicly
18 available documents, that I sued my former employer. Additionally, I undertook the risk of having to
19 pay Defendant's litigation costs if the Court or jury ruled against us on the claims. I have spent a
20 substantial amount of time in this case, securing a monetary benefit for many individuals who have not
21 had to do anything whatsoever to have the opportunity to receive it. After I eventually secured another
22 job, the time I have spent on this case has had to occur during my lunch and/or break times, after hours,
23 and on my days off. Rather than spend this time with friends and family, I have spent this time
24 prosecuting the case. I have entered into a settlement agreement with Defendant to resolve my
25 individual claims raised in this matter. The PAGA Employees are not waiving their individual claims
26 as part of the PAGA Settlement. My individual settlement was for \$10,000 in exchange for a general
27 release of all my individual claims, including a waiver of California Civil Code section 1542 with
28 respect to those individual claims. My individual settlement was not contingent on my approval of the

1 PAGA settlement in any way. Given what I experienced, I believe the \$10,000 is a reasonable
2 compromise to resolve my individual claims.

3 10. I have no interest in the designated *cy pres* beneficiaries, Capital Pro Bono, Inc., and the
4 Center for Workers' Rights, whether financial, in their governance, or otherwise.

5 I declare under penalty of perjury under the laws of the State of California that the foregoing is
6 true and correct. Executed on 09/04/2026 in Sacramento, California.

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9 Danny Perez (Sep 4, 2026 09:44:51 PDT)

10 Daniel Perez
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1 Galen T. Shimoda (Cal. State Bar No. 226752)
Justin P. Rodriguez (Cal. State Bar No. 278275)
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6 rkonini@shimodalaw.com

7 Attorneys for Plaintiff DANIEL PEREZ
individually and on behalf of similarly situated employees

8
9 **SUPERIOR COURT OF CALIFORNIA**
10 **FOR THE COUNTY OF SACRAMENTO**

11 DANIEL PEREZ, individually and on behalf
12 of all other similarly situated employees,

13 Plaintiff,

14 vs.

15 METRO MAILING SERVICE INC., a
16 California Corporation; and DOES 1 to 100,
inclusive,

17 Defendants.
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Case No. 34-2022-00323567

*Assigned for All Purposes to Hon. Jill H. Talley
Department 8A*

**EXHIBIT LIST AND EXHIBITS IN SUPPORT
OF PLAINTIFF'S MOTION TO APPROVE
PRIVATE ATTORNEYS GENERAL ACT
SETTLEMENT**

Date: October 2, 2026

Time: 9:00 a.m.

Dept.: 8A

Judge: Hon. Jill H. Talley

Filed: July 18, 2022

FAC Filed: September 1, 2022

Trial Date: None Set

<u>EXHIBIT</u>	<u>DESCRIPTION</u>
A	Proposed Private Attorneys General Act Settlement
B	Plaintiff's Operative Complaint
C	Plaintiff's Letter to the Labor and Workforce Development Agency
D	ILYM Group, Inc., Bid
E	Proposed Notice of Settlement
F	Proof of Submission of Proposed Settlement Agreement to LWDA
G	Plaintiff's Itemized Costs
H	Plaintiff's Attorney's Fee Summary Chart
I	Minute Order Re: Final Approval in <i>Worthy, et al. v. Malwarebytes, Inc.</i> , Sacramento County Superior Court, Case No. 25CV006631

Dated: September 9, 2026

Shimoda & Rodriguez Law, PC

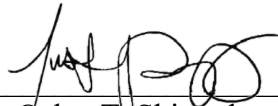
By: 
 Galen T. Shimoda
 Justin P. Rodriguez
 Renald Konini
 Attorneys for Plaintiff

EXHIBIT A

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9 Attorneys for Plaintiff DANIEL PEREZ individually
10 and on behalf of similarly situated employees

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13 Boutin Jones Inc.
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16 Tel. (916) 321-4444
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18 Attorneys for METRO MAILING SERVICE INC.

19 **SUPERIOR COURT OF CALIFORNIA**
20 **FOR THE COUNTY OF SACRAMENTO**

21 DANIEL PEREZ, individually and on behalf of
22 all other similarly situated employees,

23 Plaintiff,

24 vs.

25 METRO MAILING SERVICE INC., *et al.*,
26 Defendants.

27 **Case No.: 34-2022-00323567**

28 **PRIVATE ATTORNEYS GENERAL ACT
SETTLEMENT**

Filed: July 18, 2022

FAC Filed: September 1, 2022

Trial Date: None Set

1 This Private Attorneys General Act Settlement is made and entered into between the Plaintiff
2 Daniel Perez ("Plaintiff"), on behalf of himself, the Labor and Workforce Development Agency, and
3 PAGA Employees, and Defendant Metro Mailing Service, Inc. ("Defendant"). This Agreement is subject
4 to the terms and conditions set forth below and approval of the Court.

5 **1. DEFINITIONS**

6 The following terms, when used in this Agreement, have the following meanings:

7 1.1 "Action" means the above stated lawsuit, *Daniel Perez v. Metro Mailing Service Inc.*,
8 Sacramento County Superior Court, Case No. 34-2022-00323567, filed July 18, 2022.

9 1.2 "PAGA Employee(s)" means all individuals who have, or continue to, work for Defendant
10 in California who received the second shift pay differential and who worked overtime, received a meal/rest
11 period premium, and/or received sick leave pay that would have been subject to that differential, from
12 June 24, 2021, through either (1) the Final Approval Date, or (2) thirty calendar days after this Agreement
13 was signed, whichever is earlier.

14 1.3 "Agreement" or "Settlement" or "Settlement Agreement" means this Private Attorneys
15 General Act Settlement.

16 1.4 "Complaint" means the operative Complaint on file in the Action with the Court.

17 1.5 "Court" means the Sacramento County Superior Court.

18 1.6 "Defendant" means Metro Mailing Service, Inc.

19 1.7 "Defendant's Counsel" means Boutin Jones Inc.

20 1.8 "Effective Date" means the Final Approval Date unless there is a timely objection lodged
21 that has not later been withdrawn, in which case the Effective Date will be either (a) the 60th calendar day
22 after a signed order approving this settlement has been filed provided no appellate proceeding has been
23 filed; or (b) seventh (7th) calendar day after any appellate proceeding opposing the settlement has been
24 finally dismissed with no material change to the terms of this settlement and there is no right to pursue
25 further remedies or relief, whichever is later.

26 1.9 "Final Approval Date" means the date the Court enters a signed order granting approval of
27 the Agreement.
28

1 1.10 "Gross Settlement Amount" is the sum of Eighty-Seven Thousand and Five Hundred
2 Dollars (\$87,500).

3 1.11 "Individual Settlement Amount" means an individual PAGA Employee's allocation of the
4 Net Settlement Amount, as defined in Section 1.13 and 5.7.

5 1.12 "LWDA" means the California Labor and Workforce Development Agency.

6 1.13 "Net Settlement Amount" is the portion of the Gross Settlement Amount available for
7 distribution between PAGA Employees and the LWDA pursuant to Labor Code section 2699(i), after
8 deduction of Plaintiff's attorneys' fees and litigation costs, and Settlement Administrator Costs.

9 1.14 "Notice of Settlement" means the document substantially in the form attached hereto as
10 Exhibit 1.

11 1.15 "PAGA" means Private Attorneys General Act.

12 1.16 "PAGA Claim Period" means June 24, 2021, up to either (1) the Final Approval Date or
13 (2) thirty calendar days after this Agreement signed, whichever is earlier.

14 1.17 "PAGA Payment" means the 75% share of the Net Settlement Amount paid to the LWDA
15 pursuant to Labor Code section 2699(i).

16 1.18 "Parties" mean Defendant and Plaintiff.

17 1.19 "Plaintiff" means Daniel Perez.

18 1.20 "Plaintiff's Counsel" means Galen T. Shimoda, Justin P. Rodriguez and Renald Konini of
19 Shimoda & Rodriguez Law, PC.

20 1.21 "QSF" means a Qualified Settlement Fund set up by the Settlement Administrator for the
21 benefit of the PAGA Employees and from which the payments under this Agreement shall be made. Any
22 amounts Defendant has agreed to pay under this Agreement shall remain the property of Defendant until
23 the payments required under the Agreement are made.

24 1.22 "Qualifying Pay Periods" are pay periods worked by PAGA Employees during the PAGA
25 Claim Period in California during which Defendant paid them the second shift pay differential and they
26 worked overtime, received a meal/rest period premium, and/or received sick leave pay that would have
27 been subject to that differential. The calculation of a PAGA Employee's pay periods and determination
28

1 as to whether a PAGA Employee was actively employed in California in a particular pay period shall be
2 construed from Defendant's records.

3 1.23 "Released PAGA Claims" means any and all claims for civil penalties that were brought
4 under the Private Attorneys General Act, Labor Code §§ 2698 *et seq.*, that were asserted in Plaintiff's
5 notice letter to the LWDA and any additional claims for civil penalties under the PAGA that could have
6 been brought based on the facts alleged therein during the PAGA Claim Period. PAGA Employees cannot
7 opt out of this waiver of claims.

8 1.24 "Released Parties" means Defendant, as well as Defendant's representatives, associates,
9 affiliates, divisions, owners, predecessors, successors, parents, subsidiaries, directors, officers, agents,
10 employees, partners, lawyers, staffing agencies, joint employers, insurers, and reinsurers, and each of their
11 respective predecessors, successors, heirs and assigns.

12 1.25 "Settlement Administrator" means and refers to ILYM Group, Inc., the third-party entity
13 that will administer the Agreement as outlined in Section 7, or any other third-party administrator agreed
14 to by the Parties and approved by the Court for the purposes of administering this Agreement. The Parties
15 each represent that they do not have any financial interest in the Settlement Administrator.

16 1.26 "Settlement Administrator Costs" means the fees and expenses reasonably incurred by the
17 Settlement Administrator as a result of the procedures and processes expressly required by this Agreement,
18 and shall include all costs of administering the Agreement, including, but not limited to, all tax document
19 preparation, custodial fees, and accounting fees incurred by the Settlement Administrator; all costs and
20 fees associated with preparing, issuing and mailing any and all notices and other correspondence to PAGA
21 Employees; all costs and fees associated with communicating with PAGA Employees, Plaintiff's Counsel,
22 and Defendant's Counsel; all costs and fees associated with computing, processing, reviewing, and paying
23 the Individual Settlement Amounts, and resolving disputes; all costs and fees associated with calculating
24 tax withholdings and payroll taxes, if any, making related payment to federal and state tax authorities, if
25 any, and issuing tax forms relating to payments made under the Agreement; all costs and fees associated
26 with preparing any tax returns and any other filings required by any governmental taxing authority or
27 agency; all costs and fees associated with preparing any other notices, reports, or filings to be prepared in
28 the course of administering Individual Settlement Amounts; and any other costs and fees incurred and/or

1 charged by the Settlement Administrator in connection with the execution of its duties under this
2 Agreement.

3 **2. DESCRIPTION OF THE LITIGATION**

4 2.1 On or about June 24, 2022, Plaintiff sent notice to the LWDA to exhaust administrative
5 remedies under the PAGA for alleged (1) Failure to Pay Overtime Wages, (2) Failure to Provide Meal
6 Periods or Pay Premiums in Lieu Thereof, (3) Failure to Provide Rest Periods or Pay Premiums in Lieu
7 Thereof, (4) Failure to Provide Accurate Wage statements, (5) Failure to Pay Final Wages, (6) Failure to
8 Pay Reimbursements for Expenses (7) Violation of Labor Code §§ 558, 558.1 (Provisions Regulating
9 Hours and Days of Work in Any Industrial Welfare Commission Order), and (8) Failure to Provide Paid
10 Sick Leave. The LWDA did not respond to the notice within the statutorily required time frame and, as
11 such, Plaintiff became authorized to act as a Private Attorney General on all alleged PAGA claims.

12 2.2 On July 18, 2022, Plaintiff filed a class action Complaint in the Sacramento County
13 Superior Court on behalf of himself and putative class members alleging claims for (1) Failure to Pay
14 Overtime Wages, (2) Failure to Provide Meal Periods, (3) Failure to Provide Rest Periods, (4) Wage
15 Statement Violations, (5) Failing to Pay Final Wages, (6) Failure to Reimburse Expenses, and (7) Unfair
16 Competition. After exhausting administrative remedies, Plaintiff filed a First Amended Complaint on
17 September 1, 2022, in the Action to add a PAGA cause of action based on the violations alleged in the
18 June 24, 2022, notice to the LWDA on behalf of himself and PAGA Employees.

19 2.3 Through formal discovery, Defendant and Defendant's Counsel provided Plaintiff's
20 Counsel with copies of all applicable versions of its policies and procedures, employee handbooks,
21 information on the number of PAGA Employees, including, but not limited to, PAGA Employees'
22 workweeks, dates of employment, total number of PAGA Employees, their rates of pay, and pay periods
23 as well as timecard data and payroll reports for the PAGA Employees.

24 2.4 After extended litigation and negotiations in the lead up to Plaintiff filing a motion for
25 certification, the Parties were able to come to a resolution. At all times, the Parties' settlement negotiations
26 have been non-collusive, adversarial, and at arm's length. Having assessed the risks and probabilities
27 related to certification, the Parties agreed to resolve the representative claims on a PAGA only basis that
28 is more specifically tied to allegations relating to the payment of shift differentials and the regular rate of

1 pay, as well as to resolve Plaintiff's individual claims, which shall be settled and released through a
2 separate individual "Settlement and Release Agreement" between the Parties. As such, Plaintiff will be
3 seeking to dismiss the class allegations without prejudice as well as the PAGA claims that are outside the
4 scope of the intended resolution without prejudice.

5 2.5 Discussions between Plaintiff and Plaintiff's Counsel, between counsel for the Parties,
6 document productions, extensive legal analysis, the provision of information by Defendant to Plaintiff and
7 the detailed analysis of the records have permitted each side to assess the relative merits of the claims and
8 the defenses to those claims.

9 2.6 In the Action, Plaintiff contends that Defendant violated California law by failing to
10 account for the value of shift differential pay when calculating the regular rate of pay used for overtime
11 premiums, meal and rest period premiums, and sick leave wages. Plaintiff also contends that employees
12 were required to use their personal cell phones for work purposes without being reimbursed for the
13 associated expense. Defendant has denied each of Plaintiff's claims. The agreed upon Gross Settlement
14 Amount was reached after evaluating the Plaintiff's theories of potential exposure and assessing
15 appropriate discounts to the potential liability based on Defendant's factual and legal contentions and
16 defenses.

17 2.7 The Parties agree that the above-described investigation and evaluation, as well as
18 discovery and the information exchanged to date, are more than sufficient to assess the merits of the
19 respective Parties' positions and to compromise the issues on a fair and equitable basis. Plaintiff,
20 Plaintiff's Counsel, Defendant, and Defendant's Counsel have concluded that it is desirable that the claims
21 be settled in a manner and upon such terms and conditions set forth herein in order to avoid further
22 expense, inconvenience and distraction of further legal proceedings, and the risk of an adverse outcome
23 each of the Parties potentially face. Plaintiff, Plaintiff's Counsel, Defendant, and Defendant's Counsel
24 are of the opinion that the Agreement for the consideration and terms set forth herein is fair, reasonable,
25 and adequate in light of all known facts and circumstances.

26 3. THE CONDITIONAL NATURE OF THIS AGREEMENT

27 3.1 This Agreement and all associated exhibits or attachments are made for the sole purpose
28 of settling the claims as outlined herein. This Agreement and the settlement it evidences are made in

1 compromise of disputed claims. The Parties enter into this Agreement and associated settlement on a
2 conditional basis in order for the Court to evaluate and approve the settlement. If the Effective Date does
3 not occur, or if the Court's approval of the settlement is reversed or materially modified on appellate
4 review, this Agreement shall be deemed null and void; it shall be of no force or effect whatsoever; it shall
5 not be referred to or utilized for any purpose whatsoever; and the negotiation, terms and entry of the
6 Agreement shall remain subject to the provisions of California Evidence Code Sections 1119 and 1152,
7 Federal Rule of Evidence 408, and any other analogous rules of evidence that may be applicable.

8 3.2 Defendant has denied all claims as to liability, damages, penalties, interest, fees, injunctive
9 relief and all other forms of relief asserted in the Action. Defendant has agreed to resolve the claims
10 outlined herein via this Agreement, but, to the extent this Agreement is deemed void or the Effective Date
11 does not occur, Defendant does not waive, and is expressly reserving, all rights to challenge all such claims
12 and allegations in the Action upon all procedural and factual grounds, including, without limitation, the
13 ability to challenge representative or collective treatment on any grounds, as well as to assert any and all
14 other potential defenses or privileges.

15 4. SCOPE OF THE PAGA EMPLOYEES

16 4.1 The scope of individuals encompassed under the Agreement, who are entitled to all benefits
17 as authorized under the Agreement and subject to all obligations and duties required under the Agreement,
18 shall include all PAGA Employees as defined in Section 1.2.

19 4.2 PAGA Employees entitled to recover under this Agreement will include only those
20 individuals who are identified in Defendant's records as having worked as a PAGA Employee.

21 5. TERMS OF THE SETTLEMENT

22 The Parties agree as follows:

23 5.1 Gross Settlement Amount: In consideration and exchange for the releases described in
24 Section 6, Defendant shall pay the Gross Settlement Amount (\$87,500). Funding of the Gross Settlement
25 Amount shall occur within twenty-eight (28) calendar days after the Effective Date to be held in trust in a
26 QSF by the Settlement Administrator. The Gross Settlement Amount represents the maximum amount
27 payable under this Agreement by Defendant, and includes without limitation, the PAGA Payment, all
28 payments to the PAGA Employees, all attorneys' fees, costs and litigation expenses directly related to the

1 Action incurred to date, as well as all such fees and costs incurred in documenting the Agreement,
2 administering the Agreement (including Settlement Administrator Costs), and obtaining approval of the
3 Agreement.

4 5.2 Attorneys' Fees and Costs: Plaintiff's Counsel will apply to the Court for attorney's fees
5 in the amount of \$57,500, which shall be paid from the Gross Settlement Amount. Defendant agrees to
6 not oppose Plaintiff's Counsel's application for attorneys' fees so long as it does not exceed \$57,500.
7 Plaintiff's Counsel will also be entitled to reimbursement for advanced litigation expenses not to exceed
8 \$8,000, which shall be paid from the Gross Settlement Amount. Defendant have agreed to not oppose
9 Plaintiff's Counsel's request for reimbursement for advanced litigation expenses so long as they do not
10 exceed the \$8,000 threshold. The Settlement Administrator will issue Plaintiff's Counsel an IRS Form
11 1099 for the attorneys' fees and costs paid under this Agreement. In the event that the Court awards less
12 than the requested attorney's fees and/or costs, the portion of the requested amounts not awarded to
13 Plaintiff's Counsel shall be added to the Net Settlement Amount as defined in section 1.13.

14 5.3 Settlement Administrator Costs: The Settlement Administrator Costs shall be paid from
15 the Gross Settlement Amount and shall not exceed \$2,000. The difference between any actual costs and
16 the allocated \$2,000 shall be added to the Net Settlement Amount as defined in section 1.13.

17 5.4 Treatment of Residue and Cy Pres: For any portion of the Net Settlement Amount allocated
18 to PAGA Employees that was not claimed by PAGA Employees by cashing their respective settlement
19 checks before the deadline to do so, that remaining amount shall be donated equally, *i.e.* 50/50, to Capital
20 Pro Bono, Inc., and the Center for Workers' Rights under the doctrine of *cy pres*. No portion of the Gross
21 Settlement Amount will revert to Defendant for any reason.

22 5.5 No Additional Benefits Contributions: All Individual Settlement Amounts paid to PAGA
23 Employees shall be deemed to be income solely in the year in which such amounts were actually received
24 by PAGA Employees. It is expressly understood and agreed that the receipt of such Individual Settlement
25 Amounts will not entitle any PAGA Employee to any new or additional compensation or benefits under
26 any company bonus or other compensation or benefit plan or agreement in place during the period covered
27 by the Agreement, nor will it entitle any PAGA Employee to any increased retirement, 401(k) benefits or
28 matching benefits, or deferred compensation benefits. It is the intent of this Agreement that the Individual

1 Settlement Amounts provided for in this Agreement are the sole payments to be made by Defendant to
2 the PAGA Employees in connection with this Agreement (notwithstanding any contrary language or
3 agreement in any benefit or compensation plan document that might have been in effect during the period
4 covered by this Agreement).

5 5.6 Tax Allocation: The Parties recognize that the Individual Settlement Amounts to be paid
6 to PAGA Employees reflect settlement of a dispute over claimed penalties. The characterization of
7 Individual Settlement Amounts to PAGA Employees are as follows:

8 5.6.1 One Hundred percent (100%) of each PAGA Employees' Individual Settlement
9 Amount shall be allocated for payment of disputed civil penalties. This portion of the Individual
10 Settlement Amount consists of other income, not wages, for which the PAGA Employees shall receive an
11 IRS form 1099-MISC.

12 5.6.2 PAGA Employees shall be solely responsible for the reporting and payment of their
13 share of any federal, state and/or municipal income or other taxes on payments made pursuant to this
14 Agreement. No party has made any representation to any of the other Parties as to the taxability of any
15 payments pursuant to this Agreement, including the payments to PAGA Employees, the payments to
16 Plaintiff's Counsel, or otherwise as to tax implications of any provision of this Agreement.

17 5.7 Pro Rata Distribution Formula: After Court approved attorneys' fees and costs, and
18 Settlement Administrator Costs are determined and a Net Settlement Amount has been established, that
19 Net Settlement Amount shall be divided between the PAGA Payment and payment to PAGA Employees.
20 The PAGA Payment to the LWDA will be 75% of the Net Settlement Amount. 25% of the Net Settlement
21 Amount will be paid to PAGA Employees. Each individual PAGA Employee's Individual Settlement
22 Amount shall be determined by taking the Qualifying Pay Periods for the individual PAGA Employee and
23 dividing that number by the Qualifying Pay Periods for all PAGA Employees and multiplying that fraction
24 by the 25% share of the Net Settlement Amount. Payment to PAGA Employees of their Individual
25 Settlement Amount will not require the submission of any claim form.

26 5.8 No Additional Contribution by Defendant: Defendant's monetary obligation under this
27 Agreement is limited to the Gross Settlement Amount as described above. All other costs and expenses
28 arising out of or in connection with the performance of this Agreement shall be paid from the Gross

1 Settlement Amount, unless expressly provided otherwise herein. However, in the event this agreement is
2 deemed null and void as described in Section 3, then Defendant and Plaintiff shall be equally responsible
3 for the Settlement Administrator Costs incurred between the date the Agreement was executed and the
4 date of such event.

5 **6. RELEASE**

6 6.1 Upon the Effective Date, Plaintiff and each PAGA Employee shall be deemed to fully,
7 finally, and forever release the Released Parties from all Released PAGA Claims.

8 **7. SETTLEMENT ADMINISTRATION**

9 7.1 Duties of Settlement Administrator: The Settlement Administrator shall be responsible
10 for: 1) receiving and reviewing for accuracy PAGA Employee contact information; 2) calculating
11 estimated Individual Settlement Amounts and any and all taxes associated with the Individual Settlement
12 Amount, including employer taxes, if any; 3) taking appropriate steps to trace and locate any individual
13 PAGA Employees whose address or contact information as provided to the Settlement Administrator is
14 inaccurate or outdated and mailing the Notice of Settlement to PAGA Employees; 4) providing
15 notification to the appropriate state officials of this Agreement as required; 5) maintaining the Gross
16 Settlement Amount in a QSF; 6) determining and paying the final amounts due to be paid under the
17 Agreement after resolution of awarded attorneys' fees and costs and Settlement Administrator Costs; 7)
18 paying any residual funds from uncashed checks to the *cy pres* beneficiaries; 8) reporting to Plaintiff's
19 Counsel and Defendant's Counsel regarding the statistics of the administration, including (a) the number
20 of initial Notice of Settlements mailed; (b) the number of forwarded Notice of Settlements; (c) the number
21 of re-mailed Notice of Settlements; (d) the number of total undeliverable Notice of Settlements; (e) the
22 number of address traces performed for undeliverable Notice of Settlements; (g) the number of Notice of
23 Settlements undeliverable from traced addresses; 9) providing a declaration to the Court regarding the
24 final statistics of the administration and compliance with all payment obligations under the Agreement;
25 10) completing all necessary tax reporting on the QSF and payment of the Individual Settlement Amounts
26 to PAGA Employees; and 11) carrying out other related tasks as necessary to effectuate the terms of this
27 Agreement and any Order of the Court. All disputes relating to the Settlement Administrator's ability and
28 need to perform its duties shall be referred to the Court, if necessary, which will have continuing

1 jurisdiction over the terms and conditions of this Agreement, until all payments and obligations
2 contemplated by the Agreement have been fully executed.

3 7.2 PAGA Employee Data: Within seven (7) calendar days after the Effective Date, Defendant
4 shall provide the Settlement Administrator with the name, last known mailing address, last known
5 telephone number, Social Security Number, and Qualifying Pay Periods of each PAGA Employee. The
6 Settlement Administrator shall review the data to determine the number of Qualifying Pay Periods for
7 each PAGA Employee. Defendant shall not provide any information for pay periods during which a
8 PAGA Employee may have worked as an exempt employee, worked outside California, or worked outside
9 the PAGA Claim Period. The Settlement Administrator shall maintain all information received from
10 Defendant confidential to itself, and Defendant's Counsel. However, Plaintiff's Counsel shall be able to
11 review the breakdown of Qualified Pay Periods and estimated Individual Settlement Amounts for PAGA
12 Employees prior to mailing for quality assurance.

13 7.3 Determination of Payments to PAGA Employees, Plaintiff's Counsel, and the LWDA:
14 Within seven (7) calendar days after Defendant has provided the Settlement Administrator with
15 information regarding PAGA Employees, the Settlement Administrator shall calculate the final Net
16 Settlement Amount, PAGA Payment, and the final Individual Settlement Amounts for PAGA Employees,
17 and report the results of these calculations to Plaintiff's Counsel and Defendant's Counsel.

18 7.4 Settlement Administrator Payments to PAGA Employees, Plaintiff's Counsel, and the
19 LWDA: Defendant shall wire the Gross Settlement Amount as described in Section 5.1 to the Settlement
20 Administrator within fourteen (14) calendar days after receiving the funding calculation and report from
21 the Settlement Administrator to be held in trust in a QSF. Within seven (7) calendar days after the
22 Settlement Administrator receives the Gross Settlement Amount, the Settlement Administrator shall
23 deliver payment of Plaintiff's Counsels' attorney's fees and costs, the PAGA Payment payable to the
24 LWDA, Settlement Administrator Costs, and payment for Individual Settlement Amounts to PAGA
25 Employees as required under this Agreement and approved by the Court. Plaintiff's Counsel shall provide
26 the Settlement Administrator with the pertinent taxpayer identification number and payment instructions
27 for the attorney's fees and costs after the Effective Date.

1 7.5 Notice to PAGA Employees: Defendant represent and warrant that PAGA Employees are
2 able to read and write in English such that no translation of the Notice of Settlement into another language
3 is necessary. The Settlement Administrator will provide a Notice of Settlement, substantially in the form
4 attached as Exhibit 1, to each PAGA Employee concurrently with providing payment for Individual
5 Settlement Amounts as described in Sections 5.7 and 7.4. The Notice of Settlement will inform PAGA
6 Employees of a summary of the terms and conditions of the Agreement. The Notice of Settlement will
7 also inform PAGA Employees of the Gross Settlement Amount, Net Settlement Amount, attorneys' fees
8 and costs allocations, Settlement Administrator Cost allocations, PAGA Payment allocations, the scope
9 of individuals covered by this Agreement, and the nature and extent of the Released PAGA Claims.

10 7.6 PAGA Employee Mailing: Within seven (7) calendar days after the Settlement
11 Administrator receives the Gross Settlement Amount, the Settlement Administrator will perform a
12 national change of address ("NCOA") search, update the addresses per the results of the NCOA search
13 and will mail the respective Individual Settlement Amount, as determined in Sections 5.7 and 7.4, and
14 Notice of Settlement, to each PAGA Employee by first-class mail, postage prepaid.

15 7.7 Returned and/or Re-mailed Notice Packets: In the event that a Notice of Settlement and
16 Individual Settlement Amount payment is returned to the Settlement Administrator as undeliverable, the
17 Notice of Settlement and Individual Settlement Amount payment shall be sent to the forwarding address
18 affixed thereto within seven (7) calendar days. If no forwarding address is provided, then the Settlement
19 Administrator shall promptly attempt to determine a correct address using a single skip-trace, computer
20 or other search using the name, address and/or Social Security number of the individual involved, and
21 shall then perform a single re-mailing within seven (7) calendar days. Following each search that does
22 not result in a corrected address, for those PAGA Employees who appear to be current employees of
23 Defendant at the time of the Effective Date, the Settlement Administrator shall contact Defendant's
24 Counsel for assistance and Defendant shall cooperate in good faith with the Settlement Administrator's
25 reasonable efforts to obtain valid mailing addresses for PAGA Employees to the extent they were active
26 employees of Defendant at the time of the Effective Date. In the event the procedures in this paragraph
27 are followed and the intended recipient of a Notice of Settlement and Individual Settlement Amount
28 payment still does not receive the Notice of Settlement and/or Individual Settlement Amount payment,

1 the PAGA Employee shall still be bound by all terms of the Agreement, including the releases contained
2 in Sections 1.23 and 6.1, and any final judgment entered by the Court.

3 7.8 Due Process Acknowledgement: Compliance with the procedures set forth in Sections 7.2
4 to 7.7 shall constitute due and sufficient notice to PAGA Employees of the Action and the Agreement and
5 shall satisfy PAGA Employees' due process rights. Nothing else shall be required of the Parties, Plaintiff's
6 Counsel, or Defendant's Counsel to provide notice of the Agreement except as expressly required by the
7 Court.

8 7.9 Settlement Check Expiration and Cy Pres: The Settlement Administrator shall issue
9 Individual Settlement Amounts to PAGA Employees in the form of a check, which shall become null and
10 void if not deposited within one hundred eighty (180) calendar days of issuance. After one hundred eighty
11 (180) calendar days of issuance, the checks shall be voided and funds from all undeposited checks shall
12 be transmitted to the *cy pres* beneficiaries identified in Section 5.4. The Settlement Administrator shall
13 deliver the *cy pres* funds within fourteen (14) calendar days after the check cashing deadline.

14 7.10 Settlement Administrator Declaration Regarding Settlement Administration: Within
15 twenty-one (21) calendar days after the last day for PAGA Employees to cash their settlement checks, the
16 Settlement Administrator shall provide Plaintiff's Counsel and Defendant's Counsel with a signed
17 declaration under penalty of perjury providing a complete and detailed report regarding the settlement
18 administration and that all the obligations of the Settlement Administrator have been completed.

19 **8. SETTLEMENT ADMINISTRATION SCHEDULE**

20 8.1 The schedule may be modified depending on whether and when the Court grants necessary
21 approvals, orders notice to PAGA Employees, and sets further hearings, if any. The schedule may also
22 be modified to correct clerical errors and to reflect the provisions in the Agreement as described above.
23 In the event of such modification, the Parties shall cooperate to complete the settlement procedures as
24 expeditiously as reasonably practicable. The schedule for notice and payment procedures carrying out the
25 Agreement is as follows.

26 ///

27 ///

Last day for Defendant to provide Settlement Administrator with PAGA Employee information	Within 7 calendar days after the Effective Date
Last day for Settlement Administrator to calculate and report to the Parties the Net Settlement Amount, PAGA Payment, and Individual Settlement Amounts for PAGA Employees	Within 7 calendar days after receiving PAGA Employee information
Last day for Defendant to fund Gross Settlement Amount	Within 14 calendar days after the Settlement Administrator calculates and reports to the Parties the Net Settlement Amount, PAGA Payment, and Individual Settlement Amounts for PAGA Employees
Last day for Settlement Administrator to complete NCOA search, update PAGA Employee mailing information, and complete mailing	Within 7 calendar days after Defendant has funded the settlement
Last day for Settlement Administrator to deliver payment of Plaintiff's Counsel's attorney's fees and costs, PAGA Payment, Settlement Administrator Costs, and payment to PAGA Employees	Within 7 calendar days after Defendant has funded the settlement
Last day for PAGA Employees to cash settlement checks	180 calendar days after issuance of checks to PAGA Employees
Last day for Settlement Administrator to deliver value of uncashed settlement checks to <i>cy pres</i> beneficiaries	Within 14 calendar days after settlement check cashing deadline
Last day for Settlement Administrator to provide Parties with compliance declaration	Within 21 calendar days after settlement check cashing deadline

9. MISCELLANEOUS TERMS

9.1 Dismissal and Retention of Jurisdiction to Enforce Agreement: Upon the Effective Date, the class allegations and PAGA claims relating to any individuals from Plaintiff's June 24, 2022, notice to the LWDA that are not within the defined scope of PAGA Employee under this Agreement shall be dismissed without prejudice. The Court shall retain jurisdiction over the Parties to enforce the terms of

1 the Agreement pursuant to Civil Procedure Code section 664.6. The prevailing party in any action to
2 enforce the terms of the Agreement shall be entitled to reasonable attorneys' fees and costs. The Parties
3 agree to meet and confer in good faith to resolve any issue before any such motion for attorney's fees and
4 costs is filed.

5 9.2 Additional Pay Period Contingency: Defendant has represented that there are no more
6 than 1,500 pay periods during the PAGA Claim Period worked by PAGA Employees. In the event the
7 number of pay periods worked by PAGA Employees during the PAGA Claim Period is more than 1,650
8 (*i.e.*, greater than 10% more than 1,500), then Defendant shall have the option to either: (1) increase the
9 Gross Settlement Amount proportionally by the pay periods in excess of 1,650 (e.g., if the number of
10 pay periods increases by 11%, the Gross Settlement Amount will increase by 1%); or (2) agree that the
11 PAGA Claim Period shall only run through the date on which the number of pay periods worked by
12 PAGA Employees during the PAGA Claim Period reached 1,650.

13 9.3 Mutual Cooperation: The Parties agree to cooperate fully with one another to accomplish
14 and implement the terms of this Agreement. Such cooperation shall include, but not be limited to,
15 execution of such other documents and the taking of such other action as may reasonably be necessary to
16 fulfill the terms of this Agreement. The Parties to this Agreement shall use their best efforts, including
17 all efforts contemplated by this Agreement and any other efforts that may become necessary by Court
18 order, or otherwise, to effectuate this Agreement and the terms set forth herein. This may include
19 modifying and/or resubmitting the Agreement for approval. Plaintiff's Counsel shall be responsible for
20 drafting the court approval paperwork. All parties agree to act immediately and diligently to perform their
21 obligations under this Agreement, including the review and approval of settlement documents, such that
22 there are no substantial delays in seeking court approval or administration of this settlement. Plaintiff's
23 Counsel shall endeavor to file a motion for approval of this settlement within sixty (60) calendar days of
24 the date this Agreement is signed. Plaintiff's Counsel shall provide Defendant's Counsel with a draft
25 approval motion within 1 week after this Agreement is fully executed. Defendant's Counsel will provide
26 comments and/or proposed revisions within 1 week after receipt of the draft motion.

27 9.4 No Admission of Liability: Neither the acceptance nor the performance by Defendant of
28 the terms of this Agreement, nor any of the related negotiations or proceedings, is or shall be claimed to

1 be, construed as, or deemed to be, an admission by Defendant of the truth of any of the allegations in the
2 Complaint, the representative character of the Action, the validity of any of the claims that were or could
3 have been asserted by Plaintiff and/or PAGA Employees in the Action, or of any liability or guilt of
4 Defendant in the Action. Nothing in this Agreement shall be construed to be or deemed an admission by
5 Defendant of any liability, culpability, negligence, or wrongdoing toward Plaintiff, the PAGA Employees,
6 or any other person, and Defendant has specifically disclaimed any liability, culpability, negligence, or
7 wrongdoing toward Plaintiff, the PAGA Employees, or any other person. Each of the Parties has entered
8 into this Agreement with the intention to avoid further disputes and litigation.

9 9.5 Notices: Unless otherwise specifically provided herein, all notices, demands, or other
10 communications given hereunder shall be in writing and shall be deemed to have been duly given as of
11 the third business day after mailing by United States certified mail, return receipt requested, addressed as
12 follows:

13 To the Plaintiff:

14 Galen T. Shimoda
15 Justin P. Rodriguez
16 Renald Konini
17 Shimoda & Rodriguez Law, PC
18 9401 East Stockton Blvd., Suite 120
19 Elk Grove, CA 95624

20 To Defendant:

21 James D. McNairy
22 Andrew M. Ducart
23 Boutin Jones Inc.
24 555 Capitol Mall, Suite 1500
25 Sacramento, CA 95814

26 9.6 Mutual Drafting of Agreement: The Parties hereto agree that the terms and conditions of
27 this Agreement are the result of lengthy, intensive, arm's-length negotiations between the Parties and that
28 this Agreement shall not be construed in favor of or against any party by reason of the extent to which any
party or its counsel participated in the drafting of this Agreement.

9.7 Binding Effect of Agreement: The Parties, by signing this Agreement, are bound by the
terms herein. The Parties waive their rights to file an appeal, writ, or any challenge whatsoever to the

1 terms of this Agreement. This Agreement shall be binding upon and inure to the benefit of the Parties
2 hereto and their respective heirs, trustees, executors, Settlement Administrators, successors, and assigns.

3 9.8 Attorneys' Fees and Costs Limitations: Neither Plaintiff's Counsel nor any other attorneys
4 acting for, or purporting to act for, PAGA Employees, or Plaintiff, may recover or seek to recover any
5 amounts for fees, costs, or disbursements from the Released Parties or the Gross Settlement Amount
6 except as expressly provided herein.

7 9.9 No Modifications: This Agreement may not be changed, altered, or modified, except in
8 writing signed by the Parties hereto and approved by the Court. This Agreement may not be discharged
9 except by performance in accordance with its terms.

10 9.10 Counterparts: This Agreement shall become effective upon its execution by all of the
11 undersigned. Plaintiff, Plaintiff's Counsel, Defendant and Defendant's Counsel may execute this
12 Agreement in counterparts, and execution of counterparts shall have the same force and effect as if each
13 had signed the same instrument. Facsimile, electronic, and/or scanned copies of signatures shall have the
14 same force and effect of originals.

15 9.11 Choice of Law: The Agreement and the exhibits hereto shall be considered to have been
16 negotiated, executed, and delivered, and to have been wholly performed, in the State of California, and
17 the rights and obligations of the Parties to the Agreement shall be construed and enforced in accordance
18 with, and governed by, the substantive laws of the State of California without giving effect to that State's
19 choice of law principles.

20 9.12 Headings and Captions: Paragraph titles or captions contained in the Agreement are
21 inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the
22 scope of this Agreement, or any provision thereof.

23 9.13 No Retaliation or Discouragement: The Parties agree they will take no action that could
24 be construed as retaliation against any PAGA Employees for participating in this settlement.

25 9.14 Integrated Agreement: This Agreement sets forth the entire understanding between the
26 Parties with regard to any and all material terms or otherwise and supersedes any and all prior agreements,
27 oral or written, pertaining to the subject matter herein. Each party acknowledges that there is no
28 representation, inducement, promise or agreement which has been made, orally or otherwise, by the other

1 party, concerning the terms or conditions of this Agreement, which is not expressly embodied in this
2 Agreement. In entering into this Agreement, the Parties represent that the terms of this Agreement are
3 fully understood and voluntarily accepted by the Parties.

4 9.15 Exhibits Incorporated by Reference: The terms of this Agreement include the terms set
5 forth in any attached Exhibits, which are incorporated by this reference as though fully set forth in this
6 Agreement. Any Exhibits to this Agreement are an integral part of the Settlement.

7 9.16 Invalidity of Any Provision: Before declaring any provision of this Agreement invalid, the
8 Court will first attempt to construe the provision as valid to the fullest extent possible consistent with
9 applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

10 9.17 Waiver of Compliance: No waiver of any condition or covenant contained in this
11 Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply
12 or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy

13 IN WITNESS WHEREOF, this Agreement is executed by the Parties and their duly authorized
14 attorneys, as of the day and year herein set forth.

15
16
17 **For Plaintiff:**

18 Date: 09/03/2026



Danny Perez (Sep 3, 2026 16:51:10 PDT)

Daniel Perez

19
20
21 **For Defendant:**

22 Date: _____

23 By: Kasey Cotulla, Chief Executive Officer
24 For Metro Mailing Service Inc.
25
26
27
28

1 party, concerning the terms or conditions of this Agreement, which is not expressly embodied in this
2 Agreement. In entering into this Agreement, the Parties represent that the terms of this Agreement are
3 fully understood and voluntarily accepted by the Parties.

4 9.15 Exhibits Incorporated by Reference: The terms of this Agreement include the terms set
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11 Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply
12 or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy

13 IN WITNESS WHEREOF, this Agreement is executed by the Parties and their duly authorized
14 attorneys, as of the day and year herein set forth.

15
16
17 **For Plaintiff:**

18 Date: _____

19 _____
Daniel Perez

20
21 **For Defendant:**

22 Date: 9/4/2026

23 
By: Kasey Cotulla, Chief Executive Officer
For Metro Mailing Service Inc.

Exhibit 1

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO**

DANIEL PEREZ, individually and on behalf of all
other similarly situated employees,

Plaintiff,

vs.

METRO MAILING SERVICE INC., *et al.*,

Defendants.

Case No. 34-2022-00323567

**NOTICE OF PRIVATE ATTORNEYS GENERAL
ACT SETTLEMENT PAYMENT**

TO: All individuals who have, or continue to, work for Defendant in California who received the second shift pay differential and who worked overtime, received a meal/rest period premium, and/or received sick leave pay that would have been subject to that differential, from June 24, 2021, up to _____ (the "PAGA Employees")

This Notice is being provided to you to inform you of a Private Attorneys General Act ("PAGA") Settlement and your proportional share of this settlement payment. The payment is a result of a Court approved PAGA Settlement in the case of *Daniel Perez v. Metro Mailing Service Inc.*, Sacramento County Superior Court of California, Case No. 34-2022-00323567, filed July 18, 2022 (the "Action"). You are receiving this letter because you fall within the definition of PAGA Employees identified above.

In the Action, Plaintiff Daniel Perez ("Plaintiff") sought to obtain civil penalties, fees, and costs on behalf of himself and PAGA Employees. Plaintiff alleged that Metro Mailing Service, Inc. ("Defendant") violated California law by 1) failing to pay overtime wages; 2) failing to provide accurate wage statements; 3) failing to pay final wages; 4) failing to provide meal and rest periods or pay all premiums owed in lieu thereof; 5) failing to provide paid sick leave; and 6) failing to reimburse all expenses. These claims are based on Plaintiff's contention that Defendant failed to account for the value of shift differential pay when calculating the regular rate of pay used for overtime premiums, meal and rest period premiums, and sick leave wages. The claim is also based on Plaintiff's contention that employees were required to use their personal cell phones for work purposes without being reimbursed for the associated expense.

This notice is not intended to be, and should not be construed as, an expression of any opinion by the Court with respect to the truth of the allegations in the Action or the merits of the claims or defenses asserted. Defendant has denied engaging in any unlawful conduct in any respect and further disputes all of Plaintiff's allegations in the Action. By entering into the PAGA Settlement, Defendant does not admit any liability to Plaintiff or to any other current or former employees, and Defendant does not admit that any violations of Plaintiff's rights, or the rights of any other current or former employee have occurred.

Plaintiff filed a notice with the California Labor and Workforce Development Agency ("LWDA") to exhaust administrative remedies and pursue claims under the PAGA, California Labor Code §§ 2698 *et seq.*, predicated on the claims outlined above. The scope of the PAGA Settlement includes all of the PAGA Employees for the time period identified above. In exchange for payment under the Settlement, Plaintiff has agreed to waive all claims for civil penalties that were brought under the PAGA that were asserted in Plaintiff's notice letter to the LWDA and any additional claims for civil penalties under the PAGA that could have been brought based on the facts alleged therein. The scope of this waiver is limited to only PAGA Employees and only for PAGA claims arising between June 24, 2021, and _____. PAGA Employees cannot opt out of this waiver of claims.

Under the terms of the Settlement, Defendant has agreed to pay a Gross Settlement Amount of \$87,500, in exchange for the waiver identified herein ("Gross Settlement Amount"). Deducted from this Gross Settlement Amount were sums approved by the Court for attorneys' fees (\$ _____), attorneys' costs (\$ _____), and Settlement Administrator Costs (\$ _____), which resulted in a "Net Settlement Amount" of \$ _____ for distribution to between PAGA Employees and the LWDA as required by the California Labor Code. 75% of the Net Settlement Amount (\$ _____) is being paid to the LWDA and 25% of the Net Settlement Amount (\$ _____)

is being paid to PAGA Employees pursuant to Labor Code section 2699(i). Each individual PAGA Employee's share of the Net Settlement Amount was determined by taking their individual number of pay periods worked between June 24, 2021, and _____, during which they received the second shift pay differential and worked overtime, received a meal/rest period premium, and/or received sick leave pay that would have been subject to that differential, and dividing that number by the number of all such pay periods worked by all PAGA Employees between June 24, 2021, and _____, and then multiplying that fraction by the 25% share of the Net Settlement Amount.

Enclosed in this mailing, you will find a check containing your share of the PAGA Settlement based on the above allocation.

Should you have any questions or concerns, you may contact ILYM Group Inc. at (888) 250-6810. You may also contact counsel for Plaintiff and/or Defendant:

Galen T. Shimoda
Justin P. Rodriguez
Renald Konini
Shimoda & Rodriguez Law, PC
9401 East Stockton Blvd., Suite 120
Elk Grove, CA 95624
Telephone: (916) 525-0716
On behalf of Plaintiff

James D. McNairy
Andrew M. Ducart
Boutin Jones Inc.
555 Capitol Mall, Suite 1500
Sacramento, CA 95814
Tel. (916) 321-4444
On behalf of Defendant

Do not call or write the Court or the Office of the Clerk of the Court to ask questions about the settlement or to ask tax-related questions.

EXHIBIT B

FILED
Superior Court Of California,
Sacramento
09/01/2022
Czeyerand
By Deputy
Case Number:
34-2022-00323567

1 Galen T. Shimoda (Cal. State Bar No. 226752)
2 Justin P. Rodriguez (Cal. State Bar No. 278275)
3 Brittany V. Berzin (Cal. State Bar No. 325121)
4 Shimoda & Rodriguez Law, PC
5 9401 East Stockton Boulevard, Suite 120
6 Elk Grove, CA 95624
7 Telephone: (916) 525-0716
8 Facsimile: (916) 760-3733

9 Attorneys for Plaintiff DANIEL PEREZ

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**SUPERIOR COURT OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO**

DANIEL PEREZ, individually and on behalf
of all other similarly situated employees,

Plaintiff,

vs.

METRO MAILING SERVICE INC., a
California Corporation;
KASEY COTULLA, an individual;
RICHARD WITHROW, an individual; and
DOES 1 to 100, inclusive,

Defendants.

Case No. 34-2022-00323567

CLASS ACTION

**FIRST AMENDED COMPLAINT FOR
DAMAGES:**

1. Failure to Pay Overtime Wages
2. Meal Period Violations
3. Rest Period Violations
4. Wage Statement Violations
5. Waiting Time Penalties
6. Failure to Reimburse Expenses
7. Unfair Competition
8. Private Attorneys General Act

DEMAND FOR JURY TRIAL

Plaintiff DANIEL PEREZ ("Plaintiff"), on behalf of himself and all other similarly situated employees, hereby files this Complaint against Defendants METRO MAILING SERVICE INC., a California Corporation; KASEY COTULLA, an individual; RICHARD WITHROW, an individual; and DOES 1 to 100, inclusive (hereinafter all collectively referred to as "Defendants"). On information and belief, Plaintiff allege the following:

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BY FAX
BY FAX

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2. The Sacramento County Superior Court has jurisdiction in this matter pursuant to California Code of Civil Procedure section 410.10 to determine alleged violations of the California Labor Code, California Business and Professions Code, and Wage Order No. 4.

4. Plaintiff sought permission pursuant to Labor Code section 2699 *et seq.* to pursue the claims set forth in this Complaint against Defendants as a Private Attorney General on behalf of himself and other similarly situated employees. Pursuant to Labor Code section 2699.3, Plaintiff gave written notice via online submission to the Labor and Workforce Development Agency (“LWDA”) on approximately June 24, 2022. Plaintiff provided facts and legal bases for his claims within the notice to the LWDA on all violations asserted under the Private Attorneys General Act cause of action. Plaintiff submitted the \$75.00 filing fee. The notice was also sent via certified mail to Defendants on the same day. Plaintiff is informed and believes, that to date, the LWDA has not provided any response to Plaintiff’s notice correspondence. Accordingly, Plaintiff is informed and believes that he has exhausted all administrative remedies pursuant to the Private Attorneys General Act and may bring this action on behalf of himself and all Aggrieved Employees. *See* Cal. Labor Code § 2699.3(a)(2)(A), (c)(3); *Caliber Bodyworks, Inc. v. Sup. Ct.*, 134 Cal.App.4th 365, 383 n.18, 385 n.19 (2005). Aggrieved Employees includes all individuals who have, or continue to, work for Defendants in California from June 24, 2021 to the present.

PARTIES

5. DANIEL PEREZ is an individual over the age of eighteen (18) and is a resident of the State of California.

6. On information and belief, Plaintiff alleges, METRO MAILING SERVICE INC., is now and/or at all times mentioned in this Complaint was a California Corporation and the owner and operator of an industry, business and/or facility doing business in the State of California.

7. Plaintiff is informed and believes, and thereupon alleges, that KASEY COTULLA is an individual over the age of eighteen (18) and is a resident of the State of California. Plaintiff further alleges that KASEY KOTULLA is an owner, director, officer, and/or managing agent of METRO MAILING SERVICE INC. responsible for causing the violations outlined in the First through Sixth and Eighth causes of action. As such KASEY COTULLA is individually liable pursuant to California Labor Code section 558.1.

8. Plaintiff is informed and believes, and thereupon alleges, that RICHARD WITHROW is an individual over the age of eighteen (18) and is a resident of the State of California. Plaintiff further alleges that RICHARD WITHROW is an owner, director, officer, and/or managing agent of METRO MAILING SERVICE INC. responsible for causing the violations outlined in the First through Sixth and Eighth causes of action. As such RICHARD WITHROW is individually liable pursuant to California Labor Code section 558.1.

9. Defendants DOES 1 through 100 are affiliates, subsidiaries and related entities and the alter egos of each of the other Defendants named herein, corporate or otherwise, who participated in and are liable for the actions herein alleged. Plaintiff will seek to amend this Complaint to allege the true names and capacities of these DOE Defendants when they are ascertained.

10. At all times mentioned herein, each Defendant was the agent or employee of each of the other Defendants and was acting within the course and scope of such agency or employment. The Defendants are jointly and severally liable to Plaintiff.

11. Defendants, and each of them, are now and/or at all times mentioned in this Complaint were members of and/or engaged in a joint employment, joint venture, partnership and common

1 enterprise, and were acting within the course and scope of, and in pursuance of said joint employment,
2 joint venture, partnership and common enterprise.

3 12. Defendants, and each of them, now and/or at all times mentioned in this Complaint
4 approved, ratified, acquiesced, aided or abetted the acts and omissions alleged in this Complaint.

5 13. Defendants proximately caused Plaintiff to be subjected to the unlawful practices,
6 wrongs, complaints, injuries and/or damages alleged in this Complaint.

7 CLASS ALLEGATIONS

8 14. Plaintiff brings the First through Seventh Causes of Action on behalf of himself and
9 all others similarly situated as a class action pursuant to California Code of Civil Procedure section
10 382. The class which Plaintiff seeks to represent is composed of; and defined, as follows:

11 **Overtime Class:** All individuals who have, or continue to, work for
12 Defendants in California from July 18, 2018 to the present, except for
13 those covered by a valid collective bargaining agreement that expressly
14 provides for the wages, hours of work, working conditions of the
15 employees, and a regular hourly rate of 30 percent or more than the state
16 minimum wage for all employees covered by the collective bargaining
17 agreement.

18 **Meal Period Class:** All individuals who have, or continue to, work for
19 Defendants in California from July 18, 2018 to the present who worked at
20 least one shift over five (5) hours.

21 **Rest Period Class:** All individuals who have, or continue to, work for
22 Defendants in California from July 18, 2018 to the present who worked at
23 least one shift over three and one-half (3.5) hours.

24 **Wage Statement Class:** All individuals who have, or continue to, work
25 for Defendants in California from July 18, 2021 to the present who
26 received at least one wage statement from Defendants.

27 **Waiting Time Class:** All individuals who have, or continue to, work for
28 Defendants in California from July 18, 2019 to the present.

Reimbursement Class: All individuals who have, or continue to, work
for Defendants in California from July 18, 2018 to the present.

Paid Sick Time: All individuals who have, or continue to, work for
Defendants in California July 18, 2018, who worked for Defendants at
least 90 days, except for those covered by a valid collective bargaining

1 agreement that expressly provides for the wages, hours of work, working
2 conditions of the employees, and a regular hourly rate of 30 percent or
3 more than the state minimum wage for all employees covered by the
4 collective bargaining agreement.

5 15. This action has been brought and may be properly maintained as a class action,
6 pursuant to the provision of California Code of Civil Procedure section 382, because there is a well-
7 defined community of interests in the litigation and the proposed class is easily ascertainable.

8 (a) Numerosity: The putative class is so numerous that the individual joinder of all members
9 is impracticable under the circumstances of this case. While the exact number of class
10 members is unknown to Plaintiff at this time, Plaintiff is informed and believes that
11 Defendants have employed as many as fifty (50) individuals falling within the above
12 stated class definition throughout the State of California during the applicable statute of
13 limitations, who were subjected to the policies and practices outlined in this Complaint.
14 As such, joinder of all members of the putative class is not practicable.

15 (b) Common Questions Predominate: Common questions of law and fact exist as to all
16 members of the putative class and predominate over questions that affect only individual
17 members of the class. These common questions of law and fact include, without
18 limitation, the following:

- 19 (1) Whether Plaintiff and putative class members worked more than eight (8) hours in
20 a day and/or forty (40) hours in a week;
- 21 (2) Whether Defendants correctly calculated Plaintiff's and putative class members'
22 regular rates of pay;
- 23 (3) Whether Defendants failed to correctly calculate Plaintiff's and putative class
24 members' overtime pay;
- 25 (4) Whether Defendants had any policies or practices authorizing and permitting all
26 meal periods owed;
- 27 (5) Whether Defendants had a policy or practice to pay missed meal period
28 premiums;

- (6) Whether Plaintiff and putative class members were authorized and permitted to take meal periods;
- (7) Whether Defendants failed to correctly calculate missed meal period premiums;
- (8) Whether Defendants failed to pay Plaintiff and putative class members missed meal period premiums owed;
- (9) Whether Defendants had policies or practices authorizing and permitting all rest periods owed;
- (10) Whether Plaintiff and putative class members were authorized and permitted to take rest periods;
- (11) Whether Defendants failed to pay Plaintiff and putative class members rest period premiums;
- (12) Whether Defendants had any policies and practices to reimburse expenses incurred;
- (13) Whether, as a result of Defendants' policies and practices, Plaintiff and putative class members received all reimbursements owed;
- (14) Whether Defendants had any policies and practices requiring personal cell phone use;
- (15) Whether Defendants paid putative class members all paid sick time owed to them;
- (16) Whether as a result of Defendants' policies and practices Plaintiff's and putative class members received all wages, due and owing, at the time of their termination or separation; and
- (17) Whether Defendants provided Plaintiff's and putative class members with wage statements that complied with Labor Code section 226.

(c) Typicality: Plaintiff's claims are typical of the claims of the members of the putative class. The putative class also sustained damages arising out of Defendants' common course of conduct in violation of the law as complained of herein. Plaintiff and all members of the putative class were non-exempt employees who worked 10-12 hour shifts multiple times in a week with shift differentials without taking all meal periods and paid

1 rest periods rest and meal periods, and were required to use personal cell phones for work
2 purposes resulting in a failure to pay overtime, failure to pay final wages, failure to pay
3 reimbursements, and unfair competition. Additionally, Defendants issued Plaintiff and
4 all members of the putative class wage statements that did not comply with Labor Code
5 section 226. As a result, Plaintiff and each member of the putative class will have
6 suffered the same type of harm and seek the same type of recovery based on the same
7 legal theories.

8 (d) Adequacy: Plaintiff will fairly and adequately protect the interests of the members of the
9 putative class. For all relevant times, Plaintiff resided in California and worked for
10 Defendants in California. Moreover, Plaintiff is an adequate representative of the
11 putative class as Plaintiff has no interests that are adverse to those of putative class
12 members. Additionally, Plaintiff has retained counsel who has substantial experience in
13 complex civil litigation and wage and hour matters.

14 (e) Superiority: A class action is superior to other available means for the fair and efficient
15 adjudication of the controversy since individual joinder of all members of the putative
16 class is impracticable. Class action treatment will permit a larger number of similarly
17 situated persons to prosecute their common claims in a single forum simultaneously,
18 efficiently, and without the unnecessary duplication of effort and expense that numerous
19 individual actions would engender. Further, as damages suffered by each individual
20 member of the class may be relatively small, the expenses and burden of the individual
21 litigation would make it difficult or impossible for individual members of the class to
22 redress the wrongs done to them, and an important public interest will be served by
23 addressing the matter as a class action. The cost to the court system of adjudication of
24 such individualized litigation would be substantial. Individualized litigation would also
25 present the potential for inconsistent or contradictory judgments.

26 16. Plaintiff is unaware of any difficulties that are likely to be encountered in the
27 management of this action that would preclude its maintenance as a class action.

28 //

GENERAL ALLEGATIONS

17. Plaintiff incorporates by reference and re-alleges paragraphs 1 through 16 as though fully set forth herein.

18. Plaintiff worked for Defendants, who operate a printing business, from approximately September 2019 to January 14, 2022, as a Certified Digital Operator. Plaintiff and similarly situated employees regularly worked overtime hours, *i.e.*, more than eight (8) hours in a day and/or forty (40) hours in a week. In addition to their basic hourly wages, Plaintiff and similarly situated employees were paid shift differentials when they worked night shifts, resulting in two different hourly rates being paid to Plaintiff and similarly situated employees. Plaintiff and similarly situated employees were paid two different hourly rates in the same workweeks they worked overtime hours but were not paid the correct overtime rates because Defendants failed to correctly calculate Plaintiff's and similarly situated employees' regular rates of pay to account for the value of the shift differentials. Thus, Plaintiff and similarly situated employees were not paid all overtime wages they were owed from Defendants.

19. Plaintiff and similarly situated employees did not receive all meal periods they were entitled to under the law. On occasions where Plaintiff and similarly situated employees did not receive legally compliant meal periods, Defendants would pay them meal period premiums. However, Defendants did not pay these premiums at the correct rate of pay because Defendants failed to take into account the value of shift differentials it paid to Plaintiff and similarly situated employees. Thus, Plaintiff and similarly situated employees were not paid all meal period premiums they were owed from Defendants.

20. Plaintiff and similarly situated employees were not authorized and permitted to take all rest periods they were entitled to under the law. Plaintiff and similarly situated employees were not able to take at least a ten-minute duty-free, paid rest period every four hours or major fraction thereof they worked. Defendants did not pay Plaintiff and similarly situated employees any rest period premiums for failing to provide legally compliant rest periods.

21. Plaintiff and similarly situated employees received paid sick leave that was not paid at the correct hourly rate. Defendants failed to account for the value of shift differentials paid to Plaintiff and similarly situated employees when calculating Plaintiff's and similarly situated employees' regular rates

1 of pay for the purpose of paying paid sick leave. Thus, Plaintiff and similarly situated employees were
2 not paid all paid sick leave they were owed from Defendants.

3 22. Defendants required Plaintiff and similarly situated employees to use their personal
4 cellphones for work without reimbursing them. For example, as part of Plaintiff's job, he was regularly
5 required to contact technicians using his personal cellphone. Defendants did not have any policy or
6 practice to reimburse Plaintiff and similarly situated employees for the use of personal cellphone for
7 work. Defendants owe Plaintiff and similarly situated employees reimburse for personal cellphone use.

8 23. Defendants failed to provide Plaintiff and similarly situated employees with accurate
9 wage statements. The wage statements Defendants issued to Plaintiff and similarly situated employees
10 did not accurately identify all applicable hourly rates in effect during the pay period and the
11 corresponding number of hours worked at each hourly rate, the correct amount of gross and net wages
12 earned, and meal and rest premiums earned.

13 24. As of this date of this complaint, Defendants have not paid Plaintiff and similarly situated
14 employees all overtime wages, paid sick leave, and meal and rest period premiums owed to them.

15 25. Defendant METRO MAILING SERVICE, INC. identified Defendant KASEY
16 COTULLA and Defendant RICHARD WITHROW in its filings with the California Secretary of State
17 during the class period as Officers and Directors. Plaintiff is informed and believes that KASEY
18 COTULLA and RICHARD WITHROW were responsible for creating and electing to implement
19 METRO MAILING SERVICE INC.'s payroll and compensation policies and practices or that KASEY
20 COTULLA AND RICHARD WITHROW were aware of such policies and practices and ratified them.

21 **CAUSES OF ACTION**

22 **FIRST CAUSE OF ACTION**
23 **FAILURE TO PAY OVERTIME WAGES**
(As to all Defendants)

24 26. Plaintiff incorporates by reference and re-alleges paragraphs 1 through 25 as though fully
25 set forth herein.

26 27. During the period Plaintiff was employed by Defendants, Defendants were required to
27 compensate Plaintiff at one and one-half (1½) times the regular rate of pay for hours worked in excess of
28 eight (8) hours per day and/or forty (40) hours per week, and two (2) times the regular rate of pay for

1 hours worked in excess of twelve (12) hours per day. *See, e.g.,* IWC Wage Order No. 4, section (3)(A);
2 Cal. Lab. Code §§ 510, 1194.

3 28. Plaintiff and similarly situated employees worked in excess of eight (8) hours per day
4 and/or forty (40) hours per week on several occasions while employed by Defendants. However,
5 Defendants failed to compensate Plaintiff and similarly situated employees for all overtime hours
6 worked at their regular rate of pay.

7 29. Plaintiff and similarly situated employees were not exempt from overtime protections
8 employees under the California Wage Orders and Labor Code.

9 30. As a proximate result of Defendants' conduct, Plaintiff and similarly situated employees
10 have been damaged as stated in the section below entitled "DAMAGES," which is incorporated here to
11 the extent pertinent as if set forth here in full.

12 **SECOND CAUSE OF ACTION**
13 **MEAL PERIOD VIOLATIONS**
14 **(As to all Defendants)**

15 31. Plaintiff incorporates by reference and re-alleges paragraphs 1 through 30 as though fully
16 set forth herein.

17 32. An employer must provide an employee a meal period in accordance with the
18 applicable Wage Order, and California Labor Code sections 226.7 and 512.

19 33. California Labor Code sections 226.7 and 512 and IWC Wage Order No. 4, section
20 11(A) require an employer to provide an uninterrupted meal period of not less than thirty (30)
21 minutes for each work period of more than five (5) hours.

22 34. California Labor Code section 512 and Wage Order No. 4 section 11(B) further
23 provide that employers may not employ employees for a work period for more than ten (10) hours
24 per day without providing the employee with a second meal period of at least thirty (30) minutes.
25 However, if the total hours worked is no more than twelve (12) hours, the second meal period may
26 be waived so long as there was no waiver as to the first meal period. Employees are entitled to one
27 (1) hour of pay at their regular rate of compensation for each meal period not provided.

28 35. Defendants employed Plaintiff and similarly situated employees for periods of more
than five (5) hours without providing meal breaks of at least thirty (30) minutes or a second meal

1 period of at least thirty (30) minutes when Plaintiff and similarly situated employees worked more
2 than ten (10) hours in a day. Defendants also failed to allow Plaintiff and similarly situated
3 employees to take their first meal period before the completion of their fifth hour of work and failed
4 to allow Plaintiff and similarly situated employees to take their second meal period before the
5 completion of their tenth hour of work. Plaintiff and similarly situated employees did not waive their
6 rights to all meal periods throughout their employment.

7 36. Defendants further failed to pay Plaintiff and similarly situated employees the
8 applicable meal period premiums for any such missed meal breaks. Plaintiff and similarly situated
9 employees had shift differentials and were not paid accurate meal premiums according to their shifts.

10 37. As a proximate result of Defendants' conduct, Plaintiff and similarly situated
11 employees have been damaged as stated in the section below entitled "DAMAGES," which is
12 incorporated here to the extent pertinent as if set forth here in full.

13 **THIRD CAUSE OF ACTION**
14 **REST PERIOD VIOLATIONS**
(As to all Defendants)

15 38. Plaintiff incorporates by reference and re-alleges paragraphs 1 through 37 as though fully
16 set forth herein.

17 39. An employer must provide an employee a rest period in accordance with the
18 applicable Wage Order and California Labor Code section 226.7.

19 40. California Labor Code section 226.7 and Wage Order No. 4, section 12(A) require an
20 employer to provide a rest period of not less than ten (10) minutes for each work period of more than
21 four (4) hours or a major fraction thereof.

22 41. Plaintiff alleges that Defendants failed to authorize and permit Plaintiff and similarly
23 situated employees to take paid rest periods of at least ten (10) minutes for each work period that
24 they worked more than four (4) hours or a major fraction thereof.

25 42. Defendants further failed to pay Plaintiff and similarly situated employees the
26 applicable rest period premiums for any such missed rest periods.

27 //

28 //

43. As a proximate result of Defendants' conduct, Plaintiff and similarly situated employees have been damaged as stated in the section below entitled "DAMAGES," which is incorporated here to the extent pertinent as if set forth here in full.

FOURTH CAUSE OF ACTION
WAGE STATEMENT VIOLATIONS
(As to all Defendants)

44. Plaintiff incorporates by reference and re-alleges paragraphs 1 through 43 as though fully set forth herein.

45. Pursuant to California Labor Code section 226(a), an employer must provide an itemized statement to an employee, semimonthly or at the time of each payment of wages, showing:

(1) gross wages earned, (2) total hours worked by the employee, except for any employee whose compensation is solely based on a salary and who is exempt from payment of overtime under subdivision (a) of Section 515 or any applicable order of the Industrial Welfare Commission, (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 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, if the employer is a farm labor contractor, as defined in subdivision (b) of Section 1682, the name and address of the legal entity that secured the services of 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. The deductions made from payment of wages shall be recorded in ink or other indelible form, properly dated, showing the month, day, and year, and a copy of the statement and the record of the deductions shall be kept on file by the employer for at least three years at the place of employment or at a central location within the State of California.

46. Plaintiff alleges that Defendants intentionally and knowingly failed to provide an itemized statement or failed to provide an accurate and complete itemized statement showing the requirements set forth in California Labor Code section 226(a). Specifically, Defendants did not accurately itemize all applicable hourly rates in effect during the pay period, all regular, overtime and double time hours worked and corresponding rates of pay, gross and net wages earned, and meal and rest premiums earned. The paystubs also did not accurately itemize Plaintiff's and similarly situated employees' total hours worked due to Defendants' failure to calculate. Plaintiff and

1 similarly situated employees were not able to promptly and easily determine their total hours worked
2 from their paystubs alone. Additionally, Plaintiff and similarly situated employees suffered
3 confusion over whether they received all wages owed and were prevented from effectively
4 challenging information on their wage statements.

5 47. As a proximate result of Defendants' conduct, Plaintiff and similarly situated
6 employees have been damaged as stated in the section below entitled "DAMAGES," which is
7 incorporated here to the extent pertinent as if set forth here in full.

8 **FIFTH CAUSE OF ACTION**
9 **WAITING TIME PENALTIES**
10 **(As to all Defendants)**

11 48. Plaintiff incorporates by reference and re-alleges paragraphs 1 through 47 as though fully
12 set forth herein.

13 49. An employer must pay an employee who is terminated all unpaid wages immediately
14 upon termination. *See* Cal. Lab. Code § 201.

15 50. An employer must pay an employee who resigns all unpaid wages within seventy-two
16 (72) hours of their resignation. *See* Cal. Lab. Code § 202.

17 51. Plaintiff and similarly situated employees did not receive all wages, including overtime
18 wages, meal and rest period premiums, or all sick leave pay owed at their termination or within the
19 required time after their separation from employment.

20 52. An employer who willfully fails to pay an employee wages in accordance with California
21 Labor Code sections 201 and/or 202 must pay the employee a waiting time penalty of up to thirty (30)
22 days. *See* Cal. Lab. Code § 203.

23 53. Defendants knew of their obligation to pay Plaintiff's and similarly situated employees'
24 their final wages when their employment terminated. Indeed, Defendants had knowledge that Plaintiff
25 and similarly situated employees were not paid for all overtime hours worked and all missed meal and
26 rest period premiums, although all were accurately reflected on Plaintiff's timecards. Further,
27 Defendants had knowledge they did not authorize and permit Plaintiffs and similarly situated employees
28 to take rest periods. Defendants failed to accurately calculate overtime pay according to Plaintiff's and
similarly situated employees' shift differentials. Such conduct shows Defendants had knowledge of

1 earned, but unpaid wages at the time of separation, yet Defendants still refused to pay the remaining
2 wages owed.

3 54. As a proximate result of Defendants' conduct, Plaintiff and similarly situated employees
4 have been damaged and deprived of their wages and thereby seek their daily rate of pay multiplied by
5 thirty (30) days for Defendants' failure to pay all wages due.

6
7 **SIXTH CAUSE OF ACTION**
FAILURE TO REIMBURSE EXPENSES
(As to all Defendants)

8 55. Plaintiff incorporates by reference and re-alleges paragraphs 1 through 54 as though fully
9 set forth herein.

10 56. California Labor Code section 2802(a) states that "An employer shall indemnify his or
11 her employee for all necessary expenditures or losses incurred by the employee in direct consequence of
12 the discharge of his or her duties, or of his or her obedience to the directions of the employer, even
13 though unlawful, unless the employee, at the time of obeying the directions, believed them to be
14 unlawful."

15 57. Defendants required Plaintiff and similarly situated employees to use their personal cell
16 phones for work to contact technicians but failed to reimburse them for such use.

17 58. As a proximate result of Defendants' conduct, Plaintiff and similarly situated employees
18 have been damaged as stated in the section below entitled "DAMAGES," which is incorporated here to
19 the extent pertinent as if set forth here in full.

20 **SEVENTH CAUSE OF ACTION**
UNFAIR COMPETITION
21 **(As to Metro Mailing Service, Inc. and DOES 1 to 100)**

22 59. Plaintiff incorporates by reference and re-alleges paragraphs 1 through 58 as though fully
23 set forth herein.

24 60. Unfair competition shall mean and include any unlawful, unfair or fraudulent business act
25 or practice and unfair, deceptive, untrue or misleading advertising and any act prohibited by Chapter 1
26 (commencing with Section 17500) of Part 3 of Division 7 of the Business and Professions Code. See
27 California Business and Professions ("B&P") Code § 17200.

28 //

1 61. Plaintiff and similarly situated employees were not paid all wages owed, including
2 overtime wages, and meal and rest period premiums, or reimbursed for business expenses, during their
3 employment or any time thereafter. Moreover, through Defendants conduct Plaintiff and similarly
4 situated employees were denied statutory protections regarding meal and rest periods.

5 62. Plaintiff further alleges that such actions and/or conduct constitute a violation of the
6 California Unfair Competition Law ("UCL") (Business and Professions Code 17200 *et seq.*) pursuant to
7 *Cortez v. Purolator Air Filtration Products Co.*, 23 Cal. 4th 163 (2000).

8 63. As a direct and legal result of the Defendants' conduct, as alleged herein, pursuant to the
9 UCL (including B&P Code §17203), Plaintiff and similarly situated employees are entitled to
10 restitution, including, but not limited to, interest and penalties pursuant to Business & Professions Code
11 sections 17203, 17208, violations of California Labor Code sections 226.7, 510, 512, and 1194 all in an
12 amount as yet unascertained but subject to proof at trial, for four (4) years from the filing of this Action.

13 **EIGHTH CAUSE OF ACTION**
14 **PRIVATE ATTORNEYS GENERAL ACT**
 (As to all Defendants)

15 64. Plaintiff incorporates by reference and re-alleges paragraphs 1 through 63 as though fully
16 set forth herein.

17 65. Plaintiff has alleged to the Labor Commissioner that Defendants have violated the
18 following provisions of the Labor Code in their dealings with him and other similarly situated current
19 and former employees:

- 20 • Violation of Labor Code §§ 510, 1194; IWC Wage Order 4, § 3 (Failure to Pay
21 Overtime Wages)
- 22 • Violation of Labor Code §§ 226, 226.3 (Failure to Provide Accurate Wage
23 Statements)
- 24 • Violation of Labor Code §§ 201-203, 256 (Failure to Pay Final Wages)
- 25 • Violation of Labor Code §§ 558, 558.1 (Provisions Regulating Hours and Days of
26 Work in Any Industrial Welfare Commission Order)
- 27 • Violation of Labor Code §§ 226.7, 512; IWC Wage Order 4, §§ 11(A) and 11(B)
28 (Failure to Provide Meal Periods or Pay Premiums in Lieu Thereof)

- Violation of Labor Code § 226.7; IWC Wage Order 4, § 12(A) (Failure to Provide Rest Periods or Pay Premiums in Lieu Thereof)
- Violation of Labor Code § 2802 (Failure to Pay Reimbursements for Expenses)
- Violation of Labor Code §§ 246, 246.5, 248.5 (Failure to Provide Paid Sick Leave)

66. Plaintiff seeks civil penalties against Defendants as provided in the Labor Code, or, if no civil penalty is provided, default penalties pursuant to Labor Code section 2699(f)(2).

67. Plaintiff seeks these civil penalties from Defendants pursuant to Labor Code sections 2699(a) and 2699.3.

DAMAGES

WHEREFORE Plaintiff requests relief as follows:

1. A jury trial;
2. As to the First Cause of Action:
 - a. Wages in an amount to be proven at trial;
 - b. Interest for the wages due pursuant to California Labor Code section 1194;
 - c. For reasonable attorney's fees and costs incurred pursuant to California Labor Code section 1194;
3. As to the Second Cause of Action:
 - a. Wages in an amount to be proven at trial;
 - b. Attorney's fees, costs and interest pursuant to California Code of Civil Procedure section 1021.5;
4. As to the Third Cause of Action:
 - a. Wages in an amount to be proven at trial;
 - b. Attorney's fees, costs and interest pursuant to California Code of Civil Procedure section 1021.5;
5. As to the Fourth Cause of Action:
 - a. Penalties as provided for in Labor Code section 226, including the greater of all actual damages or fifty dollars (\$50.00) for the initial pay period in which the violation occurred and one hundred dollars (\$100.00) per employee for each

violation in the subsequent pay periods, but not to exceed four thousand dollars (\$4,000.00);

- b. For reasonable attorney's fees and costs incurred pursuant to Labor Code section 226(e);

6. As to the Sixth Cause of Action:

- a. An amount to be proven at trial;
b. For attorney's fees, interest, and costs pursuant to Labor Code section 2802(c);

7. As to the Eighth Cause of Action:

- a. For civil penalties as provided for in the Labor Code for each enumerated violation in an amount proven at trial;
b. For those Labor Code sections, the violation of which there is no civil penalty provided, the default penalty provided in Labor Code section 2699(f): for any initial violation, one hundred dollars (\$100) for each aggrieved employee per pay period; For any subsequent violation, two hundred dollars (\$200) for each aggrieved employee per pay period;

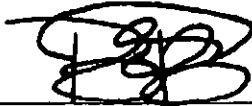
- c. Reasonable attorney's fees and costs pursuant to Labor Code section 2699;

8. For such other and further relief as this Court may deem just and proper, including, but not limited to:

- a. Wages as proved at trial;
b. Injunctive and Declaratory relief;
c. Attorney's fees and costs as provided for by law; and
d. Interest.

Dated: August 31, 2022

Shimoda & Rodriguez Law, PC

By: 

Galen T. Shimoda
Justin P. Rodriguez
Brittany V. Berzin
Attorneys for Plaintiff

EXHIBIT C



Shimoda & Rodriguez Law, PC
9401 East Stockton Blvd.
Suite #120
Elk Grove, CA 95624
Ph. (916) 525-0716
Fax (916) 760-3733
www.shimodalaw.com

June 24, 2022

For Online Filing:

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

Re: *Perez v. Metro Mailing Service Inc.*

Dear Labor Commissioner,

As counsel for Daniel Perez (“Plaintiff”), I am writing to provide you and the following “employers” notice pursuant to California Labor Code section 2699.3:

Metro Mailing Service Inc.
4251 Gateway Park Blvd.
Sacramento, CA 95834

Kasey Cotulla
4251 Gateway Park Blvd.
Sacramento, CA 95834

Richard Withrow
4251 Gateway Park Blvd.
Sacramento, CA 95834

We are setting forth the “facts and theories” to support each of the counts found within this complaint. Please notify us of your intent to investigate any or all of the claims alleged herein against Metro Mailing Service Inc., Kasey Cotulla and Richard Withrow (“Defendants”). Should you decide not to investigate, we request that you allow us to bring the following action on behalf of Plaintiff and all Aggrieved Employees, pursuant to Labor Code section 2699(a). Specifically, Aggrieved Employees shall include, but is not limited to the following: all individuals who have, or continue to, work for Defendants in California. Plaintiff is clearly entitled to bring a Private Attorneys General Act (“PAGA”) claim for civil penalties on behalf of these individuals pursuant to *Huff v. Securitas Security Services USA, Inc.*, 23 Cal.App.5th 745, 757 (2018) (finding a plaintiff has PAGA standing if affected by one of the alleged violations; the plaintiff need not have personally experienced all the violations pursued in PAGA action).

//



A. FACTS

Plaintiff worked for Defendants, who operate a printing business, from approximately September 2019 to January 14, 2022, as a Certified Digital Operator. Plaintiff and Aggrieved Employees regularly worked overtime hours, *i.e.*, more than eight (8) hours in a day and/or forty (40) hours in a week. In addition to their basic hourly wages, Plaintiff and Aggrieved Employees were paid shift differentials when they worked night shifts, resulting in two different hourly rates being paid to Plaintiff and Aggrieved Employees. Plaintiff and Aggrieved Employees were paid two different hourly rates in the same workweeks they worked overtime hours but were not paid the correct overtime rates because Defendants failed to correctly calculate Plaintiff's and Aggrieved Employees' regular rates of pay to account for the value of the shift differentials. Thus, Plaintiff and Aggrieved Employees were not paid all overtime wages they were owed from Defendants.

Plaintiff and Aggrieved Employees did not receive all meal periods they were entitled to under the law. On occasions where Plaintiff and Aggrieved Employees did not receive legally compliant meal periods, Defendants would pay them meal period premiums. However, Defendants did not pay these premiums at the correct rate of pay because Defendants failed to take into account the value of shift differentials it paid to Plaintiff and Aggrieved Employees. Thus, Plaintiff and Aggrieved Employees were not paid all meal period premiums they were owed from Defendants.

Plaintiff and Aggrieved Employees were not authorized and permitted to take all rest periods they were entitled to under the law. Plaintiff and Aggrieved Employees were not able to take at least a ten-minute duty-free, paid rest period every four hours or major fraction thereof they worked. Defendants did not pay Plaintiff and Aggrieved Employees any rest period premiums for failing to provide legally compliant rest periods.

Plaintiff and Aggrieved Employees received paid sick leave that was not paid at the correct hourly rate. Defendants failed to account for the value of shift differentials paid to Plaintiff and Aggrieved Employees when calculating Plaintiff's and Aggrieved Employees' regular rates of pay for the purpose of paying paid sick leave. Thus, Plaintiff and Aggrieved Employees were not paid all paid sick leave they were owed from Defendants.

Defendants required Plaintiff and Aggrieved Employees to use their personal cellphones for work without reimbursing them. For example, as part of Plaintiff's job, he was regularly required to contact technicians using his personal cellphone. Defendants did not have any policy or practice to reimburse Plaintiff and Aggrieved Employees for the use of personal cellphone for work. Defendants owe Plaintiff and Aggrieved Employees reimburse for personal cellphone use.



Defendants failed to provide Plaintiff and Aggrieved Employees with accurate wage statements. The wage statements Defendants issued to Plaintiff and Aggrieved Employees did not accurately identify all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate, the correct amount of gross and net wages earned, and meal and rest premiums earned.

As of this date of this letter, Defendants have not paid Plaintiff and Aggrieved Employees all overtime wages, paid sick leave, and meal and rest period premiums owed to them.

B. ALLEGATIONS AND CHARGES

Count One – Violation of Labor Code §§ 510, 1194; IWC Wage Order 4, § 3 (Failure to Pay Overtime Wages)

Labor Code sections 510 and 1194 require employers to pay employees 1 ½ times their regular rate of pay for any work in excess of eight (8) hours in one workday and any work in excess of forty (40) hours in any one workweek. Employers must also pay employees 1 ½ times their regular rate of pay for the first eight (8) hours worked on the seventh day of work in any one workweek. Finally, employers must pay employees 2 times their regular rate of pay for all hours worked in excess of twelve (12) hours in any workday and for all hours worked in excess of eight (8) hours on the seventh day of work in any one workweek. As stated above, Plaintiff and Aggrieved Employees worked over eight (8) hours per day and forty (40) hours per week and were not paid all overtime wages owed. Plaintiff and all Aggrieved Employees are entitled to recover all unpaid overtime wages. Failure to pay such wages is against the law.

Count Two - Violation of Labor Code §§ 226.7, 512 and Wage Order No. 4, §§ 11(A) and 11(B) (Failure to Provide Meal Periods or Pay Premiums in Lieu Thereof)

Labor Code section 226.7 and Wage Order No. 4, section 11(A) require employers to provide employees meal periods of thirty (30) minutes per five (5) hours worked, which is to be taken before the completion of the fifth hour. Labor Code section 512 and Wage Order No. 4, section 11(B) further provide that employers may not employ employees for a work period of more than ten (10) hours per day without providing the employee with a second meal period of thirty (30) minutes; however, if the total hours worked is no more than twelve (12) hours, the second meal period may be waived so long as there was no waiver as to the first meal period. For the reasons stated above, Plaintiff and Aggrieved Employees were not authorized and permitted to take legally compliant meal periods pursuant to California law. Defendants also failed to pay any meal period premiums for their failure to provide meal periods. This was in violation of the law.



**Count Three – Violation of Labor Code § 226.7 and Wage Order No. 4, § 12(A)
(Failure to Provide Rest Periods or Pay Premiums in Lieu Thereof)**

Labor Code section 226.7 and Wage Order No. 4, section 12(A) require employers to provide employees paid off-duty rest periods of ten (10) minutes per four (4) hours or major fraction thereof worked. For the reasons stated above, Plaintiff and Aggrieved Employees were not authorized and permitted to take legally compliant rest periods pursuant to California law. Defendants also failed to pay any rest period premiums for their failure to provide rest periods. This was in violation of the law.

Count Four – Violation of Labor Code §§ 226, 226.3 (Failure to Provide Accurate Wage Statements)

Labor Code section 226 requires employers to furnish to employees with “an accurate itemized statement in writing showing (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” For the reasons stated above, Defendants failed to comply with these requirements with respect to Plaintiff and Aggrieved Employees. This is in violation of the law.

Count Five – Violation of Labor Code §§ 201-203, 256 (Failure to Pay Final Wages)

Labor Code sections 201-203 require that all wages, including overtime, paid sick leave, and meal and rest premiums, be paid to employees upon separation and/or termination of employment. Here, for the reasons stated above, Plaintiff and Aggrieved Employees did not receive all final wages due and owing to them at the time of termination or seventy-two (72) hours thereafter as required by Labor Code sections 201-203. This is in violation of the law.

Count Six – Violation of Labor Code § 2802 (Failure to Pay Reimbursements for Expenses)

Labor Code section 2802(a) states that “An employer shall indemnify his or her 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, even though unlawful, unless the employee, at the time of obeying the directions,



believed them to be unlawful.” Defendants failed to pay any reimbursements for personal cellphone use for work by Plaintiff and Aggrieved Employees. This was in violation of the law.

Count Seven – Violation of Labor Code §§ 558, 558.1 (Provisions Regulating Hours and Days of Work in Any Industrial Welfare Commission Order)

Labor Code section 558 states that it is unlawful for any employer, or other person acting on behalf of an employer, to violate or cause to be violated any of sections 500 to 558.1 of the Labor Code or any order of the Industrial Welfare Commission. Similarly, Labor Code section 558.1 states that it is unlawful for any employer or other person acting on behalf of an employer to violate, or cause to be violated, any provision regulating minimum wages or hours and days of work in any order of the Industrial Welfare Commission, as well as Sections 203, 226, 226.7, 1193.6, 1194, or 2802 of the Labor Code. As described above, Defendants, by and through Defendants’ agents, violated Plaintiff and Aggrieved Employees’ rights provided for under Labor Code sections 558 and 558.1 as well as the incorporated Wage Orders and incorporated statutes therein. Kasey Cotulla and Richard Withrow were officers, directors, shareholders, and/or managing agents of Metro Mailing Service, Inc. responsible for the violations stated herein as they were in a position of authority with the power and responsibility to monitor, institute, and/or modify the unlawful practices, but chose to ratify them instead. This is against the law.

Count Eight – Violation of Labor Code §§ 246, 246.5, 248.5 (Failure to Provide Paid Sick Leave)

Labor Code sections 246, *et seq.*, mandate that employers must provide California employees, who work thirty (30) or more days within a year for the employer, paid sick leave of at least one (1) hour for every thirty (30) hours worked that begins to accrue at the commencement of employment. An employer may use a different accrual method, other than providing one hour per every 30 hours worked, provided that the accrual is on a regular basis so that an employee has no less than twenty-four (24) hours of accrued sick leave or paid time off by the 120th calendar day of employment or each calendar year, or in each 12-month period. An employer may limit the use of sick leave to either twenty-four (24) hours or the equivalent of three (3) days, whichever is greater, during a year period. However, employers using an accrual method rather than a lump sum method must allow employees to accrue up to forty-eight (48) hours or the equivalent of six (6) days at any given time. Employers must authorize employees to take paid sick leave under the conditions set forth in the Healthy Workplaces, Healthy Families Act of 2014 (“HWHFA”) for the diagnosis, care, or treatment of an existing health condition of, or preventive care for, an employee or an employee's family member. Any sick leave taken must be paid at the employee’s regular rate of pay. For the reasons state above, Defendants failed to provide Plaintiff and Aggrieved Employees with sick leave meeting the requirements set forth in HWHFA. Plaintiff will be seeking equitable, injunctive, and restitutionary relief to remedy these violations.



If you have any questions or require any further information regarding the facts and theories to support these claims, do not hesitate to contact our office.

Very truly yours,

Shimoda & Rodriguez Law, PC

By: _____
Brittany V. Berzin

BVB
cc: Client via e-mail

1 *Perez v. Metro Mailing Service Inc.*

2 **PROOF OF SERVICE — CCP §§ 1013a and 2015.5**
3 **and California Rules of Court, Rule 1.21 and Rule 2.150**

4 I, Estefania Rodriguez, declare that:

5 I am a citizen of the United States and am over the age of eighteen years and not a party to
6 the within above-entitled action.

7 On June 24, 2022, I served the following documents on the party below:

- 8 • Private Attorney General Act Letter

9

10 Metro Mailing Service Inc. 4251 Gateway Park Blvd. Sacramento, CA 95834	Richard Withrow 4251 Gateway Park Blvd. Sacramento, CA 95834
12 Kasey Cotulla 4251 Gateway Park Blvd. Sacramento, CA 95834	

14

15 [XXX] [By Certified Mail] I am familiar with my employer's practice for the collection
16 and processing of correspondence for mailing with the United States Postal
17 Service and that each day's mail is deposited with the United States Postal
18 Service that same day in the ordinary course of business. On the date set forth
19 above, I served the aforementioned document(s) on the parties in said action by
placing a true copy thereof enclosed in a sealed envelope with postage thereon
fully prepaid, for collection and mailing on this date, following ordinary business
practices, at Elk Grove, California, addressed as set forth above.

20 [] [By Personal Service] By personally delivering a true copy thereof to the office
of the addressee above.

21 [] [By Overnight Courier] By causing a true copy and/or original thereof to be
22 personally delivered via the following overnight courier service:_____.

23 I declare under penalty of perjury under the laws of the State of California that the foregoing
24 is true and correct, and that this declaration was executed on June 24, 2022, at Elk Grove, California.

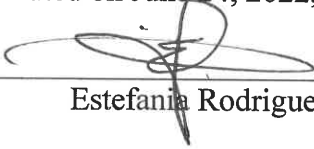
25 
26 Estefania Rodriguez
27
28

EXHIBIT D

DECLARATION OF LISA MULLINS

1
2 1. I am a resident of the United States of America and am over the age of 21. I am the
3 President for ILYM Group, Inc., (herein after referred to as “ILYM Group”), a professional class action
4 services provider. I am preparing this declaration at the request of Plaintiff’s Counsel. I have personal
5 knowledge of the facts herein, and, if called upon to testify, I could and would testify competently to such
6 facts.

7 2. ILYM Group has extensive experience in disseminating PAGA settlements and
8 administering class action settlements, including direct mail services, telephone, and web-based support,
9 database management, opt-out processing, and settlement fund distribution services for class actions
10 ranging in size from 26 to 4.5 million Class Members. Attached hereto, as **Exhibit A**, is a true and correct
11 copy of ILYM Group’s current CV, reflecting our primary competencies as they relate to class action
12 administration. Attached hereto, as **Exhibit B** is ILYM Group’s Security Summary and Protocol. ILYM
13 Group is insured with E&O and Cyber Insurance policies. ILYM Group is insured with E&O Insurance
14 policies up to \$2,000,000 per incident and Cyber Insurance policies up to \$5,000,000 per incident.

15 3. ILYM Group has never had any financial interests in nor affiliation with the parties or
16 counsel in the *Perez v. Metro Mailing* matter.

17 4. Upon appointment, ILYM Group will provide a mailing address and toll-free telephone
18 number to receive correspondence and inquiries from aggrieved employees. After receiving the data file
19 from Defendant, which should contain the aggrieved employees’ names, last known addresses, and social
20 security numbers, ILYM Group will upload the data into our database and check for duplicates and other
21 possible discrepancies.

22 5. As part of the preparation for notice and disbursement, ILYM Group will process
23 aggrieved employees’ names and addresses against the National Change of Address (“NCOA”) database,
24 maintained by the United States Postal Service (“USPS”), to update and confirm the mailing addresses of
25 the aggrieved employees before the mailing of the notice. To the extent an updated address is found in the
26 NCOA database, ILYM Group will use the updated address for mailing the notice. If ILYM Group does
27 not locate an updated address in the NCOA database, it will use the original address provided by Defendant
28 for mailing the notice.

6. ILYM Group's Disbursement Process will include but is not limited to; (a) applying for case EIN; (b) establishing Qualified Settlement Fund ((QSF) Escrow Account), with administering tasks including but not limited to overview and reconciliation of account; (c) calculating the individual settlement amounts; (d) preparing, administering, and distributing settlement award checks to the Participating Aggrieved Employees, including necessary tax forms (W2 and/or 1099); (e) calculating and withholding all applicable state and federal taxes; (f) should any disbursements be returned to ILYM Group's office as undeliverable, ILYM Group will attempt to locate an updated address using the NCOA database and/or other skip trace efforts and will promptly remail the disbursement; (g) performing other such duties as the Parties and/or the Courts direct. The above services are included in ILYM Group's initial quote. Attached hereto, as **Exhibit C**, is a true and correct copy of ILYM Group's quote for this matter.

7. ILYM Group's fees associated with the administration of this settlement are: **\$2,000.00.**

I declare, under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 1st day of September 2026, at Tustin, California.


Lisa Mullins

EXHIBIT “A”

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Overview of Our Firm:

ILYM Group, Inc is a class action administration, legal notification, and direct media outlets firm. With over 20 years of combined experience, our primary commitments are to client satisfaction, cutting edge technology and data management security, seamless case management and delivery of case expectations. Because, of our adherence to these commitments, ILYM Group, Inc is a one of the fastest growing, Woman Owned Business (NAPW), in the industry and has become the go-to firm for class action administration and legal notification. ILYM Group, Inc works with the top defense and plaintiff firms across the United States.

AREAS OF EXPERTISE:

- Wage and Hour
- FLSA
- Insurance and Health Care
- Consumer
- Finance
- ERISA
- TCPA
- Antitrust
- Securities

Ramirez v JC Penney.

- ERISA Case with a class size of 26,000.

Kruger, et al. v. Novant Health

- ERISA Case with a class size of \$32 million.

Abbott, et al. v. Lockheed Martin Corp.

- ERISA Case with \$62 million.

Jacqueline Jones vs. I.Q. Data International, Inc.

- TCPA Case with a class size of 93,993. Performed a reverse look-up to obtain Class Member information. We were able to obtain contact information for 93.82% of the Class that did not have a name or address.

Reza Barani vs. Wells Fargo Bank, N.A.

- TCPA Case with a class size of 82,874. Performed a reverse look-up to obtain Class Member information. We were able to obtain contact information for 87.84% of the Class that did not have a name or address.

Kimberly Roberts, et al. v. T.J. Maxx of CA, LLC, et al.

- Wage & Hour Case with a class size of 82,549.

Robert Stone, et al. v. Universal Protection Services, LP, et al.

- Wage & Hour Case with a class size of 75,351.

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

ILYM Group, Inc. is operational 24/7 delivering true client and class member availability. Our call center is open 24/7/365 days a year, even holidays and is full digital, automated and multilingual. ILYM Group Inc.'s mail and media center is a state-of-the-art facility, fully digital and USPS integrated. We can accommodate cases of any size, from ten class members to multi-millions. ILYM Group, Inc. prides itself on its commitment to service, quality, value pricing and availability. We've committed ourselves to being the best Class Action Administration and Notification Company in our industry. Through our years of experience, ILYM Group, Inc. is dedicated to exceeding our client's expectations.

PRE-SETTLEMENT CONSULTATION

- **Administration Consultation:** Meeting to determine objectives and expectations by both parties. All reporting and responsibilities will be agreed upon as will the seamless process to access data. We will also discuss the opportunities to identify class members with the proposed print and web-based media for optimum reach. Additionally, all expectations and delivery of those results will be planned for and mapped accordingly.

MAILING AND NOTIFICATION

- **Fulfillment and Correspondence:** All provided settlement information will be published via United States Postal Service (USPS first class standards) to the proposed mailing class. Notifications will include a Claim ID and how to respond, or Opt-Out, based on the stipulations.
- **Reverse Lookup:** A confidential reverse phone or reverse cell lookup will provide; owner's name, location, address history, carrier, phone type (landline or cell phone) and more. Our reverse lookup is powered by an extensive database which includes hundreds of millions of cell phone, landline, residential and unlisted number. Our software collects data from multiple data sources and carriers across the US. Our average "hit ratio" ranges from 93% - 98%.
- **Creating Class Database:** All Data is verified and filtered to eliminate duplication against the United States Postal Service (USPS) National Change of Address (NCOA) database. ILYM Group, Inc. will also certify and validate with the Coding Accuracy Support System (CASS) and Track Your Class (TYC) for zone delivery.
- **Claim Forms:** ILYM Group, Inc. will email all claim forms, whenever possible, to have accurate reporting and tracking of all class requests. Emails will contain full text claim forms.
- **Translations:** When needed, ILYM Group, Inc. will translate notices to any language needed to reach Class members.
- **Remails:** Returned mail will be scanned, re-verified and re-mailed. All returned mail is data warehoused and reported to both parties' counsels in a weekly report.

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

MEDIA & INTERNET BANNER ADS

Notice Publication

- **Legal Notices:** ILYM Group, Inc. can provide a Media Proposal to maximize reach based on quantitative and qualitative methodologies.
- **Electronic Publication (Banner Ads):** ILYM Group, Inc. will utilize Internet Banner Noticing efforts and web technologies for maximum reach via the World Wide Web.
- **Electronic Mail Notices:** ILYM Group, Inc. can email an estimated number of class members a full text notice. We are compliant with all search engines and Internet Service Providers (ISP) so that our emails are always “White List” accepted with minimal returns.
- **Reach:** Every case has its own proposed reach and exposure percentage. We filter, verify and scrub the data to improve reach results.
- **Services Included:** Analysis, Documentation, Research and Methodologies, Execution and Reporting.

PROJECT MANAGEMENT

- **Case Notification, Maintenance and Management:** ILYM Group, Inc.’s Senior Project Managers will provide all Account Management, Pre-Consultation to Case Conclusion, Reporting and Claims Processing. Design, negotiation and implementation, upon approval, of all forms and notices, all distribution reporting and filings with the court.
- **Claims Processing:** All claims can be submitted by USPS, Internet, Fax, and Email or Online submission. Claims will be processed and recorded with matching ILYM database ID's. E-claims will have corresponding records of intake. All deficient claims will be notified via USPS and make provisions for class member to re-submit claims.
- **Call Center:** ILYM Group, Inc. will support class members with a toll-free number to get the most up-to-date case settlement information. Customer service representatives will be available 24/7/365 as will recorded messages. All class members are given the options to best serve their needs and to receive case information.
- **Internet Support:** Class members can log on to a provided website and view, print or submit information and claim forms regarding the settlement. Frequently Asked Questions (FAQ's) will be provided as well. Class members may download the claim form with mailing and fax instructions provided on the form.
- **Objection and Request for Exclusion:** All objections and request for exclusion, opt-out, will be data warehoused, dated and reported. Postmarks will serve for exclusion dating and will be forwarded to both counsels' no more than 5 days post submission. Objection will be reviewed by ILYM Group, Inc. to determine the timeliness and basis of the objection. All information will be forwarded to both parties counsel, along with any representation information from the class member, within 5 days.

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

DATA ADMINISTRATION AND NETWORK SECURITY

- **Network Security:** All provided data is encrypted, stored and hosted in a Tier 4, SAS70 certified environment.
- **Database Administration:** To be developed with all electronically provided data. Class members will be assigned ILYM Group, Inc. internal tracking ID's to ensure all collected member data coincides with all received claims.

DISTRIBUTION AND SETTLEMENT FUNDING

- **Distribution and Management:** Upon receipt of settlement funds, ILYM Group, Inc. will open a QSF Account for proceeds of the Gross Settlement Payment. The deposited funds will then be managed per the Settlement Agreement. All funds will be settled with class members and counsel along with all federal and state income tax reporting.
- **Check Printing and Mailing:** Claims processed, quantified and approved by clients, will be processed for distribution. All checks will be printed and mailed via USPS first class standards. ILYM Group, Inc. will reissue checks in accordance with the Settlement Agreement.
- **Preparation, Filing and Reporting of Taxes:** ILYM Group, Inc. will ensure taxes are filed in accordance to all federal, state and local employment tax returns. All taxes associated with the settlement will be paid on time to tax authorities. All filings and returns (e.g., 1099s, W-2s, etc.) will be done properly and timely with the appropriate authorities. All QSF steps and obligations with federal, state and/or local law will be followed.

CASE CONCLUSION

- **Data Manager Final Report:** All database and electronic documentation will be sent in reports weekly and at the conclusion of the Administration engagement. Call center activity, e-claims, mailed, and faxed claims will be included in all reporting.
- **Project Manager Final Report:** All case and class related information will be provided on a weekly basis and at the conclusion of the Administration engagement. Mailing and media final analysis, exclusions, objections, and all other claims processing outcomes, status reports and final court documentations will be included.
- **Affidavits:** ILYM Group, Inc. will provide all affidavits in support of analysis and media reach, final approvals and settlement. Expert Testimony and Media Methodologies will be determined.
- **Document Retention:** Unless otherwise directed, ILYM Group, Inc. will destroy all undeliverable notices on the effective date of the settlement or when the case is no longer subject to appeal. ILYM Group, Inc. will correspond for one year after the final distribution or until the case is no longer subject to appeal.

EXHIBIT “B”

ILYM Group, Inc. (ILYM) in conjunction with our security and Information Technology (IT) vendor(s), maintains the highest level of confidentiality of class member data. The class data and all forms of communication received by ILYM, will be held in strict confidentiality and will not be disclosed. Data provided to the administrator for purposes of notice, settlement, or award administration will be used solely for settlement implementation and for no other purpose. ILYM will set up a login for Defense Counsel to transmit the class data through our encrypted secure portal. ILYM processes adhere to the Settlement Administration Data Protection Checklist in the Northern District of California and are summarized in the tables below.

Technical Controls

Firewalls and intrusion detection/prevention systems	Yes
Endpoint Detection and Response (EDR) Systems	Yes
Complex Password Requirements	Yes
MultiFactor Authentication for Access to Systems and Data	Yes
Malware Protection and AntiVirus	Yes
Vulnerability Scanning/Pen Testing	Yes
Data Encryption	Yes
Key Management for access to encrypted Data	Yes
Access only provided on need-to-know basis	Yes
Security Operations Center (SOC)	Yes
Managed Detection and Response (MDR)	Yes
Security Information and Event Management (SIEM)	Yes
Software Defined Global Network (SGN) with next gen firewall	Yes

Administrative Policies

Personnel and support staff risk assessment and management, including pre-hire background checks and screening processes	Yes
Personnel and support staff required to enter into non-disclosure and confidentiality agreements	Yes
Access controls to systems and data, including guidance for granting, modifying, and reviewing access rights	
Information security and privacy policy training, including policy review, best practices, and data security	Yes
No remote access to systems for Employees	No
Exit interviews/confirmation that terminated/departed employees are immediately cut off from access	Yes
Robust audits of data privacy policies by third-party vendors	Yes
Accreditation in accordance with ISO 27001 and SOC2 (among the industry standards listed below)	Compliant
Disclosure of external certifications and any notice of expiration	Yes

Crisis and Risk Management

Incident response/disaster plan for immediate response to security incidents such as data breach.	Yes
Process and timing for notification to attorneys, claimants, and other stakeholders of a data breach and consideration of resources and/or remedies to provide thereto	Yes
Vendor management program that determines and defines requirements to manage risk associated with outsourcing	Core Vendors are limited and have been vetted. New program being implemented as part of SOC 2

Physical Access Controls

Physical Access Security Security Guards Access Cards to facilities with assignment of identification card subject to approval and review Logs of Access	Logs and “codes” No cards – just codes No security guards Logs are kept
Alarm Systems	Yes
CCTV recording Systems	Yes

Data Collection and Retention

Minimization of collection of personally identifiable information, e.g., social security numbers and banking information	Yes
Data collection only required to extent necessary for settlement administration	Yes
Various methods for ensuring data protection and security of Data classification (including implementation of appropriate safeguards to protect from theft, loss, and/or unauthorized disclosure, use, access, destruction) Compliance with applicable laws and regulations (see below) Secure data transfer	Yes

Data Destruction

Preservation of data only for so long as required for administration of the settlement and any relevant reporting required following the payments or distributions	Yes
Secure data destruction (e.g., 6 months – 1 year or when no longer required)	Yes
Physical media (e.g., paper, CDs) shredded or destroyed to point where they cannot be reconstructed	Yes
Destruction of all derivative copies and/or back-ups	Yes

Applicable Laws, Standards, and Other Regulation

Industry standards: National Institute of Standards and Technology (NIST), HIPAA, FISMA, System and Organization Controls (SOC1 and SOC2) or more advanced assessment, ISO 27001	Yes
Local, national, international privacy regulations (including CCPA)	Yes

Ethical Rules

Administrative policies and/or employee handbook incorporating commitment to ethical rules (e.g., company, court ethical rules) setting forth standards of ethical and legal behavior	Yes
Enforcement clauses, violation resulting in disciplinary action including and up to termination of employment	Yes

Customer Service Measures

Description of settlement website and posting thereto of relevant privacy policies or statements (including portal for reporting suspected loss of confidential data submitted with claim)	Yes
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Explanation of role of claims administrator and how to prevent phishing (e.g., clear indication that administrator will not request confidential information by e-mail and how to identify a valid e-mail sent from the administrator)	Yes
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EXHIBIT “C”



Case Name: Perez v. Metro Mailing

Tuesday, July 21, 2026

Requesting Attorney:

Justin Rodriguez
Shimoda & Rodriguez Law, PC
jrodriguez@shimodalaw.com
916.525.0716

ILYM Group Contact:

Lisa Mullins
ILYM Group, Inc.
lisa@ilymgroup.com
714.878.8836

Estimate For Administrative Solutions: PAGA

KEY ASSUMPTIONS	
Total Number of Aggreived Employees	19
Estimated Percentage of Remails	15%
Certified Spanish Translation	No
ILYM Group Static Website	No
NCOA	Yes
Case Duration (Years)	1

Summary of ILYM Group, Inc.'s Fees & Expenses

Case Startup:	\$405.11
Distribution (Includes EIN, Bank Acct * /QSF Setup):	\$1,474.89
Case Conclusion:	\$120.00

Estimated ILYM Fees & Expenses: \$2,000.00

Case Name: Perez v. Metro Mailing

Tuesday, July 21, 2026

Requesting Attorney's Name: Justin Rodriguez

Activity	Rate Type	Unit Cost	Volume	Amount
CASE STARTUP				
Initial Setup - Import and Formatting of Data*	Hourly	\$150.00	1	\$150.00
Project Manager (Case notification and maintenance)	Hourly	\$120.00	2	\$240.00
NCOA	Flat Rate	\$10.00	1	Waived
Toll-Free Customer Service Representative	Flat Rate	\$15.11	1	\$15.11

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

Subtotal \$405.11

DISTRIBUTION (Includes EIN, Bank Acct /QSF Setup)*				
Distribution Setup & Management	Hourly	\$150.00	1	\$150.00
Account Reconciliation & Distribution Reporting	Hourly	\$125.00	1	\$125.00
Notice, Check, Stub & Release - (including 1099)	Per Check	\$1.50	19	\$28.50
USPS First Class 1oz Postage	Per Piece	\$0.81	19	\$15.39
Remails (Forward/Skip Trace Undeliverables)	Per Piece	\$2.00	3	\$6.00
Preparation of Taxes	Hourly	\$150.00	1	\$150.00
Annual Filing of Tax Return	Per Year	\$1,000.00	1	\$1,000.00

**Additional Bank fees may apply*

Subtotal \$1,474.89

CASE CONCLUSION				
Data Manager Final Reporting	Hourly	\$100.00	1	Waived
Declaration	Hourly	\$120.00	1	\$120.00

Subtotal \$120.00

Estimated ILYM Fees & Expenses: \$2,000.00

ILYM Group's Terms and Conditions

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

EXHIBIT E

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO**

DANIEL PEREZ, individually and on behalf of all
other similarly situated employees,

Plaintiff,

vs.

METRO MAILING SERVICE INC., *et al.*,

Defendants.

Case No. 34-2022-00323567

**NOTICE OF PRIVATE ATTORNEYS GENERAL
ACT SETTLEMENT PAYMENT**

TO: All individuals who have, or continue to, work for Defendant in California who received the second shift pay differential and who worked overtime, received a meal/rest period premium, and/or received sick leave pay that would have been subject to that differential, from June 24, 2021, up to _____ (the "PAGA Employees")

This Notice is being provided to you to inform you of a Private Attorneys General Act ("PAGA") Settlement and your proportional share of this settlement payment. The payment is a result of a Court approved PAGA Settlement in the case of *Daniel Perez v. Metro Mailing Service Inc.*, Sacramento County Superior Court of California, Case No. 34-2022-00323567, filed July 18, 2022 (the "Action"). You are receiving this letter because you fall within the definition of PAGA Employees identified above.

In the Action, Plaintiff Daniel Perez ("Plaintiff") sought to obtain civil penalties, fees, and costs on behalf of himself and PAGA Employees. Plaintiff alleged that Metro Mailing Service, Inc. ("Defendant") violated California law by 1) failing to pay overtime wages; 2) failing to provide accurate wage statements; 3) failing to pay final wages; 4) failing to provide meal and rest periods or pay all premiums owed in lieu thereof; 5) failing to provide paid sick leave; and 6) failing to reimburse all expenses. These claims are based on Plaintiff's contention that Defendant failed to account for the value of shift differential pay when calculating the regular rate of pay used for overtime premiums, meal and rest period premiums, and sick leave wages. The claim is also based on Plaintiff's contention that employees were required to use their personal cell phones for work purposes without being reimbursed for the associated expense.

This notice is not intended to be, and should not be construed as, an expression of any opinion by the Court with respect to the truth of the allegations in the Action or the merits of the claims or defenses asserted. Defendant has denied engaging in any unlawful conduct in any respect and further disputes all of Plaintiff's allegations in the Action. By entering into the PAGA Settlement, Defendant does not admit any liability to Plaintiff or to any other current or former employees, and Defendant does not admit that any violations of Plaintiff's rights, or the rights of any other current or former employee have occurred.

Plaintiff filed a notice with the California Labor and Workforce Development Agency ("LWDA") to exhaust administrative remedies and pursue claims under the PAGA, California Labor Code §§ 2698 *et seq.*, predicated on the claims outlined above. The scope of the PAGA Settlement includes all of the PAGA Employees for the time period identified above. In exchange for payment under the Settlement, Plaintiff has agreed to waive all claims for civil penalties that were brought under the PAGA that were asserted in Plaintiff's notice letter to the LWDA and any additional claims for civil penalties under the PAGA that could have been brought based on the facts alleged therein. The scope of this waiver is limited to only PAGA Employees and only for PAGA claims arising between June 24, 2021, and _____. PAGA Employees cannot opt out of this waiver of claims.

Under the terms of the Settlement, Defendant has agreed to pay a Gross Settlement Amount of \$87,500, in exchange for the waiver identified herein ("Gross Settlement Amount"). Deducted from this Gross Settlement Amount were sums approved by the Court for attorneys' fees (\$ _____), attorneys' costs (\$ _____), and Settlement Administrator Costs (\$ _____), which resulted in a "Net Settlement Amount" of \$ _____ for distribution to between PAGA Employees and the LWDA as required by the California Labor Code. 75% of the Net Settlement Amount (\$ _____) is being paid to the LWDA and 25% of the Net Settlement Amount (\$ _____)

is being paid to PAGA Employees pursuant to Labor Code section 2699(i). Each individual PAGA Employee's share of the Net Settlement Amount was determined by taking their individual number of pay periods worked between June 24, 2021, and _____, during which they received the second shift pay differential and worked overtime, received a meal/rest period premium, and/or received sick leave pay that would have been subject to that differential, and dividing that number by the number of all such pay periods worked by all PAGA Employees between June 24, 2021, and _____, and then multiplying that fraction by the 25% share of the Net Settlement Amount.

Enclosed in this mailing, you will find a check containing your share of the PAGA Settlement based on the above allocation.

Should you have any questions or concerns, you may contact ILYM Group Inc. at (888) 250-6810. You may also contact counsel for Plaintiff and/or Defendant:

Galen T. Shimoda
Justin P. Rodriguez
Renald Konini
Shimoda & Rodriguez Law, PC
9401 East Stockton Blvd., Suite 120
Elk Grove, CA 95624
Telephone: (916) 525-0716
On behalf of Plaintiff

James D. McNairy
Andrew M. Ducart
Boutin Jones Inc.
555 Capitol Mall, Suite 1500
Sacramento, CA 95814
Tel. (916) 321-4444
On behalf of Defendant

Do not call or write the Court or the Office of the Clerk of the Court to ask questions about the settlement or to ask tax-related questions.

EXHIBIT F

EXHIBIT G

Date	Description	Amount
6/25/22	Payment to L WDA - PAGA Filing Fee	\$ 75.00
7/8/22	Administration/Copy Fee - Phone, Fax, Scan, Copying, Westlaw Legal Research Fees	\$ 500.00
7/21/22	One Legal Filing/Service Fee - Complaint	\$ 526.59
7/29/22	Payment to Court - Complex Fees	\$ 1,000.00
9/10/22	One Legal Service Fee - Amended Complaint, Amended Summons	\$ 78.76
9/13/22	ALS Service Fee - First Amended Complaint	\$ 55.00
9/26/22	One Legal Filing/Service Fee - Summons	\$ 61.26
3/24/23	One Legal Filing/Service Fee - Case Management Statement	\$ 61.26
8/7/23	One Legal Filing/Service Fee - Declaration Re: IDC	\$ 83.39
10/18/23	One Legal Filing/Service Fee - Request for Dismissal	\$ 83.39
11/8/23	One Legal Filing/Service Fee - Case Management Statement	\$ 83.39
3/12/24	One Legal Filing/Service Fee - Motion Re: Waiver	\$ 78.65
3/21/24	One Legal Filing/Service Fee - Notice	\$ 16.88
1/30/25	One Legal Filing/Service Fee - Case Management Statement	\$ 19.36
5/16/25	Deposition Transcript - PMK 120273	\$ 1,345.94
8/20/25	Deposition - Plaintiff - Parking/Meal	\$ 81.24
8/30/25	Deposition Transcript - Plaintiff	\$ 2,587.80
7/22/26	One Legal Filing/Service Fee - Notice of Settlement	\$ 20.34
7/23/26	One Legal Filing/Service Fee - Stip & Order Re: Litigation & Trial Dates	\$ 42.07
ANTICIPATED	One Legal Filing Fee - Motion for Approval of PAGA Settlement	\$ 150.00
ANTICIPATED	One Legal Service Fee - Notice of Entry of Judgment or Order	\$ 25.00
ANTICIPATED	One Legal Service Fee - Case Management Conference Statement	\$ 25.00
ANTICIPATED	One Legal Service Fee - Compliance Declarations	\$ 25.00

Total: \$ 7,025.32

EXHIBIT H

<u>TASK CATEGORY</u>			
Pre-filing investigation, Pleadings, Admin Exhaustion. Includes initial client meeting and review of claims and documents; Pre-filing investigation/research; Review of payroll records and prior filings against Defendant; Drafting pleadings, notices, administrative filings; Reviewing and responding to pleadings and court filings; Communications with opposing counsel regarding same, and communications with client regarding same.	<u>GTS</u>	<u>JPR</u>	<u>RK</u>
	13.4	18.1	
Case Review, Management, Strategy Meetings. Includes time spent discussing general plan of action updates and strategies in weekly meetings, research and analysis regarding claims, certification, and manageability, case management conferences and related meet/confer, drafting of statements, and attendance for hearings. Communications with opposing counsel regarding same, communications with client regarding same.	9.6	13.9	1.8
Discovery. Includes time spent preparing discovery requests, Belaire Notices, Protective Orders, Confidentiality Agreements, meet and confer regarding same. Review and respond to discovery requests, including document review, public records searches, meet and confer and law and motion regarding same. Interviewing witnesses and obtaining declarations, reviewing documents; Deposition of PMK and Plaintiff. Communicate with client regarding same, communicate with opposing counsel regarding same.	14.5	41.2	20.8
Settlement. Includes time spent negotiating, preparing long form agreement and exhibit, revisions relating thereto, research regarding any approval procedures or issues regarding disputed terms. Communicating with client regarding same, communicating with opposing counsel regarding same.	2.1	11.9	3.3
Settlement Approval and Administration. Includes time spent drafting motion for approval and supporting declarations and order. Includes estimated 10 hours for preparing for and attending hearing, speaking with Settlement Administrator regarding calculations and distributions, analyze calculations and estimated disbursements, review notice updates, preparing for and attending compliance hearing, communicate with opposing counsel regarding same, communicate with client regarding same.	4.6	24.3	3.1
Total Per Billing Party:	44.2	109.4	29

EXHIBIT I

SUPERIOR COURT OF CALIFORNIA, COUNTY OF SACRAMENTO

Gordon D. Schaber Superior Court, Department 22

JUDICIAL OFFICER: HONORABLE LAURI A. DAMRELL

Courtroom Clerk: V. Aleman
Court Attendant: J. Flores

CSR: NONE

25CV006631

January 9, 2026
9:00 AM

WORTHY, et al.

vs

MALWAREBYTES, INC.,

MINUTES

APPEARANCES:

Plaintiff Brandon Worthy, Individually And On Behalf Of All Others Similarly Situated represented by Adam L. Koshkin via virtual conference.

Plaintiff Randi Rizzari, Individually And On Behalf Of All Others Similarly Situated represented by Adam L. Koshkin via virtual conference.

Defendant MALWAREBYTES, Inc., represented by Helen Braginsky via virtual conference.

Other Appearance Notes: Counsel Chad Greeson for Defendant Malwarebytes, Inc (Via Virtual Appearance).

NATURE OF PROCEEDINGS: Hearing on Motion for Final Approval of Settlement

COURT RULING:

After hearing from the parties, the Court affirmed the tentative ruling.

The Court will sign the proposed order.

TENTATIVE RULING:

Plaintiffs Brandon Worthy and Randi Rizzari's ("Plaintiffs") motions for final approval of class and Private Attorneys General Act ("PAGA") action settlement and for attorneys' fees, costs, and service awards are UNOPPOSED and tentatively GRANTED, pending the final fairness hearing. (Code of Civ. Proc. § 382; Cal. Rules of Court, Rule 3.769.) In the interests of judicial economy and efficiency, the Court combines its rulings on these motions into a single Tentative Ruling.

Moving counsel's Notice of Motion does not provide notice of the Court's tentative ruling system, as required by Local Rule 1.06. Moving counsel is directed to contact opposing

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counsel and advise them of Local Rule 1.06, the Court's tentative ruling procedure, and the manner to request a hearing.

Status Conference (Compliance Hearing) is scheduled for 11/13/2026 at 10:30 AM in Department 22 at Gordon D. Schaber Superior Court.

The Court has provided specific direction on the information and argument the Court requires to grant a motion for preliminary approval of a class action settlement. The Parties shall carefully review the Checklist for Approval of Class Action Settlements and fully comply with each applicable item to ensure a prompt ruling from the Court.

NOTICE:

The Parties are encouraged to appear via Zoom with the links below:

To join by Zoom link - <https://saccourt-ca-gov.zoomgov.com/my/sscdept22>

To join by phone dial (833) 568-8864 ID 16184738886

Parties requesting services of a court reporter will need to arrange for private court reporter services at their own expense, pursuant to Government Code §68086 and California Rules of Court, Rule 2.956. Requirements for requesting a court reporter are listed in the Policy for Official Reporter Pro Tempore available on the Sacramento Superior Court website at <https://www.saccourt.ca.gov/court-reporters/docs/crtrp-6a.pdf>. Parties may contact Court-Approved Official Reporters Pro Tempore by utilizing the list of Court Approved Official Reporters Pro Tempore available at <https://www.saccourt.ca.gov/court-reporters/docs/crtrp-13.Pdf>

*If you are not using a reporter from the Court's Approved Official Reporter Pro Tempore list, a Stipulation and Appointment of Official Reporter Pro Tempore (CV/E-206) must be signed by each party, the private court reporter, and the Judge. **The signed form must be filed with the clerk prior to the hearing.***

If a litigant has been granted a fee waiver and requests a court reporter, the party must submit a Request for Court Reporter by a Party with a Fee Waiver (CV/E-211). The form must be filed with the clerk at least 10 days prior to the hearing or at the time the hearing is scheduled if less than 10 days away. Once approved, the clerk will forward the form to the Court Reporter's Office and an official reporter will be provided.

Background

On March 19, 2025, Plaintiffs filed a class, collective, and PAGA action complaint against Defendant Malwarebytes, Inc. ("Defendant"), alleging the following causes of

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action: (1) Fair Labor Standards Act (“FLSA”) claims for overtime wages; (2) California claims for overtime wages; (3) California record keeping violations; (4) California waiting time penalties; (5) California wage payment provisions; (6) California meal and rest period provisions; (7) California Unfair Competition Law violations; and (8) PAGA penalties for overtime violations, failure to timely pay wages upon termination, wage statement violations, and meal and rest period violations. (Complaint.)

On May 30, 2025, the Court tentatively granted Plaintiffs’ motion for preliminary approval. (5-30-25 Minute Order.) The Court granted preliminary approval on June 26, 2025. (6-26-25 Order.) On August 12, 2025, the Court granted the Parties’ Stipulation to amend the administration deadlines. (8-12-25 Order.)

Plaintiffs now move for final approval of the Parties’ Settlement Agreement and Release (“Agreement”). (Koshkin Decl., ¶¶ 78-79, Exhs. 1-2 (“SA”).) Plaintiffs provided a copy of the Agreement and the moving papers to the LWDA. (Koshkin Supp. Decl. ISO Prelim. App., ¶ 6, Exh. D.)

Legal Standard

Courts review class action settlements in a three-stage process: (1) an earlier conditional review by the court; (2) a period during which notice is distributed to class members for their comments or objections; and (3) a later detailed review after the notice period when the court decides whether to give “final approval.” (Rubenstein, Newberg and Rubinstein on Class Actions (6th Ed. 2025) § 13:1 (Newberg); see also Cal. R. Ct. Rule 3.769.) This procedure, which is commonly utilized by both federal and state courts, assures class members of the protection of procedural due process safeguards and enables a court to fulfill its role as the guardian of the interest of the settlement class.

As required by the applicable Rule of Court, the Court must conduct a final approval hearing to inquire into the fairness of the proposed settlement. (Cal. R. Ct., Rule 3.769(g).) The Court has broad discretion to determine whether a proposed settlement in a class action is fair. (*Mallick v. Superior Court* (1979) 89 Cal.App.3d 434, 438.) The law favors settlement, particularly in class actions and other complex cases where substantial resources can be conserved by avoiding the time, cost, and rigors of formal litigation. (See Newberg, *supra*, § 13:44 (and cases cited therein); *Class Plaintiffs v. City of Seattle* (9th Cir. 1992) 955 F.2d 1268, 1276; *Van Bronkhorst v. Safeco Corp.* (9th Cir. 1976) 529 F.2d 943, 950.) In approving a class action settlement, the Court must “satisfy itself that the class settlement is within the ‘ballpark’ of reasonableness.” (*Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 133.) In making its fairness determination, the Court should consider the relevant factors, such as the strength of the plaintiffs’ case, the risk, expenses, complexity and likely duration of further litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the extent of discovery completed and the stage of the proceedings, the experience and views of counsel, and the reaction of the class members to the proposed settlement. (*Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801.) “The most important factor

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is the strength of the case for plaintiffs on the merits, balanced against the amount offered in settlement.” (*Kullar, supra*, 168 Cal.App.4th at p. 130 [internal quotes omitted].) A presumption of fairness exists where (1) the settlement is reached through arm’s-length bargaining; (2) investigation and discovery are sufficient to allow counsel and the court to act intelligently; (3) counsel is experienced in similar litigation; and (4) the percentage of objectors is small. (*Dunk, supra*, 48 Cal.App.4th at p. 1802.) Ultimately, the court’s determination is simply “an amalgam of delicate balancing, gross approximations and rough justice.” (*Id.*, at p. 1801.)

Settlement Agreement and Class Response

Plaintiffs represent the following classes:

1. California Class Members are Exempt and Nonexempt Sales Representatives employed by Defendant in California from April 4, 2018 through the Release Date. (SA, ¶¶ 1.4, 1.8.)
2. Putative Collective Class Members are Exempt and Nonexempt Sales Representatives employed by Defendant outside of California from April 4, 2019 through the Release Date. (*Id.*, ¶¶ 1.44, 1.6.)
3. PAGA Members are Exempt and Nonexempt Sales Representatives employed by Defendant in California during the period April 4, 2021 through the Release Date. (*Id.*, ¶¶ 1.28, 1.33.)

Exempt Sales Representatives means “current and former employees of Defendant who worked as exempt-classified sales representatives in the job profiles Inside Sales Representative 3,4 – Own Quota; Inside/Renewal Contract Sales Rep. 4; and Telemarketing/Lead Development Rep 4. (SA, ¶ 1.17.) Nonexempt Sales Representatives means “all current and former employees of Defendant who worked as nonexempt-classified sales representatives in the job profiles Telemarketing/Lead Development Rep 1, 2, 3; Inside/Contract Renewal Sales Rep 2, 3; Inside Sales Representative 2 – Overlay Quota; and Inside Sales Representative 2 – Own Quota.” (*Id.*, ¶ 1.23.) The Release Date “is the date corresponding to the number of accrued workweeks covered by the Total Settlement Amount.” (*Id.*, ¶ 1.46.) The Release Date for exempt Sales Representatives will be no later than April 16, 2023, and the Release Date for nonexempt Sales Representatives will be no later than the date of the preliminary approval order, subject to the Agreement’s escalator clause. (*Ibid.*)

Under the terms of the Agreement, Defendant denies liability, but agrees to pay a Total Settlement Amount (“TSA”) of \$1,610,000 to resolve Plaintiffs’ claims. (SA, ¶¶ 1.55, 8.1(a), 12.) The TSA does not include the employer payroll taxes, which Defendant will fund separately and in addition to the TSA. (*Id.*, ¶ 8.1(a).) Defendant shall fund the TSA 15 days after the Effective Date.^[1] (*Id.*, ¶ 8.1(d).) The settlement is non-reversionary. (*Id.*, ¶ 8.)

The following amounts will be paid from the TSA:

- Attorneys’ fees no greater than one-third of the TSA (\$536,666.67), plus reimbursement of reasonable out-of-pocket costs, which are approximately

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\$20,445.02. (SA, ¶ 8.7(a); Koshkin Decl., ¶ 34.)

- Named Plaintiffs' service awards up to \$10,000 each. (SA, ¶ 8.8(a).)
- PAGA penalties in the amount of \$80,500, of which 75% (\$60,375) will be allocated to the LWDA and 25% (\$20,125) will be allocated to the PAGA Members. (*Id.*, ¶¶ 1.21, 1.31, 1.32.)
- Settlement administration costs, which are estimated not to exceed \$8,000. (*Id.*, ¶ 1.22; Koshkin Decl., ¶ 34.)

The remaining amount – the Net Fund – will be distributed to the Class Members on a pro rata basis determined by exempt status, work location, and weeks worked in each relevant exempt status and/or work location in the relevant period. (SA, ¶¶ 1.22, 8.2.) Each Putative California and Collective Class Member shall receive: (1) 1 point for each workweek worked as a Nonexempt Sales Representative outside of California; (2) 1.5 points for each workweek worked as an Exempt Sales Representative outside of California; (3) 3 points for each workweek worked as a Nonexempt Sales Representative in California; and (4) 4.5 points for each workweek worked as an Exempt Sales Representative in California. (*Id.*, ¶ 8.3(b).) To calculate each Class Members' proportionate share, the Administrator shall (1) add all points for the Class Members together to obtain the denominator; (2) divide the number of points for each Class Member by the denominator to obtain each Class Members' portion of the Net Fund; and (3) multiply each Class Members' portion by the Net Fund to determine each Class Members' settlement amount. (*Id.*, ¶ 8.3(b).) The Agreement clarifies that no Class or Collective Class Member shall be entitled to a double recovery for any one workweek based on their inclusion in both the California and Collective Classes. (*Id.*, ¶ 8.3(c).) The PAGA Members' proportionate share of the PAGA payment will be similarly determined: PAGA Members will receive 1 point for each PAGA pay period. (*Id.*, ¶ 8.4(a).) To calculate each PAGA Member's proportionate share, the Administrator shall (1) add all points for all PAGA Members to obtain the denominator; (2) divide the number of points for each PAGA Member by the denominator to obtain each PAGA Member's portion of the PAGA payment; and (3) multiply each PAGA Member's portion by the 25% portion of the PAGA payment to determine each PAGA Member's PAGA settlement amount. (*Id.*, ¶ 8.4(b).) Each PAGA Member will receive a separate PAGA settlement amount in addition to the amount they are entitled to recover as a Class Member. (*Id.*, ¶ 8.4(c).)

For tax purposes, the settlements will be allocated as follows: (1) for Collective Class Members, 50% will be allocated to the payment of W-2 wages and 50% will be allocated to the payment of 1099 non-wage compensation (SA, ¶ 8.6(a)); (2) for California Class members, 33.33% will be allocated to the payment of W-2 wages and 66.67% will be allocated to the payment of 1099 non-wage compensation (*id.*, ¶ 8.6(b)); and (3) for PAGA Members, 100% will be allocated to the payment of 1099 non-wage compensation (*id.*, ¶ 8.6(c)).

The Administrator will mail settlement checks to the Participating Class Members, Collective Class Members, and PAGA Members 14 days after the Funding Date (and no sooner than 15 days after the Effective Date). (SA, ¶ 8.10.) Participating Class Members

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will have 180 days from the date the checks are mailed by the Administrator to cash, deposit, or otherwise negotiate their checks. (*Id.*, ¶ 8.11.) The Parties agree they will use robust efforts to ensure that settlement checks are received by the Participating Class Members and PAGA Members, including the Administrator's use of email and a reminder after 90 days from the issuance of the checks. (*Id.*, ¶ 8.12.) Any check not cashed after the expiration of the check-cashing period shall be transferred to the California Unclaimed Property Fund in the name of the intended recipient. (*Id.*, ¶ 8.9.)

Regarding objections, the Agreement provides that "Participating California Class Members who wish to object to the Settlement at the Fairness Hearing ***must first due so in writing***" and sets forth requirements for those written objections. (SA, ¶ 6.2 [emphasis added].) The Agreement further provides that an "Objector has the right to appear at the Fairness Hearing either on their own behalf or through counsel hired by the Objector" and an "Objector who wishes to appear at the Fairness Hearing ***must state their intention to do so in writing on their Objection at the time they submit their Objection.***" (*Id.*, ¶ 6.3 [emphasis added].) Notwithstanding these terms, the Parties are advised that the Court will generally hear from any class members who attend the final approval hearing and ask to speak regarding their objections, regardless of whether they have submitted written objections in advance. (Checklist, § I "Notice to the Class" ¶ 11.)

By operation of the Judgment,

- "[A]ll Participating Collective Class Members shall release the Released Parties from the Released Collective Class Claims," which are defined as "any and all wage and hour claims under the [FLSA] pled in the operative Complaint, that accrued during employment as Exempt and Nonexempt Sales Representatives during the Collective Class Period, including without limitations, any and all state and federal claims for unpaid overtime wages, and all related claims for penalties, interest, liquidated damages, attorneys' fees, costs, and expenses that were alleged, that could have been alleged, or that were reasonably related to the factual allegations in the operative Complaint." (SA, ¶¶ 1.48, 9.1 [as amended].)
- "[A]ll Participating California Class Members shall release the Released Parties from the Released Class Claims," which are defined as "any and all California state wage and hour claims pled in the operative Complaint, that accrued during employment as Exempt and Nonexempt Sales Representatives during the Class Period, including without limitations, any claims for unpaid wages including but not limited to minimum, regular, or overtime wages (Cal. Lab. Code §§ 510, 1194, 1194.2, 1197, 1197.1, 1198, 1199); failing to timely pay wages or vacation pay (Lab. Code §§ 201-204; 227.3); non-compliant meal periods and any unpaid premiums (Lab. Code §§ 512, 226.7, and applicable Wage Order); non-compliant rest breaks and any unpaid premiums (Lab. Code § 226.7, and applicable Wage Order); non-compliant wage statements (Lab. Code §§ 226, 226.3); unfair competition or business practices (Bus. & Prof. Code § 17200 et seq.); claims for interest, penalties (including but not limited to waiting time penalties at Lab. Code §§ 201-204), or premiums in connection with any of

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the preceding claims; interest, liquidated damages, attorneys' fees, costs, and expenses; any claims for injunctive relief, declaratory relief, restitution, fraudulent business practices or punitive damages alleged or which could have been alleged; as well as any claims under the California Labor Code, California Industrial Welfare Commission's Wage Orders, or the California Code of Regulations, that were alleged, that could have been alleged, or that were reasonably related to the factual allegations in the operative Complaint." (*Id.*, ¶¶ 1.47, 9.2 [as amended].)

- "[A]ll PAGA Class Members shall release the Released Parties from the Released PAGA Claims," which are defined as "any and all claims under PAGA pled in the PAGA Letter and/or the operative Complaint, that accrued during employment as Exempt and Nonexempt Sales Representatives during the PAGA Class Period, including without limitations all claims for penalties (including but not limited to claims deriving from unpaid wages, unpaid overtime, alleged meal and rest break violations, waiting time penalties, wage statement penalties), interest, attorneys' fees, costs and expenses, and other remedies available under PAGA." (*Id.*, ¶¶ 1.49, 9.3.)
- Plaintiffs are subject to a general release. (*Id.*, ¶ 9.4.)

Each settlement check shall also include a "back of the check" release, which provides that "By cashing this check, I am opting into the settlement in *Brandon Worthy, et al. v. Malwarebytes, Inc. et al.*, Case No. [25CV006631] under the Fair Labor Standards Act, 29 U.S.C. § 216(b), and releasing the Released Claims described in the Settlement Agreement." (SA, ¶¶ 9.1, 9.2.)

Makenna Snow, a Case Manager for ILYM Group, Inc. ("ILYM"), attests that the Court-approved Notice was mailed to all 178 individuals²¹ identified in the class data via U.S. First Class Mail on August 29, 2025, after conducting a National Change of Address database search. (Koshkin Decl., ¶ 83, Exh. 6 ["Snow Decl."], ¶¶ 4-8.) A total of 9 Notices were returned as undeliverable. (*Id.*, ¶ 9.) Of the 9 returned Notices, none were returned with a forwarding address. (*Ibid.*) ILYM performed a computerized skip trace on the 9 returned Notices. (*Ibid.*) As a result of this skip trace, 7 updated addresses were obtained, and the Notices were promptly re-mailed to those Settlement Class Members, via U.S. First Class Mail. (*Ibid.*) As of the date of this declaration, a total of 2 Notices have been deemed undeliverable as no updated addresses were found, notwithstanding the skip tracing. (*Id.*, ¶ 11.) ILYM has not received any objections to the settlement or requests for exclusion. (*Id.*, ¶¶ 14-15.) ILYM received one workweek dispute, which alleged that the individual had worked more weeks than reflected in the Notice. ILYM attests that it "determined that the individual worked the additional workweeks that were the subject of the dispute after the Release Date" and, therefore, denied the dispute. (*Id.*, ¶ 16.) Accordingly, ILYM reports a total of 178 Participating Class Members, representing 100% of the Class. The Participating Class Members will receive an estimated average gross payment of \$5,301.58, with the estimated highest gross payment being \$23,842.61 and the estimated lowest gross payment being \$90.66. (*Id.*, ¶ 21.) FLSA Members will receive an estimated average gross payment of \$1,501.31, and an estimated highest gross payment of \$5,560.25, with an estimated

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lowest gross payment of \$90.66. (*Ibid.*) The California Class Members will receive an estimated average gross payment of \$7,650.84, and an estimated highest gross payment of \$23,842.61, with an estimated lowest gross payment of \$181.31. (*Ibid.*)

Counsel attests to their extensive experience in similar cases. (Koshkin Decl., ¶¶ 4-21.) Having provided sufficient information regarding damage analysis at preliminary approval, the Court is inclined to find, subject to the final fairness hearing, that the Settlement is within the ballpark of reasonableness and is entitled to a presumption of fairness, and all relevant factors presently support final approval.

PAGA Payment

The Agreement provides for the payment of PAGA penalties in the amount of \$80,500, of which 75% (\$60,375) will be allocated to the LWDA and 25% (\$20,125) will be allocated to the PAGA Members. (SA, ¶¶ 1.21, 1.31, 1.32.) The PAGA Members are Exempt and Nonexempt Sales Representatives employed by Defendant in California during the period April 4, 2021 through the Release Date, except those who signed separation agreements, who are not included in the settlement. (*Id.*, ¶¶ 1.28, 1.33.) As discussed above, the PAGA Members' portion will be allocated on a pro rata basis, and the PAGA Members are subject to a separate release. (*Id.*, ¶¶ 8.4, 9.3.)

ILYM reports 47 Aggrieved Employees. (Snow Decl., ¶ 5.) The PAGA Members will receive an estimated average payment of \$428.19, with the estimated highest payment being \$1485.18 and an estimated lowest payment of \$5.77. (*Id.*, ¶ 22.) Having previously found Counsel's valuation well-reasoned and persuasive at the preliminary approval stage, the PAGA Penalty is tentatively approved.

Class Counsel Fees and Costs

Courts generally recognize two methods for calculating fees in civil class actions: the lodestar/multiplier method and the percentage-of-recovery method. (*Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 254.) "The percentage method calculates the fee as a percentage share of a recovered common fund or the monetary value of plaintiffs' recovery. The lodestar method, or more accurately the lodestar-multiplier method, calculates the fee 'by multiplying the number of hours reasonably expended by counsel by a reasonable hourly rate.'" (*Laffitte v. Robert Half Internat. Inc.* (2016) 1 Cal.5th 480, 489.) In determining fees and costs to be awarded to Class Counsel, the Court must exercise its judicial function and make a decision on the propriety of the fees requested; it should not, and does not, abdicate its charge to make a decision simply because the parties may have reached their own agreement in this regard. The choice of a fee calculation method is generally one within the discretion of the trial court, the goal "being the award of a reasonable fee to compensate counsel for their efforts." (*Id.* at p. 504.) "The lodestar method better accounts for the amount of work done, while the percentage of the fund method more accurately reflects the results achieved.' Each has been championed and criticized for its respective advantages and disadvantages." (*Ibid.*, quoting *Rawlings v. Prudential-Bache Properties, Inc.* (6th Cir. 1993) 9 F.3d 513,

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516.)

The Agreement provides for an award of attorneys' fees not to exceed one-third of the TSA, plus reimbursement of reasonable out-of-pocket expenses. (SA, ¶ 8.7(a).) Plaintiffs argue that the requested fee award is reasonable under the percentage of the recovery method and consistent with the percentages awarded in other class action settlements. (Fees Mot., pp. 8:5-9:18.) Plaintiffs also argue that a lodestar cross-check confirms the reasonableness of the requested award. (*Id.*, pp. 10:1-12:22.)

Counsel's lodestar is broken down as follows:

Attorney	Experience	Rate	Time	Total
Adam Koshkin	2018	\$700.00	123.8	\$86,660.00
Eliana Theodorou	2019	\$700.00	93.4	\$65,380.00
Jennifer Davidson	2020	\$700.00	135.1	\$94,570.00
Melissa Stewart	2011	\$1,275.00	147.1	\$187,552.50
Mohsin Mirza	2024	\$575.00	117.6	\$67,620.00
Menaka Fernando	2011	\$900.00	35.4	\$31,860.00
Nart-anong Chinda (Paralegal)	--	\$500.00	78.6	\$39,300.00
Napoleon Zapata (Paralegal)	2022	\$475.00	84.5	\$40,137.50
Alex Muino (Paralegal)	2018	\$475.00	14.3	\$6,792.50
Brain Koussai (Paralegal)	--	\$450.00	13.7	\$6,165.00
Dylan Marlborough (Data Analyst)	--	\$550.00	89.6	\$49,280.00
Elle Eshleman (Law Clerk)	--	\$450.00	18.1	\$8,145.00
Kawan Nanavati (Law Clerk)	--	\$450.00	28.3	\$12,735.00
		Total:	979.50	\$696,197.50^[3]

(Koshkin Decl., ¶¶ 5, 10-19, 68, 81-82, Exhs. 4-5.) While Counsel attests that the above paralegals meet the requirements set forth in Business and Professions Code section 6450(d), Counsel fails to complete information regarding the paralegals' experience. Moreover, Counsel fails to provide any information about the qualifications and experience of the data analyst and law clerks listed above. Counsel is admonished for failing to provide complete information.

Counsel attests that the above hourly rates "are supported by the extensive and specialized experience in these types of cases and recognized expertise described" and that their "rate structure has been approved by various courts and reflects hourly rates that are regularly paid to [the] firm by hourly-paying clients." (Koshkin Decl., ¶ 73.) Counsel further asserts that the "rates are fully consistent with, if not lower than, the market rate in San Francisco for attorneys with comparable expertise, experience and

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qualifications, and that they are comparable to rates of attorneys specializing in complex litigation around the county.” (*Id.*, ¶ 74.) However, as Counsel surely knows, the prevailing market rates in San Francisco are not the prevailing rates in the Sacramento region. A reasonable hourly rate “is the product of a multiplicity of factors,” including the general market rate. (See *Margolin v. Regional Planning Com.* (1982) 134 Cal.App.3d 999, 1003-1004.) “The determination of the ‘market rate’ is generally based on the rates prevalent in the community where the court is located.” (*Syers Properties III, Inc. v. Rankin* (2014) 226 Cal.App.4th 691, 701; see also *PLCM Group, Inc. v. Drexler* (2000) 22 Cal.4th 1084, 1094.) The Court generally rejects the notion that an hourly rate of more than \$1,200 is reasonable or appropriate in the Sacramento region and, in the Court’s experience, these hourly rates are otherwise high in comparison to the prevailing rates in Sacramento.

The Court also questions the inclusion of the claimed paralegal, data analyst, and law clerk hours. For the paralegals, the claimed time appears to include administrative and non-compensable in nature, such as saving documents to the case file, proofreading, docketing, and scheduling. Counsel is admonished for including non-compensable, administrative tasks in its lodestar.

If the Court reduced Counsel’s hourly rates to better reflect the prevailing rates in this region (to, for example, \$800 for attorneys with approximately 14 years’ experience, \$600 for attorneys with 6-7 years’ experience, \$550 for attorneys with 5 years’ experience, \$400 for attorneys with 1 year experience, and \$200 for paralegals and professions), Counsel’s lodestar would be \$463,085 – a staggering \$233,112.50 less than Counsel’s claimed lodestar. Counsel is expected to exercise care and diligence in preparing a lodestar analysis for the Court’s review, ensuring that their lodestar analysis is based on **reasonable** hourly rates – meaning the prevailing rates in Sacramento – and only those hours that were **reasonably** expended.

Nonetheless, the Court is persuaded that the requested award of one-third of the common fund is reasonable and appropriate under the circumstances. Based on the reduced lodestar, the requested award requires a modest multiplier of 1.16. Accordingly, the requested fee award is approved.

Counsel attests to incurring a total of \$21,151.54 in litigation costs. (Koshkin Decl., ¶¶ 75, 80, Exh. 3.) The Court finds these costs reasonable and appropriate.

Settlement Administrator

ILYM attests that its total fees and costs for services in connection with the administration of this settlement are \$8,000. (Snow Decl., ¶ 23.) The Court finds these costs reasonable and appropriate.

Class Representative Service Award

The Agreement provides for Class Representative service awards to Plaintiffs of up to

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\$10,000 each. (SA, ¶ 8.8(a).) Plaintiffs describe their efforts and estimate the time they each spent prosecuting this action. (Koshkin Decl., ¶¶ 84-85, Exhs. 7 [Worthy Decl. ISO Prelim. App., ¶ 4 (20-30 hours)] and 8 [Rizzari Decl. ISO Prelim. App., ¶ 4 (15-20 hours)].)

The Court finds these payments justified based on Plaintiffs' declarations and in the absence of any objections to the awards.

Disposition

In sum, and subject to the final fairness hearing, the Court tentatively concludes that the settlement is entitled to final approval. Provided that no objection is asserted by any Class Member at the hearing on this matter, the Court will sign the Proposed Order submitted with Plaintiffs' moving papers, correcting the Distribution Compliance Hearing time at paragraph 22.

Any further Case Management Conferences and compliance hearings shall be handled by this Department. This Department shall monitor compliance with the settlement approval through and including the disbursement of any uncashed amount to the Unclaimed Property Fund.

The Court sets a Compliance Hearing for **November 13, 2026 at 10:30 a.m.** At least 15 calendar days prior to the hearing, Counsel shall file a declaration regarding the status of the distribution of the settlement funds. If the Court is satisfied that the settlement funds have been fully distributed, no appearance will be required.

^[1] The Effective Date means the later of the following events: (1) 5 calendar days after the period for filing any appeal, writ, or other appellate proceeding opposing final approval and judgment has elapsed without any appeal, writ, or other appellate proceeding having been filed (i.e., 65 days from the date the Court grants final approval and enters judgment); or (2) if any appeal, writ, or other appellate proceeding opposing final approval has been filed within that timeframe, 5 business days after any appeal, writ, or other appellate proceedings opposing the settlement has finally and conclusively been dismissed with no right to pursue further remedies or relief. (SA, ¶ 1.15.)

^[2] This includes 109 individuals in the California Class and 69 individuals in the FLSA Collective Class. (Koshkin Decl., ¶ 83, Exh. 6 [“Snow Decl.”], ¶ 5.)

^[3] Counsel's declaration reports a lodestar of \$695,755. It appears that Counsel miscalculated the lodestars for Attorneys Koshkin, Theodorou, and Davidson and Paralegal Muino. Counsel is expected to exercise care and diligence in preparing materials for the Court's review.

Counsel for Plaintiffs is directed to notice all parties of this order.

Please note that the Complex Civil Case Department now provides information to assist you in managing your complex case on the Court website at

SUPERIOR COURT OF CALIFORNIA, COUNTY OF SACRAMENTO

<https://www.saccourt.ca.gov/civil/complex-civil-cases.aspx>. The Court strongly encourages parties to review this website regularly to stay abreast of the most recent complex civil case procedures. Please refer to the website before directly contacting the Court Clerk for information.

/s/ V. Aleman

By: V. Aleman, Deputy Clerk

Minutes of: 01/09/2026
Entered on: 01/12/2026

1 Galen T. Shimoda (Cal. State Bar No. 226752)
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7 Attorneys for Plaintiff DANIEL PEREZ
individually and on behalf of similarly situated employees

8
9 **SUPERIOR COURT OF CALIFORNIA**
10 **FOR THE COUNTY OF SACRAMENTO**

11 DANIEL PEREZ, individually and on behalf
12 of all other similarly situated employees,

13 Plaintiff,

14 vs.

15 METRO MAILING SERVICE INC., a
16 California Corporation; and DOES 1 to 100,
17 inclusive,

18 Defendants.

Case No. 34-2022-00323567

*Assigned for All Purposes to Hon. Jill H. Talley
Department 8A*

**[PROPOSED] ORDER GRANTING
PLAINTIFF'S MOTION TO APPROVE
PRIVATE ATTORNEYS GENERAL ACT
SETTLEMENT**

Date: October 2, 2026
Time: 9:00 a.m.
Dept.: 8A
Judge: Hon. Jill H. Talley

Filed: July 18, 2022
FAC Filed: September 1, 2022
Trial Date: None Set

1 TO ALL PARTIES AND THEIR RESPECTIVE COUNSEL OF RECORD:

2 The Motion to Approve Private Attorneys General Act Settlement (“Motion”) in the above
3 referenced case came before this Court, on October 2, 2026, at 9:00 a.m., in Department 8A before the
4 Honorable Jill H. Talley, presiding. Plaintiff Daniel Perez (“Plaintiff”) filed this lawsuit on July 18,
5 2022. The operative Complaint alleges that Metro Mailing Service Inc. (“Defendant”) violated
6 California law by failing to pay overtime wages, failing to provide meal periods or pay premiums in lieu
7 thereof, failing to provide rest periods or pay premiums in lieu thereof, failing to provide accurate wage
8 statements, failing to pay final wages, failing to pay reimbursements for expenses, violating Labor Code
9 sections 558 and 558.1 regarding provisions regulating hours and days of work in any Industrial Welfare
10 Commission Order, and failing to provide sick leave. The Complaint alleges that Defendant is liable for
11 civil penalties under the PAGA as a result of the alleged violations. Defendant has denied all of
12 Plaintiff’s allegations. Plaintiff sought attorneys’ fees and costs as part of this Action.

13 After substantial litigation and discovery into the merits, damages, and certifiability of the claims
14 as originally pled, the Parties agreed to settle Private Attorneys General Act (“PAGA”) claims for all
15 individuals who have, or continue to, work for Defendant in California who received the second shift
16 pay differential and who worked overtime, received a meal/rest period premium, and/or received sick
17 leave pay that would have been subject to that differential. Under the Agreement, the class allegations
18 and PAGA claims relating to any individuals that are not within the defined scope of PAGA Employee
19 are being dismissed without prejudice. Defendant will provide monetary consideration in exchange for
20 a release of claims consistent with the terms of the PAGA Settlement (“Agreement” or “Settlement”).
21 Any capitalized terms herein shall have the same meaning as set forth in the Agreement. The Court,
22 having received and considered Plaintiff’s Motion, the declarations in support, the Agreement, the
23 Notice of Settlement, and other evidence, HEREBY ORDERS AND MAKES DETERMINATIONS
24 AS FOLLOWS:

25 **I. SCOPE OF INDIVIDUALS WITHIN THE PAGA SETTLEMENT – PAGA**
26 **EMPLOYEES**

27 The Court finds that Plaintiff has exhausted all administrative remedies required to bring the
28 PAGA claims asserted in this litigation. Plaintiff is authorized to act on behalf of the Labor and

1 Workforce Development Agency (“LWDA”) with respect to the PAGA claims being released under the
2 Agreement. The Court finds the scope of individuals subject to the terms and conditions of the
3 Agreement, its releases, and all rights and obligations thereunder include the following:

4 All individuals who have, or continue to, work for Defendant in California
5 who received the second shift pay differential and who worked overtime,
6 received a meal/rest period premium, and/or received sick leave pay that
7 would have been subject to that differential, from June 24, 2021, up to
8 either (1) the Final Approval Date, or (2) October 4, 2026, whichever is
9 earlier.

10 The Court recognizes that the foregoing definition is for PAGA Employee identification
11 purposes only and is not intended to capture the claims at issue or limit or alter the released claims under
12 the Agreement. The class allegations and PAGA claims relating to any individuals from Plaintiff’s June
13 24, 2022, notice to the LWDA that are not within the PAGA Employee definition are dismissed without
14 prejudice as to all parties and all causes of action. Plaintiff’s individual claims are dismissed with
15 prejudice as to all parties and all causes of action.

16 **II. APPROVING THE AGREEMENT**

17 The Court has reviewed the Agreement, which was submitted with Plaintiff’s Motion as Exhibit
18 A. The Court finds the Settlement was agreed upon only after extensive investigation, litigation, and
19 arms-length negotiations by counsel experienced in complex litigation, who took reasonable steps and
20 measures to weigh the potential value of the disputed claims against the risks of continued litigation.
21 The Court finds that the Agreement is fair, reasonable, and adequate, and, therefore, is approved as
22 required under California Labor Code sections 2698 *et seq.* Based on the potential penalties at issue, the
23 risk of loss on the merits, the risk of being able to prove violations in each pay period as to each
24 individual as required by statute for damages purposes, and the Court’s statutorily authorized discretion
25 to reduce penalties, the Agreement represents a substantial recovery for PAGA Employees and the
26 LWDA. The Court also finds that the Agreement provides a recovery that creates an effective,
27 substantial deterrent to any potential future non-compliance, furthering the purpose of the LWDA in
28 enforcing the California Labor Code. Thus, the Court approves the Agreement and terms stated therein,
which is incorporated by reference in its entirety, as if stated here in full, including the \$87,500 Gross
Settlement Amount.

1 The Court approves of the PAGA penalty allocations set forth in the Agreement wherein 25% of
2 the Net Settlement Amount will be paid to PAGA Employees and 75% of the Net Settlement Amount
3 will be paid to the LWDA set forth in California Labor Code section 2699 for claims filed prior to June
4 19, 2024.

5 The Court finds that the request attorney's fee award of \$57,500 is appropriate under the
6 circumstances of this case pursuant to California Labor Code sections 2699(k)(1)¹, 1194, and 218.5.
7 Plaintiff's Counsel's lodestar is well in excess of \$57,500 based on their reasonable hourly rates, which
8 are reflective of the prevailing rates in the community for attorneys of similar skill and experience, and
9 the hours spent prosecuting the claims. The contingent nature of the recovery over the course of this
10 case, which included potential loss at summary judgment and/or trial proceedings, also supports finding
11 the requested fee amount as reasonable. Additionally, the Court approves of Plaintiff's Counsel's
12 request for reimbursement of litigation costs in the amount of \$7,025.32. The fees and costs shall be
13 paid from the Gross Settlement Amount, not in addition to the Gross Settlement Amount.

14 The Court orders that ILYM Group, Inc. will act as the Settlement Administrator in this case.
15 The Settlement Administrator will take its fees out of the Gross Settlement Amount, which are not to
16 exceed \$2,000.

17 The Court approves of the identified *cy pres* distribution plan wherein any checks issued to
18 PAGA Employees that are not cashed by the deadline to do so shall be donated equally, *i.e.* 50/50, to
19 Capital Pro Bono, Inc., and the Center for Workers' Rights. *See In re Microsoft I-V Cases*, 135
20 Cal.App.4th 706, 718 (2006). No portion of the Gross Settlement Amount will revert to Defendant for
21 any reason.

22 The releases and waivers for PAGA Employees are also approved by the Court as set forth in the
23 Agreement.

24 **III. APPROVAL OF THE NOTICE OF SETTLEMENT AND METHOD FOR** 25 **DISTRIBUTING THE NOTICE OF SETTLEMENT**

26 The Court finds that the proposed Notice of Settlement, attached to this Order as Exhibit 1 and
27 incorporated by reference, fairly and adequately advises PAGA Employees about the Agreement and its

28 ¹ Now at California Labor Code § 2699(g)(1).

effect. The Court further finds that the Notice of Settlement and distribution of such notice by first class mail to each identified PAGA Employees at his or her most recent address based on a National Change of Address database search from the PAGA Employees' last known address and a skip trace on any PAGA Employees who have their notice returned as "undeliverable" or "not at this address" comport with all constitutional requirements, including those of due process.

The Court also finds that because there is a strong interest in providing PAGA Employees the opportunity to recover under the Agreement, along with the parties' efforts to minimize any intrusion on privacy rights, the sharing of employment information as set forth in the Agreement is not a serious intrusion on their privacy rights. Hence, the Court orders Defendant to provide PAGA Employee information to the Settlement Administrator as set forth in the Agreement and any other information the Settlement Administrator needs to effectuate notice to PAGA Employees. The PAGA Employee information will be provided to the Settlement Administrator only, and not to Plaintiff or Plaintiff's Counsel, as contemplated within the Agreement and approved by this Order. The Settlement Administrator shall only use this information for the purposes identified in the Agreement and shall keep this information confidential consistent with the terms of the Agreement.

IV. IMPLEMENTATION SCHEDULE

Accordingly, with good cause shown, the Court hereby approves and orders that the following implementation schedule be adhered to:

Last day for Defendant to provide Settlement Administrator with PAGA Employee information	Within 7 calendar days after the Effective Date
Last day for Settlement Administrator to calculate and report to the Parties the Net Settlement Amount, PAGA Payment, and Individual Settlement Amounts for PAGA Employees	Within 7 calendar days after receiving PAGA Employee information
Last day for Defendant to fund Gross Settlement Amount	Within 14 calendar days after the Settlement Administrator calculates and reports to the Parties the Net Settlement Amount, PAGA Payment, and Individual Settlement Amounts for PAGA Employees

Last day for Settlement Administrator to complete NCOA search, update PAGA Employee mailing information, and complete mailing	Within 7 calendar days after Defendant has funded the settlement
Last day for Settlement Administrator to deliver payment of Plaintiff's Counsel's attorney's fees and costs, PAGA Payment, Settlement Administrator Costs, and payment to PAGA Employees	Within 7 calendar days after Defendant has funded the settlement
Last day for PAGA Employees to cash settlement checks	180 calendar days after issuance of checks to PAGA Employees
Last day for Settlement Administrator to deliver value of uncashed settlement checks to <i>cy pres</i> beneficiaries	Within 14 calendar days after settlement check cashing deadline
Last day for Settlement Administrator to provide Parties with compliance declaration	Within 21 calendar days after settlement check cashing deadline

IT IS FURTHER ORDERED that this settlement approval order is effective as a judgment with each party to bear its own fees and costs outside of what has been ordered herein. This matter is subject to the Court's continuing jurisdiction to monitor and enforce the terms of this order and the approved Agreement pursuant to California Civil Procedure Code section 664.6.

The Court Sets a further compliance hearing for June 18, 2027, at 10:30 a.m. At least 15 calendar days prior to the hearing, Plaintiff's Counsel shall file a declaration from the Settlement Administrator regarding the status of the distribution of settlement funds. If the Court is satisfied that the settlement funds have been fully distributed, no appearance will be required.

IT IS SO ORDERED.

Date: _____

By: _____
Hon. Jill H. Talley
Judge of the Superior Court

EXHIBIT 1

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO**

DANIEL PEREZ, individually and on behalf of all
other similarly situated employees,

Plaintiff,

vs.

METRO MAILING SERVICE INC., *et al.*,

Defendants.

Case No. 34-2022-00323567

**NOTICE OF PRIVATE ATTORNEYS GENERAL
ACT SETTLEMENT PAYMENT**

TO: All individuals who have, or continue to, work for Defendant in California who received the second shift pay differential and who worked overtime, received a meal/rest period premium, and/or received sick leave pay that would have been subject to that differential, from June 24, 2021, up to _____ (the "PAGA Employees")

This Notice is being provided to you to inform you of a Private Attorneys General Act ("PAGA") Settlement and your proportional share of this settlement payment. The payment is a result of a Court approved PAGA Settlement in the case of *Daniel Perez v. Metro Mailing Service Inc.*, Sacramento County Superior Court of California, Case No. 34-2022-00323567, filed July 18, 2022 (the "Action"). You are receiving this letter because you fall within the definition of PAGA Employees identified above.

In the Action, Plaintiff Daniel Perez ("Plaintiff") sought to obtain civil penalties, fees, and costs on behalf of himself and PAGA Employees. Plaintiff alleged that Metro Mailing Service, Inc. ("Defendant") violated California law by 1) failing to pay overtime wages; 2) failing to provide accurate wage statements; 3) failing to pay final wages; 4) failing to provide meal and rest periods or pay all premiums owed in lieu thereof; 5) failing to provide paid sick leave; and 6) failing to reimburse all expenses. These claims are based on Plaintiff's contention that Defendant failed to account for the value of shift differential pay when calculating the regular rate of pay used for overtime premiums, meal and rest period premiums, and sick leave wages. The claim is also based on Plaintiff's contention that employees were required to use their personal cell phones for work purposes without being reimbursed for the associated expense.

This notice is not intended to be, and should not be construed as, an expression of any opinion by the Court with respect to the truth of the allegations in the Action or the merits of the claims or defenses asserted. Defendant has denied engaging in any unlawful conduct in any respect and further disputes all of Plaintiff's allegations in the Action. By entering into the PAGA Settlement, Defendant does not admit any liability to Plaintiff or to any other current or former employees, and Defendant does not admit that any violations of Plaintiff's rights, or the rights of any other current or former employee have occurred.

Plaintiff filed a notice with the California Labor and Workforce Development Agency ("LWDA") to exhaust administrative remedies and pursue claims under the PAGA, California Labor Code §§ 2698 *et seq.*, predicated on the claims outlined above. The scope of the PAGA Settlement includes all of the PAGA Employees for the time period identified above. In exchange for payment under the Settlement, Plaintiff has agreed to waive all claims for civil penalties that were brought under the PAGA that were asserted in Plaintiff's notice letter to the LWDA and any additional claims for civil penalties under the PAGA that could have been brought based on the facts alleged therein. The scope of this waiver is limited to only PAGA Employees and only for PAGA claims arising between June 24, 2021, and _____. PAGA Employees cannot opt out of this waiver of claims.

Under the terms of the Settlement, Defendant has agreed to pay a Gross Settlement Amount of \$87,500, in exchange for the waiver identified herein ("Gross Settlement Amount"). Deducted from this Gross Settlement Amount were sums approved by the Court for attorneys' fees (\$ _____), attorneys' costs (\$ _____), and Settlement Administrator Costs (\$ _____), which resulted in a "Net Settlement Amount" of \$ _____ for distribution to between PAGA Employees and the LWDA as required by the California Labor Code. 75% of the Net Settlement Amount (\$ _____) is being paid to the LWDA and 25% of the Net Settlement Amount (\$ _____)

is being paid to PAGA Employees pursuant to Labor Code section 2699(i). Each individual PAGA Employee's share of the Net Settlement Amount was determined by taking their individual number of pay periods worked between June 24, 2021, and _____, during which they received the second shift pay differential and worked overtime, received a meal/rest period premium, and/or received sick leave pay that would have been subject to that differential, and dividing that number by the number of all such pay periods worked by all PAGA Employees between June 24, 2021, and _____, and then multiplying that fraction by the 25% share of the Net Settlement Amount.

Enclosed in this mailing, you will find a check containing your share of the PAGA Settlement based on the above allocation.

Should you have any questions or concerns, you may contact ILYM Group Inc. at (888) 250-6810. You may also contact counsel for Plaintiff and/or Defendant:

Galen T. Shimoda
Justin P. Rodriguez
Renald Konini
Shimoda & Rodriguez Law, PC
9401 East Stockton Blvd., Suite 120
Elk Grove, CA 95624
Telephone: (916) 525-0716
On behalf of Plaintiff

James D. McNairy
Andrew M. Ducart
Boutin Jones Inc.
555 Capitol Mall, Suite 1500
Sacramento, CA 95814
Tel. (916) 321-4444
On behalf of Defendant

Do not call or write the Court or the Office of the Clerk of the Court to ask questions about the settlement or to ask tax-related questions.