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on behalf of herself and all others similarly situated and aggrieved

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF CONTRA COSTA

LUZMY BARRIENTOS, an individual and on behalf of all others similarly situated, Plaintiff, v. SHENG KEE OF CALIFORNIA., a California Corporation; and DOES 1 through 100, inclusive, Defendants.	CASE NO.: C25-01001 [Assigned to the Hon. Benjamin T. Reyes, II in Dept. 39] **DECLARATION OF ZACHARY T. CHRZAN IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT AND PROVISIONAL CLASS CERTIFICATION FOR SETTLEMENT PURPOSES ONLY**

DECLARATION OF ZACHARY T. CHRZAN

I, Zachary T. Chrzan, state and declare, as follows:

1. I am an attorney at law, duly licensed to practice before all the Courts of the State of California, and I am a principal of Zaghi & Chrzan, LLP, counsel of record for plaintiff LUZMY BARRIENTOS ("Plaintiff") and all others similarly situated and aggrieved. As such, I am familiar with the file in this matter and if called as a witness I could and would competently testify to the following facts of my own personal knowledge.

2. I make this Declaration in support of Plaintiff's Motion for Preliminary Approval of Class and Representative Action Settlement and Provisional Class Certification for Settlement Purposes Only.

Settlement Agreement and Other Exhibits

3. A true and correct copy of the fully executed Settlement Agreement in this matter is attached hereto as **Exhibit 1**.

4. Attached to the Settlement Agreement as Exhibit A is the proposed Notice of Proposed Class Action Settlement and Date for Final Approval Hearing ("Class Notice") to be distributed to Class Members in English. The Notice will be provided in English, Spanish, Mandarin, and Cantonese.

5. A true and correct copy of the letter Plaintiff submitted to the Labor and Workforce Development Agency ("LWDA") on April 8, 2025, is attached hereto as **Exhibit 2**.

6. A true and correct copy of the fully executed MOU is attached hereto as **Exhibit 3**.

7. A proposed Judgment to be entered upon final approval is attached hereto as **Exhibit 4**.

8. Proof of submission of the Settlement to the LWDA, concurrently with its submission to this Court in compliance with Labor Code section 2699(l), is attached hereto as **Exhibit 5**.

Introduction

9. On April 8, 2025, Plaintiff filed with the LWDA and served on defendant SHENG KEE OF CALIFORNIA ("Defendant"), a notice under Labor Code section 2699.3 stating Plaintiff

intended to serve as a proxy of the LWDA to recover civil penalties on behalf of the Aggrieved Employees for various alleged Labor Code violations (the "PAGA Notice").

10. That same day, Plaintiff filed a class action alleging that Defendant: (1) Failed to Pay All Wages Including Minimum and Overtime Wages; (2) Failed to Provide Meal Periods; (3) Failed to Provide Rest Periods; (4) Failed to Provide Accurate Itemized Wage Statements in Violation of Labor Code; (5) Failed to Reimburse for Necessary Business Expenditures; (6) Failed to Pay Waiting Time Penalties; (7) Engaged in Unfair Business Practices (the "Class Action). On June 10, 2025, Plaintiff filed a First Amended Complaint in the Class Action adding all claims alleged in the PAGA Notice (the "Action," "Litigation" or "Lawsuit").

11. On June 10, 2025, after sixty (60) days had passed since Plaintiff filed the PAGA Notice, without any action by the LWDA with respect to the alleged Labor Code violations, Plaintiff filed a First Amended Complaint in the Action seeking PAGA civil penalties against Defendant for the Labor Code violations alleged in the PAGA Notice.

12. Shortly thereafter, the Parties agreed to exchange informal discovery and attend a mediation, in advance of which Class Counsel was provided with, among other things: (1) time and payroll records of 112 class members (21%); (2) class data points for 112 class members (21%), consisting of their hire dates, termination dates, and workweeks and pay periods worked; and (3) Defendant's wage and hour policy documents

13. On February 9, 2026, the Parties mediated with Tagore Subramaniam, Esq., a well-regarded mediator with substantial experience mediating complex labor and employment matters. Following extensive, arms-length negotiations, and with the assistance of the mediator's evaluation and settlement proposal, the Parties reached an agreement in principle, which was later memorialized in a written Memorandum of Understanding and, ultimately, the Settlement.

The Proposed Settlement

14. Subject to Court approval pursuant to Code of Civil Procedure section 382 and California Rules of Court, rule 3.769, *et seq*., the Parties have agreed to settle the Action by agreement upon the terms and conditions and for the consideration set forth in the Settlement Agreement. A summary of the terms of the settlement are as follows:

- Certification of a class ("Class," "Settlement Class," "Settlement Class Members" or "Class Members"), for settlement purposes only, defined as: all persons currently or formerly employed by defendant Sheng Kee of California ("Defendant"), either directly or through any subsidiary, staffing agency, or professional employer organization, as non-exempt, hourly-paid employees in California at any time during the period from April 8, 2021 through November 8, 2025 ("Class Period").
- Defendant will pay $1,225,000.00 ("Gross Settlement Amount") to resolve the matter. This is a non-reversionary settlement.
- The Gross Settlement Amount is based on Defendant's representation that Class Members worked no more than 42,808 Workweeks during the Class Period. Consistent with Paragraph 24 of the Parties' executed MOU, Defendant elected to reduce the release period rather than increase the Gross Settlement Amount, resulting in a Class Period ending on November 8, 2025. Accordingly, no escalator provision is included in the Settlement Agreement or these moving papers.
- Defendant will pay the employer's share of taxes separate and apart from the Gross Settlement Amount.
- Class Members will be paid their *pro rata* share of the class action settlement based on the total number of Qualifying Workweeks[1] worked during the Class Period.
- The Settlement Administration costs, estimated not to exceed $12,500.00, will be paid out of the Gross Settlement Amount.
- Class Counsel, Zachary T. Chrzan and Brian Zaghi of Zaghi & Chrzan, LLP, will apply for attorneys' fees of up to thirty-five percent (35%) of the Gross Settlement Amount, or $428,750.00, and actual costs, not to exceed $25,000.00, which will be paid out of the Gross Settlement Amount.
- Class Counsel will apply for a service award of $7,500.00 for the Class Representative, which will be paid out of the Gross Settlement Amount.
- After deducting the requested attorneys' fees of $428,750.00, litigation costs not to exceed $25,000.00, the $7,500.00 service award, settlement administration costs not to exceed $12,500.00, and the $25,000.00 in PAGA penalties, the estimated Net Settlement Amount available for

[1] "Qualifying Workweek" means a workweek during which the Class Member was employed by, and worked on one or more days for, Defendant in a non-exempt, hourly position during the Class Period.

distribution to Participating Class Members is approximately $726,250.00, yielding an estimated average Individual Class Payment of approximately $1,393.95 across the 521 Class Members. Because Individual Class Payments are calculated on a pro rata basis according to each Class Member's Qualifying Workweeks, actual payments will vary, and this Settlement is non-reversionary, so any amounts not awarded by the Court for fees, costs, the service award, or administration will increase the Net Settlement Amount.

- "Aggrieved Employees" means all non-exempt, hourly-paid employees who worked for Defendant in California at any time between April 8, 2024 through the date on which the Court grants preliminary approval of the Settlement ("PAGA Period"). The Parties have agreed to allocate $25,000.00 of the Gross Settlement Amount as PAGA penalties, sixty-five percent (65%) or $16,250.00 of which will be paid to the LWDA, and thirty-five percent (35%) or $8,750.00 of which will be distributed to the Aggrieved Employees.
- Aggrieved Employees will be paid their *pro rata* share of the thirty-five percent (35%) of the PAGA Penalties based on the total number of Qualifying Pay Periods.[2]
- Participating Class Members will receive an Individual Settlement Payment, and Aggrieved Employees will receive an Individual PAGA Payment. Individual Settlement Payment and Individual PAGA Payment checks shall remain valid and negotiable for one hundred eighty (180) calendar days. Thereafter, checks shall be canceled, and the funds associated with such checks shall be deemed unpaid, unclaimed, or abandoned cash residue pursuant to Code of Civil Procedure § 384 ("Unpaid Residue"). The Unpaid Residue, with any accrued interest, shall be transmitted by the Settlement Administrator to Legal Aid at Work for use in Contra Costa County, in accordance with Code of Civil Procedure § 384. The Settlement Administrator shall prepare a report regarding the distribution of the Unpaid Residue pursuant to Code of Civil Procedure section 384, which shall be submitted to the Court by Class Counsel along with a proposed amended judgment. Participating Class Members and Aggrieved Employees shall nevertheless be bound by the Settlement and the Final Approval Order regardless of whether their settlement payments are negotiated.

[2] "Qualifying Pay Period" means a pay period worked by an Aggrieved Employee during which he or she was employed by, and worked on one or more days for, Defendant in a non-exempt, hourly position during the PAGA Period.

- Plaintiff waived all rights under Civil Code § 1542; Class Members did not.

The Settlement was Negotiated at Arms-Length and Not Collusive

15. Here, the Settlement was reached following meaningful arms-length negotiations between experienced counsel, informed by Class Counsel's investigation of the facts and applicable law. Pursuant to *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1802, Class Counsel conducted significant investigation and analysis to evaluate the strengths and weaknesses of the claims and defenses, including extensive review and expert analysis of a 21%[3] sampling of relevant time and payroll records for the Class Members, as well as applicable policies. The Parties participated in a full-day mediation before Tagore Subramaniam, Esq., an experienced neutral mediator specializing in complex labor and employment matters. After extensive negotiations, the mediator issued a proposal, which after careful consideration, was accepted by both Parties and formed the basis of the Settlement. In short, the Settlement reflects a reasonable compromise of disputed claims and is fair, reasonable, and adequate in light of the risks, uncertainties, and expense associated with continued litigation, including the risks of motion practice, class certification, trial, and appeal. Moreover, the Settlement was followed by further discussions and coordination to finalize the terms and conditions of the general settlement parameters.

16. Class Counsel recognized the potential risk, expense and complexity posed by further litigation. Moreover, litigating Plaintiff's claims—which involve approximately 521 Class Members—would require substantial preparation and discovery, and ultimately would involve the deposition and presentation of numerous additional witnesses, as well as the consideration, preparation, and analysis of expert reports. Therefore, should litigation have progressed any further, there would have been significant expense incurred by each side (above and beyond the expense already incurred).

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[3] A 21% sample is statistically reliable in this context. The putative class consists of approximately 521 members. At a 90% confidence level, a sample of 112 class members (21%) yields an approximate margin of error of 7%, which is reasonable for purposes of evaluating liability and damages exposure at the settlement stage.

The Settlement Amount is Well Within the Range of Reasonableness

17. The Settlement provides significant recovery to Class Members and Aggrieved Employees and easily falls within the range of reasonableness. Class Counsel understand there were 42,808 Workweeks in the Class Period. To assist the Court in evaluating the fairness and adequacy of the Settlement, Class Counsel set forth below an analysis of the claims addressed at mediation, the maximum realistic potential recovery for each claim, and the defenses asserted by Defendant, consistent with *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 133.

1. Unpaid Wages for Failure to Pay Off-the-Clock Work

18. Class Counsel theorized at mediation, based on narrative evidence of Plaintiff and Class Members, and documents produced by Defendant, that Defendant failed to pay all wages due to Class Members due to a policy and/or practice of: (1) maintaining a rounding policy that favored Defendant by failing to compensate employees for all time worked; (2) requiring Class Members to perform compensable pre-shift and post-shift work off the clock without pay; and (3) failing to accurately record and compensate employees for all hours worked.

19. Class Counsel estimated approximately five (5) minutes of off-the-clock work each shift. There were approximately 216,738 shifts during the Class Period, 13% of which were over eight (8) hours in length, and Class Members had an average regular rate of pay of $18.17 and an average hourly rate of pay of $17.85. Thus, **Defendant's exposure for unpaid off-the-clock work is $622,466.87** [overtime (216,738 shifts x 0.13 shifts over eight hours x 0.083 hours x $18.17 x 1.5 overtime rate) **$63,738.63** + **$558,728.24** minimum wage (216,738 shifts x 0.87 shifts under eight hours x 0.083 hours x $17.85 x 2 in liquidated damages)].

20. Defendant disputed these allegations, contending that: (1) Class Members were paid for all hours worked and its written policies prohibited off-the-clock work and required employees to accurately record all time worked; (2) any alleged off-the-clock work or uncompensated time was isolated, unauthorized, voluntary, and contrary to company policy; (3) its rounding policy was facially neutral, applied uniformly to both clock-in and clock-out punches, and did not undercompensate employees; (4) Plaintiff's theories regarding rounding, off-the-clock work, and inaccurate timekeeping are speculative and unsupported by competent evidence; and

(5) any determination of liability would require individualized inquiries into whether uncompensated work was performed, the circumstances under which it occurred, whether Defendant knew or should have known of the work, and the amount of uncompensated time, if any. Accordingly, Defendant maintains that it has no liability for unpaid wages and further contends that Plaintiff's damages model materially overstates any potential off-the-clock work allegedly performed by Class Members.

2. Recovery of Damages for Non-Compliant Meal Periods

21. Class Counsel argued that Defendant's meal period policies were facially non-compliant because they failed to advise employees that meal periods must be duty-free, omitted any reference to premium pay for missed, late, short, or interrupted meal periods, improperly shifted responsibility to employees to schedule their own meal periods, and relied on meal-period waivers that were unenforceable under California law. Class Counsel further contended that Defendant: (1) maintained unlawful meal period rounding practices that disadvantaged Plaintiff and Class Members; (2) inserted or required employees to record synthetic meal-period entries that did not accurately reflect meal periods actually taken; (3) maintained practices that resulted in late, missed, short, interrupted, and second meal period violations; and (4) failed to pay meal-period premiums despite widespread violations reflected in Defendant's own timekeeping records.

22. Class Counsel estimated, that 149,101 of the 180,299 (83%) eligible shifts during the Class Period had unique meal break violations. Notably, Defendant issued no meal period premiums throughout the Class Period. Thus, one conservative calculation advanced at mediation by Class Counsel resulted in Defendant's exposure for non-compliant meal periods in an amount of **$2,709,165.17** (149,101 x $18.17/hour).

23. Defendant asserted that it maintained legally compliant meal policies and practices throughout the Class Period, including lawful meal-period waivers where applicable; that its meal period records accurately reflected actual meal periods taken and any rounding practices complied with California law; that employees were provided timely, uninterrupted, duty-free meal periods and any alleged missed, late, short, interrupted, or second meal period violations were isolated, voluntary, waived where permitted by law, or contrary to Defendant's policies; that no meal-

period premiums were owed because no violations occurred; and that Plaintiff's meal period theories would require individualized inquiries into each employee's meal periods, any applicable waivers, the circumstances of any alleged violation, and whether premium pay was owed, rendering the claims unsuitable for class treatment or a manageable trial. Accordingly, Defendant maintains that it has no liability for meal-period violations and further contends that Class Counsel's damages model substantially overstates any potential exposure.

3. Recovery of Damages for Non-Compliant Rest Periods

24. Class Counsel theorized that Defendant's rest period policies throughout the Class Period were facially non-compliant because they failed to advise that rest periods are duty-free, and omitted any reference to premium pay for missed, late, short, or interrupted rest periods. Class Counsel further contended that Defendant's own timekeeping records demonstrated systemic rest period violations, including widespread first, second, and third rest period violations; that Plaintiff and Class Members were not authorized and permitted to take compliant rest periods in practice; and that Defendant failed to pay a single rest-period premium despite the pervasive nature of the violations reflected in its records.

25. Based on these contentions, one damages calculation performed by Class Counsel at mediation—assuming a conservative 20% violation rate for rest-eligible shifts—estimated **Defendant's potential exposure for failure to provide compliant rest periods at $783,573.98** (215,623 shifts × 0.20 × $18.17 per hour).

26. Defendant denied these allegations and asserted that: (1) it maintained legally compliant rest period policies and practices throughout the Class Period; (2) Class Members were authorized and permitted to take compliant, duty-free rest periods, and its records accurately reflected employee timekeeping; (3) any alleged missed, late, short, or interrupted rest periods were isolated, voluntary, or contrary to Defendant's policies and did not entitle employees to premium pay; and (4) Plaintiff's rest-period claims would require individualized inquiries into whether any violation occurred, the circumstances surrounding any alleged violation, and whether premium pay was owed, rendering the claims unsuitable for class treatment or a manageable trial. Accordingly, Defendant maintains that it has no liability for rest-period violations and further

contends that Class Counsel's damages model substantially overstates any potential exposure.

4. Wage Statement Violations

27. Defendant's alleged failure to pay all wages owed—including meal and rest period premium wages—had a derivative impact on the accuracy of wage statements under Labor Code § 226. Under Labor Code § 226, subdivision (e), a non-exempt employee who suffers injury as a result of a knowing and intentional failure to comply with subdivision (a) may recover the greater of actual damages or statutory penalties of fifty dollars ($50) for the initial pay period in which a violation occurs and one hundred dollars ($100) for each subsequent pay period, subject to a $4,000 cap per employee. Because penalties under section 226, subdivision (e) are subject to a one-year statute of limitations (Code Civ. Proc., § 340, subd. (a)), Class Counsel limited this claim to the pay periods falling within the applicable one-year limitations period, which corresponds to the PAGA Period.

28. Assuming, as alleged, that Class Members worked off the clock and that no premiums were paid, each wage statement issued during that period would be non-compliant, and Defendant's maximum potential exposure for wage-statement penalties was estimated at $921,400 (9,214 pay periods × $100 per pay period).

29. Defendant contends (1) that the wage statements issued to Class Members fully complied with Labor Code § 226, and (2) because wages were paid, no derivative penalties are recoverable. Class Counsel also considered the risks inherent in this claim, including the possibility that the underlying wage-and-hour claims might not be certified, that a court could find no cognizable injury even if inaccuracies existed, or that Defendant's conduct was not "knowing and intentional"—each of which is required. The foregoing calculation does not account for the reduced $50 penalty applicable to initial violations or the fact that not all Class Members worked during every pay period, and therefore may not qualify for the statutory maximum penalty.

5. Failure to Reimburse for Business Expenses

30. Class Counsel contended that Defendant failed to reimburse Plaintiff and Class Members for necessary business expenses incurred in the course of their employment. Specifically, Class Counsel argued that Plaintiff and Class Members were required to purchase

mandatory, non-slip work boots at their own expense and to use their personal cellular phones for work-related purposes, including communicating with managers regarding production issues, scheduling, work assignments, and other job-related matters, without reimbursement.

31. Thus, one calculation performed by Class Counsel estimated **Defendant's potential exposure for unreimbursed non-slip work boots at $428,080.00** ($10.00 per workweek × 42,808 workweeks) **and for unreimbursed cell phone expenses at $214,040.00** ($5.00 per workweek × 42,808 workweeks), for a total estimated exposure of **$642,120.00** for failure to reimburse business expenses. The per-workweek figure for the non-slip work boots reflects Class Counsel's assumption that each pair costs approximately $120.00 and lasts approximately twelve (12) weeks, yielding an estimated cost of $10.00 per workweek.

32. Defendant denied these allegations, asserting: (1) Plaintiff and Class Members were reimbursed for all necessary business expenses as required by law and Defendant's policies; (2) employees were not required to purchase any unreimbursed equipment or use personal cellular phones for work-related purposes; and (3) any reimbursement claims would require individualized inquiries into whether an expense was actually incurred, whether it was necessary for the performance of job duties, whether Defendant knew of the expense, and whether reimbursement was requested, rendering the claims unsuitable for class treatment or a manageable trial. Accordingly, Defendant maintains that it has no liability for unreimbursed business expenses.

6. Waiting Time Penalties

33. Based on Defendant's documents, Class Counsel theorized that Defendant was liable for waiting-time penalties under Labor Code section 203 based on both direct and derivative violations. Class Counsel contended that Defendant failed to timely pay all wages due upon separation. In addition, because Defendant allegedly failed to pay all wages earned during employment—including off-the-clock wages and meal and rest period premiums—Class Counsel further contended that Defendant necessarily failed to pay all wages due at termination, giving rise to derivative waiting-time penalties.

34. Using a full 30-day penalty at an average regular rate of pay of $18.17 for eight hours per day, one damages calculation performed by Class Counsel at mediation

estimated **Defendant's maximum potential exposure for waiting-time penalties at $1,277,714.40** (293 separated Class Members × $18.17 per hour × 8 hours × 30 days).

35. Defendant argued that: (1) Plaintiff's underlying wage-and-hour theories—including the alleged off-the-clock, meal period, and rest period violations—lack merit and therefore cannot support derivative waiting-time penalties; (2) all wages due at separation were timely paid; (3) any failure to timely pay wages was the result of a good-faith dispute and therefore was not "willful" within the meaning of Labor Code section 203; and (4) any waiting-time penalty claim would require individualized inquiries into each employee's separation, wages allegedly owed, and the circumstances of the final payment. Accordingly, Defendant maintains that no waiting-time penalties are recoverable.

7. Additional Released Class Claims

36. Class Counsel also evaluated potential claims under Labor Code sections 96, 98.6, 210, 212–213, 221, 223, 226.3, 227.3, 232, 232.5, 245 *et seq.*, 432 *et seq.*, 558, 1102.5, 1174, 1174.5, 1182.12, 1197.1, 1197.5, 1198.5, 2810.3, 2810.5, 3366, 6401 *et seq.*, 6432, and 8397.4, as well as California Business and Professions Code sections 16600 *et seq.*, 16700 *et seq.*, and 17200 *et seq.*, California Government Code section 12952, and the applicable Industrial Welfare Commission Wage Order provisions. While that investigation did not identify evidence of systemic, classwide violations, because these statutory theories could plausibly have been asserted, the Settlement includes them to provide comprehensive finality as to all claims that were asserted or reasonably could have been asserted in this Action, without increasing the settlement consideration or reducing Class Members' recovery.

8. PAGA Penalties

37. There were approximately 9,214 pay periods and 322 Aggrieved Employees during the PAGA Period. Plaintiff's claims under PAGA are similar to the claims described above. PAGA provides for civil penalties for initial violations and higher penalties for subsequent violations. Defendant contends only initial-violation penalties apply. Thus, because Class Counsel's investigation and discovery did not establish that Defendant was ever previously cited or otherwise formally notified of violations of the Labor Code provisions alleged in the PAGA

Notice and claims, Class Counsel adjusted the PAGA exposure model to apply only initial-violation penalties. Class Counsel believes it is reasonable and appropriate to estimate Defendant's maximum potential exposure for PAGA penalties as follows:

38. Overtime Violations: Applying the initial-violation rate to all pay periods, and assuming a violation in every pay period during the PAGA Period, Class Counsel calculated a maximum potential exposure of $921,400 (9,214 pay periods × $100).

39. Minimum Wage Violations: Using the initial-violation rate, and assuming a violation in every pay period during the PAGA Period, Class Counsel calculated a maximum potential exposure of $921,400 (9,214 pay periods × $100).

40. Meal Period Violations: Using the initial-violation rate and assuming a violation in every pay period during the PAGA Period, Class Counsel calculated a maximum potential exposure of $921,400 (9,214 pay periods × $100).

41. Rest Period Violations: Using the initial-violation rate and assuming a violation in every pay period during the PAGA Period, Class Counsel calculated a maximum potential exposure of $921,400 (9,214 pay periods × $100).

42. Waiting Time Penalties: Defendant's data reflect that approximately 113 Aggrieved Employees separated during the PAGA Period. Class Counsel calculated a maximum potential exposure of $11,300 (113 Aggrieved Employees × $100).

43. Wage Statement Violations: Using the initial-violation rate and assuming a violation in every pay period during the PAGA Period, this amounts to a maximum exposure of $921,400 (9,214 pay periods × $100).

44. Failure to Reimburse Work Expenses: Using the initial-violation rate and assuming a violation in every pay period during the PAGA Period, this amounts to a maximum exposure of $921,400 (9,214 pay periods × $100).

45. Class Counsel also evaluated Labor Code §§ 96, 98.6, 98.7, 1102.5, 1174, 1174.5, 1198.5, 232, 232.5, 432 *et seq.*, 6401 *et seq.*, 6432, 3366, and 8397.4, and California Business and Professions Code sections 16600 *et seq.*, 16700 *et seq.*, and 17200 *et seq.*, as well as Government Code section 12952 and the applicable Wage Order provisions. That investigation did not identify

evidence supporting systemic, classwide violations warranting additional PAGA penalties beyond the theories addressed above. Nevertheless, because these statutory theories could have been asserted or further developed from the same factual nucleus, the Settlement includes them in the PAGA Release to provide comprehensive finality as to all PAGA civil-penalty claims that were asserted or reasonably could have been asserted based on the facts alleged in the Operative Complaint and/or PAGA Notice, without increasing the settlement consideration.

46. In sum, Class Counsel estimated a total maximum exposure for PAGA violations (assuming a 100% violation rate every pay period and no reduction of any penalties) to be $5,539,700.

47. Defendant contends that no PAGA penalties are likely to be awarded and, even if they were, the maximum exposure calculated is vastly overstated. Defendant argues that PAGA penalties cannot and should not be stacked. Second, Defendant asserts that individualized issues predominate the PAGA claims, making the claims unmanageable for trial. Third, Defendant denies that a violation for each pay period can be established. Fourth, Defendant contends that a Court is unlikely to award civil penalties under PAGA where, as here, there is no conduct shown by Plaintiff that would show any "knowing" or "intentional" misconduct.

48. Class Counsel maintain that it is possible to recover the subsequent-violation rate for penalties, that stacking is permissible, and that there is no manageability requirement under PAGA. Class Counsel believe a 90% discount of this claim to be reasonable, resulting in a valuation of $553,970 as a reasonable estimate of the likelihood of what Plaintiff may recover at trial for PAGA penalties ($5,539,700 × .10).[4]

MAXIMUM EXPOSURE

49. When including derivative penalties and discretionary PAGA penalties, Class Counsel theorized Defendant's maximum exposure to be approximately **$12,496,140.42**. In all,

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[4] The allocation of $25,000.00 to resolve the PAGA claims is fair and reasonable. PAGA penalties are discretionary, subject to reduction, and intended primarily to vindicate the State's interests rather than provide full compensatory relief. (*Moniz v. Adecco USA, Inc.* (2021) 72 Cal.App.5th 56, 77.) In light of risks of continued litigation, the relatively limited PAGA exposure, and the fact that Aggrieved Employees also recover through the class settlement, the agreed-upon allocation reflects a reasonable compromise that adequately serves PAGA's enforcement and deterrent purposes.

Class Counsel obtained a Gross Settlement Amount of **$1,225,000**, which is nearly 10% of Defendant's maximum exposure. In light of the obstacles to class certification, risks related to liability, issues with manageability at trial, the discretionary nature of PAGA penalties, and the case law regarding fair, reasonable, and adequate settlements, the Settlement is fair, reasonable, adequate, and in the best interest of Class Members.

The Proposed Attorneys' Fees and Costs are Reasonable

50. Class Counsel seek attorneys' fees of up to thirty-five percent (35%) of the Gross Settlement Amount, which would amount to $428,750.00. Class Counsel also seek reimbursement of costs not to exceed $25,000.00. The requested fees fall well within the historical range of attorney's fees awards under the common fund theory, which is generally from 25% to 50%. The requested fee is fair compensation for undertaking complex, risky, expensive and time-consuming litigation on a contingent fee basis.

51. Thus, the Court should preliminarily approve the requested attorneys' fees and costs, which are justified by the results achieved, the complexity of the issues, the difficulty of the case and the great risks undertaken by Class Counsel. The requested attorneys' fees will not be opposed by Defendant and are well within established guidelines.

The Requested Enhancement Award to the Class Representative Is Reasonable

52. Plaintiff is entitled to an enhanced award for her service as class representative, for answering extensive questions by Class Counsel, for being available and answering questions during mediation, for the risks in being the named plaintiff, and for providing Defendant with a more expansive release of claims, including a waiver based upon California Civil Code section 1542, in exchange for the enhancement award. Plaintiff risked intrusive discovery and the payment of employer costs. Class Counsel seek an enhancement of $7,500.00 to Plaintiff for her service.

53. In the experience of Class Counsel, the typical enhancement award in wage and hour class actions ranges from approximately $5,000.00 to $15,000.00, although some awards are higher. Thus, the extremely limited enhancement of $7,500.00 to Plaintiff, for her service, is reasonable.

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Conditional Certification for Settlement Purposes

1. Ascertainability

54. "Ascertainability" ensures it is possible to decide who will be bound by the judgment (*res judica* effect). The determination is made by examining the class definition and the size of the class. There is no difficulty ascertaining who is a Class Member based on the above-described definition, as it is readily apparent from Defendant's payroll records.

2. Numerosity

55. Based on payroll records produced by Defendant, the proposed Class includes at least 521 members, which is more than sufficient to satisfy the numerosity requirement.

3. Community of Interest

56. Class Members were employed by Defendant in non-exempt, hourly positions in California during the Class Period and were subject to the same policies and practices. The central questions—e.g., whether Defendant failed to pay all wages owed, failed to provide compliant meal and rest periods, and failed to pay required premiums—are common and predominate over any individualized issues. Because the claims are based on standard policies and practices applicable to all Class Members, their resolution will turn on common proof, establishing a strong community of interest supporting conditional certification for settlement purposes.

4. Typicality

57. Plaintiff's claims are typical because she, like all Class Members, was employed by Defendant in a non-exempt, hourly position and alleges injury arising from the same challenged practices.

5. Adequacy of Plaintiff

58. No conflicts exist between Plaintiff and the Class. Plaintiff alleges she was harmed by the same uniform employment practices challenged on behalf of the Class. Plaintiff's interests are therefore fully aligned with those of absent Class Members, and she has every incentive to vigorously prosecute the Action and maximize recovery for the Class as a whole.

6. Adequacy of Class Counsel

59. As set forth below, and in the accompanying declaration of Brian Zaghi, Class

Counsel in this matter consists of experienced class action attorneys, has been appointed as class counsel in other class actions, and has a successful "track record" in litigating class actions.

7. Superiority of Class

60. With at least 521 Class Members, a class action allows claims of many individuals to be resolved at the same time, eliminates the possibility of repetitious litigation and affords small claimants with a method of obtaining redress for claims which otherwise would be too insufficient to warrant individual litigation.

Class Counsel are Experienced Class Action Litigators

61. Class Counsel is an experienced class action attorney, has been appointed as class counsel in other class actions, and has a successful track record in litigating class actions.

62. I graduated with a Bachelor of Science degree from Indiana University in 2015.

63. I received my juris doctor from Michigan State University College of Law in 2019.

64. I was admitted to practice law in the State of California in December 2019 and have continuously practiced as a plaintiff-side attorney since that time.

65. For several years, I practiced at Clarkson Law Firm, P.C., a well-known plaintiff-side boutique with a national practice devoted to complex class action litigation. While at Clarkson, my practice focused almost exclusively on representing plaintiffs in class actions.

66. In that role, I managed and litigated a substantial caseload of class actions, participated in numerous mediations and high-stakes settlement negotiations, drafted and opposed dispositive and class-related motions—including motions for class certification, motions for summary judgment, and motions to dismiss—argued motions before state and federal courts, conducted written discovery, and took and defended both fact and expert depositions.

67. I also practiced as an attorney at Bibiyan Law Group, P.C. for over a year, where my practice was devoted exclusively to representing plaintiffs, with a primary focus on wage-and-hour class and representative actions. In that role, I litigated and managed dozens of wage-and-hour class actions at various procedural stages, including case evaluation, pleading, discovery, class certification, mediation, and settlement. I also managed a team of five (5) lawyers.

68. In August 2025, I co-founded Zaghi & Chrzan, LLP, a plaintiff-side litigation firm

dedicated to representing employees in complex disputes against employers, with a particular focus on wage and hour class and representative actions.

69. My firm has the experience, resources, and means necessary to allow us to provide adequate representation as Class Counsel to all class members in this litigation.

70. I have served as Class Counsel for numerous class actions filed in state and federal courts in California and have been appointed Class Counsel by the Superior Court of California in the past for purposes of certifying a class. In other cases, I have served in the capacity of Class Counsel throughout the litigation, including investigation, discovery, mediation, motion practice, and settlement stages. Examples of actions in which I have supervised, served as, or been appointed Class Counsel include, without limitation:

- *Garcia v. United Site Services of California, Inc.*, Case No. 2:23-CV-03019-MRA-SK, United States District Court for the Central District of California, Honorable Mónica Ramírez Almadani, presiding.
- *Brooks v. Atlas Disposal*, Case No. 25CV004770, California Superior Court, County of Sacramento, Honorable Lauri A. Damrell, presiding.
- *Hightree v. Amplify Ltd.*, Case No. 20CV01532, California Superior Court, County of Santa Barbara, Honorable Thomas P. Anderle, presiding.
- *Hezi, et al. v. Celsius Holdings Inc.,* Case No. 1:21-CV-9892-JHR, United States District Court for the Southern District of New York, Honorable Jennifer H. Rearden, presiding.
- *Chan v. Panera.*, Case No. 23STCV09024, California Superior Court, County of Los Angeles, Honorable William F. Highberger, presiding.
- *Arnett v. Traditions Health LLC., et al.*, Case No. CVRI2305219, Riverside Superior Court, Honorable Harold W. Hopp, presiding.
- *Easton v. Sunset Tower Management, LLC, et al.*, Case No. 22STCV34112, Los Angeles Superior Court, Honorable Laura A. Seigle, presiding.
- *Kim v. Barefoot Dreams, Inc., et al*., Case No. 23STCV03111, California Superior Court, County of Los Angeles, Honorable Judge Theresa M. Traber, presiding.

- *Rigsby v. Reyes Coca-Cola Bottling, LLC.*, Case No. 23CV010356, California Superior Court, County of Sacramento, Honorable Lauri A. Damrell, presiding.

71. Currently, my firm is acting as counsel in dozens of other wage and hour class actions and representative PAGA actions.

72. After a thorough investigation and settlement discussions, Class Counsel arrived at terms that they viewed was in the best interest of both the class members and the parties.

73. Should the Court refuse to grant preliminary approval of this Settlement, many of the Class Members may be denied any recourse for Defendant's alleged violations.

74. For these reasons, as well as the reasons provided in the declarations concurrently filed, Class Counsel are sufficiently experienced and qualified to evaluate the class members' claims and viability of Defendant's defenses.

75. As further set out in the declarations concurrently filed, the settlement presented here only resulted after having engaged in extensive informal and formal discovery and investigation, and is the product of extensive arm's-length negotiations.

76. I believe, based on my experience as class counsel, that the Settlement is fair, reasonable, adequate and in the best interests of class members.

77. The parties have agreed to use Phoenix Class Action Administration Solutions ("Phoenix"), an experienced Settlement Administrator, to administer the settlement.

78. Class Counsel have no interest in or conflict with the settlement administrator, Phoenix.

I declare under penalty of perjury under the laws of the state of California that the foregoing is true and correct this July 10, 2026, at Los Angeles, California.

/s/ *Zachary T. Chrzan*
Zachary T. Chrzan